26741 Portola Parkway, Ste. 1E-250
Foothill Ranch, CA 92610

March 3, 2008

Jennifer J. Johnson
Secretary
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Re: Public Comment on Proposed Changes to Regulation Z (Truth in Lending)

Dear Ms. Johnson:

I am writing in response to the Federal Reserve Board (the Fed) request for public comment on proposed changes to Regulation Z, which implements the Truth in Lending Act (TILA) and the Home Ownership and Equity Protection Act (HOEPA). Specifically, I have a suggestion for improving proposed 12 CFR § 226.35(b)(2)(i), which prohibits creditors (in higher-priced mortgage loan transactions subject to § 226.35(a)) from relying on amounts of assets or income unless the creditor verifies those amounts in specified ways. I urge the Fed to require creditors in such situations to utilize a quick and reliable income verification process using a tax return transcript (currently available through the Internal Revenue Service (IRS)), but only when provided by a disinterested independent provider. In the alternative, I suggest the Fed modify proposed § 226.35(b)(2)(i) to allow tax transcripts provided in this manner to satisfy the income verification provisions of that rule.

What is a Transcript?

A transcript of a consumer's tax return can be obtained under current IRS rules quickly and without burdening the consumer, mortgage originator or creditor. Upon receipt of a standard 4506-T form (which can be processed electronically), the IRS produces an accurate transcript or summary of the consumer's tax return information. The IRS processed 1.2 million such requests during the 2007 fiscal year, and a typical response time is within 24 hours. There is a small user fee of $4.50, and transcripts are almost always available (there are some exceptions, for example where a taxpayer has filed for an extension). Compared to tax returns, however, tax transcripts are equally accurate and much more efficient. A sample transcript is attached hereto as Exhibit A.

Both Congress and the Small Business Association (SBA) have recognized the reliability of the 4506-T process. In the Bankruptcy Reform Act of 2005, for example, Congress provided debtors the option of producing a transcript of their tax returns via a 4506-T form in lieu of providing their actual tax returns to the court. This was to provide consumers additional privacy protections as well as speed of service. Moreover, the SBA requires a 4506-T form for its loan applications, and it accepted tax return transcripts from victims of Hurricane Katrina as evidence

of ability to repay Home Disaster Loans, Business Physical Disaster Loans and Economic Injury Disaster Loans.

Why Provided by Independent Third Parties?

Transcripts add the greatest value when provided by disinterested, third-party providers because of the elimination of conflicts of interest inherent when the borrower, originator or creditor is the source of data used in the acceptance or underwriting process. As the Fed acknowledges in its request for public comment, some originators inflate income without consumers' knowledge, some originators encourage (tacitly or overtly) consumers to state inflated incomes, and sometimes, consumers state inflated incomes without the originator's knowledge. According to Comptroller of the Currency John Dugan, lenders simply accepted – without verifying – the stated income of borrowers in almost 50 percent of all subprime loans made in this country last year. A transcript produced by the IRS and provided by a third party with no interest in the loan is the best way to avoid each of these situations.

The negative impacts of misstated incomes within the lending process are, unfortunately, well known. Borrowers whose loans are based on overstated income are more likely to owe payments they cannot afford, and therefore face a higher risk of default, delinquency and foreclosure. Such results affect not only specific borrowers but also many other consumers – indeed whole communities. Another serious problem is consumers paying too much for loans. This occurs when consumers who could document their incomes are instead signed up for stated income loans, which cost more than full documentation loans. Requiring an independent third party to produce a tax transcript ensures that all parties have timely and efficient access to reliable data, thereby giving them the power to avoid these harms.

Minimizing Costs

The Fed's principal argument against the income verification provisions of the Proposed § 226.35(b)(2)(i) is the increased cost to creditors and consumers. Tax transcripts defeat this argument because they cost so little either in dollars or transaction time. In short, a tax transcript provided by a disinterested provider ensures all the benefits of credible income verification with an almost negligible cost in time or money.

