

# 1972 Instructions for Form 1040 and for Schedules A, B, C, D, E, F and R

## A Special Message From The Commissioner

Dear Taxpayer:

These are the instructions for your 1972 Form 1040. You will find that the forms and schedules are generally similar to those sent you last year, although we have made some improvements. In addition, we have tried to make the instructions easier to understand. We also have added to the instructions an explanation of words and terms that may be unfamiliar.

There are three new features (provided by law) in the 1972 individual income tax returns we want to call to your attention. The first is "revenue sharing." This is a system for sharing Federal money with the states and cities. Please read the instructions on page 8 and give all the information asked for on lines 33 and 34 of Form 1040.

The second feature is the new tax credit for political contributions made in 1972. This credit is limited to \$12.50 (\$25 if a joint return). If it applies to you, the credit should be claimed on line 59 of the return. Please read the instructions on page 9. Instead of the credit, you may claim an itemized deduction for political contributions made in 1972. The deduction is limited to \$50 (\$100 if a joint return). Please see the instructions on page 13.

The third feature is the presidential election campaign fund dollar "check-off." This optional feature enables taxpayers to designate \$1 of their taxes (\$2 if a joint return) to go to the political party of their choice or to a general fund to support political parties. Form 4875, Presidential Election Campaign Fund Statement, should be attached to your return if you wish to do this. If you do not wish to earmark money for this purpose, do not file Form 4875. If you file Form 4875, IRS will separate it from your return for processing.

With the information in these instructions, we hope you can fill out your return. If you need assistance, you should feel free to call or visit your nearest Internal Revenue Service office. This address and telephone number are in the white pages of your telephone book under U.S. Government, Treasury Department, Internal Revenue Service. We will be glad to help you.

If you have someone else help you or fill out your return, you should select a qualified person because you are the one responsible for it. If you pay someone for preparation of your return, the preparer must also sign it. And please be sure to keep a copy of your return.

Please double-check your return, and avoid the last-minute rush before April 16. This will help cut down mistakes and help IRS return any refund you may have coming.

We appreciate your concern and thank you for your cooperation.

Department  
of the  
Treasury



Internal  
Revenue  
Service

Commissioner of Internal Revenue

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## Meaning of Some Terms and Words Used in Instructions

**Adjusted gross income**—Total income appearing on line 17, Form 1040  
**Declaration of estimated tax**—A statement which might have to be filed with the IRS if one expects to owe \$100 or more in tax beyond any withholding tax and credits  
**Dependent**—A person for whom you may claim an exemption on your return  
**Dividends exclusion**—First \$100 you receive from qualifying domestic corporations  
**Dividends income**—Money received by you from stock you own  
**Domestic corporations**—Corporations organized and doing business in the U.S.  
**Excess**—More than  
**Excludable sick pay**—Generally, the money received by you while you were off work due to sickness or injury through an employer's wage continuation plan  
**Exemptions**—An allowance of \$750 for you, your wife, and each dependent as provided for on lines 6 thru 9  
**Gross income**—All the money you receive from wages, interest, dividends, business, etc. Does not include such items as unemployment com-

pensation, social security benefits, and dividends on veteran's insurance  
**Insurance reimbursements**—Money paid to you by an insurance company to cover certain expenses you paid, such as doctor bills  
**Interest income**—Income you received for money on deposit in banks, building and loan associations, credit unions, etc.  
**Interlocutory decree**—Divorce not final  
**Itemized deductions**—Certain expenses such as medical and dental, taxes, contributions and interest and may be used in reducing your adjusted gross income to arrive at taxable income  
**Joint return**—Both husband and wife use one return together  
**Low income allowance**—A special feature in the Tax Tables which provides for a standard deduction up to \$1,300 (\$650 if one is married and filing a separate return)  
**Net earnings from self-employment**—Generally, the net profit from a business which is subject to self-employment tax  
**Non-resident Alien**—A person from a foreign country and generally not living in the U.S.  
**Percentage standard deduction**—Generally, 15% of your adjusted gross income limited to \$2,000 (\$1,000 if one is married and filing a separate

return). Used by those persons not itemizing deductions  
**Power of attorney**—Written permission given to another to act for you  
**Reimbursement**—Money paid to you from the insurance company  
**Resident Alien**—A person from a foreign country but living in the U.S.  
**Retirement income credit**—An amount to be subtracted from your tax if you qualify for this credit  
**Revenue sharing**—A program through which State and local governments are given a share of U.S. Individual Income Tax  
**Separate maintenance**—A legal statement which provides for the support of a wife (husband) and children  
**Standard deduction**—An allowance used to reduce your adjusted gross income when you do not itemize your deductions  
**Tax deductible**—Items which may be used to reduce income  
**Widow**—A woman whose husband has died  
**Widower**—A man whose wife has died  
**W-2 Form**—The form your employer gives you showing wages, income tax withheld and social security tax withheld

