

Rate Worksheet for Self-Employed

- 1) Plan contribution rate as a decimal (for example, $10 \frac{1}{2} \% = 0.105$) _____
- 2) Rate in line 1 plus 1 (for example, $0.105 + 1 = 1.105$) _____
- 3) Self-employed rate as a decimal rounded to at least 3 decimal places (line 1 ÷ line 2) (for example, $0.105 \div 1.105 = 0.095$) _____

Deduction Worksheet for Self-Employed

Step 1

Enter your net profit from Schedule C (Form 1040), line 31; Schedule F (Form 1040), line 34;* or Schedule K-1 (Form 1065),* box 14, code A.** For information on other income included in net profit from self-employment, see the Instructions for Sch. SE (Form 1040).
*Reduce this amount by any amount reported on Schedule SE (Form 1040), line 1b.
**General partners should reduce this amount by the same additional expenses subtracted from box 14, code A, to determine the amount on line 1 or line 2 of Schedule SE (Form 1040).

Step 2

Enter your deduction for self-employment tax from Schedule 1 (Form 1040), line 15 _____

Step 3

Net earnings from self-employment. Subtract step 2 from step 1 _____

Step 4

Enter your rate from the Rate Table for Self-Employed or Rate Worksheet for Self-Employed _____

Step 5

Multiply step 3 by step 4 _____

Step 6

Multiply \$290,000 by your plan contribution rate (not the reduced rate) _____

Step 7

Enter the **smaller** of step 5 or step 6 _____

Step 8

Contribution dollar limit _____ \$58,000

- If you made any elective deferrals to your self-employed plan, go to step 9.
- Otherwise, skip steps 9 through 20 and enter the smaller of step 7 or step 8 on step 21.

Step 9

Enter your allowable elective deferrals (including designated Roth contributions) made to your self-employed plan for the 2021 plan year. Don't enter more than \$19,500 _____

Step 10

Subtract step 9 from step 8 _____

Step 11

Subtract step 9 from step 3 _____

Step 12

Enter one-half of step 11 _____

Step 13

Enter the **smallest** of step 7, step 10, or step 12 _____

Step 14

Subtract step 13 from step 3 _____

Step 15

Enter the **smaller** of step 9 or step 14 _____

- If you made catch-up contributions, go to step 16.
- Otherwise, skip steps 16 through 18 and go to step 19.

Step 16

Subtract step 15 from step 14 _____

Step 17

Enter your catch-up contributions (including designated Roth contributions), if any. Don't enter more than \$6,500 _____

Step 18

Enter the **smaller** of step 16 or step 17 _____

Step 19

Add steps 13, 15, and 18 _____

Step 20

Enter the amount of designated Roth contributions included on steps 9 and 17 _____

Step 21

Subtract step 20 from step 19. This is your **maximum deductible contribution**. _____

Maximum deductible contribution if Step 9 includes non-SEP elective deferrals.

Step 21 less Step 9. Enter this amount on Schedule 1 (Form 1040), line 16 _____