

Label (See instructions on page 12.)

Use the IRS label. Otherwise, please print or type.

Presidential

Header section containing personal information: For the year Jan. 1-Dec. 31, 2007, or other tax year beginning 2007, ending 20. Your first name and initial: TIMOTHY M. Last name: KAINE. Your social security number: [REDACTED]. If a joint return, spouse's first name and initial: ANNE B. Last name: HOLTON. Spouse's social security number: [REDACTED]. Home address (number and street): [REDACTED]. Apt. no.: [REDACTED]. City, town or post office, state, and ZIP code: RICHMOND, VA 23218-1475. Checking a box below will not change your tax or refund.

Election Campaign Check here if you, or your spouse if filing jointly, want \$3 to go to this fund (see page 12) [] You [] Spouse

Filing Status

- 1 [] Single
2 [X] Married filing jointly (even if only one had income)
3 [] Married filing separately. Enter spouse's SSN above and full name here.
4 [] Head of household (with qualifying person). If the qualifying person is a child but not your dependent, enter this child's name here.
5 [] Qualifying widow(er) with dependent child (see page 14)

Exemptions

Exemptions section: 6a [X] Yourself. If someone can claim you as a dependent, do not check box 6a. 6b [X] Spouse. c Dependents: (1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4) if qualifying child for child tax credit (see page 15). Dependents listed: NATHANIEL KAINE (SON), LINWOOD KAINE (SON), ANNELLA KAINE (DAUGHTER). d Total number of exemptions claimed: 5.

Income

Attach Form(s) W-2 here. Also attach Forms W-2G and 1099-R if tax was withheld.

If you did not get a W-2, see page 19.

Enclose, but do not attach, any payment. Also, please use Form 1040-V.

Income section: 7 Wages, salaries, tips, etc. Attach Form(s) W-2: 173,818. 8a Taxable interest: 5,309. 9a Ordinary dividends: 1,690. 9b Qualified dividends: 1,511. 10 Taxable refunds, credits, or offsets of state and local income taxes: 482. 13 Capital gain or (loss): 408. 15a IRA distributions: 15a Taxable amount. 16a Pensions and annuities: 16a Taxable amount. 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E: 0. 18 Farm income or (loss). Attach Schedule F. 19 Unemployment compensation. 20a Social security benefits: 20a Taxable amount (see page 24). 21 Other income. List type and amount (see page 24). 22 Add the amounts in the far right column for lines 7 through 21. This is your total income: 181,707.

Adjusted Gross Income

Adjusted Gross Income section: 23 Educator expenses (see page 26). 24 Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 or 2106-EZ. 25 Health savings account deduction. Attach Form 8889. 26 Moving expenses. Attach Form 3903. 27 One-half of self-employment tax. Attach Schedule SE. 28 Self-employed SEP, SIMPLE, and qualified plans. 29 Self-employed health insurance deduction (see page 26). 30 Penalty on early withdrawal of savings. 31a Alimony paid b Recipient's SSN. 32 IRA deduction (see page 27). 33 Student loan interest deduction (see page 30). 34 Tuition and fees deduction. Attach Form 8917. 35 Domestic production activities deduction. Attach Form 8903. 36 Add lines 23 through 31a and 32 through 35. 37 Subtract line 36 from line 22. This is your adjusted gross income: 181,707.



Tax and Credits

Standard Deduction for -

People who checked any box on line 39a or 39b or who can be claimed as a dependent

All others: Single or Married filing separately, \$5,350

Married filing jointly or Qualifying widow(er), \$10,700

Head of household, \$7,850

Table with 3 columns: Line number, Description, and Amount. Includes lines 38-57 for Tax and Credits.

Other Taxes

Table with 3 columns: Line number, Description, and Amount. Includes lines 58-63 for Other Taxes.

Payments

If you have a qualifying child, attach Schedule EIC.

Table with 3 columns: Line number, Description, and Amount. Includes lines 64-72 for Payments.

Refund

Direct deposit? See page 59 and fill in 74b, 74c, and 74d, or Form 8888.

Table with 3 columns: Line number, Description, and Amount. Includes lines 73-75 for Refund.

Amount You Owe

Table with 3 columns: Line number, Description, and Amount. Includes lines 76-77 for Amount You Owe.