## Here are Some of the New Rules for 1972

### Short Form 1040A

The Service again has a Short Form 1040A. If in 1972, you had just wages, not more than \$200 of dividends, or not more than \$200 of interest and you do not plan to itemize deductions (interest, taxes and the like) you may be able to use Short Form 1040A.

### Filing Requirements

You may not have to file a tax return. The limits have been raised for 1972. See page 3 for the new amounts.

### Exemptions

The deduction for an exemption has been raised from \$675 to \$750.

### If You Choose the Standard Deduction

The percentage standard deduction has been increased. Instead of multiplying by 13%, now you multiply by 15%. The top limit was \$1,500. Now it is \$2,000. The low income allowance may be used instead of the percentage standard deduction. The allowance was \$1,050, it is now \$1,300.

### Revenue Sharing

Revenue sharing is a plan whereby the Federal Government will return money to your State, county and city. Several billion dollars will be given back every year. The sum your area will receive is to be based on how many people live there and what their income is. So it's very IMPORTANT

for you to fill in lines 33 and 34 of Form 1040. Do it with care! Only then will your State, county and city get back its fair share. This money is part of the income tax you pay.

### Political Campaigns

You now may be able to lower your taxes because you gave money for a political campaign in 1972. Claim either a tax credit or an itemized deduction (BUT NOT BOTH), if you gave to a political campaign.

Another way to help with money is to complete Form 4875, the Presidential Election Campaign Fund Statement.

If you decide to use this form, your money will go toward the 1976 Presidential Campaign Fund. \$1.00 of your 1972 tax will go to the fund (\$2.00 if you and your wife (husband) file jointly and both of you participate).

### Estimated Taxes

Estimated taxes are paid in installments throughout the year to lighten your tax payment at the end of the year. Under certain conditions you may be required to pay estimated taxes. For 1972 and later years the filing requirements have been changed (see page 7).

### Deduction for the Care of Certain Persons

The deduction for the care of dependents and your disabled wife (husband) has been liberalized. This deduction is avail-

able only if expenses are paid to enable you (and if married, your wife (husband) assuming she (he) is healthy) to be gainfully employed. See page 12 for additional details. Also get Form 2441.

### Claimed as a Dependent on Your Parent's Return

If you have unearned income (i.e. dividends or interest), could be claimed as a dependent on your parent's return and elect the standard deduction, the standard deduction will be figured on earned income (i.e. wages) only. For example, if you are a student and file your tax return showing wages, interest, and dividends and your parents could claim you as a dependent on their tax return you may not be able to use the Tax Tables, and the percentage standard deduction (or low income allowance) will be based only on your wages—See the blocked instruction on page 7.

### Credit for Wages Paid or Incurred in Work Incentive (WIN) Programs

Effective for tax years beginning after 1971, employers may claim a tax credit of 20 percent of the salaries and wages incurred or paid to employees hired under a Work Incentive (WIN) Program. The credit is allowed for the salaries and wages paid or incurred for the first 12 months of employment. For special rules and limitations, see Form 4874.

### Guide for Preparing Form 1040

A guide for preparing Form 1040 is located on page 3.

# Guide for Preparing a Return

You may find it helpful in completing your Form 1040 to follow these steps and check them off as you go.

**Step 1.—Gather up your income records** including Forms W-2, W-2P, and 1099. If your employer does not give you a Form W-2 by January 31, or if the one you have is not correct, contact your employer as soon as possible. Only he can issue your W-2 or correct it.

**Step 2.—If you are going to list (itemize) your deductions, collect your expense records,** such as medical and dental bills. Also, real estate taxes, state income tax, home mortgage interest, etc. and charitable contributions. To make sure you do not forget any items, look on pages 10 through 13 of these instructions. Check the types of expenses you can deduct. Put these records aside until later.

