

Form **1040** Department of the Treasury—Internal Revenue Service (99) **U.S. Individual Income Tax Return**

2012

OMB No. 1545-0074

IRS Use Only—Do not write or staple in this space.

For the year Jan. 1–Dec. 31, 2012, or other tax year beginning

, 2012, ending

, 20

See separate instructions.

Your first name and initial

MICHAEL R

Last name

PENCE

Your social security number

If a joint return, spouse's first name and initial

KAREN S

Last name

PENCE

Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions.

Apt. no.

▲ Make sure the SSN(s) above and on line 6c are correct.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions).

INDIANAPOLIS

IN

46208

Foreign country name

Foreign province/state/county

Foreign postal code

Presidential Election Campaign

Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.

☐ You ☐ Spouse**Filing Status**

- 1 ☐ Single
- 2 ☒ Married filing jointly (even if only one had income)
- 3 ☐ Married filing separately. Enter spouse's SSN above and full name here. ▶

- 4 ☐ Head of household (with qualifying person). (See instructions.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶
- 5 ☐ Qualifying widow(er) with dependent child

Check only one box:

Exemptions

- 6a ☒ Yourself. If someone can claim you as a dependent, do not check box 6a
- b ☒ Spouse
- c Dependents:

Boxes checked on 6a and 6b **2**

No. of children on 6c who:

• lived with you **3**

• did not live with you due to divorce or separation (see instructions)

Dependents on 6c not entered above

Add numbers on lines above **5**If more than four dependents, see instructions and check here ☐

(1) First name	Last name	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> If child under age 17 qual. for child tax credit (see instr.)
MICHAEL J	PENCE		Son	
CHARLOTTE	PENCE		Daughter	
AUDREY A	PENCE		Daughter	

d Total number of exemptions claimed

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see instructions.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

- 7 Wages, salaries, tips, etc. Attach Form(s) W-2
- 8a Taxable interest. Attach Schedule B if required
- b Tax-exempt interest. Do not include on line 8a
- 8b
- 9a Ordinary dividends. Attach Schedule B if required
- b Qualified dividends
- 9b
- 10 Taxable refunds, credits, or offsets of state and local income taxes
- 11 Alimony received
- 12 Business income or (loss). Attach Schedule C or C-EZ
- 13 Capital gain or (loss). Attach Schedule D if required. If not required, check here ☐
- 14 Other gains or (losses). Attach Form 4797
- 15a IRA distributions
- 15a
- 16a Pensions and annuities
- 16a
- 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E
- 18 Farm income or (loss). Attach Schedule F
- 19 Unemployment compensation
- 20a Social security benefits
- 20a
- b Taxable amount
- 21 Other income. List type and amount **See Statement 1**
- 22 Combine the amounts in the far right column for lines 7 through 21. This is your **total income** ▶

7	164,963
8a	
9a	
10	3,351
11	
12	-805
13	-1,536
14	
15b	
16b	
17	
18	
19	
20b	
21	1,501
22	167,474

Adjusted Gross Income

- 23 Educator expenses
- 24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ
- 25 Health savings account deduction. Attach Form 8889
- 26 Moving expenses. Attach Form 3903
- 27 Deductible part of self-employment tax. Attach Schedule SE
- 28 Self-employed SEP, SIMPLE, and qualified plans
- 29 Self-employed health insurance deduction
- 30 Penalty on early withdrawal of savings
- 31a Alimony paid b Recipient's SSN ▶
- 32 IRA deduction
- 33 Student loan interest deduction
- 34 Tuition and fees. Attach Form 8917
- 35 Domestic production activities deduction. Attach Form 8903
- 36 Add lines 23 through 35
- 37 Subtract line 36 from line 22. This is your **adjusted gross income** ▶

23	
24	
25	
26	
27	
28	
29	
30	
31a	
32	
33	
34	
35	
36	
37	167,474

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see separate instructions.

Form **1040** (2012)

Tax and Credits

38 Amount from line 37 (adjusted gross income) 38 167,474

39a Check ☐ You were born before January 2, 1948, ☐ Blind. Total boxes checked ☐ 39a
if: ☐ Spouse was born before January 2, 1948, ☐ Blind. 39b ☐b If your spouse itemizes on a separate return or you were a dual-status alien, check here ☐

Standard Deduction for—

• People who check any box on line 39a or 39b or who can be claimed as a dependent, see instructions.

• All others:
Single or Married filing separately, \$5,950

Married filing jointly or Qualifying widow(er), \$11,900

Head of household, \$8,700

40 Itemized deductions (from Schedule A) or your standard deduction (see left margin) 40 50,047

41 Subtract line 40 from line 38 41 117,427

42 Exemptions. Multiply \$3,800 by the number on line 6d 42 19,000

43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0- 43 98,427

44 Tax (see instr.). Check if any from: a ☐ Form 8814 b ☐ Form 982 elec. 44 16,666

45 Alternative minimum tax (see instructions). Attach Form 6251 45

46 Add lines 44 and 45 46 16,666

47 Foreign tax credit. Attach Form 1116 if required 47

48 Credit for child and dependent care expenses. Attach Form 2441 48

49 Education credits from Form 8863, line 19 49 1,878

50 Retirement savings contributions credit. Attach Form 8880 50

51 Child tax credit. Attach Schedule 8812, if required 51

52 Residential energy credits. Attach Form 5695 52

53 Other credits from Form: a ☐ 3800 b ☐ 8801 c ☐ 53

54 Add lines 47 through 53. These are your total credits 54 1,878

55 Subtract line 54 from line 46. If line 54 is more than line 46, enter -0- 55 14,788

Other Taxes

56 Self-employment tax. Attach Schedule SE 56

57 Unreported social security and Medicare tax from Form: a ☐ 4137 b ☐ 8919 57

58 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required 58 50

59a Household employment taxes from Schedule H 59a

b First-time homebuyer credit repayment. Attach Form 5405 if required 59b

60 Other taxes. Enter code(s) from instructions 60

61 Add lines 55 through 60. This is your total tax 61 14,838

Payments

If you have a qualifying child, attach Schedule EIC.

