

Form **1040** Department of the Treasury-Internal Revenue Service
U.S. Individual Income Tax Return 2005 (99) IRS Use Only-Do not write or staple in this space.

For the year Jan. 1-Dec. 31, 2005, or other tax year beginning 2005, ending ,20 OMB No. 1545-0074

Label (See instructions) Name Spouse's Name (if Joint Return) Home Address City, State, and ZIP Code Your social security number
Use the IRS label. ARTHUR NADEL
MARGUERITE J NADEL
3966 COUNTRY VIEW DRIVE
SARASOTA FL 34233-4128
Spouse's social security no.
▲ You must enter your SSN(s) above. ▲
Checking a box below will not change your tax or refund.

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

Filing Status 1 Single 4 Head of household (with qualifying person). (See instructions.)
2 Married filing jointly (even if only one had income) If the qualifying person is a child but not your dependent, enter this child's name here. ▶
3 Married filing separately. Enter spouse's SSN above
one box. 5 Qualifying widow(er) with dependent child (see instructions)

Exemptions 6a Yourself. If someone can claim you as a dependent, do not check box 6a
6b Spouse
6c **Dependents:** (2) Dependent's social security no. (3) Dependent's relationship to you (4) If qualifying child for child tax credit (see instr.)

(1) First name	Last name	(2) Dependent's social security no.	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> If qualifying child for child tax credit (see instr.)

If more than four dependents, see instr.

Boxes checked on
6a and 6b 2
No. of children on 6c who:
• lived with you 0
• did not live with you due to divorce or separation (see instr.) 0
Dependents on 6C not entered above 0
Add numbers on lines above ▶ 2

d Total number of exemptions claimed

Income 7 Wages, salaries, tips, etc. Attach Form(s) W-2 7 225,000.
8a Taxable interest. Attach Schedule B if required 8a 11,395.
8b Tax-exempt interest. Do not include on line 8a 8b
9a Ordinary dividends. Attach Schedule B if required 9a 310,094.
9b Qualified dividends (see instructions) 9b 307,791.
10 Taxable refunds, credits, or offsets of state and local income taxes (see instructions) 10
11 Alimony received 11
12 Business income or (loss). Attach Schedule C or C-EZ 12
13 Capital gain or (loss). Attach Schedule D if required. If not required, check here 13 9,668,050.
14 Other gains or (losses). Attach Form 4797 14
15a IRA distributions 15a b Taxable amount (see instr.) 15b
16a Pensions and annuities 16a b Taxable amount (see instr.) 16b
17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E 17 7,448,279.
18 Farm income or (loss). Attach Schedule F 18
19 Unemployment compensation 19
20a Social security benefits 20a 8,331. b Taxable amount (see instr.) 20b 7,081.
21 Other income. List type and amount (see instr.) 21
22 Add the amounts in the far right column for lines 7 through 21. This is your total income ▶ 22 17,669,899.

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

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

Adjusted Gross Income
23 Educator expenses (see instructions) 23
24 Certain business expenses of reservists, performing artists, and fee-basis gov. officials. Attach Form 2106 or 2106-EZ 24
25 Health savings account deduction. Attach Form 8889 25
26 Moving expenses. Attach Form 3903 26
27 One-half of self-employment tax. Attach Schedule SE 27
28 Self-employed SEP, SIMPLE, and qualified plans 28
29 Self-employed health insurance deduction (see instr.) 29
30 Penalty on early withdrawal of savings 30
31a Alimony paid b Recipient's SSN ▶ 31a
32 IRA deduction (see instructions) 32
33 Student loan interest deduction (see instructions) 33
34 Tuition and fees deduction (see instructions) 34
35 Domestic production activities deduction. Attach Form 8903 35
36 Add lines 23 through 31a and 32 through 35 36
37 Subtract line 36 from line 22. This is your adjusted gross income ▶ 37 17,669,899.

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US1040\$1 Rev. 1

BCA For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see Instructions Form 1040 (2005)