**Step 3.—Get the forms or schedules you need** but did not receive by mail. See the order blank. The order blank will help you decide which ones you will need.

**Step 4.—Name and Address.** Use the mailing label on the forms we sent you. Correct your name and address if necessary. Also show your apartment number if you have one. If you did not receive forms with a label, print or type your name and address. If you are in the Armed Forces, use your permanent home address. (Note: Show your own address unless you want us to mail your refund or other correspondence to a person acting for you. In this case, attach to your return a power of attorney that tells exactly what you want done.)

**Step 5.—Social Security Number.** If it is wrong on the label or if you did not receive a label, show your correct number on your return. If you are in the Armed Forces, also give your serial number if different from your social security number.

If you do not have a social security number, get an application **Form SS-5** from a Social Security Administration office, post office, or from IRS. File it with the local office of the Social Security Administration. Do this early enough to make sure you receive a number before April 16. If you do not receive your number by April 16, file your return without it and write "Applied for" in the space for social security number.

Don't forget to show occupation(s) in space(s) in upper right corner just below social security blocks.

**Step 6.—Filing Status.** Check only one of the filing status blocks (lines 1 through 5). Your tax rate depends on the block you check. So before you decide, see instruction, Filing Status, on page 4.

**Step 7.—Exemptions.** Fill in lines 6 through 10. See instruction, Exemptions, on page 5.

**Step 8.—Fill in the schedules and forms** mentioned for lines 12, 13, 35 through 39, and 46 through 49 if you need to. Enter the totals from your schedules on the correct lines on Form 1040.

If you need more space on forms or schedules, attach separate sheets that follow the same size and arrangement of the printed forms, but show your totals on the printed forms. Be sure to put your name and social security number on these separate sheets.

**Step 9.—Fill in lines 11 through 17.** This will give you your adjusted gross income. The instructions between lines 17 and 18 are guides to tell you where to proceed after you have filled in line 17. If the first instruction is applicable, be sure to check the block.

**Step 10.—Now you have to decide whether to use the standard deduction or itemize your deductions.** The instruction, Should You Use the Standard Deduction or Should You Itemize Deductions?, on page 6 will help you decide.

**Step 11.—Figure your tax if you decided to take the standard deduction and you DID NOT check the block between lines 17 and 18 (if you checked the block, follow the instructions on page 7; or, if you decided to itemize, skip to Step 12).** If line 17 is under \$10,000, find your tax in Tax Tables 1 through 12. (The standard deduction is included and your tax is already figured out for you.) Enter the amount on line 18. Skip the rest of this step and step 12.

If line 17 is \$10,000 or more, fill in lines 51 through 55 on the back of your return. (Your standard deduction goes on line 52.) Use Tax Rate Schedule X, Y, or Z to figure your tax. Show the amount on line 18. Skip step 12.

**Step 12.—Figure your tax if you decided to itemize deductions.** Fill in Schedule A and enter your total deductions on line 52 of Form 1040. Fill in lines 51, 53, 54, and 55. Use Tax Rate Schedule X, Y, or Z to figure your tax. Show the amount on line 18.

**Step 13.—Fill in lines 56 through 71 if you have credits, other taxes, or other payments to report.** Complete the forms or schedules asked for. Enter the amounts from these lines on the front of your return as instructed. Fill in any other amounts needed for lines 19 through 31. Also, answer the foreign accounts question.

**Step 14.—If you owe tax,** show amount on line 28. Attach check or money order for full amount when you file. Make it out to "Internal Revenue Service" and be sure to write your social security number on it. If line 28 is less than \$1, you do not have to pay.

**Step 15.—If we owe you a refund,** show amount on line 29. On line 30 or 31, show whether you want some or all of the money refunded or credited to 1973 estimated tax. If line 29 is less than \$1, we will send you a refund only upon written request.

**Step 16.—Fill in lines 33 and 34.** Completion of these lines is **Important.** Accurate Revenue Sharing information will return to your State and local government their fair share of Federal individual income taxes.