Third Party Designee

Do you want to allow another person to discuss this return with the IRS (see page 61)? [X] Yes. Complete the following. [] No

Sign Here

Joint return? See page 13. Keep a copy for your records.

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Paid Preparer's Use Only

Preparer's signature, Date, Check if self-employed, Preparer's SSN or PTIN, Firm's name (or yours if self-employed), address, and ZIP code.

SCHEDULES A&B
(Form 1040)

Department of the Treasury
Internal Revenue Service

Name(s) shown on Form 1040

Schedule A - Itemized Deductions
(Schedule B is on page 2)

▶ **Attach to Form 1040.** ▶ **See Instructions for Schedules A&B (Form 1040).**

OMB No. 1545-0074

2007
Attachment
Sequence No. **07**

Your social security number

TIMOTHY M. KAINE & ANNE B. HOLTON

Medical and Dental Expenses

Caution. Do not include expenses reimbursed or paid by others.

1	Medical and dental expenses (see page A-1)	1	
2	Enter amount from Form 1040, line 38	2	
3	Multiply line 2 by 7.5% (.075)	3	
4	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	4	

Taxes You Paid

(See page A-2.)

5	State and local (check only one box): a <input checked="" type="checkbox"/> Income taxes, or b <input type="checkbox"/> General sales taxes	5	9,326.
6	Real estate taxes (see page A-5)	6	
7	Personal property taxes	7	
8	Other taxes. List type and amount ▶ ----- -----	8	
9	Add lines 5 through 8	9	9,326.

Interest You Paid

(See page A-5.)

Note.
Personal interest is not deductible.

10	Home mortgage interest and points reported to you on Form 1098	10	
11	Home mortgage interest not reported to you on Form 1098. If paid to the person from whom you bought the home, see page A-6 and show that person's name, identifying no., and address ▶ ----- -----	11	
12	Points not reported to you on Form 1098.	12	
13	Qualified mortgage insurance premiums (See page A-7)	13	
14	Investment interest. Attach Form 4952 if required. (See page A-7.)	14	
15	Add lines 10 through 14	15	

Gifts to Charity

If you made a gift and got a benefit for it, see page A-8.

16	Gifts by cash or check	16	16,252.
17	Other than by cash or check. If any gift of \$250 or more, see page A-8. You must attach Form 8283 if over \$500	17	
18	Carryover from prior year	18	
19	Add lines 16 through 18	19	16,252.

Casualty and Theft Losses

20	Casualty or theft loss(es). Attach Form 4684. (See page A-9.)	20	
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Job Expenses and Certain Miscellaneous Deductions

(See page A-9.)

21	Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. (See page A-9.) ▶ ----- -----	21	
22	Tax preparation fees	22	2,146.
23	Other expenses - investment, safe deposit box, etc. List type and amount ▶ ----- -----	23	
24	Add lines 21 through 23	24	2,146.
25	Enter amount from Form 1040, line 38	25	181,707.
26	Multiply line 25 by 2% (.02)	26	3,634.
27	Subtract line 26 from line 24. If line 26 is more than line 24, enter -0-	27	0.

Other Miscellaneous Deductions

28	Other - from list on page A-10. List type and amount ▶ ----- -----	28	
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Total Itemized Deductions

29	Is Form 1040, line 38, over \$156,400 (over \$78,200 if married filing separately)? <input type="checkbox"/> No. Your deduction is not limited. Add the amounts in the far right column for lines 4 through 28. Also, enter this amount on Form 1040, line 40. <input checked="" type="checkbox"/> Yes. Your deduction may be limited. See page A-10 for the amount to enter.	29	25,072.
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30	If you elect to itemize deductions even though they are less than your standard deduction, check here	<input type="checkbox"/>
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Name(s) shown on Form 1040. Do not enter name and social security number if shown on page 1.

Your social security number

TIMOTHY M. KAINE & ANNE B. HOLTON

Schedule B - Interest and Ordinary Dividends

Attachment Sequence No. 08

Part I Interest

1 List name of payer. If any interest is from a seller-financed mortgage and the buyer used the property as a personal residence, see page B-1 and list this interest first. Also, show that buyer's social security number and address ▶

SUNTRUST

WACHOVIA BANK

Amount

5,297.

12.

Note: If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the firm's name as the payer and enter the total interest shown on that form.

2 Add the amounts on line 1

2

5,309.