Suggested Language for § 226.35(b)(2)

The best public policy would be a requirement for tax transcripts provided by disinterested third parties in all loans governed by HOEPA, including both first-lien and subordinate-lien loans. Such a requirement would provide significant protection against lending based on income inflation. Because of the great value and minimal cost of such a requirement, it is better policy to be over-inclusive than to risk being under-inclusive. Accordingly, the Fed should modify

proposed § 226.35(b)(2)(i) to require creditors who rely on a consumer's past income to obtain a tax transcript through a disinterested third party. (The creditor could still rely on other documents for expected income or assets.) I recommend the following language be substituted for proposed § 226.35(b)(2)(i):

> (2) *Verification of income and assets relied on.* (i) In approving an extension of credit, a creditor shall not rely on amounts of past income unless the creditor verifies such amounts by a transcript of the consumer's tax returns provided by an independent third party via a 4506-T request to the Internal Revenue Service. A creditor shall not rely on amounts of expected income or assets in approving an extension of credit unless the creditor verifies such amounts by payroll receipts, financial institution records, or other third-party documents that provide reasonably reliable evidence of the consumer's income or assets.

As an alternative, the Fed should at a minimum expressly allow tax transcripts provided by disinterested third parties as one of the verification methods listed for higher-priced mortgage loans. If the Fed chooses this option, I recommend the following language be added to § 226.35(b)(2)(i) (my proposed language is <u>underlined</u>):

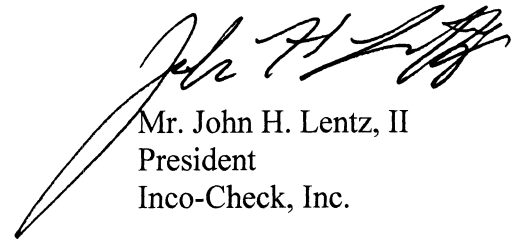
> (2) *Verification of income and assets relied on.* (i) A creditor shall not rely on amounts of income, including expected income, or assets in approving an extension of credit unless the creditor verifies such amounts by <u>a transcript of the consumer's tax returns provided by an independent third party via a 4506-T request to the Internal Revenue Service,</u> the consumer's Internal Revenue Service Form W-2, tax returns, payroll receipts, financial institution records, or other third-party documents that provide reasonably reliable evidence of the consumer's income or assets.

<u>Conclusion</u>

Tax transcripts provided by a disinterested third party provide the best way to maximize the benefits of income verification while minimizing its costs to nearly negligible. The Fed should modify proposed § 226.35(b)(2)(i) to require creditors who rely on past income to obtain a tax return transcript in this manner (but not mandate any underwriting standard). In the alternative, the Fed should modify that provision to allow tax transcripts provided in this manner to satisfy the income verification provisions of that rule. By doing so, the Fed would make it more difficult for originators and/or consumers to inflate incomes, thereby reducing the risk of foreclosure and of consumers being overcharged. And because the transcript process is cheap and fast, it would not add materially to the cost or time involved in closing a loan. In short, the same reasoning that led the Fed to propose the rule in the first place supports the use of tax transcripts.

Thank you for considering my suggestions for improving the mortgage lending process, and if I can be of any further assistance, please do not hesitate to contact me.

Sincerely,



Mr. John H. Lentz, II
President
Inco-Check, Inc.

Enclosure

Internal Revenue Service
United States Department of the Treasury

Request Date: 01-25-2008
Response Date: 01-25-2008
IRS Employee Number: QCXXX
Tracking Number: 10002293xxxx

This Product Contains Sensitive Taxpayer Data

Tax Return Transcript

SSN Provided: XXX-XX-XXXX
Tax Period Ending: Dec. 31, 2006

The following items reflect the amount as shown on the return (PR), and the amount as adjusted (PC), if applicable. They do not show subsequent activity on the account.

