

PA SCHEDULE E
Rents and Royalty
Income (Loss)
PA-40 Schedule E (09-05)
2005

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If you need more space, you may photocopy.

Name shown first on the PA-40 (even if filing jointly) Social Security Number (shown first)

See the instructions. Report the income and expenses for the use of your personal property by others. Also, report the income you received for the extraction of oil, gas, and other minerals from your property, and the use of your patents and copyrights. Note: If you are in the business of renting your property, extracting minerals from your property, or producing products from your patents and copyrights - use PA Schedule C.

Part A. Property Description:

Show the address and kind of each rental real estate property, and/or each source of royalty income.

Table with columns: Kind of Property, For Profit Property (YES/NO), Address. Rows A, B, C.

Part B. Identify the property from Part A and indicate if the owner is the taxpayer (T = the name shown first on the PA-40) or the spouse (S) or if jointly owned (J) Important: Spouses may not offset income and losses.

Table with columns: Income, Property A (T/S/J), Property B (T/S/J), Property C (T/S/J). Rows 1. Rent received, 2. Royalties received.

Expenses

Table with columns: Expense description, Property A, Property B, Property C. Rows 3. Advertising, 4. Automobile and travel, 5. Cleaning and maintenance, 6. Commissions, 7. Insurance, 8. Legal and professional fees, 9. Management fees, 10. Mortgage interest, 11. Other interest, 12. Repairs, 13. Supplies, 14. Taxes - not based on net income, 15. Utilities, 16. Depreciation expense.

Important: PA law does not permit any federal bonus depreciation. PA law limits the IRC Section 179 expensing to \$25,000. See the instructions.

Table with columns: Expense description, Property A, Property B, Property C. Rows 17. Other expenses (itemize), 18. Total Expenses - Add Lines 3 through 17.

Income or Loss

Table with columns: Income or Loss description, Property A, Property B, Property C. Rows 19. Income - Subtract Line 18 from Line 1 or 2, 20. Loss - Subtract Line 1 or 2 from Line 18, 21. Net Income or Loss, 22. Rent or royalty income (loss) from PA S corporation(s), and partnerships from your PA Schedule(s) RK-1 or NRK-1, 23. Net Rent and Royalty Income (Loss).