62 Federal income tax withheld from Forms W-2 and 1099 62 21,079

63 2012 estimated tax payments and amount applied from 2011 return 63

64a Earned Income credit (EIC) 64a

b Nontaxable combat pay election 64b

65 Additional child tax credit. Attach Schedule 8812 65

66 American opportunity credit from Form 8863, line 8 66 1,252

67 Reserved 67

68 Amount paid with request for extension to file 68

69 Excess social security and tier 1 RRTA tax withheld 69

70 Credit for federal tax on fuels. Attach Form 4136 70

71 Credits from Form: a ☐ 2439 b ☒ Reserved c ☐ 8801 d ☐ 8865 71

72 Add lines 62, 63, 64a, and 65 through 71. These are your total payments 72 22,331

Refund

73 If line 72 is more than line 61, subtract line 61 from line 72. This is the amount you overpaid 73 7,493

74a Amount of line 73 you want refunded to you. If Form 8888 is attached, check here ☐ 74a 7,493b Routing number ☒ Checking ☐ Savings

d Account number

75 Amount of line 73 you want applied to your 2013 estimated tax 75

Amount You Owe

76 Amount you owe. Subtract line 72 from line 61. For details on how to pay, see instructions 76

77 Estimated tax penalty (see instructions) 77

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see instructions)? ☒ Yes. Complete below. ☐ No

Designee's name

STEPHEN REED

Personal identification number (PIN)

Phone no.

317-549-3091

Sign Here

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature

Date 3/21/13

Your occupation

GOVERNOR

Daytime phone number

Spouse's signature. If a joint return, both must sign.

Date 3/21/13

Spouse's occupation

TEACHER

If the IRS sent you an Identity Protection PIN, enter it here (see instr.)

Print/Type preparer's name

Preparer's signature

Date

03/21/13

Check ☐ if self-employed

PTIN

Paid

STEPHEN REED

Preparer

Firm's name Cadick Williams McAllister Ford LLC

Firm's EIN

Use Only

Firm's address 2905 East 46th Street
Indianapolis

IN 46205-2408

Phone no.

317-549-3091

SCHEDULE C
(Form 1040)**Profit or Loss From Business**

(Sole Proprietorship)

OMB No. 1545-0074

2012Attachment
Sequence No. **09**Department of the Treasury
Internal Revenue Service (99)▶ For information on Schedule C and its instructions, go to www.irs.gov/schedulec.
▶ Attach to Form 1040, 1040NR, or 1041; partnerships generally must file Form 1065.

Name of proprietor

KAREN S PENCE

Social security number (SSN)

[REDACTED]

A Principal business or profession, including product or service (see instructions)

WATERCOLOR ARTIST

B Enter code from instructions

▶ 541920

C Business name. If no separate business name, leave blank.

KAREN PENCE

D Employer ID number (EIN), (see instr.)**E** Business address (including suite or room no.) ▶

City, town or post office, state, and ZIP code

IN

F Accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶**G** Did you "materially participate" in the operation of this business during 2012? If "No," see instructions for limit on losses☒ Yes ☐ No**H** If you started or acquired this business during 2012, check here☐ Yes ☒ No**I** Did you make any payments in 2012 that would require you to file Form(s) 1099? (see instructions)☐ Yes ☒ No**J** If "Yes," did you or will you file all required Forms 1099?☐ Yes ☒ No**Part I Income**

1	Gross receipts or sales. See instructions for line 1 and check the box if this income was reported to you on Form W-2 and the "Statutory employee" box on that form was checked	<input type="checkbox"/>	1	395
2	Returns and allowances (see instructions)		2	
3	Subtract line 2 from line 1		3	395
4	Cost of goods sold (from line 42)		4	
5	Gross profit. Subtract line 4 from line 3		5	395
6	Other income, including federal and state gasoline or fuel tax credit or refund (see instructions)		6	
7	Gross income. Add lines 5 and 6		7	395

Part II Expenses

Enter expenses for business use of your home only on line 30.

8	Advertising	8		18	Office expense (see instructions)	18	
9	Car and truck expenses (see instructions)	9		19	Pension and profit-sharing plans	19	
10	Commissions and fees	10		20	Rent or lease (see instructions):		
11	Contract labor (see instructions)	11		a	Vehicles, machinery, and equipment	20a	
12	Depletion	12		b	Other business property	20b	
13	Depreciation and section 179 expense deduction (not included in Part III) (see instructions)	13		21	Repairs and maintenance	21	
14	Employee benefit programs (other than on line 19)	14		22	Supplies (not included in Part III)	22	85
15	Insurance (other than health)	15		23	Taxes and licenses	23	
16	Interest:			24	Travel, meals, and entertainment:		
a	Mortgage (paid to banks, etc.)	16a		a	Travel	24a	
b	Other	16b		b	Deductible meals and entertainment (see instructions)	24b	
17	Legal and professional services	17	840	25	Utilities	25	
				26	Wages (less employment credits)	26	
				27a	Other expenses (from line 48)	27a	275
				b	Reserved for future use	27b	
28	Total expenses before expenses for business use of home. Add lines 8 through 27a	28		28		28	1,200
29	Tentative profit or (loss). Subtract line 28 from line 7	29		29		29	-805
30	Expenses for business use of your home. Attach Form 8829. Do not report such expenses elsewhere	30		30		30	
31	Net profit or (loss). Subtract line 30 from line 29.	31		31		31	-805
	• If a profit, enter on both Form 1040, line 12 (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see instructions). Estates and trusts, enter on Form 1041, line 3.						
	• If a loss, you must go to line 32.						
32	If you have a loss, check the box that describes your investment in this activity (see instructions).			32a	<input checked="" type="checkbox"/> All investment is at risk.		
	• If you checked 32a, enter the loss on both Form 1040, line 12, (or Form 1040NR, line 13) and on Schedule SE, line 2. (If you checked the box on line 1, see the line 31 instructions). Estates and trusts, enter on Form 1041, line 3.			32b	<input type="checkbox"/> Some investment is not at risk.		
	• If you checked 32b, you must attach Form 6198. Your loss may be limited.						

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule C (Form 1040) 2012

SCHEDULE A
(Form 1040)**Itemized Deductions**

OMB No. 1545-0074

2012Attachment
Sequence No. **07**Department of the Treasury
Internal Revenue Service

(99)

▶ Information about Schedule A and its separate instructions is at www.irs.gov/form1040.

▶ Attach to Form 1040.