SSN:
XXX-XX-XXXX

SPOUSE SSN:

NAME(S) SHOWN ON RETURN: Sample Taxpayer

ADDRESS: 123 Main Street
Anywhere, USA 12345

FILING STATUS:	Single
FORM NUMBER:	1040
CYCLE POSTED:	20075108
RECEIVED DATE:	Dec.03, 2007
REMITTANCE:	0.00
EXEMPTION NUMBER:	1
DEPENDENT 1 NAME CTRL:	
DEPENDENT 1 SSN:	
DEPENDENT 2 NAME CTRL:	
DEPENDENT 2 SSN:	
DEPENDENT 3 NAME CTRL:	
DEPENDENT 3 SSN:	
DEPENDENT 4 NAME CTRL:	
DEPENDENT 4 SSN:	
PREPARER SSN:	P00-XX-XXXX
PREPARER EIN:	

Income

WAGES, SALARIES, TIPS, ETC:	$ 83,642.00
TAXABLE INTEREST INCOME: SCH B:	$ 0.00
TAX-EXEMPT INTEREST:	$ 0.00
ORDINARY DIVIDEND INCOME: SCH B:	$ 4.00

QUALIFIED DIVIDENDS:	$ 4.00
REFUNDS OF STATE/LOCAL TAXES:	$ 0.00
ALIMONY RECEIVED:	$ 0.00
BUSINESS INCOME OR LOSS (Schedule C):	$ 0.00
BUSINESS INCOME OR LOSS: SCH C PER COMPUTER:	$ 0.00
CAPITAL GAIN OR LOSS: (Schedule D):	$ -556.00
CAPITAL GAINS OR LOSS: SCH D PER COMPUTER:	$ -556.00
OTHER GAINS OR LOSSES (Form 4797):	$ 0.00
TOTAL IRA DISTRIBUTIONS:	$ 0.00
TAXABLE IRA DISTRIBUTIONS:	$ 0.00
TOTAL PENSIONS AND ANNUITIES:	$ 0.00
TAXABLE PENSION/ANNUITY AMOUNT:	$ 0.00
RENT/ROYALTY/PARTNERSHIP/ESTATE (Schedule E):	$ 24,560.00
RENT/ROYALTY/PARTNERSHIP/ESTATE (Schedule E) PER COMPUTER:	$ 24,560.00
RENT/ROYALTY INCOME/LOSS PER COMPUTER:	$ -14,117.00
ESTATE/TRUST INCOME/LOSS PER COMPUTER:	$ 0.00
PARTNERSHIP/S-CORP INCOME/LOSS PER COMPUTER:	$ 38,677.00
FARM INCOME OR LOSS (Schedule F):	$ 0.00
FARM INCOME OR LOSS (Schedule F) PER COMPUTER:	$ 0.00
UNEMPLOYMENT COMPENSATION:	$ 0.00
TOTAL SOCIAL SECURITY BENEFITS:	$ 0.00
TAXABLE SOCIAL SECURITY BENEFITS:	$ 0.00
TAXABLE SOCIAL SECURITY BENEFITS PER COMPUTER:	$ 0.00
OTHER INCOME:	$ 0.00
SCHEDULE EIC SE INCOME PER COMPUTER:	$ 0.00
SCHEDULE EIC EARNED INCOME PER COMPUTER:	$ 0.00
SCH EIC DISQUALIFIED INC COMPUTER:	$ 0.00
TOTAL INCOME:	$ 107,650.00
TOTAL INCOME PER COMPUTER:	$ 107,650.00

Adjustments to Income

EDUCATOR EXPENSES:	$ 0.00
EDUCATOR EXPENSES PER COMPUTER:	$ 0.00
RESERVIST AND OTHER BUSINESS EXPENSE:	$ 0.00
JURY DUTY PAY DEDUCTION:	$ 0.00
HEALTH SAVINGS ACCT DEDUCTION:	$ 0.00
HEALTH SAVINGS ACCT DEDUCTION PER COMPTR:	$ 0.00
MOVING EXPENSES: F3903:	$ 0.00
SELF EMPLOYMENT TAX DEDUCTION:	$ 0.00
SELF EMPLOYMENT TAX DEDUCTION PER COMPUTER:	$ 0.00
KEOGH/SEP CONTRIBUTION DEDUCTION:	$ 0.00
SELF-EMP HEALTH INS DEDUCTION:	$ 0.00
EARLY WITHDRAWAL OF SAVINGS PENALTY:	$ 0.00
ALIMONY PAID SSN:	