3 Excludable interest on series EE and I U.S. savings bonds issued after 1989. Attach Form 8815

3

4 Subtract line 3 from line 2. Enter the result here and on Form 1040, line 8a ▶

4

5,309.

Note. If line 4 is over \$1,500, you must complete Part III.

Part II Ordinary Dividends

5 List name of payer ▶

AMERICAN CENTURY INVESTMENTS

GENERAL ELECTRIC CO

Amount

265.

1,425.

Note: If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the firm's name as the payer and enter the ordinary dividends shown on that form.

6 Add the amounts on line 5. Enter the total here and on Form 1040, line 9a ▶

6

1,690.

Note. If line 6 is over \$1,500, you must complete Part III.

Part III Foreign Accounts and Trusts

You must complete this part if you (a) had over \$1,500 of taxable interest or ordinary dividends; or (b) had a foreign account; or (c) received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

Yes No

7a At any time during 2007, did you have an interest in or a signature or other authority over a financial account in a foreign country, such as a bank account, securities account, or other financial account? See page B-2 for exceptions and filing requirements for Form TD F 90-22.1

X

b If "Yes," enter the name of the foreign country ▶

8 During 2007, did you receive a distribution from, or were you the grantor of, or transferor to, a foreign trust?

X

If "Yes," you may have to file Form 3520. See page B-2

**SCHEDULE D
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)
Name(s) shown on return

Capital Gains and Losses

▶ Attach to Form 1040 or Form 1040NR. ▶ See Instructions for Schedule D (Form 1040).
▶ Use Schedule D-1 to list additional transactions for lines 1 and 8.

OMB No. 1545-0074

2007
Attachment
Sequence No. 12

Your social security number

TIMOTHY M. KAINE & ANNE B. HOLTON

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price	(e) Cost or other basis	(f) Gain or (loss) Subtract (e) from (d)
1					
2	Enter your short-term totals, if any, from Schedule D-1, line 2		2		
3	Total short-term sales price amounts. Add lines 1 and 2 in column (d)		3		
4	Short-term gain from Form 6252 and short-term gain or (loss) from Forms 4684, 6781, and 8824				4
5	Net short-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				5
6	Short-term capital loss carryover. Enter the amount, if any, from line 10 of your Capital Loss Carryover Worksheet in the instructions				6 ()
7	Net short-term capital gain or (loss). Combine lines 1 through 6 in column (f)				7

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

(a) Description of property (Example: 100 sh. XYZ Co.)	(b) Date acquired (Mo., day, yr.)	(c) Date sold (Mo., day, yr.)	(d) Sales price	(e) Cost or other basis	(f) Gain or (loss) Subtract (e) from (d)	
8 FR SH AMERICAN CENTURY INVESTMENTS	VARIOUS	05/04/07	13.	0.	13.	
9	Enter your long-term totals, if any, from Schedule D-1, line 9		9			
10	Total long-term sales price amounts. Add lines 8 and 9 in column (d)		10	13.		
11	Gain from Form 4797, Part I; long-term gain from Forms 2439 and 6252; and long-term gain or (loss) from Forms 4684, 6781, and 8824				11	
12	Net long-term gain or (loss) from partnerships, S corporations, estates, and trusts from Schedule(s) K-1				12	
13	Capital gain distributions SEE STATEMENT 2				13	395.
14	Long-term capital loss carryover. Enter the amount, if any, from line 15 of your Capital Loss Carryover Worksheet in the instructions				14 ()	
15	Net long-term capital gain or (loss). Combine lines 8 through 14 in column (f). Then go to Part III on page 2				15	408.

LHA For Paperwork Reduction Act Notice, see Form 1040 or Form 1040NR instructions.