**Note:** To participate in the presidential election campaign fund dollar "check-off," attach Form 4875.

**Step 17.—Recheck Your Return.** Go over all items and make sure they are right. Also check your arithmetic.

**Step 18.—Sign Your Return.** It is not considered a return unless you do. Both husband and wife have to sign a joint return. If you pay someone to prepare your return, be sure that person also signs. If prepared by a firm or corporation, it should be signed in the name of the firm or corporation. If prepared by your regular, full-time employee, such as a clerk, secretary, or bookkeeper, the employee does not have to sign.

**Step 19.—Attachments.** Attach Forms W-2 (copy B) to front of Form 1040. If you took an adjustment for sick pay on line 46, be sure to attach Form 2440 or if you are retired because of a disability, your Form W-2P (copy B). Attach schedules in alphabetical order and forms in numbered order. If you owe tax, be sure to attach your payment to the front of Form 1040.

**Note:** If you move to a new address after filing your return and you are expecting a refund, be sure to file a change of address with the post office where you moved from. Unless you do this, the post office cannot send your check on to your new address.

## Form 1040 Instructions

### Where to Get Forms

As far as practical, we mail forms and schedules directly to you based on what you filed last year. Many people will need only Form 1040. The order blank inside the tax forms package will help you get many of the forms, schedules, and publications referred to in these instructions. Many banks and post offices may also have this same material; however, in the event they don't, fill out the order blank and we will speed your request to you.

### Who Must File

(See page 6 for examples of income)

File a return if you are:	And your gross income is at least:
Single or are a widow or widower, and are under 65	\$2,050
Single or are a widow or widower, and are 65 or older	2,800
Single, can be claimed as a dependent on your parent's return, and have taxable dividends, interest, or other unearned income	750
Married filing jointly, living together at end of tax year (or at date of death of husband or wife), both are under 65	2,800
Married filing jointly, living together at end of tax year (or at date of death of husband or wife), one is 65 or older	3,550

File a return if you are:	And your gross income is at least:
Married filing jointly, living together at end of tax year (or at date of death of husband or wife), both are 65 or older	\$4,300
Married filing separate return, or married, but not living together at end of tax year	750
A person with income from sources within U.S. possessions	750
Self-employed and your net earnings from self-employment were at least \$400	
If income tax was withheld even though you are not required to file a return, you should file to get a refund.	

The filing requirement rules are for all U.S. citizens and resident aliens, including those under 21 years of age.

**Deceased Taxpayers.**—If a person died in 1972, or in 1973 before filing a return for 1972, the executor, administrator, or surviving wife or husband must file a return for the deceased.

The executor or administrator can file a joint return with the surviving wife or husband. If an executor or administrator has not been appointed, the survivor can still file a joint return. All the income of both husband and wife must be included on it.

If you are filing such a joint return, write in the signature area that you are filing as surviving wife or husband. Show the date of death in the name and address space. If a refund is due, attach Form 1310 to your return. For more information on this, get **Publication 559**, Federal Tax Guide for Survivors, Executors, and Administrators.

**IRS will figure your tax** if your income on line 17 is \$20,000 or less, was only from wages, salary and tips, dividends, interest, pensions and annuities, and you want to take the standard deduction.

All you do is:

1. Place your name and address label on your return, or fill in name, address, and social security number. Also fill in occupation. On a joint return, show names, numbers and occupations of both husband and wife.

2. Fill in lines 1 through 17, lines 19, 21, 23, 24, and 26 if necessary. Answer the foreign accounts question and fill in lines 33 and 34.

3. On a joint return, show husband's and wife's income separately on the dotted line to the left of the line 17 entry space.

4. Sign your return. Both husband and wife have to sign a joint return.

5. File on or before April 16, 1973. We will then figure your tax and send you a refund check if you paid too much or bill you if you did not pay enough.

**Note:** If you have a retirement income credit, we will figure that also. Just attach **Schedule R** after you have answered the question for columns A and B, and filled in lines 2 and 5. Then write **RIC** on line 19 of Form 1040.

Also, if you want to participate in the presidential election campaign fund dollar "check-off" attach Form 4875.

**Rounding Off to Whole Dollars.**—You may show the money items on your return

and schedules in whole dollars. To do this, eliminate any amount less than 50 cents and increase any amount from 50 cents through 99 cents to the next higher dollar.