ALIMONY PAID:	$ 0.00
IRA DEDUCTION:	$ 0.00
IRA DEDUCTION PER COMPUTER:	$ 0.00
STUDENT LOAN INTEREST DEDUCTION:	$ 0.00
STUDENT LOAN INTEREST DEDUCTION PER COMPUTER:	$ 0.00
TUITION AND FEES DEDUCTION:	$ 0.00
TUITION AND FEES DEDUCTION PER COMPUTER:	$ 0.00
DOMESTIC PRODUCTION ACTIVITIES DEDUCTION:	$ 0.00
OTHER ADJUSTMENTS:	$ 0.00
ARCHER MSA DEDUCTION:	$ 0.00
ARCHER MSA DEDUCTION PER COMPUTER:	$ 0.00
TOTAL ADJUSTMENTS:	$ 0.00
TOTAL ADJUSTMENTS PER COMPUTER:	$ 0.00
ADJUSTED GROSS INCOME:	$ 107,650.00
ADJUSTED GROSS INCOME PER COMPUTER:	$ 107,650.00

Tax and Credits

65-OR-OVER:	0
BLIND:	0
SPOUSE 65-OR-OVER:	0
SPOUSE BLIND:	0
STANDARD DEDUCTION PER COMPUTER:	$ 0.00
ADDITIONAL STANDARD DEDUCTION PER COMPUTER:	$ 0.00
TAX TABLE INCOME PER COMPUTER:	$ 88,499.00
EXEMPTION AMOUNT PER COMPUTER:	$ 3,300.00
TAXABLE INCOME:	$ 85,199.00
TAXABLE INCOME PER COMPUTER:	$ 85,199.00
TOTAL POSITIVE INCOME PER COMPUTER:	$ 133,248.00
TENTATIVE TAX:	$ 18,181.00
TENTATIVE TAX PER COMPUTER:	$ 18,181.00
FORM 8814 ADDITIONAL TAX AMOUNT:	$ 0.00
TAX ON INCOME LESS SOC SEC INCOME PER COMPUTER:	$ 0.00
FORM 6251 ALTERNATIVE MINIMUM TAX:	$ 0.00
FORM 6251 ALTERNATIVE MINIMUM TAX PER COMPUTER:	$ 0.00
FOREIGN TAX CREDIT:	$ 0.00
FOREIGN TAX CREDIT PER COMPUTER:	$ 0.00
FOREIGN INCOME EXCLUSION PER COMPUTER:	$ 0.00
CHILD & DEPENDENT CARE CREDIT:	$ 0.00
CHILD & DEPENDENT CARE CREDIT PER COMPUTER:	$ 0.00
CREDIT FOR ELDERLY AND DISABLED:	$ 0.00
CREDIT FOR ELDERLY AND DISABLED PER COMPUTER:	$ 0.00
EDUCATION CREDIT:	$ 0.00
EDUCATION CREDIT PER COMPUTER:	$ 0.00
GROSS EDUCATION CREDIT PER COMPUTER:	$ 0.00