Schedule D (Form 1040) 2007

Part III Summary

<p>16 Combine lines 7 and 15 and enter the result.</p> <p>If line 16 is:</p> <ul style="list-style-type: none"> • A gain, enter the amount from line 16 on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 17 below. • A loss, skip lines 17 through 20 below. Then go to line 21. Also be sure to complete line 22. • Zero, skip lines 17 through 21 below and enter -0- on Form 1040, line 13, or Form 1040NR, line 14. Then go to line 22. <p>17 Are lines 15 and 16 both gains? <input checked="" type="checkbox"/> Yes. Go to line 18. <input type="checkbox"/> No. Skip lines 18 through 21, and go to line 22.</p> <p>18 Enter the amount, if any, from line 7 of the 28% Rate Gain Worksheet on page D-8 of the instructions</p> <p>19 Enter the amount, if any, from line 18 of the Unrecaptured Section 1250 Gain Worksheet on page D-9 of the instructions</p> <p>20 Are lines 18 and 19 both zero or blank? <input checked="" type="checkbox"/> Yes. Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the Qualified Dividends and Capital Gain Tax Worksheet on page 35 of the Instructions for Form 1040 (or in the Instructions for Form 1040NR). Do not complete lines 21 and 22 below. <input type="checkbox"/> No. Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the Schedule D Tax Worksheet on page D-10 of the instructions. Do not complete lines 21 and 22 below.</p> <p>21 If line 16 is a loss, enter here and on Form 1040, line 13, or Form 1040NR, line 14, the smaller of:</p> <ul style="list-style-type: none"> • The loss on line 16 or • (\$3,000), or if married filing separately, (\$1,500) } <p>Note. When figuring which amount is smaller, treat both amounts as positive numbers.</p> <p>22 Do you have qualified dividends on Form 1040, line 9b, or Form 1040NR, line 10b? <input type="checkbox"/> Yes. Complete Form 1040 through line 43, or Form 1040NR through line 40. Then complete the Qualified Dividends and Capital Gain Tax Worksheet on page 35 of the Instructions for Form 1040 (or in the Instructions for Form 1040NR). <input type="checkbox"/> No. Complete the rest of Form 1040 or Form 1040NR.</p>	<p>16</p> <p>18</p> <p>19</p> <p>21</p>	<p>408.</p> <p> </p> <p> </p> <p> </p> <p> </p>
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SCHEDULE E

(Form 1040)

Department of the Treasury
Internal Revenue Service

Supplemental Income and Loss

(From rental real estate, royalties, partnerships,
S corporations, estates, trusts, REMICs, etc.)

▶ Attach to Form 1040, 1040NR, or Form 1041.

▶ See Instructions for Schedule E (Form 1040).

OMB No. 1545-0074

2007

Attachment
Sequence No. 13

Name(s) shown on return

Your social security number

TIMOTHY M. KAINE & ANNE B. HOLTON

Part I **Income or Loss From Rental Real Estate and Royalties** Note. If you are in the business of renting personal property, use Schedule C or C-EZ (see page E-3). If you are an individual, report farm rental income or loss from Form 4835 on page 2, line 40.

1 List the type and location of each rental real estate property:

A	RESIDENTIAL PROPERTY
B	[REDACTED], RICHMOND, VA
C	

2 For each rental real estate property listed on line 1, did you or your family use it during the tax year for personal purposes for more than the greater of:

- 14 days or
- 10% of the total days rented at fair rental value?

(See page E-3.)

	Yes	No
A		X
B		
C		

Income:	Properties			Totals (Add columns A, B, and C.)
	A	B	C	
3 Rents received	3	17,875.		3 17,875.
4 Royalties received	4			4
Expenses:				
5 Advertising	5			
6 Auto and travel (see page E-4)	6			
7 Cleaning and maintenance	7	2,141.		
8 Commissions	8			
9 Insurance	9	1,126.		
10 Legal and other professional fees	10			
11 Management fees	11	1,170.		
12 Mortgage interest paid to banks, etc. (see page E-4)	12	5,975.		12 5,975.
13 Other interest	13			
14 Repairs	14	293.		
15 Supplies	15			
16 Taxes	16	4,124.		
17 Utilities	17	720.		
18 Other (list) ▶	18			
19 Add lines 5 through 18	19	15,549.		19 15,549.
20 Depreciation expense or depletion (see page E-5)	20	4,058.		20 4,058.
21 Total expenses. Add lines 19 and 20	21	19,607.		
22 Income or (loss) from rental real estate or royalty properties. Subtract line 21 from line 3 (rents) or line 4 (royalties). If the result is a (loss), see page E-5 to find out if you must file Form 6198.	22	<1,732.>		
23 Deductible rental real estate loss. Caution. Your rental real estate loss on line 22 may be limited. See page E-5 to find out if you must file Form 8582. Real estate professionals must complete line 43 on page 2	23	0.		
24 Income. Add positive amounts shown on line 22. Do not include any losses	24			24 0.
25 Losses. Add royalty losses from line 22 and rental real estate losses from line 23. Enter total losses here	25			25 0.
26 Total rental real estate and royalty income or (loss). Combine lines 24 and 25. Enter the result here. If Parts II, III, IV, and line 40 on page 2 do not apply to you, also enter this amount on Form 1040, line 17, or Form 1040NR, line 18. Otherwise, include this amount in the total on line 41 on page 2	26			26 0.