Name(s) shown on Form 1040

MICHAEL R & KAREN S PENCE

Your social security number

Medical and Dental Expenses	Caution. Do not include expenses reimbursed or paid by others.		
1	Medical and dental expenses (see instructions)	1	431
2	Enter amount from Form 1040, line 38	2	167,474
3	Multiply line 2 by 7.5% (.075)	3	12,561
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4	0
Taxes You Paid	5 State and local (check only one box):		
a	<input checked="" type="checkbox"/> Income taxes, or	5	9,691
b	<input type="checkbox"/> General sales taxes	6	4,596
6	Real estate taxes (see instructions)	7	396
7	Personal property taxes	8	
8	Other taxes. List type and amount ▶	9	14,683
9	Add lines 5 through 8		
Interest You Paid	10 Home mortgage interest and points reported to you on Form 1098	10	19,844
Note. Your mortgage interest deduction may be limited (see instructions).	11 Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address ▶	11	
	12 Points not reported to you on Form 1098. See instructions for special rules	12	91
	13 Mortgage insurance premiums (see instructions)	13	
	14 Investment interest. Attach Form 4952 if required. (See instructions.)	14	
	15 Add lines 10 through 14	15	19,935
Gifts to Charity	16 Gifts by cash or check. If you made any gift of \$250 or more, see instructions	16	12,439
If you made a gift and got a benefit for it, see instructions.	17 Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500	17	
	18 Carryover from prior year	18	
	19 Add lines 16 through 18	19	12,439
Casualty and Theft Losses	20 Casualty or theft loss(es). Attach Form 4684. (See instructions.)	20	
Job Expenses and Certain Miscellaneous Deductions	21 Unreimbursed employee expenses—job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See instructions.) ▶	21	
	22 Tax preparation fees	22	
	23 Other expenses—investment, safe deposit box, etc. List type and amount ▶ MEMBER OF CONGRESS	23	6,339
	24 Add lines 21 through 23	24	6,339
	25 Enter amount from Form 1040, line 38	25	167,474
	26 Multiply line 25 by 2% (.02)	26	3,349
	27 Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-	27	2,990
Other Miscellaneous Deductions	28 Other—from list in instructions. List type and amount ▶	28	
Total Itemized Deductions	29 Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40	29	50,047
	30 If you elect to itemize deductions even though they are less than your standard deduction, check here ▶ <input type="checkbox"/>		

For Paperwork Reduction Act Notice, see Form 1040 instructions.

Schedule A (Form 1040) 2012

KAREN S PENCE

Schedule C (Form 1040) 2012 WATERCOLOR ARTIST

Page 2

Part III Cost of Goods Sold (see instructions)

33 Method(s) used to value closing inventory: a ☐ Cost b ☐ Lower of cost or market c ☐ Other (attach explanation)

34 Was there any change in determining quantities, costs, or valuations between opening and closing inventory?

If "Yes," attach explanation

☐ Yes☐ No

35 Inventory at beginning of year. If different from last year's closing inventory, attach explanation

35

36 Purchases less cost of items withdrawn for personal use

36

37 Cost of labor. Do not include any amounts paid to yourself

37

38 Materials and supplies

38

39 Other costs

39

40 Add lines 35 through 39

40

41 Inventory at end of year

41

42 Cost of goods sold. Subtract line 41 from line 40. Enter the result here and on line 4

42

Part IV Information on Your Vehicle. Complete this part only if you are claiming car or truck expenses on line 9 and are not required to file Form 4562 for this business. See the instructions for line 13 to find out if you must file Form 4562.

43 When did you place your vehicle in service for business purposes? (month, day, year) ▶

44 Of the total number of miles you drove your vehicle during 2012, enter the number of miles you used your vehicle for:

a Business

b Commuting (see instructions)

c Other

45 Was your vehicle available for personal use during off-duty hours?

☐ Yes☐ No

46 Do you (or your spouse) have another vehicle available for personal use?

☐ Yes☐ No

47a Do you have evidence to support your deduction?

☐ Yes☐ No

b If "Yes," is the evidence written?

☐ Yes☐ No**Part V Other Expenses.** List below business expenses not included on lines 8-26 or line 30.

LOCK BOX

85

WEBSITE

190

48 Total other expenses. Enter here and on line 27a

48

275

**SCHEDULE D
(Form 1040)****Capital Gains and Losses**

OMB No. 1545-0074

Department of the Treasury
Internal Revenue Service (99)

▶ Attach to Form 1040 or Form 1040NR.

▶ Information about Schedule D and its separate instructions is at www.irs.gov/form1040.

▶ Use Form 8949 to list your transactions for lines 1, 2, 3, 8, 9, and 10.

2012Attachment
Sequence No. **12**

Name(s) shown on return

MICHAEL R & KAREN S PENCE

Your social security number

Part I Short-Term Capital Gains and Losses – Assets Held One Year or Less

Complete Form 8949 before completing line 1, 2, or 3.

This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price) from Form(s) 8949, Part I, line 2, column (d)	(e) Cost or other basis from Form(s) 8949, Part I, line 2, column (e)	(g) Adjustments to gain or loss from Form(s) 8949, Part I, line 2, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
1 Short-term totals from all Forms 8949 with box A checked in Part I				
2 Short-term totals from all Forms 8949 with box B checked in Part I				
3 Short-term totals from all Forms 8949 with box C checked in Part I				
4 Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4
5 Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5
6 Short-term capital loss carryover. Enter the amount, if any, from line 8 of your Capital Loss Carryover Worksheet in the instructions				6 ()
7 Net short-term capital gain or (loss). Combine lines 1 through 6 in column (h). If you have any long-term capital gains or losses, go to Part II below. Otherwise, go to Part III on the back				7 0

Part II Long-Term Capital Gains and Losses – Assets Held More Than One Year

Complete Form 8949 before completing line 8, 9, or 10.

This form may be easier to complete if you round off cents to whole dollars.

	(d) Proceeds (sales price) from Form(s) 8949, Part II, line 4, column (d)	(e) Cost or other basis from Form(s) 8949, Part II, line 4, column (e)	(g) Adjustments to gain or loss from Form(s) 8949, Part II, line 4, column (g)	(h) Gain or (loss) Subtract column (e) from column (d) and combine the result with column (g)
8 Long-term totals from all Forms 8949 with box A checked in Part II				
9 Long-term totals from all Forms 8949 with box B checked in Part II				
10 Long-term totals from all Forms 8949 with box C checked in Part II				
11 Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				11
12 Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				12
13 Capital gain distributions. See the instructions				13
14 Long-term capital loss carryover. Enter the amount, if any, from line 13 of your Capital Loss Carryover Worksheet in the instructions				14 (1,536)
15 Net long-term capital gain or (loss). Combine lines 8 through 14 in column (h). Then go to Part III on the back				15 -1,536

For Paperwork Reduction Act Notice, see your tax return instructions.

