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



* + 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.

 

**Complete The Schedule**



Select “Land” from the drop box.



Enter rent not on 1099 MISC

* + **Depreciation, expenses and Car and Truck Expenses are OUT OF SCOPE**

**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

 

* + 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

 

 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