

INSTRUCTIONS FOR THOSE WITH SELF-EMPLOYED INCOME

"Compensation" generally means gross wages as reportable on IRS form W-2, including any Section 125 or 401(k) deductions. Please note that **S-Corporations** cannot include "pass-through" earnings as compensation for plan purposes.

For **Sole Proprietors**, or entities being taxed as such (e.g. LLCs), provide the following information.

- Net earned income before any plan contributions
(Form 1040, Schedule C, line 31)
- Amount of any W-2 income, regardless of the source

For **Partnerships**, or entities being taxed as such (e.g. LLCs, LLPs), provide the following information for each partner.

- Earned income before any plan contributions
(Form K-1, line 14, code "A")
- Partner's percentage (%) share of employee allocations
- Section 179 expense deductions claimed
- Unreimbursed partnership expenses claimed
- Oil and gas depletion expense deductions claimed
- Amount of any W-2 income, regardless of the source