RETIREMENT SAVINGS CNTRB CREDIT:	$ 0.00
RETIREMENT SAVINGS CNTRB CREDIT PER COMPUTER:	$ 0.00
PRIM RET SAV CNTRB: F8880 LN6A:	$ 0.00
SEC RET SAV CNTRB: F8880 LN6B:	$ 0.00
TOTAL RETIREMENT SAVINGS CONTRIBUTION: F8880 CMPTR:	$ 0.00
RESIDENTIAL ENERGY CREDIT:	$ 0.00
RESIDENTIAL ENERGY CREDIT PER COMPUTER:	$ 0.00
CHILD TAX CREDIT:	$ 0.00
CHILD TAX CREDIT PER COMPUTER:	$ 0.00
F8396, F8859 and F8839 Credit:	$ 0.00
FORM 3800 GENERAL BUSINESS CREDITS:	$ 0.00
FORM 3800 GENERAL BUSINESS CREDITS PER COMPUTER:	$ 0.00
FORM 1040C CREDIT:	$ 0.00
PRIOR YR MIN TAX CREDIT: F8801:	$ 0.00
PRIOR YR MIN TAX CREDIT: F8801 PER COMPUTER:	$ 0.00
TENTATIVE EMPOWERMENT ZONE CREDIT: F8844:	$ 0.00
EMPOWERMENT ZONE CREDIT: F8844:	$ 0.00
OTHER CREDITS:	$ 0.00
TOTAL CREDITS:	$ 0.00
TOTAL CREDITS PER COMPUTER:	$ 0.00
INCOME TAX AFTER CREDITS PER COMPUTER:	$ 18,181.00

Other Taxes

SE TAX:	$ 0.00
SE TAX PER COMPUTER:	$ 0.00
SOCIAL SECURITY AND MEDICARE TAX ON UNREPORTED TIPS:	$ 0.00
SOCIAL SECURITY AND MEDICARE TAX ON UNREPORTED TIPS PER COMPUTER:	$ 0.00
TAX ON QUALIFIED PLANS F5329 (PR):	$ 0.00
TAX ON QUALIFIED PLANS F5329 PER COMPUTER:	$ 0.00
IRAF TAX PER COMPUTER:	$ 0.00
TP TAX FIGURES (REDUCED BY IRAF) PER COMPUTER:	$ 18,181.00
IMF TOTAL TAX (REDUCED BY IRAF) PER COMPUTER:	$ 18,181.00
ADVANCED EARNED INCOME:	$ 0.00
UNPAID FICA ON REPORTED TIPS:	$ 0.00
FORM 4970 ACCUMULATED DISTRIBUTION OF TRUSTS:	$ 0.00
RECAPTURE TAX: F8611:	$ 0.00
HOUSEHOLD EMPLOYMENT TAXES:	$ 0.00
HOUSEHOLD EMPLOYMENT TAXES PER COMPUTER:	$ 0.00
RECAPTURE TAXES:	$ 0.00
TOTAL ASSESSMENT PER COMPUTER:	$ 18,181.00
TOTAL TAX LIABILITY TP FIGURES:	$ 18,181.00
TOTAL TAX LIABILITY TP FIGURES PER COMPUTER:	$ 18,181.00

Payments

FEDERAL INCOME TAX WITHHELD:	$ 18,495.00
ESTIMATED TAX PAYMENTS:	$ 0.00
EARNED INCOME CREDIT:	$ 0.00
EARNED INCOME CREDIT PER COMPUTER:	$ 0.00
NONTAXABLE COMBAT PAY ELECTION:	$ 0.00
FORM 8812 NONTAXABLE COMBAT PAY:	$ 0.00
EXCESS SOCIAL SECURITY & RRTA TAX WITHHELD:	$ 0.00
TOT SS/MEDICARE WITHHELD: F8812:	$ 0.00
FORM 8812 ADDITIONAL CHILD TAX CREDIT:	$ 0.00
FORM 8812 ADDITIONAL CHILD TAX CREDIT PER COMPUTER:	$ 0.00
FORM 8812 ADDITIONAL CHILD TAX CREDIT VERIFIED:	$ 0.00
AMOUNT PAID WITH FORM 4868:	$ 0.00
FORM 2439 REGULATED INVESTMENT COMPANY CREDIT:	$ 0.00
FORM 4136 CREDIT FOR FEDERAL TAX ON FUELS:	$ 0.00
FORM 4136 CREDIT FOR FEDERAL TAX ON FUELS PER COMPUTER:	$ 0.00
HEALTH COVERAGE TX CR: F8885:	$ 0.00
FEDERAL PHONE EXCISE TAX CREDIT PER COMPUTER:	$ 30.00
FORM 8913 PHONE EXCISE TAX PER COMPUTER:	$ 0.00
FEDERAL PHONE EXCISE TAX CREDIT AMOUNT:	$ 30.00
FEDERAL PHONE EXCISE TAX CREDIT VERIFIED AMOUNT:	$ 0.00
TOTAL PAYMENTS:	$ 18,525.00
TOTAL PAYMENTS PER COMPUTER:	$ 18,525.00