Passive Activity Loss Limitations

▶ See separate instructions.
▶ Attach to Form 1040 or Form 1041.

Name(s) shown on return

Identifying number

TIMOTHY M. KAINE & ANNE B. HOLTON

Part I 2007 Passive Activity Loss Caution: Complete Worksheets 1, 2, and 3 on page 2 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation, see Special Allowance for Rental Real Estate Activities on page 3 of the instructions.)

1a Activities with net income (enter the amount from Worksheet 1, column (a))	1a		
b Activities with net loss (enter the amount from Worksheet 1, column (b))	1b	<1,732.>	
c Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	1c	<14,960.>	
d Combine lines 1a, 1b, and 1c	1d		<16,692.>

Commercial Revitalization Deductions From Rental Real Estate Activities

2a Commercial revitalization deductions from Worksheet 2, column (a)	2a		
b Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)	2b		
c Add lines 2a and 2b	2c		

All Other Passive Activities

3a Activities with net income (enter the amount from Worksheet 3, column (a))	3a		
b Activities with net loss (enter the amount from Worksheet 3, column (b))	3b		
c Prior years unallowed losses (enter the amount from Worksheet 3, column (c))	3c		
d Combine lines 3a, 3b, and 3c	3d		

4 Combine lines 1d, 2c, and 3d. If the result is net income or zero, all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Do not complete Form 8582. Report the losses on the forms and schedules normally used	4		<16,692.>
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- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, do not complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See page 8 of the instructions for an example.

5 Enter the smaller of the loss on line 1d or the loss on line 4	5	16,692.
6 Enter \$150,000. If married filing separately, see the instructions	6	150,000.
7 Enter modified adjusted gross income, but not less than zero (see the instr.)	7	181,707.
8 Subtract line 7 from line 6	8	
9 Multiply line 8 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see the instructions	9	
10 Enter the smaller of line 5 or line 9	10	0.

STATEMENT 7

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II on page 8 of the instructions.

11 Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions	11	
12 Enter the loss from line 4	12	
13 Reduce line 12 by the amount on line 10	13	
14 Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13	14	

Part IV Total Losses Allowed

15 Add the income, if any, on lines 1a and 3a and enter the total	15	
16 Total losses allowed from all passive activities for 2007. Add lines 10, 14, and 15. See the instructions to find out how to report the losses on your tax return	16	SEE STATEMENT 6

Caution: The worksheets must be filed with your tax return. Keep a copy for your records.

Worksheet 1 - For Form 8582, Lines 1a, 1b, and 1c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
SEE ATTACHED STATEMENT FOR WORKSHEET 1					
Total. Enter on Form 8582, lines 1a, 1b, and 1c		<1,732.>	<14,960.>		

Worksheet 2 - For Form 8582, Lines 2a and 2b (See instructions.)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b			

Worksheet 3 - For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 3a)	(b) Net loss (line 3b)	(c) Unallowed loss (line 3c)	(d) Gain	(e) Loss
Total. Enter on Form 8582, lines 3a, 3b, and 3c					

Worksheet 4 - Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
Total					

Worksheet 5 - Allocation of Unallowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
SEE ATTACHED STATEMENT FOR WORKSHEET 5				
Total		16,692.	1.000000000	16,692.

Worksheet 6 - Allowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Unallowed loss	(c) Allowed loss
SEE ATTACHED STATEMENT FOR WORKSHEET 6				
Total ▶		16,692.	16,692.	

Worksheet 7 - Activities With Losses Reported on Two or More Forms or Schedules (See instructions.)

Name of Activity:	(a)	(b)	(c) Ratio	(d) Unallowed loss	(e) Allowed loss
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule ▶					
b Net income from form or schedule ▶					
c Subtract line 1b from line 1a. If zero or less, enter -0- ▶					
Total ▶					

Passive Activity Loss Limitations

▶ See separate instructions.
▶ Attach to Form 1040 or Form 1041.

