


Charles Schwab

Tips for entering your Charles Schwab 1099-B information into TurboTax.



Schwab One® Account of
**DANA JONES
JOHN JONES**

Account Number
1111-9999

**TAX YEAR 2012
FORM 1099 COMPOSITE**

Recipient's Name and Address

DANA JONES
JOHN JONES
C/O SAMPLE GLOBAL ENTERPRISE
3RD FLOOR, SUITE 1800
1234 MAIN STREET
ANYTOWN, US 12345
Taxpayer ID Number: ***-**-0000
Account Number: 1111-9999

Payer's Name and Address

CHARLES SCHWAB & CO., INC.
211 MAIN STREET
SAN FRANCISCO, CA 94105
Telephone No: (800) 435-4000
Federal ID Number: 94-1737782

Date Reported: January 31, 2013

Proceeds From Broker Transactions—2012

Department of the Treasury—Internal Revenue Service

1c—Type of gain or loss: Short-term (Report on Form 8949, Part I, with **Box A** checked.)
6b—Basis reported to IRS

Form 1099-B

1099-B for Recipient (OMB No. 1545-0715)

**SHORT-TERM HOLDING PERIOD
COST BASIS IN THIS SECTION IS REPORTED TO THE IRS**

8—Description	CUSIP Number 1d—Stock or other symbol **	1b—Date of acquisition 1a—Date of sale or exchange	2a—Sales price of stocks, bonds, etc. (less commissions and options premiums) 1e—Quantity sold	3—Cost or other basis	5—Wash sale loss disallowed	4—Federal income tax withheld
SAMPLE CORP	30246XXXX XXYY	04/01/12	\$ 101,902.74 5,952.00	\$ 114,092.06	\$ 0.00	\$ 0.00
SAMPLE CORP	30246XXXX XXYY	08/18/12 10/11/12	\$ 18,965.80 300.00	\$ 18,062.05	\$ 0.00	\$ 0.00
Security Subtotal			\$ 138,868.54	\$ 132,154.11	\$ 0.00	\$ 0.00
SAMPLE MUNI FUND	67062XXXX ABCXX	09/14/12 11/11/12	\$ 23,804.95 1,700.00	\$ 22,379.62	\$ 0.00	\$ 0.00
Security Subtotal			\$ 22,804.95	\$ 22,379.62	\$ 0.00	\$ 0.00
Total Short-Term (Cost basis is reported to the IRS)			\$ 142,473.49	\$ 154,533.73		

Net Proceeds (Box 2a)

Enter the amount from the statement column **2a—Sales price of stocks, bonds, etc.** This amount should already account for any fees or sales expenses charged by your broker.

If you have other sales expenses not included in the column 2a total, check the box **I paid sales expenses not reported by my broker**, which is right under the **Net Proceeds-Box 2a** field in TurboTax. You can then enter those expenses in the field provided.

Wash Sale (Box 5)

Enter any non-zero amounts from the **5—Wash sale loss disallowed** column. This will always be a positive number.

Type of Gain or Loss As Reported on Form 1099-B (Box 1c)

Look for an entry corresponding to **1c—Type of gain or loss** (shown on the above example as **Holding Period**) and select **S=Short term** or **L=Long term** from the drop-down list in TurboTax. If you don't see line 1c on your statement, just leave (**No Entry**) in the drop-down.

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Cost Basis (Box 3)

As you proceed through the 1099-B interview, TurboTax will ask **Does your 1099-B statement show a cost basis for this sale?**

- Answer **Yes** if your statement shows an amount in **Column 3–Cost or other basis**.
 - You'll then be asked **Was the cost basis reported to the IRS?** For the answer, look for 6b, located under the line 1c (shown on the above example as **Holding Period**). You may also see this information above columns 3, 4, and 5.
- Otherwise, answer **No**.
 - You'll then need to determine the basis using one of the 3 methods shown in TurboTax (*Help me figure it out*, *Price per share*, or *Total purchase price*). It's important to enter the basis or you'll be taxed on the entire net sale proceeds.

What about stock splits and reinvested dividends?

In the **Premier** and **Home & Business** versions, we'll provide a place to enter these separately if needed, but you should verify whether the basis provided by your broker already takes these events into account.

In the other versions of TurboTax (Basic, Deluxe, etc.), you'll need to figure the splits and reinvested dividends into the basis you enter. For covered securities, your broker is required to include these events in their calculation of basis.

What if my broker's basis is incorrect?

If you previously answered **Yes** to the question **Was the cost basis reported to the IRS?** simply enter your cost basis where indicated and then check the box **I've entered a different cost basis**, located right below the cost basis amount.

Then, enter your statement amount (**Column 3–Cost or other basis**) in the **Cost basis reported for this sale (Box 3)** field so we can report the difference as an adjustment.

On the other hand, if the incorrect basis was not reported to IRS, simply enter the correct cost basis amount where indicated. We won't need to adjust anything, as your broker didn't report the basis to the IRS.