Refund or Amount Owed

REFUND AMOUNT:	$ -344.00
APPLIED TO NEXT YEAR'S ESTIMATED TAX:	$ 0.00
ESTIMATED TAX PENALTY:	$ 0.00
TAX ON INCOME LESS STATE REFUND PER COMPUTER:	$ 0.00
BAL DUE/OVER PYMT USING TP FIG PER COMPUTER:	$ -344.00
BAL DUE/OVER PYMT USING COMPUTER FIGURES:	$ -344.00
FORM 8888 TOTAL DEPOSIT PER COMPUTER:	$ 0.00

Third Party Designee

THIRD PARTY DESIGNEE ID NUMBER:	
AUTHORIZATION INDICATOR:	1
THIRD PARTY DESIGNEE NAME:	

Itemized Deductions

MEDICAL/DENTAL

MEDICAL AND DENTAL EXPENSES:	$ 0.00
AGI PERCENTAGE LIMITATION PER COMPUTER:	$ 8,073.00
NET MEDICAL DEDUCTION:	$ 0.00
NET MEDICAL DEDUCTION PER COMPUTER:	$ 0.00

TAXES PAID

STATE AND LOCAL INCOME TAXES:	$ 1,106.00
INCOME TAX OR GENERAL SALES TAX:	General Sales Tax
REAL ESTATE TAXES:	$ 4,019.00
SCH A TAX DEDUCTIONS:	$ 5,125.00

INTEREST PAID

MORTGAGE INTEREST (FINANCIAL):	$ 13,033.00
MORTGAGE INTEREST (INDIVIDUAL):	$ 0.00
DEDUCTIBLE POINTS:	$ 0.00
DEDUCTIBLE INVESTMENT INTEREST:	$ 0.00
TOTAL INTEREST DEDUCTION:	$ 13,033.00
TOTAL INTEREST DEDUCTION PER COMPUTER:	$ 13,033.00

CHARITABLE CONTRIBUTIONS

CASH CONTRIBUTIONS:	$ 993.00
OTHER THAN CASH: Form 8283:	$ 0.00
CARRYOVER FROM PRIOR YEAR:	$ 0.00
SCH A TOTAL CONTRIBUTIONS:	$ 993.00
SCH A TOTAL CONTRIBUTIONS PER COMPUTER:	$ 993.00

CASUALTY AND THEFT LOSS

CASUALTY OR THEFT LOSS:	$ 0.00

JOBS AND MISCELLANEOUS

TOTAL LIMITED MISC EXPENSES:	$ 285.00
NET LIMITED MISC DEDUCTION:	$ 0.00
NET LIMITED MISC DEDUCTION PER COMPUTER:	$ 0.00

OTHER MISCELLANEOUS

OTHER THAN GAMBLING AMOUNT:	$ 0.00
OTHER MISC DEDUCTIONS:	$ 0.00

TOTAL ITEMIZED DEDUCTIONS

TOTAL ITEMIZED DEDUCTIONS:	$ 19,151.00
TOTAL ITEMIZED DEDUCTIONS PER COMPUTER:	$ 19,151.00
ELECT ITEMIZED DEDUCTION INDICATOR:	
SCH A ITEMIZED PERCENTAGE PER COMPUTER:	$ 0.00
OTHER TAXES AMOUNT:	$ 0.00
UNREIMBURSED EMPLOYEE EXPENSE AMOUNT:	$ 285.00