Name(s) shown on return

Identifying number

TIMOTHY M. KAINE & ANNE B. HOLTON

Part I 2007 Passive Activity Loss Caution: Complete Worksheets 1, 2, and 3 on page 2 before completing Part I.

Rental Real Estate Activities With Active Participation (For the definition of active participation, see Special Allowance for Rental Real Estate Activities on page 3 of the instructions.)

1a	Activities with net income (enter the amount from Worksheet 1, column (a))		
1b	Activities with net loss (enter the amount from Worksheet 1, column (b))	<1,732.>	
1c	Prior years unallowed losses (enter the amount from Worksheet 1, column (c))	<14,960.>	
1d	Combine lines 1a, 1b, and 1c		<16,692.>

Commercial Revitalization Deductions From Rental Real Estate Activities

2a	Commercial revitalization deductions from Worksheet 2, column (a)		
2b	Prior year unallowed commercial revitalization deductions from Worksheet 2, column (b)		
2c	Add lines 2a and 2b		

All Other Passive Activities

3a	Activities with net income (enter the amount from Worksheet 3, column (a))		
3b	Activities with net loss (enter the amount from Worksheet 3, column (b))		
3c	Prior years unallowed losses (enter the amount from Worksheet 3, column (c))		
3d	Combine lines 3a, 3b, and 3c		

4	Combine lines 1d, 2c, and 3d. If the result is net income or zero, all losses are allowed, including any prior year unallowed losses entered on line 1c, 2b, or 3c. Do not complete Form 8582. Report the losses on the forms and schedules normally used		<16,692.>
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- If line 4 is a loss and:
- Line 1d is a loss, go to Part II.
 - Line 2c is a loss (and line 1d is zero or more), skip Part II and go to Part III.
 - Line 3d is a loss (and lines 1d and 2c are zero or more), skip Parts II and III and go to line 15.

Caution: If your filing status is married filing separately and you lived with your spouse at any time during the year, do not complete Part II or Part III. Instead, go to line 15.

Part II Special Allowance for Rental Real Estate Activities With Active Participation

Note: Enter all numbers in Part II as positive amounts. See page 8 of the instructions for an example.

5	Enter the smaller of the loss on line 1d or the loss on line 4		16,692.
6	Enter \$150,000. If married filing separately, see the instructions	150,000.	
7	Enter modified adjusted gross income, but not less than zero (see the instr.)	181,707.	
8	Subtract line 7 from line 6		
9	Multiply line 8 by 50% (.5). Do not enter more than \$25,000. If married filing separately, see the instructions		
10	Enter the smaller of line 5 or line 9		0.

If line 2c is a loss, go to Part III. Otherwise, go to line 15.

Part III Special Allowance for Commercial Revitalization Deductions From Rental Real Estate Activities

Note: Enter all numbers in Part III as positive amounts. See the example for Part II on page 8 of the instructions.

11	Enter \$25,000 reduced by the amount, if any, on line 10. If married filing separately, see instructions		
12	Enter the loss from line 4		
13	Reduce line 12 by the amount on line 10		
14	Enter the smallest of line 2c (treated as a positive amount), line 11, or line 13		

Part IV Total Losses Allowed

15	Add the income, if any, on lines 1a and 3a and enter the total		
16	Total losses allowed from all passive activities for 2007. Add lines 10, 14, and 15. See the instructions to find out how to report the losses on your tax return	SEE STATEMENT 11	0.

ALTERNATIVE MINIMUM TAX

Form 8582 (2007) **TIMOTHY M. KAINE & ANNE B. HOLTON**

Caution: The worksheets must be filed with your tax return. Keep a copy for your records.

Worksheet 1 - For Form 8582, Lines 1a, 1b, and 1c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 1a)	(b) Net loss (line 1b)	(c) Unallowed loss (line 1c)	(d) Gain	(e) Loss
SEE ATTACHED STATEMENT FOR WORKSHEET 1					
Total. Enter on Form 8582, lines 1a, 1b, and 1c		<1,732.>	<14,960.>		

Worksheet 2 - For Form 8582, Lines 2a and 2b (See instructions.)