Schedule D (Form 1040) 2012

MICHAEL R & KAREN S PENCE

Schedule D (Form 1040) 2012

Page **2****Part III Summary**

16 Combine lines 7 and 15 and enter the result	16	-1,536
<ul style="list-style-type: none"> • If line 16 is a gain, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below. • If line 16 is a loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. • If line 16 is zero, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22. 		
17 Are lines 15 and 16 both gains? <input type="checkbox"/> Yes. Go to line 18. <input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.		
18 Enter the amount, if any, from line 7 of the 28% Rate Gain Worksheet in the instructions	18	
19 Enter the amount, if any, from line 18 of the Unrecaptured Section 1250 Gain Worksheet in the instructions	19	
20 Are lines 18 and 19 both zero or blank? <input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). Do not complete lines 21 and 22 below. <input type="checkbox"/> No. Complete the Schedule D Tax Worksheet in the instructions. Do not complete lines 21 and 22 below.		
21 If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the smaller of: <ul style="list-style-type: none"> • The loss on line 16 or • (\$3,000), or if married filing separately, (\$1,500) Note. When figuring which amount is smaller, treat both amounts as positive numbers.	21	(1,536)
22 Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b? <input type="checkbox"/> Yes. Complete the Qualified Dividends and Capital Gain Tax Worksheet in the instructions for Form 1040, line 44 (or in the instructions for Form 1040NR, line 42). <input checked="" type="checkbox"/> No. Complete the rest of Form 1040 or Form 1040NR.		

Schedule D (Form 1040) 2012

Form **5329****Additional Taxes on Qualified Plans
(Including IRAs) and Other Tax-Favored Accounts**

▶ Attach to Form 1040 or Form 1040NR.

Department of the Treasury
Internal Revenue Service (99)▶ Information about Form 5329 and its separate instructions is at www.irs.gov/form5329.

OMB No. 1545-0074

2012Attachment
Sequence No. 29

Name of individual subject to additional tax. If married filing jointly, see instructions.

Your social security number

KAREN S

PENCE

Home address (number and street), or P.O. box if mail is not delivered to your home

Apt. no.

Fill in Your Address Only
If You Are Filing This
Form by Itself and Not
With Your Tax ReturnCity, town or post office, state, and ZIP code. If you have a foreign address, also complete
the spaces below (see instructions).If this is an amended
return, check here ☐

Foreign country name

Foreign province/state/county

Foreign postal code

If you **only** owe the additional 10% tax on early distributions, you may be able to report this tax directly on Form 1040, line 58, or
Form 1040NR, line 56, without filing Form 5329. See the instructions for Form 1040, line 58, or for Form 1040NR, line 56.**Part I Additional Tax on Early Distributions**Complete this part if you took a taxable distribution before you reached age 59½ from a qualified retirement plan (including an
IRA) or modified endowment contract (unless you are reporting this tax directly on Form 1040 or Form 1040NR—see above). You
may also have to complete this part to indicate that you qualify for an exception to the additional tax on early distributions or for
certain Roth IRA distributions (see instructions).

1	Early distributions included in income. For Roth IRA distributions, see instructions	1	
2	Early distributions included on line 1 that are not subject to the additional tax (see instructions). Enter the appropriate exception number from the instructions: _____	2	
3	Amount subject to additional tax. Subtract line 2 from line 1	3	
4	Additional tax. Enter 10% (.10) of line 3. Include this amount on Form 1040, line 58, or Form 1040NR, line 56 Caution: If any part of the amount on line 3 was a distribution from a SIMPLE IRA, you may have to include 25% of that amount on line 4 instead of 10% (see instructions).	4	

Part II Additional Tax on Certain Distributions From Education AccountsComplete this part if you included an amount in income, on Form 1040 or Form 1040NR, line 21, from a Coverdell
education savings account (ESA) or a qualified tuition program (QTP).

5	Distributions included in income from Coverdell ESAs and QTPs	5	501
6	Distributions included on line 5 that are not subject to the additional tax (see instructions)	6	
7	Amount subject to additional tax. Subtract line 6 from line 5	7	501
8	Additional tax. Enter 10% (.10) of line 7. Include this amount on Form 1040, line 58, or Form 1040NR, line 56	8	50

Part III Additional Tax on Excess Contributions to Traditional IRAsComplete this part if you contributed more to your traditional IRAs for 2012 than is allowable or you had an amount on line
17 of your 2011 Form 5329.

9	Enter your excess contributions from line 16 of your 2011 Form 5329 (see instructions). If zero, go to line 15	9	
10	If your traditional IRA contributions for 2012 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	10	
11	2012 traditional IRA distributions included in income (see instructions)	11	
12	2012 distributions of prior year excess contributions (see instructions)	12	
13	Add lines 10, 11, and 12	13	
14	Prior year excess contributions. Subtract line 13 from line 9. If zero or less, enter -0-	14	
15	Excess contributions for 2012 (see instructions)	15	
16	Total excess contributions. Add lines 14 and 15	16	
17	Additional tax. Enter 6% (.06) of the smaller of line 16 or the value of your traditional IRAs on December 31, 2012 (including 2012 contributions made in 2013). Include this amount on Form 1040, line 58, or Form 1040NR, line 56	17	

Part IV Additional Tax on Excess Contributions to Roth IRAs

Complete this part if you contributed more to your Roth IRAs for 2012 than is allowable or you had an amount on line 25 of your 2011 Form 5329.

18	Enter your excess contributions from line 24 of your 2011 Form 5329 (see instructions). If zero, go to line 23	18	
19	If your Roth IRA contributions for 2012 are less than your maximum allowable contribution, see instructions. Otherwise, enter -0-	19	
20	2012 distributions from your Roth IRAs (see instructions)	20	
21	Add lines 19 and 20	21	
22	Prior year excess contributions. Subtract line 21 from line 18. If zero or less, enter -0-	22	
23	Excess contributions for 2012 (see instructions)	23	
24	Total excess contributions. Add lines 22 and 23	24	
25	Additional tax. Enter 6% (.06) of the smaller of line 24 or the value of your Roth IRAs on December 31, 2012 (including 2012 contributions made in 2013). Include this amount on Form 1040, line 58, or Form 1040NR, line 56	25	

For Privacy Act and Paperwork Reduction Act Notice, see your tax return instructions.

