

Part I allows you to track the type of income that will be used in qualifying the borrower(s).

Part II identifies the documentation requirements.

Part I – Qualifying Income Types	
Determine required tax forms/schedules	
1) Commissioned Borrower: See Part II, Section 1	
2) Sole Proprietor: See Part II, Section 2	
3) Capital Gains and Losses: See Part II, Section 3	
4) Rental Income and Royalties: See Part II, Section 4	
5) Farm Income: See Part II, Section 5	
6) Partnership: See Part II, Section 6	
7) S Corporation: See Part II, Section 7	
8) Corporation: See Part II, Section 8	
Part II – Documentation Requirements	
Section 1: Commissioned Employee	Completed
1) 2 years complete 1040's (filed with the IRS and original borrower(s) signatures): with 2106 Employee Business Expense	
Section 2: Sole Proprietorship	
1) 2 years complete 1040's (filed with the IRS and original borrower(s) signatures): with Schedule C	
2) YTD Profit & Loss (audited if the income is declining)	
Section 3: Capital Gains and Losses	
1) 2 years complete 1040's (filed with the IRS and original borrower(s) signatures): with Schedule D	
Section 4: Rental Income, Royalties, Estates, Trusts, REMICs	
1) 2 years complete 1040's (filed with the IRS and original borrower(s) signatures): with Schedule E	
Section 5: Farm Income	
1) 2 years complete 1040's (filed with the IRS and original borrower(s) signatures): with Schedule F	
Section 6: Partnership	
1) 2 years complete 1040's (filed with the IRS and original borrower(s) signatures): with Schedule E	
2) 2 years complete 1065's (filed with the IRS and original borrower(s) signatures): with Schedule 4562	
3) 2 years complete K-1's (filed with the IRS and original borrower(s) signatures)	
4) YTD Profit & Loss (audited if the income is declining)	
Section 7: S-Corp	
1) 2 years complete 1040's (filed with the IRS and original borrower(s) signatures): with Schedule E	
2) 2 years complete 1120's (filed with the IRS and original borrower(s) signatures): with Schedule 4562	
3) 2 years complete K-1's (filed with the IRS and original borrower(s) signatures)	
4) YTD Profit & Loss (audited if the income is declining)	
Section 8: Corporation	
1) 2 years complete 1040's (filed with the IRS and original borrower(s) signatures)	
2) 2 years complete 1120's (filed with the IRS and original borrower(s) signatures): with Schedule 4562	
3) YTD Profit & Loss (audited if the income is declining)	