



IRS Department of the Treasury
Internal Revenue Service
Austin TX 78768-2986

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EFRAIN & BEATRIZ FLORES COTTO
500 RANCHEROS DR SPC 148
SAN MARCOS CA 92069-2931

004496



Cut here and return this portion with your correspondence. Be sure the IRS address appears in the envelope window.

Notice Number: Ltr525
Notice Date: October 28, 2024

1363

338480638

Internal Revenue Service
PO Box 2986
Austin TX 78768-2986

EFRAIN & BEATRIZ FLORES COTTO
500 RANCHEROS DR SPC 148
SAN MARCOS CA 92069-2931



338480638 AX COTT 30 0 202312 640 00003460092

Name of Taxpayer: EFRAIN & BEATRIZ FLORES COTTO
Identification Number: 338-48-0638

10/28/2024

Total

25.20.00

2023 - SCHEDULE SE - COMPUTATION OF SELF-EMPLOYMENT TAX

Primary
EFRAIN COTTO

338-48-0638

1. Self-employment income	88,455.00
2. Multiply line 1 by 92.35%	81,688.19
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	81,688.19
6. Maximum earnings subject to social security	160,200.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	160,200.00
12. Multiply the smaller of line 5 or 11 by 12.40%	10,129.34
13. Multiply line 5 by 2.90%	2,368.96
14. Self-employment tax (sum of lines 12 and 13)	12,498.30

Secondary
BEATRIZ FLORES COTTO

563-31-0405

1. Self-employment income	0.00
2. Multiply line 1 by 92.35%	0.00
3. Farm optional method income	0.00
4. Nonfarm optional method income	0.00
5. Earnings subject to self-employment tax (sum of 2, 3, 4)	0.00
6. Maximum earnings subject to social security	160,200.00
7. Social security wages and tips from W-2	0.00
8. Unreported tips subject to social security tax from Form 4137	0.00
9. Wages subject to social security tax from Form 8919	0.00
10. Sum of lines 7, 8 and 9	0.00
11. Line 6 less line 10	0.00
12. Multiply the smaller of line 5 or 11 by 12.40%	0.00
13. Multiply line 5 by 2.90%	0.00
14. Self-employment tax (sum of lines 12 and 13)	0.00

Form **14817**
(September 2021)

Department of the Treasury - Internal Revenue Service

Reply Cover Sheet

Attach this Cover Sheet to the Top of Your Reply



Date _____

To
Internal Revenue Service, Correspondence Examination

From _____

Provide a telephone number, including area code and best time for a tax examiner to call

Telephone number _____

Best time to call (hours) _____

If you have a new address, complete Form 8822, Change Of Address, and include it with your reply. You can download this form at www.irs.gov or request a copy by calling 1-800-TAX-FORM (1-800-829-3676).

You can upload your reply using your computer or mobile device at www.irs.gov/examreply or by scanning the IRS Secure Upload QR Code:



Use this form as the first page of any uploaded documents.

Comments _____

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Report of Income Tax Examination Changes

Name and address of taxpayer

EFRAIN & BEATRIZ FLORES COTTO
500 RANCHEROS DR SPC 148
SAN MARCOS CA 92069-2931

Taxpayer identification number

338-48-0638

Return form number

1040

Person with whom
examination
changes were
discussed.

Name and title

1. Adjustments to income		Period Ended	Period Ended	Period Ended
		12/31/2023		
a.	Sch C1 - Other Expenses	31,609.00		
b.	Sch C1 - Meals, and Entertainment	923.00		
c.	Sch C1 - Car and Truck Expenses	41,023.00		
d.	Social Security RRB	17,929.00		
e.	SE AGI Adjustment	(5,196.00)		
f.				
g.				
h.				
i.				
j.				
k.				
l.				
m.				
n.				
o.				
p.				
2. Total adjustments		86,288.00		
3. Taxable income per return or as previously adjusted		(6,792.00)		
4. Corrected taxable income		79,496.00		
Tax method				
Filing status		TAX TABLE		
5. Tax (See attached schedule)		Joint		
6. Additional taxes/Alternative minimum tax		18,185.00		
7. Corrected tax liability		18,185.00		
8. Less				
a. credits				
b.				
c.				
d.				
9. Balance (line 7 less lines 8a through 8d)		18,185.00		
10. Plus				
a. Self Employment Tax		12,498.00		
b. other				
c. taxes				
d.				
11. Total corrected tax liability (line 9 plus lines 10a through 10d)		30,683.00		
12. Total tax shown on return or as previously adjusted		3,195.00		
13. Adjustments to:				
a.				
b. Earned Income Credit		(137.00)		
c.				
14. Deficiency-Increase in tax or (overassessment-decrease in tax) (line 11 less line 12 adjusted by lines 13a through 13c)		27,625.00		
15. Adjustments to prepayment credits - increase (decrease)				
16. Balance due or (overpayment) - (line 14 adjusted by line 15) (excluding interest and penalties)		27,625.00		

The Internal Revenue Service has agreements with state tax agencies under which information about federal tax, including increases or decreases, is exchanged with the states. If this change affects the amount of your state income tax, you should amend your state return by filing the necessary forms.

You may be subject to backup withholding if you underreport your interest, dividend, or patronage dividend income you earned and do not pay the required tax. The IRS may order backup withholding (withholding of a percentage of your dividend and/or interest payments) if the tax remains unpaid after it has been assessed and four notices have been issued to you over a 120-day period.