DAA

Form **5329** (2012)

Form **8606****Nondeductible IRAs**

OMB No. 1545-0074

► Information about Form 8606 and its separate instructions is at www.irs.gov/form8606.

► Attach to Form 1040, Form 1040A, or Form 1040NR.

2012
Attachment
Sequence No. **48**Department of the Treasury
Internal Revenue Service (99)

Name. If married, file a separate form for each spouse required to file Form 8606. See instructions.

KAREN S PENCE

Your social security number

Fill in Your Address Only
If You Are Filing This
Form by Itself and Not
With Your Tax Return

Home address (number and street, or P.O. box if mail is not delivered to your home)

Apt. no.

City, town or post office, state, and ZIP code. If you have a foreign address, also complete the spaces below (see instructions).

Foreign country name

Foreign province/state/county

Foreign postal code

Part I Nondeductible Contributions to Traditional IRAs and Distributions From Traditional, SEP, and SIMPLE IRAs

Complete this part only if one or more of the following apply.

- You made nondeductible contributions to a traditional IRA for 2012.
- You took distributions from a traditional, SEP, or SIMPLE IRA in 2012 and you made nondeductible contributions to a traditional IRA in 2012 or an earlier year. For this purpose, a distribution does not include a rollover, one-time distribution to fund an HSA, conversion, recharacterization, or return of certain contributions.
- You converted part, but not all, of your traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2012 (excluding any portion you recharacterized) and you made nondeductible contributions to a traditional IRA in 2012 or an earlier year.

1	Enter your nondeductible contributions to traditional IRAs for 2012, including those made for 2012 from January 1, 2013, through April 15, 2013 (see instructions)	1	
2	Enter your total basis in traditional IRAs (see instructions)	2	
3	Add lines 1 and 2	3	
	<div style="border: 1px solid black; padding: 5px; display: inline-block;"> In 2012, did you take a distribution from traditional, SEP, or SIMPLE IRAs, or make a Roth IRA conversion? </div> <div style="display: inline-block; vertical-align: top; margin-left: 10px;"> <p>No → Enter the amount from line 3 on line 14. Do not complete the rest of Part I.</p> <p>Yes → Go to line 4.</p> </div>		
4	Enter those contributions included on line 1 that were made from January 1, 2013, through April 15, 2013	4	
5	Subtract line 4 from line 3	5	
6	Enter the value of all your traditional, SEP, and SIMPLE IRAs as of December 31, 2012, plus any outstanding rollovers (see instructions)	6	
7	Enter your distributions from traditional, SEP, and SIMPLE IRAs in 2012. Do not include rollovers, a one-time distribution to fund an HSA, conversions to a Roth IRA, certain returned contributions, or recharacterizations of traditional IRA contributions (see instructions)	7	
8	Enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2012. Do not include amounts converted that you later recharacterized (see instructions). Also enter this amount on line 16	8	
9	Add lines 6, 7, and 8	9	
10	Divide line 5 by line 9. Enter the result as a decimal rounded to at least 3 places. If the result is 1.000 or more, enter "1.000"	10	
11	Multiply line 8 by line 10. This is the nontaxable portion of the amount you converted to Roth IRAs. Also enter this amount on line 17	11	
12	Multiply line 7 by line 10. This is the nontaxable portion of your distributions that you did not convert to a Roth IRA	12	
13	Add lines 11 and 12. This is the nontaxable portion of all your distributions	13	
14	Subtract line 13 from line 3. This is your total basis in traditional IRAs for 2012 and earlier years	14	
15	Taxable amount. Subtract line 12 from line 7. If more than zero, also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	15	
	Note. You may be subject to an additional 10% tax on the amount on line 15 if you were under age 59½ at the time of the distribution (see instructions).		

For Privacy Act and Paperwork Reduction Act Notice, see separate instructions.

Form **8606** (2012)

Part II 2012 Conversions From Traditional, SEP, or SIMPLE IRAs to Roth IRAs

Complete this part if you converted part or all of your traditional, SEP, and SIMPLE IRAs to a Roth IRA in 2012 (excluding any portion you recharacterized).

16	If you completed Part I, enter the amount from line 8. Otherwise, enter the net amount you converted from traditional, SEP, and SIMPLE IRAs to Roth IRAs in 2012. Do not include amounts you later recharacterized back to traditional, SEP, or SIMPLE IRAs in 2012 or 2013 (see instructions)	16	
17	If you completed Part I, enter the amount from line 11. Otherwise, enter your basis in the amount on line 16 (see instructions)	17	
18	Taxable amount. Subtract line 17 from line 16. Also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	18	

Part III Distributions From Roth IRAs

Complete this part only if you took a distribution from a Roth IRA in 2012. For this purpose, a distribution does not include a rollover, a one-time distribution to fund an HSA, recharacterization, or return of certain contributions (see instructions).

19	Enter your total nonqualified distributions from Roth IRAs in 2012, including any qualified first-time homebuyer distributions (see instructions)	19	
20	Qualified first-time homebuyer expenses (see instructions). Do not enter more than \$10,000	20	
21	Subtract line 20 from line 19. If zero or less, enter -0- and skip lines 22 through 25	21	
22	Enter your basis in Roth IRA contributions (see instructions)	22	1,540
23	Subtract line 22 from line 21. If zero or less, enter -0- and skip lines 24 and 25. If more than zero, you may be subject to an additional tax (see instructions)	23	0
24	Enter your basis in conversions from traditional, SEP, and SIMPLE IRAs and rollovers from qualified retirement plans to a Roth IRA (see instructions)	24	
25	Taxable amount. Subtract line 24 from line 23. If more than zero, also include this amount on Form 1040, line 15b; Form 1040A, line 11b; or Form 1040NR, line 16b	25	0

Sign Here Only If You Are Filing This Form by Itself and Not With Your Tax Return

Under penalties of perjury, I declare that I have examined this form, including accompanying attachments, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Your signature

Date

Paid Preparer Use Only

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

Firm's name

Firm's EIN

Firm's address

Phone no.

