

# ST20-06 Rent or Royalties on 1099-MISC or Cash Rent From Individual

## OUT OF SCOPE IF:

- Rent other than land or gas/oil lease
- There are any expenses associated with this income
- Rent is for residential property (room in home, apartment, over garage, separate building, for profit, not for profit, Airbnb, etc.)
  - o Rental of your main home for less than 15 days during the year is not a taxable event. See NTTC Modified 4012-page D-50 for more information.
- Income relates to a Qualified Joint Venture
- Income is from a state (other than NJ) which requires a state return to be filed if there is income from that state (e.g. NY, CA)

## Rent Income

- Rent income is in-scope if
  - o Land OR gas/oil lease and
  - o Reported on a Form 1099-MISC or
  - o Received from individual and not reported on 1099-MISC
- No Expenses EXCEPT property tax
  - o Report on Schedule A
- Rent reported on a K-1 – OUT OF SCOPE
- TSO Entry
  - o Select 1099-MISC by entering form number in search box OR clicking through Federal Income
  - o Complete 1099-Misc with amount in box 1
  - o TaxSlayer will prompt Schedule E when 1099-MISC is completed

**Where would you like to add the income?**

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[+ Create a New Schedule E Rent and Royalty](#)

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- o If no 1099-MISC add Sch E by entering form number in the search box or clicking through Federal Income.
- o Schedule E Required Information – Check here box should not be checked. OUT OF SCOPE if TP filed form 1099s.

**Schedule E Required Information**

Check here if you made any payments in 2019 that would require you to file Form(s) 1099.

# ST20-06 Rent or Royalties on 1099-MISC or Cash Rent From Individual

Complete The Schedule

## Schedule E Rent and Royalty Information

CANCEL

CONTINUE

Form belongs to \*

RENT RENTER

MRS RENTER

Both

Type \*

--Select--

Select "Land" from the drop box.

Description \*

Check here if foreign address

Address (number and street) \*

ZIP code \*

City, town, or post office \*

State \*

- Please Select -

Check if personal use

# ST20-06 Rent or Royalties on 1099-MISC or Cash Rent From Individual



TaxSlayer Navigation: Income>Rents and Royalties; or Keyword "SC"

Volunteers must certify at Military level to prepare Schedule E for rental income. Rental income and expenses are in-scope only for military families renting their personal residences.

Check the box if the taxpayer had any days of personal use while the property was available for rent. Enter the number of days here.

Enter the total rental payments received for the tax year.

Enter number of days rented at fair rental value. If the property is temporarily rented for less than 15 days during the tax year, the rental income is not taxable and the expenses are not deductible on a Schedule E.

Check here if the taxpayer actively participated. A rental loss will not appear on Form 1040, unless the taxpayer actively participated. In order to actively participate, the taxpayer must have substantial involvement in managing the rental property, such as making management decisions and arranging for repairs.

Use Schedule E to report rental income only when the taxpayer is not a real estate professional (determination of professional status is Out of Scope). Refer taxpayers who are real estate professionals to a professional tax preparer.

Check if personal use

Percent of ownership \*

100

Rental Payments Received (including rental income reported on Form 1099-K)

\$

Enter the number of days the property was rented at fair rental value

Enter the number of days the property was used for personal purposes  
If the property has personal use days, you may need to manually limit certain deductions if the property has a net loss. See IRS Publication 527 for more details.

Check here if you are a member of a Qualified Joint Venture

Check if you actively participated

Check here if you are a real estate professional or sold or disposed of the property this year  
(This will allow ALL losses).

CANCEL CONTINUE

Enter rent not on  
1099 MISC

- Depreciation, expenses and Car and Truck Expenses are OUT OF SCOPE

# ST20-06 Rent or Royalties on 1099-MISC or Cash Rent From Individual

## Royalty Income

- Royalties from a gas/oil lease or similar are In-Scope if reported on K-1 or 1099-MISC (Sch E)
- Royalty from own personal services is business income on Sch C (such as author's or entertainer's royalty). Enter Royalty amount in box 7 in order to get it to Sch C.
- Royalties reported on a K-1 are entered directly into the TSO K-1
- TSO Entry Royalties reported on a 1099-MISC
  - Select 1099-MISC by entering form number in search box clicking through Federal Income
  - Complete 1099-Misc with amount in box 2 if royalty from gas/oil lease or similar
  - TaxSlayer will prompt Schedule E when 1099-MISC is completed

Where would you like to add the income?

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[+ Create a New Schedule E Rent and Royalty](#)

- If no 1099-MISC add Sch E by entering form number in the search box OR clicking through Federal Income
- Schedule E Required Information – Check here box should not be checked. OUT of Scope if TP filed form 1099s

Schedule E Required Information

Check here if you made any payments in 2019 that would require you to file Form(s) 1099.

Complete Schedule E as described above.

- Type from dropdown = Royalties
- Royalty amount will be transferred from the 1099-MISC
- Enter Royalty directly if no 1099-MISC

Rents and Royalties entered on Sch E will transfer to 1040 Schedule 1 line 5