**Recordkeeping Requirements.**—Get Publication 552, Recordkeeping Requirements And A Guide To Tax Publications, for details.

**When To File.**—As soon as you can after January 1, but not later than April 16, 1973.

**Where To File.**—Mail your return to the Internal Revenue Service Center for the place where you live. Use the addressed envelope that came with your return, or use the address below.

**Send your return to the IRS Center at:**

**If you live in:**

**Alabama**—4800 Buford Highway, Chamblee, Ga. 30006

**Alaska**—1160 West 1200 South St., Ogden, Utah 84405

**Arizona**—1160 West 1200 South St., Ogden, Utah 84405

**Arkansas**—3651 S. Interregional Highway, Austin, Texas 78740

**California**—5045 East Butler Ave., Fresno, Calif. 93730

**Colorado**—1160 West 1200 South St., Ogden, Utah 84405

**Connecticut**—310 Lowell St., Andover, Mass. 01812

**Delaware**—11601 Roosevelt Blvd., Philadelphia, Pa. 19155

**District of Columbia**—11601 Roosevelt Blvd., Philadelphia, Pa. 19155

**Florida**—4800 Buford Highway, Chamblee, Ga. 30006

**Georgia**—4800 Buford Highway, Chamblee, Ga. 30006

**Hawaii**—5045 East Butler Ave., Fresno, Calif. 93730

**Idaho**—1160 West 1200 South St., Ogden, Utah 84405

**Illinois**—2306 East Bannister Rd., Kansas City, Mo. 64170

**Indiana**—3131 Democrat Rd., Memphis, Tenn. 38110

**Iowa**—2306 East Bannister Rd., Kansas City, Mo. 64170

**Kansas**—3651 S. Interregional Highway, Austin, Texas 78740

**Kentucky**—3131 Democrat Rd., Memphis, Tenn. 38110

**Louisiana**—3651 S. Interregional Highway, Austin, Texas 78740

**Maine**—310 Lowell St., Andover, Mass. 01812

**Maryland**—11601 Roosevelt Blvd., Philadelphia, Pa. 19155

**Massachusetts**—310 Lowell St., Andover, Mass. 01812

**Michigan**—Cincinnati, Ohio 45298

**Minnesota**—1160 West 1200 South St., Ogden, Utah 84405

**Mississippi**—4800 Buford Highway, Chamblee, Ga. 30006

**Missouri**—2306 East Bannister Rd., Kansas City, Mo. 64170

**Montana**—1160 West 1200 South St., Ogden, Utah 84405

**Nebraska**—1160 West 1200 South St., Ogden, Utah 84405

**Nevada**—1160 West 1200 South St., Ogden, Utah 84405

**New Hampshire**—310 Lowell St., Andover, Mass. 01812

**New Jersey**—1040 Waverly Ave., Holtsville, N.Y. 11799

**New Mexico**—3651 S. Interregional Highway, Austin, Texas 78740

**New York**—310 Lowell St., Andover, Mass. 01812

**North Carolina**—3131 Democrat Rd., Memphis, Tenn. 38110

**North Dakota**—1160 West 1200 South St., Ogden, Utah 84405

**Ohio**—Cincinnati, Ohio 45298

**Oklahoma**—3651 S. Interregional Highway, Austin, Texas 78740

**Oregon**—1160 West 1200 South St., Ogden, Utah 84405

**Pennsylvania**—11601 Roosevelt Blvd., Philadelphia, Pa. 19155

**Rhode Island**—310 Lowell St., Andover, Mass. 01812

**South Carolina**—4800 Buford Highway, Chamblee, Ga. 30006

**South Dakota**—1160 West 1200 South St., Ogden, Utah 84405

**Tennessee**—3131 Democrat Rd., Memphis, Tenn. 38110

**Texas**—3651 S. Interregional Highway, Austin, Texas 78740

**Utah**—1160 West 1200 South St., Ogden, Utah 84405

**Vermont**—310 Lowell St., Andover, Mass. 01812

**Virginia**—3131 Democrat Rd., Memphis, Tenn. 38110

**Washington**—1160 West 1200 South St., Ogden, Utah 84405

**West Virginia**—3131 Democrat Rd., Memphis, Tenn. 38110

**Wisconsin**—2306 East Bannister Rd., Kansas City, Mo. 64170

**Wyoming**—1160 West 1200 South St., Ogden, Utah 84405

**Foreign Addresses**

**If you are located in:**

**Use this address**

Panama Canal Zone,  
American Samoa,  
Guam

Internal Revenue Service  
Center  
11601 Roosevelt Boulevard  
Philadelphia, Pa. 19155