Form **8863**Department of the Treasury
Internal Revenue Service (99)**Education Credits****(American Opportunity and Lifetime Learning Credits)**

▶ See separate instructions to find out if you are eligible to take the credits.

▶ Instructions and more are at www.irs.gov/form8863. Attach to Form 1040 or Form 1040A.

OMB No. 1545-0074

2012Attachment
Sequence No. **50**

Name(s) shown on return

MICHAEL R & KAREN S PENCE

Your social security number



Complete a separate Part III on page 2 for each student for whom you are claiming either credit before you complete Parts I and II.

Part I Refundable American Opportunity Credit

1 After completing Part III for each student, enter the total of all amounts from all Parts III, line 30	1	5,000
2 Enter: \$180,000 if married filing jointly; \$90,000 if single, head of household, or qualifying widow(er)	2	180,000
3 Enter the amount from Form 1040, line 38, or Form 1040A, line 22. If you are filing Form 2555, 2555-EZ, or 4563, or you are excluding income from Puerto Rico, see Pub. 970 for the amount to enter	3	167,474
4 Subtract line 3 from line 2. If zero or less, stop ; you cannot take any education credit	4	12,526
5 Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	5	20,000
6 If line 4 is: • Equal to or more than line 5, enter 1.000 on line 6 • Less than line 5, divide line 4 by line 5. Enter the result as a decimal (rounded to at least three places)	6	0.626
7 Multiply line 1 by line 6. Caution: If you were under age 24 at the end of the year and meet the conditions described in the instructions, you cannot take the refundable American opportunity credit; skip line 8, enter the amount from line 7 on line 9, and check this box <input type="checkbox"/>	7	3,130
8 Refundable American opportunity credit. Multiply line 7 by 40% (.40). Enter the amount here and on Form 1040, line 66, or Form 1040A, line 40. Then go to line 9 below	8	1,252

Part II Nonrefundable Education Credits

9 Subtract line 8 from line 7. Enter here and on line 8 of the Credit Limit Worksheet (see instructions)	9	1,878
10 After completing Part III for each student, enter the total of all amounts from all Parts III, line 31. If zero skip lines 11 through 17, enter -0- on line 18, and go to line 19	10	
11 Enter the smaller of line 10 or \$10,000	11	
12 Multiply line 11 by 20% (.20)	12	
13 Enter: \$124,000 if married filing jointly; \$62,000 if single, head of household, or qualifying widow(er)	13	
14 Enter the amount from Form 1040, line 38, or Form 1040A, line 22. If you are filing Form 2555, 2555-EZ, or 4563, or you are excluding income from Puerto Rico, see Pub. 970 for the amount to enter	14	
15 Subtract line 14 from line 13. If zero or less, skip lines 16 and 17, enter -0- on line 18, and go to line 19	15	
16 Enter: \$20,000 if married filing jointly; \$10,000 if single, head of household, or qualifying widow(er)	16	
17 If line 15 is: • Equal to or more than line 16, enter 1.000 on line 17 and go to line 18 • Less than line 16, divide line 15 by line 16. Enter the result as a decimal (rounded to at least three places)	17	
18 Multiply line 12 by line 17. Enter here and on line 1 of the Credit Limit Worksheet (see instructions)	18	
19 Nonrefundable education credits. Enter the amount from line 13 of the Credit Limit Worksheet (see instructions) here and on Form 1040, line 49, or Form 1040A, line 31	19	1,878

For Paperwork Reduction Act Notice, see your tax return instructions. IRS.gov/form8863Form **8863** (2012)

Form 8863 (2012)

Page **2**

Name(s) shown on return

MICHAEL R & KAREN S PENCE

Your social security number



Complete Part III for each student for whom you are claiming either the American opportunity credit or lifetime learning credit. Use additional copies of Page 2 as needed for each student.

Part III Student and Educational Institution Information

See instructions.

20 Student name (as shown on page 1 of your tax return) MICHAEL J PENCE	21 Student social security number (as shown on page 1 of your tax return) <div style="background-color: black; width: 100px; height: 1.2em;"></div>
22 Educational institution information (see instructions)	
a. Name of first educational institution PURDUE UNIVERSITY	b. Name of second educational institution (if any)
(1) Address. Number and street (or P.O. box). City, town or post office, state, and ZIP code. If a foreign address, see instructions. 401 S GRANT STREET WEST LAFAYETTE IN 47907	(1) Address. Number and street (or P.O. box). City, town or post office, state, and ZIP code. If a foreign address, see instructions.
(2) Did the student receive Form 1098-T from this institution for 2012? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	(2) Did the student receive Form 1098-T from this institution for 2012? <input type="checkbox"/> Yes <input type="checkbox"/> No
(3) Did the student receive Form 1098-T from this institution for 2011 with Box 2 filled in and Box 7 checked? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(3) Did the student receive Form 1098-T from this institution for 2011 with Box 2 filled in and Box 7 checked? <input type="checkbox"/> Yes <input type="checkbox"/> No
If you checked "No" in both (2) and (3), skip (4).	
(4) If you checked "Yes" in (2) or (3), enter the institution's federal identification number (from Form 1098-T). 35-6002041	(4) If you checked "Yes" in (2) or (3), enter the institution's federal identification number (from Form 1098-T).
23 Has the Hope Scholarship Credit or American opportunity credit been claimed for this student for any 4 prior tax years? <input type="checkbox"/> Yes — Stop! Go to line 31 for this student. <input checked="" type="checkbox"/> No — Go to line 24.	
24 Was the student enrolled at least half-time for at least one academic period that began in 2012 at an eligible educational institution in a program leading towards a postsecondary degree, certificate, or other recognized postsecondary educational credential? (see instructions) <input checked="" type="checkbox"/> Yes — Go to line 25. <input type="checkbox"/> No — Stop! Go to line 31 for this student.	
25 Did the student complete the first 4 years of post-secondary education before 2012? <input type="checkbox"/> Yes — Stop! Go to line 31 for this student. <input checked="" type="checkbox"/> No — Go to line 26.	
26 Was the student convicted, before the end of 2012, of a felony for possession or distribution of a controlled substance? <input type="checkbox"/> Yes — Stop! Go to line 31 for this student. <input checked="" type="checkbox"/> No — See Tip below and complete either lines 27-30 or line 31 for this student.	