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	38	Amount from line 37 (adjusted gross income)	38	17,669,899.
Tax and Credits	39a	Check <input checked="" type="checkbox"/> You were born before Jan. 2, 1941, <input type="checkbox"/> Blind. Total boxes checked 2		
		if: <input checked="" type="checkbox"/> Spouse was born before Jan. 2, 1941, <input type="checkbox"/> Blind. checked 39a		
		b If your spouse itemizes on a separate return or you were a dual-status alien, see Instructions and check here 39b		
	40	Itemized deductions (from Schedule A) or your standard deduction (see left margin)	40	3,347,575.
	41	Subtract line 40 from line 38	41	14,322,324.
	42	If line 38 is over \$109,475, or you provided housing to a person displaced by Hurricane Katrina, see instructions. Otherwise, multiply \$3,200 by the total no. of exemptions claimed on line 6d	42	
	43	Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-	43	14,322,324.
	44	Tax (see instr.). Check if any tax is from: a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972	44	4,925,318.
	45	Alternative minimum tax (see instructions). Attach Form 6251	45	
	46	Add lines 44 and 45	46	4,925,318
	47	Foreign tax credit. Attach Form 1116 if required	47	
	48	Credit for child and dependent care exp. Attach Form 2441	48	
	49	Credit for the elderly or the disabled. Attach Schedule R	49	
	50	Education credits. Attach Form 8863	50	
	51	Retirement savings contributions credit. Attach Form 8880	51	
52	Child tax credit (see instr.). Attach Form 8801 if required	52		
53	Adoption credit. Attach Form 8839	53		
54	Credits from: a <input type="checkbox"/> Form 8396 b <input type="checkbox"/> Form 8859	54		
55	Other credits. Check applicable box(es): a <input type="checkbox"/> Form 3800 b <input type="checkbox"/> Form 8801 c <input type="checkbox"/> Form	55		
56	Add lines 47 through 55. These are your total credits	56		
57	Subtract line 56 from line 46. If line 56 is more than line 46, enter -0-	57	4,925,318.	
Other Taxes	58	Self-employment tax. Attach Schedule SE	58	
	59	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137	59	
	60	Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required	60	
	61	Advance earned income credit payments from Form(s) W-2	61	
	62	Household employment taxes. Attach Schedule H	62	
	63	Add lines 57 through 62. This is your total tax	63	4,925,318.
Payments	64	Federal income tax withheld from Forms W-2 and 1099	64	70,000.
	65	2005 estimated tax pymts and amt applied from 2004 return	65	4,900,000.
	66a	Earned income credit (EIC)	66a	
	66b	Non-taxable combat pay election	66b	
	67	Excess social security and tier 1 RRTA tax withheld (see instr)	67	
	68	Additional child tax credit. Attach Form 8812	68	
	69	Amount paid with request for extension to file (see instr)	69	
	70	Payments from: a <input type="checkbox"/> Form 2439 b <input type="checkbox"/> Form 4136 c <input type="checkbox"/> Form 8885	70	
71	Add lines 64, 65, 66a, and 67 through 70. These are your total payments	71	4,970,000.	
Refund	72	If line 71 is more than line 63, subtract line 63 from line 71. This is the amount you overpaid	72	44,682.
	73a	Amount of line 72 you want refunded to you	73a	
	73b	Routing number XXXXXXXXXXXXXXXXXXXXX c Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
	73c	Account number XXXXXXXXXXXXXXXXXXXXX		
	74	Amount of line 72 you want applied to your 2006 est. tax	74	44,682.
Amount You Owe	75	Amount you owe. Subtract line 71 from line 63. For details on how to pay, see instructions	75	
	76	Estimated tax penalty (see instructions)	76	

Do you want to allow another person to discuss this return with the IRS (see instructions)? Yes. Complete the following. No

Third Party Designee
 Designee's name: MICHAEL D ZUCKER Phone no.: 941-379-0003 Personal identification number (PIN): 00103

Sign Here
 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.

Your signature: *Marguerite Nadel* Date: 10/16/2006 Your occupation: INVESTMENT CONSULTANT Daytime phone number: 941-366-0975

Spouse's signature, if a joint return, both must sign: *Arthur Nadel* Date: 10/13/06 Spouse's occupation: OFFICE MANAGER

Preparer's Use Only
 Preparer's signature: *Michael D Zucker* Date: 10/13/2006 Check if self-employed Preparer's SSN or PTIN: EIN
 Firm's name (or yours if self-employed), address, and ZIP code: MICHAEL D ZUCKER ACGTG & TAX SVCS 5037 WILLOW LEAF WAY SARASOTA FL 34241-6234 Phone no.: 941-379-0003

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**SCHEDULES A&B
(Form 1040)**

Department of the Treasury
Internal Revenue Service (99)