Name of activity	(a) Current year deductions (line 2a)	(b) Prior year unallowed deductions (line 2b)	(c) Overall loss
Total. Enter on Form 8582, lines 2a and 2b			

Worksheet 3 - For Form 8582, Lines 3a, 3b, and 3c (See instructions.)

Name of activity	Current year		Prior years	Overall gain or loss	
	(a) Net income (line 3a)	(b) Net loss (line 3b)	(c) Unallowed loss (line 3c)	(d) Gain	(e) Loss
Total. Enter on Form 8582, lines 3a, 3b, and 3c					

Worksheet 4 - Use this worksheet if an amount is shown on Form 8582, line 10 or 14 (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Special allowance	(d) Subtract column (c) from column (a)
Total					

Worksheet 5 - Allocation of Unallowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Ratio	(c) Unallowed loss
SEE ATTACHED STATEMENT FOR WORKSHEET 5				
Total		16,692.	1.000000000	16,692.

ALTERNATIVE MINIMUM TAX

Form 8582 (2007) TIMOTHY M. KAINE & ANNE B. HOLTON

Worksheet 6 - Allowed Losses (See instructions.)

Name of activity	Form or schedule and line number to be reported on (see instructions)	(a) Loss	(b) Unallowed loss	(c) Allowed loss
SEE ATTACHED STATEMENT FOR WORKSHEET 6				
Total		16,692.	16,692.	

Worksheet 7 - Activities With Losses Reported on Two or More Forms or Schedules (See instructions.)

Name of Activity:	(a)	(b)	(c) Ratio	(d) Unallowed loss	(e) Allowed loss
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule					
b Net income from form or schedule					
c Subtract line 1b from line 1a. If zero or less, enter -0-					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule					
b Net income from form or schedule					
c Subtract line 1b from line 1a. If zero or less, enter -0-					
Form or schedule and line number to be reported on (see instructions):					
1a Net loss plus prior year unallowed loss from form or schedule					
b Net income from form or schedule					
c Subtract line 1b from line 1a. If zero or less, enter -0-					
Total					



FORM 1040 QUALIFIED DIVIDENDS STATEMENT 1

NAME OF PAYER	ORDINARY DIVIDENDS	QUALIFIED DIVIDENDS
AMERICAN CENTURY INVESTMENTS	265.	86.
GENERAL ELECTRIC CO	1,425.	1,425.
TOTAL INCLUDED IN FORM 1040, LINE 9B		1,511.

SCHEDULE D CAPITAL GAIN DISTRIBUTIONS STATEMENT 2

NAME OF PAYER	TOTAL CAPITAL GAIN	28% GAIN
AMERICAN CENTURY INVESTMENTS	395.	
TOTALS TO SCHEDULE D, LINE 13	395.	

FORM 8582 ACTIVE RENTAL OF REAL ESTATE - WORKSHEET 1 STATEMENT 3

NAME OF ACTIVITY	CURRENT YEAR		PRIOR YEAR UNALLOWED LOSS	OVERALL GAIN OR LOSS	
	NET INCOME	NET LOSS		GAIN	LOSS
RESIDENTIAL PROPERTY - [REDACTED] RICHMOND, VA	0.	<1,732.>	<14,960.>		<16,692.>
TOTALS	0.	<1,732.>	<14,960.>		<16,692.>

FORM 8582 ALLOCATION OF UNALLOWED LOSSES - WORKSHEET 5 STATEMENT 4



NAME OF ACTIVITY	FORM OR SCHEDULE	LOSS	RATIO	UNALLOWED LOSS
RESIDENTIAL PROPERTY - [REDACTED] RICHMOND, VA	SCH E	16,692.	1.000000000	16,692.
TOTALS		16,692.	1.000000000	16,692.



FORM 8582

ALLOWED LOSSES - WORKSHEET 6


STATEMENT 5

NAME OF ACTIVITY	FORM OR SCHEDULE	LOSS	UNALLOWED LOSS	ALLOWED LOSS
RESIDENTIAL PROPERTY -   , RICHMOND, VA	SCH E	16,692.	16,692.	
TOTALS		16,692.	16,692.	

FORM 8582

SUMMARY OF PASSIVE ACTIVITIES

STATEMENT 6

R R E A - NAME	FORM OR SCHEDULE	PRIOR YEAR C/O	NET GAIN/LOSS	UNALLOWED LOSS	ALLOWED LOSS
X RESIDENTIAL PROPERTY - 	SCH E	<14,960.>	<16,692.>	16,692.	
TOTALS		<14,960.>	<16,692.>	16,692.	