Schedule D--Capital Gains and Losses

SHORT TERM CAPITAL GAINS AND LOSSES

TOTAL SHORT TERM-SALES PRICE:	$ 0.00
NET SHORT-TERM GAIN/LOSS:	$ 0.00

LONG TERM CAPITAL GAINS AND LOSSES

TOTAL LONG-TERM SALES PRICE:	$ 1,401.00
CAPITAL GAIN DISTRIBUTIONS (PR):	$ 0.00

NET LONG-TERM GAIN/LOSS:	$ -556.00

TAX COMPUTATION USING MAXIMUM CAPITAL GAINS RATES

28% RATE GAIN:	$ 0.00
UNRECAPTURED SECT: 1250 GAIN:	$ 0.00
SCH D 5% TAX CMPTR:	$ 0.00
SCH D 15% TAX CMPTR:	$ 0.60
CAPITAL GAINS LESS INVEST INCOME PER COMPUTER:	$ 0.00
CAP GAINS TENTATIVE AMT PER COMPUTER (1):	$ 4.00
CAP GAINS TAX AMT PER COMPUTER (1):	$ 18,181.00
CAP GAINS TENTATIVE AMT PER COMPUTER (2):	$ 0.00
CAP GAINS TAX AMT PER COMPUTER (5):	$ 0.00
CAP GAINS TAX AMT PER COMPUTER (6):	$ 0.00
SCHEDULE D TAX PER COMPUTER:	$ 18,181.60

Schedule E--Supplemental Income and Loss

INCOME OR LOSS FROM RENTAL REAL ESTATE AND ROYALTIES

PRSNL USE OF RENTAL VAC PROP:	2
TOTAL RENTS RECEIVED:	$ 82,094.00
TOTAL ROYALTIES RECEIVED:	$ 0.00
MORTGAGE INTEREST PAID:	$ 29,161.00
TOTAL RENTAL EXPENSE DEDUCTION:	$ 81,193.00
RENTAL DEPRECIATION EXP OR DEPLETION:	$ 33,101.00
RENT & ROYALTY INCOME:	$ 5,468.00
RENT & ROYALTY LOSSES:	$ 19,585.00
REPAIRS EXPENSE COLUMN A:	$ 3,022.00
REPAIRS EXPENSE COLUMN B:	$ 365.00
REPAIRS EXPENSE COLUMN C:	$ 8,698.00

INCOME OR LOSS FROM PARTNERSHIPS AND S CORPS

PRTSHP/CORP PASSIVE INCOME:	$ 0.00
PRTSHP/CORP NONPASSIVE INCOME:	$ 44,134.00
PRTSHP/CORP PASSIVE LOSS:	$ 0.00
PRTSHP/CORP NONPASSIVE LOSS:	$ 0.00
PARTNERSHIP INCOME:	$ 44,134.00
PARTNERSHIP LOSS:	$ 5,457.00

INCOME OR LOSS FROM ESTATES AND TRUSTS

ESTATE/TRUST PASSIVE INCOME:	$ 0.00
ESTATE/TRUST PASSIVE LOSS:	$ 0.00
ESTATE AND TRUST INCOME:	$ 0.00
ESTATE AND TRUST LOSS:	$ 0.00
PASSIVE LOSS NOT REPORTED ON F8582:	2
SCH K1 ES PAYMENT INDICATOR:	N

INCOME OR LOSS FROM REAL ESTATE MORTGAGE INVESTMENT CONDUITS

REAL ESTATE MORTGAGE INCOME/LOSS:	$ 0.00

SUMMARY

NET FARM RENT INCOME/LOSS:	$ 0.00
GROSS FARMING & FISHING INCOME:	$ 0.00

Form 8863 - Education Credits (Hope and Lifetime Learning Credits)

PART III - ALLOWABLE EDUCATION CREDITS

GROSS EDUCATION CR PER COMPUTER:	$ 0.00
TOTAL EDUCATION CREDIT AMOUNT:	$ 0.00
TOTAL EDUCATION CREDIT AMOUNT PER COMPUTER:	$ 0.00

This Product Contains Sensitive Taxpayer Data