TIP

When you figure your taxes, you may want to compare the American opportunity credit and lifetime learning credits, and choose the credit for each student that gives you the lower tax liability. You **cannot** take the American opportunity credit and the lifetime learning credit for the **same student** in the same year. If you complete lines 27 through 30 for this student, do not complete line 31.

American Opportunity Credit

27 Adjusted qualified education expenses (see instructions). Do not enter more than \$4,000	27	4,000
28 Subtract \$2,000 from line 27. If zero or less enter -0-	28	2,000
29 Multiply line 28 by 25% (.25)	29	500
30 If line 28 is zero, enter the amount from line 27. Otherwise, add \$2,000 to the amount on line 29 and enter the result. Skip line 31. Include the total of all amounts from all Parts III, line 30 on Part I, line 1	30	2,500

Lifetime Learning Credit

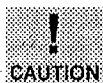
31 Adjusted qualified education expenses (see instructions). Include the total of all amounts from all Parts III, line 31, on Part II, line 10	31	
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Form **8863** (2012)

Name(s) shown on return

MICHAEL R & KAREN S PENCE

Your social security number



Complete Part III for each student for whom you are claiming either the American opportunity credit or lifetime learning credit. Use additional copies of Page 2 as needed for each student.

Part III Student and Educational Institution Information

See instructions.

20 Student name (as shown on page 1 of your tax return)	21 Student social security number (as shown on page 1 of your tax return)
CHARLOTTE PENCE	
22 Educational institution information (see instructions)	
a. Name of first educational institution	b. Name of second educational institution (if any)
DEPAUL UNIVERSITY	
(1) Address. Number and street (or P.O. box). City, town or post office, state, and ZIP code. If a foreign address, see instructions. 25 E. JACKSON BLVD CHICAGO IL 60604	(1) Address. Number and street (or P.O. box). City, town or post office, state, and ZIP code. If a foreign address, see instructions.
(2) Did the student receive Form 1098-T from this institution for 2012? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	(2) Did the student receive Form 1098-T from this institution for 2012? <input type="checkbox"/> Yes <input type="checkbox"/> No
(3) Did the student receive Form 1098-T from this institution for 2011 with Box 2 filled in and Box 7 checked? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	(3) Did the student receive Form 1098-T from this institution for 2011 with Box 2 filled in and Box 7 checked? <input type="checkbox"/> Yes <input type="checkbox"/> No
If you checked "No" in both (2) and (3), skip (4).	If you checked "No" in both (2) and (3), skip (4).
(4) If you checked "Yes" in (2) or (3), enter the institution's federal identification number (from Form 1098-T). 36-2167048	(4) If you checked "Yes" in (2) or (3), enter the institution's federal identification number (from Form 1098-T).
23 Has the Hope Scholarship Credit or American opportunity credit been claimed for this student for any 4 prior tax years?	<input type="checkbox"/> Yes — Stop! Go to line 31 for this student. <input checked="" type="checkbox"/> No — Go to line 24.
24 Was the student enrolled at least half-time for at least one academic period that began in 2012 at an eligible educational institution in a program leading towards a postsecondary degree, certificate, or other recognized postsecondary educational credential? (see instructions)	<input checked="" type="checkbox"/> Yes — Go to line 25. <input type="checkbox"/> No — Stop! Go to line 31 for this student.
25 Did the student complete the first 4 years of post-secondary education before 2012?	<input type="checkbox"/> Yes — Stop! Go to line 31 for this student. <input checked="" type="checkbox"/> No — Go to line 26.
26 Was the student convicted, before the end of 2012, of a felony for possession or distribution of a controlled substance?	<input type="checkbox"/> Yes — Stop! Go to line 31 for this student. <input checked="" type="checkbox"/> No — See Tip below and complete either lines 27-30 or line 31 for this student.

TIP

When you figure your taxes, you may want to compare the American opportunity credit and lifetime learning credits, and choose the credit for each student that gives you the lower tax liability. You **cannot** take the American opportunity credit and the lifetime learning credit for the **same student** in the same year. If you complete lines 27 through 30 for this student, do not complete line 31.

American Opportunity Credit

27 Adjusted qualified education expenses (see instructions). Do not enter more than \$4,000	27	4,000
28 Subtract \$2,000 from line 27. If zero or less enter -0-	28	2,000
29 Multiply line 28 by 25% (.25)	29	500
30 If line 28 is zero, enter the amount from line 27. Otherwise, add \$2,000 to the amount on line 29 and enter the result. Skip line 31. Include the total of all amounts from all Parts III, line 30 on Part I, line 1	30	2,500

Lifetime Learning Credit

31 Adjusted qualified education expenses (see instructions). Include the total of all amounts from all Parts III, line 31, on Part II, line 10	31	
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Federal Statements**Statement 1 - Form 1040, Line 21 - Other Income**

<u>Description</u>	<u>Amount</u>
SOUTHLAND COMM CHURCH	\$ 1,000
Taxable QTP dist	501
Total	<u>\$ 1,501</u>

Form **1040****Salaries & Wages Report****2012**

Name

MICHAEL R & KAREN S PENCE

Taxpayer Identification Number

T/S	Employer	Federal Wages	Federal Withheld	Soc Sec Wages
A T	HOUSE OF REPRESENTATIVES	151,557	20,324	110,100
B S	IMMANUEL CHRISTIAN SCHOOL	13,406	755	13,406
C				
D				
E				
F				
G				
H				
I				
J				
K				
L				
M				
Taxpayer		151,557	20,324	110,100
Spouse		13,406	755	13,406
Totals		164,963	21,079	123,506

	Soc Sec Withheld	Medicare Wages	Medicare Withheld	Soc Sec Tips	Allocated Tips	Dep Care Ben	Other, Box 14
A	4,624	167,049	2,422				
B	563	13,406	194				
C							
D							
E							
F							
G							
H							
I							
J							
K							
L							
M							
Taxpayer	4,624	167,049	2,422				
Spouse	563	13,406	194				
Totals	5,187	180,455	2,616				

	State	State Wages	State Withheld	Name of Locality	Local Wages	Local Withheld
A	IN	151,557	4,983	Shelby	I73 151,557	I73 4,200
B	VA	13,406	508			
C						
D						
E						
F						
G						
H						
I						
J						
K						
L						
M						
Taxpayer		151,557	4,983		151,557	4,200
Spouse		13,406	508			
Totals		164,963	5,491		151,557	4,200

Form **8879****IRS e-file Signature Authorization**

OMB No. 1545-0074

Department of the Treasury
Internal Revenue Service

- Do not send to the IRS. This is not a tax return.
► Keep this form for your records.