PRIOR YEAR CARRYOVERS ALLOWED DUE TO CURRENT YEAR NET ACTIVITY INCOME

TOTAL TO FORM 8582, LINE 16

INCOME

WAGES, SALARIES, TIPS ETC.		173,818.
DIVIDEND INCOME		1,690.
TAXABLE REFUNDS		482.
ALIMONY RECEIVED		
TAXABLE IRA DISTRIBUTIONS		
TAXABLE PENSIONS AND ANNUITIES		
UNEMPLOYMENT COMPENSATION		
OTHER INCOME		

INTEREST INCOME	5,309.	
ADD: SERIES EE AND I EXCLUSION		

BUSINESS INCOME OR LOSS		5,309.
ADD: PASSIVE LOSSES		
SUBTRACT: PASSIVE INCOME		

SALE OF ASSETS	408.	
ADD: PASSIVE/RREA PROFESSIONAL LOSSES		
SUBTRACT: PASSIVE INCOME		

RENTAL, ROYALTY OR PASSTHROUGH INCOME OR LOSS		408.
ADD: PASSIVE/RREA PROFESSIONAL LOSSES		
SUBTRACT: PASSIVE INCOME		

FARM OR FARM RENTAL INCOME OR LOSS		
ADD: PASSIVE/RREA PROFESSIONAL LOSSES		
SUBTRACT: PASSIVE INCOME		

TOTAL INCOME		181,707.
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ADJUSTMENTS

MOVING EXPENSES		
SELF-EMPLOYED HEALTH INSURANCE DEDUCTION		
PENALTY ON EARLY WITHDRAWAL OF SAVINGS		
ALIMONY PAID		
KEOGH/SEP DEDUCTION		
OTHER ADJUSTMENTS		

TOTAL ADJUSTMENTS		
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TOTAL TO FORM 8582, LINE 7		181,707.
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FORM 8582

ALTERNATIVE MINIMUM TAX
ACTIVE RENTAL OF REAL ESTATE - WORKSHEET 1

STATEMENT 8

NAME OF ACTIVITY	CURRENT YEAR		PRIOR YEAR UNALLOWED LOSS	OVERALL GAIN OR LOSS	
	NET INCOME	NET LOSS		GAIN	LOSS
RESIDENTIAL PROPERTY - [REDACTED] RICHMOND, VA	0.	<1,732.>	<14,960.>		<16,692.>
TOTALS	0.	<1,732.>	<14,960.>		<16,692.>

FORM 8582

ALTERNATIVE MINIMUM TAX
ALLOCATION OF UNALLOWED LOSSES - WORKSHEET 5

STATEMENT 9

NAME OF ACTIVITY	FORM OR SCHEDULE	LOSS	RATIO	UNALLOWED LOSS
RESIDENTIAL PROPERTY - [REDACTED] RICHMOND, VA	SCH E	16,692.	1.000000000	16,692.
TOTALS		16,692.	1.000000000	16,692.

FORM 8582

ALTERNATIVE MINIMUM TAX
ALLOWED LOSSES - WORKSHEET 6

STATEMENT 10

NAME OF ACTIVITY	FORM OR SCHEDULE	LOSS	UNALLOWED LOSS	ALLOWED LOSS
RESIDENTIAL PROPERTY - [REDACTED] [REDACTED] RICHMOND, VA	SCH E	16,692.	16,692.	
TOTALS		16,692.	16,692.	



FORM 8582AMT

SUMMARY OF PASSIVE ACTIVITIES - AMT

STATEMENT 11

R R E A - X	NAME	FORM OR SCHEDULE	GAIN/LOSS	PRIOR YEAR C/O	NET GAIN/LOSS	UNALLOWED LOSS	ALLOWED LOSS
	RESIDENTIAL PROPERTY -	SCH E					
			<1,732.>	<14,960.>	<16,692.>	16,692.	
	TOTALS		<1,732.>	<14,960.>	<16,692.>	16,692.	
	PRIOR YEAR CARRYOVERS ALLOWED DUE TO CURRENT YEAR NET ACTIVITY INCOME						
	TOTAL TO FORM 8582AMT, LINE 16						