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

2005

Attachment
Sequence No. 07

Name(s) shown on Form 1040

ARTHUR & MARGUERITE J NADEL

Your social security no

Medical and Dental Expenses	Caution. Do not include expenses reimbursed or paid by others.			
	1	Medical and dental expenses (see Instructions)	1	
	2	Enter amt. from Form 1040, line 38 <input type="text" value="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 instructions.)	5 State and local (check only one box):			
	a	<input type="checkbox"/> Income taxes, or	5	5,280.
	b	<input checked="" type="checkbox"/> General sales taxes (see instructions)	6	4,155.
	6	Real estate taxes (see instructions)	7	
	7	Personal property taxes	8	
	8	Other taxes. List type and amount ▶		
	9	Add lines 5 through 8	9	9,435.
	Interest You Paid (See instructions.)	10	Home mortg. interest & 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 inst. and show that person's name, identifying no., and address ▶	11	
12		Points not reported to you on Form 1098. See instructions for special rules	12	
13		Investment interest. Attach Form 4952 if required. (See instructions.)	13	638.
14		Add lines 10 through 13	14	31,059.
Gifts to Charity	15a	Total gifts by cash or check. If you made any gift of \$250 or more, see instructions	15a	2,032,174.
	15b	Gifts by cash or check after August 27, 2005, that you elect to treat as qualified contributions (see instructions)	15b	
	16	Other than by cash or check. If any gift of \$250 or more, see instructions. You must attach Form 8283 if over \$500	16	1,800,625.
	17	Carryover from prior year	17	
	18	Add lines 15a, 16, and 17	18	3,832,799.
Casualty and Theft Losses	19	Casualty or theft loss(es). Attach Form 4684. (See instructions.)	19	
	20	Unreimbursed employee expenses - job travel, union dues, job education, etc. Attach Form 2106 or 2106-EZ if required. ▶	20	
Job Expenses and Certain Miscellaneous Deductions (See instructions.)	21	Tax preparation fees	21	
	22	Other expenses - investment, safe deposit box, etc. ▶	22	
	23	Add lines 20 through 22	23	
	24	Enter amt. from Form 1040, line 38 <input type="text" value="24"/>	24	
	25	Multiply line 24 by 2% (.02)	25	
	26	Subtract line 25 from line 23. If line 25 is more than line 23, enter -0-	26	
Other Miscellaneous Deductions	27	Other - from list in the inst. List type and amount	27	
	28	Is Form 1040, line 30, over \$148,950 (over \$72,975 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 27. Also, enter this amount on Form 1040, line 40. <input checked="" type="checkbox"/> Yes. Your deduction may be limited. See instructions for the amount to enter.	28	3,347,575.
Total Itemized Deductions	29	If you elect to itemize deductions even though they are less than your standard deduction, check here ▶ <input type="checkbox"/>		

For Paperwork Reduction Act Notice, see Form 1040 Instructions.

Schedule A (Form 1040) 2005

US Schedule A

Charitable Deduction Detail Worksheet

2005

Name: ARTHUR & MARGUERITE J NADEL

SSN:

Medical Expenses		Medical miles: X .15 =	Medical miles: X .22 =
Insurance premiums paid (not pre-tax)		Medicare from 1040 worksheet	
Taxpayer		Remainder from worksheets	
Spouse		Taxpayer	
Qualified long term care contracts		Spouse	
Taxpayer		Self-employed health insurance	
Spouse		Taxpayer	
Other medical expenses		Spouse	
		Amount from additional worksheets	
		Total	

Cash Contributions Hurricane Katrina miles X .29 =		Other Charitable miles: X .14 =
50% Limit Organizations	2,031,174.	
SEE SCHEDULE		
		From Schedules K-1
		Amount from additional worksheets
		Total

30% Limit Organizations		Charitable miles: X .14 =
		Schedules K-1
		Amount from additional worksheets
		Total

Other Than Cash Contributions	50% Limit Organizations	
		From Forms 8283
		Amount from additional worksheets
		Total

30% Limit Capital gain property donated to 50% limit organizations.		From Forms 8283
		Total

30% Limit Not capital gain property donated to 30% limit organizations.		From Forms 8283
	1,800,000	Total

20% Limit Organization Capital gain property donated to 30% limit organizations.		From Forms 8283
		Total

	From years 2000 through 2004				To 2006 tax year			
	Cash and other property		Capital gain property		Cash and other property		Capital gain property	
	50%	30%	30%	20%	50%	30%	30%	20%
2000								
2001								
2002								
2003								
2004								
2005								

Contributions allowed this year	8,834,950.
50% of adjusted gross income	
This year's 50% organization cash contributions allowed	2,032,799.
30% of adjusted gross income	5,300,970.
This year's capital gain contributions to 50% organizations limited to 30%	
50% cash carryover allowed	
50% capital gain carryover limited to 30%	
This year's 30% organization cash and other property contributions allowed	1,800,000.
30% organizations cash and other property carryover	
20% of adjusted gross income	3,533,980.
This year's capital gain contributions to 30% organizations limited to 20%	
30% capital gain carryover limited to 20% AGI	
Total contributions allowed this year	3,832,799.

USWAS551

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