2012Declaration Control Number (DCN) 

Taxpayer's name

MICHAEL R PENCE

Social security number



Spouse's name

KAREN S PENCE

Spouse's social security number


**Part I Tax Return Information — Tax Year Ending December 31, 2012 (Whole Dollars Only)**

1	Adjusted gross income (Form 1040, line 38; Form 1040A, line 22; Form 1040EZ, line 4)	1	167,474
2	Total tax (Form 1040, line 61; Form 1040A, line 35; Form 1040EZ, line 10)	2	14,838
3	Federal income tax withheld (Form 1040, line 62; Form 1040A, line 36; Form 1040EZ, line 7)	3	21,079
4	Refund (Form 1040, line 74a; Form 1040A, line 43a; Form 1040EZ, line 11a; Form 1040-SS, Part I, line 12a)	4	7,493
5	Amount you owe (Form 1040, line 76; Form 1040A, line 45; Form 1040EZ, line 12)	5	

Part II Taxpayer Declaration and Signature Authorization (Be sure you get and keep a copy of your return)

Under penalties of perjury, I declare that I have examined a copy of my electronic individual income tax return and accompanying schedules and statements for the tax year ending December 31, 2012, and to the best of my knowledge and belief, it is true, correct, and complete. I further declare that the amounts in Part I above are the amounts from my electronic income tax return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send my return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of my federal taxes owed on this return and/or a payment of estimated tax, and the financial institution to debit the entry to this account. This authorization is to remain in full force and effect until I notify the U.S. Treasury Financial Agent to terminate the authorization. To revoke (cancel) a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537. Payment cancellation requests must be received no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I further acknowledge that the personal identification number (PIN) below is my signature for my electronic income tax return and, if applicable, my Electronic Funds Withdrawal Consent.

Taxpayer's PIN: check one box only

☒ I authorize Cadick Williams McAllister Ford LLC to enter or generate my PIN 
ERO firm name


Enter five numbers, but
do not enter all zeros

as my signature on my tax year 2012 electronically filed income tax return.

☐ I will enter my PIN as my signature on my tax year 2012 electronically filed income tax return. Check this box **only** if you are entering your own PIN and your return is filed using the Practitioner PIN method. The ERO must complete Part III below.

Your signature ► _____ Date ► 03/01/13

Spouse's PIN: check one box only

☒ I authorize Cadick Williams McAllister Ford LLC to enter or generate my PIN 
ERO firm name


Enter five numbers, but
do not enter all zeros

as my signature on my tax year 2012 electronically filed income tax return.

☐ I will enter my PIN as my signature on my tax year 2012 electronically filed income tax return. Check this box **only** if you are entering your own PIN and your return is filed using the Practitioner PIN method. The ERO must complete Part III below.

Spouse's signature ► _____ Date ► 03/01/13

Practitioner PIN Method Returns Only—continue below**Part III Certification and Authentication — Practitioner PIN Method Only**

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. 
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature for the tax year 2012 electronically filed income tax return for the taxpayer(s) indicated above. I confirm that I am submitting this return in accordance with the requirements of the Practitioner PIN method and Publication 1345, Handbook for Authorized IRS e-file Providers of Individual Income Tax Returns.

ERO's signature ► _____ Date ► 03/01/13

**ERO Must Retain This Form — See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So**

For Paperwork Reduction Act Notice, see your tax return instructions.

Form **8879** (2012)

Taxpayer Name MICHAEL R PENCE
 Spouse Name KAREN S PENCE

DO NOT SUBMIT THIS DOCUMENT TO IRS UNLESS REQUESTED TO DO SO

ERO Declaration

I declare that the information contained in this electronic tax return is the information furnished to me by the taxpayer. If the taxpayer furnished me a completed tax return, I declare that the information contained in this electronic tax return is identical to that contained in the return provided by the taxpayer. If the furnished return was signed by a paid preparer, I declare I have entered the paid preparer's identifying information in the appropriate portion of this electronic return. If I am the paid preparer, under the penalties of perjury I declare that I have examined this electronic return, and to the best of my knowledge and belief, it is true, correct, and complete. This declaration is based on all information of which I have any knowledge.

ERO Signature

I am signing this Tax Return by entering my PIN below.

ERO's PIN 

Taxpayer Declarations

Perjury Statement

Under penalties of perjury, I declare that I have examined this return, including any accompanying statements and schedules and, to the best of my knowledge and belief, it is true, correct, and complete.

Consent to Disclosure


I consent to allow my Intermediate Service Provider, transmitter, or Electronic Return Originator (ERO) to send my return to IRS and to receive the following information from IRS: a) an acknowledgment of receipt or reason for rejection of transmission; b) the reason for any delay in processing or refund; and, c) the date of any refund.

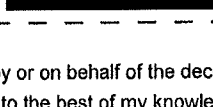
Electronic Funds Withdrawal Consent

If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an ACH Electronic Funds Withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of my Federal taxes owed on this return and/or a payment of estimated tax, and the financial institution to debit the entry to this account. I further understand that this authorization may apply to future Federal tax payments that I direct to be debited through the Electronic Federal Tax Payment System (EFTPS). I authorize EFTPS to issue me a personal identification number (PIN) to access EFTPS. This authorization is to remain in full force and effect until I notify the U.S. Treasury Financial Agent to terminate the authorization. To request that my PIN be mailed to me, or to revoke (cancel) a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537. Payment cancellation requests must be received no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I further acknowledge that the personal identification number (PIN) below is my signature for my electronic income tax return and, if applicable, my Electronic Funds Withdrawal consent.

I am signing this Tax Return/Form and Electronic Funds Withdrawal Consent, if applicable, by entering my Self-Select PIN below.

Date (all numerics) 03/01/13

Taxpayer's PIN (enter five numbers, other than all zeroes) 

Spouse's PIN (enter five numbers, other than all zeroes) 

Form 1310 Signature and Verification

Completion of this section indicates that I am requesting a refund of taxes overpaid by or on behalf of the decedent. Under penalties of perjury, I declare that I have examined this Form 1310 claim, and to the best of my knowledge and belief, it is true, correct and complete.

 Signature of person claiming refund

 Date