

Figure Your Taxable Benefits Under the Lump-Sum Election Method (Use With Worksheet 2 or 3)

Worksheet 4

(Keep for your records)

2021

Name(s) as shown on return

Tax ID Number

Complete Worksheet 1 and Worksheets 2 and 3 as appropriate before completing this worksheet.

1. Enter the total amount from **box 5** of **ALL** your **Forms SSA-1099** and **RRB-1099** for 2021, minus the lump-sum payment for years before 2021 **1.** _____
Note. If line 1 is zero or less, skip lines 2 through 18, enter -0- on line 19 and go to line 20. Otherwise, go to line 2.
 2. Multiply line 1 by 50% (0.50) **2.** _____
 3. Enter the amount from Worksheet 1, line 3 **3.** _____
 4. Enter the amount from Worksheet 1, line 4 **4.** _____
 5. Enter the amount from Worksheet 1, line 5 **5.** _____
 6. Combine lines 2, 3, 4, and 5 **6.** _____
 7. Enter the amount from Worksheet 1, line 7 **7.** _____
 8. Subtract line 7 from line 6 **8.** _____
 9. Enter the amount from Worksheet 1, line 9. But if you are married filing separately and lived with your spouse at any time during 2021, skip lines 9 through 16; multiply line 8 by 85% (.85) and enter the result on line 17. Then, go to line 18 **9.** _____
 10. Is the amount on line 8 more than the amount on line 9?
No. Skip lines 10 through 18, enter -0- on line 19, and go to line 20.
Yes. Subtract line 9 from line 8 **10.** _____
 11. Enter the amount from Worksheet 1, line 11 **11.** _____
 12. Subtract line 11 from line 10. If zero or less, enter -0- **12.** _____
 13. Enter the **smaller** of line 10 or line 11 **13.** _____
 14. Multiply line 13 by 50% (0.50) **14.** _____
 15. Enter the **smaller** of line 2 or line 14 **15.** _____
 16. Multiply line 12 by 85% (.85). If line 12 is zero, enter -0- **16.** _____
 17. Add lines 15 and 16 **17.** _____
 18. Multiply line 1 by 85% (.85) **18.** _____
 19. Enter the **smaller** of line 17 or line 18 **19.** _____
 20. Enter the total of the amounts from Worksheet 2, line 21, and Worksheet 3, line 14, for all earlier years for which the lump-sum payment was received **20.** _____
 21. **Taxable benefits under lump-sum election method.** Add lines 19 and 20 **21.** _____
- Next.** Is line 21 above smaller than Worksheet 1, line 19?
No. Don't use this method to figure your taxable benefits. Follow the instructions on Worksheet 1 to report your benefits.
Yes. You can elect to report your taxable benefits under this method. **To elect this method:**
1. Enter "LSE" to the left of Form 1040 or 1040-SR, line 5a.
 2. If line 21 above is zero, follow the instructions in line 10 for "No" on Worksheet 1, Otherwise:
 - a. Enter the amount from Worksheet 1, line 1, on Form 1040 or 1040-SR, line 5a.
 - b. Enter the amount from line 21 above on Form 1040 or 1040-SR, line 5b.
 - c. If you are married filing separately and you **lived apart** from your spouse for all of 2021, enter "D" to the right of the word "benefits" on Form 1040 or 1040-SR, line 5a.