Puerto Rico (or if excluding  
income under section  
933)

Internal Revenue Service  
Center  
11601 Roosevelt Boulevard  
Philadelphia, Pa. 19155

Virgin Islands:  
Non-permanent residents

Virgin Islands:  
Permanent residents

Department of Finance,  
Tax Division  
Charlotte Amalie,  
St. Thomas  
Virgin Islands 00801

U.S. citizens with foreign addresses (except A.P.O. and F.P.O.) and those excluding income under sec. 911 or 931, should file with the Internal Revenue Service Center, 11601 Roosevelt Boulevard, Philadelphia, Pennsylvania 19155.

## Instructions for Page 1 of Form 1040

### Filing Status

#### Decide How You Should File From the Explanations Below

**Were You Married or Single?**—If you were married on December 31, consider yourself married for the whole year. If you were single, divorced, or legally separated on December 31, consider yourself single for the whole year. If you were a "Married person living apart from your wife or husband" as described on the next page, consider yourself single for the whole year.

If your wife or husband died during 1972, consider yourself married for the whole year.

**Married Persons.**—Should you file joint or separate returns?

**Joint Return.**—In most cases, married couples will pay less tax if they file jointly.

A husband and wife can file a joint return even if they did not live together for the full year, or if one was a resident alien for the whole year. But they cannot file jointly if one was a nonresident alien at any time during the year. Both husband and wife are responsible for any tax due on a joint return, so if one does not pay, the other will have to.

**Things to Remember on a Joint Return.**—Use the mailing label sent you with your return if it shows names and social security numbers of both husband and wife. If it does not, or if you did not receive a label, show first names and middle initials of both. For example: John F. and Mary L. Doe. Enter social security numbers for both. Show all income, exemptions, and deductions of husband and wife. Both have to sign unless the husband is serving in a

combat zone and receiving Hostile Fire Pay. In that case, the wife can write "Military service in a combat zone" on the line for her husband's signature.

**Separate Returns.**—You can file separately if both husband and wife had income or if only one had income. Both husband and wife have to figure their tax the same way. This means if one itemizes deductions, the other must itemize. If one takes the percentage standard deduction, the other must take the percentage standard deduction and cannot take the low-income allowance (this is \$650 for a separate return). You each report only your own income, exemptions, and deductions, and you are responsible only for the tax due on your own return. If husband and wife live in a community property State and both itemize deductions, those paid from joint funds can be divided equally between them. See **Publication 555**, Community Property and the Federal Income Tax.

**Tax Savings.**—Before you file a separate return, see if you may be able to reduce your tax by meeting the tests described below in "Were You a Married Person Living Apart From Your Wife or Husband?" If so, use the filing status Single or, if you qualify, Unmarried Head of Household.

**Things to Remember on a Separate Return.**—If both husband and wife file separate returns, check the box on line 3, "Married filing separately." Write your wife's or husband's first name and social security number in the space provided.

Check the applicable boxes on line 7 if you can claim the exemptions for your wife or husband. See the instructions for "Exemptions" on this page. Only the one who had income should sign the return.

**Were You a Married Person Living Apart from Your Wife or Husband?**—Some married persons can file as Single or as Unmarried Head of Household and ignore the rules for married persons filing separate returns. This means that if your wife or husband itemizes deductions, you do not have to. You can use the standard deduction if you want. And, if you use the standard deduction to figure your tax, you can take the full amount allowed. You are not limited to \$1,000. Both husband and wife can file this way if they meet the tests.

You can file as a single person, and check the box on line 1 for Single, if you meet all of the following tests:

- (1) You file a separate return.
- (2) You paid more than half the cost to keep up your home for the year.
- (3) Your wife or husband did not live in your home at any time during 1972.
- (4) For over six months of 1972, your home was the main home of your child or stepchild whom you can claim as a dependent.

You can check the box on line 4 for Unmarried Head of Household if your home in test (4), above, was the child's main home for all of 1972.

**Were You an Unmarried Head of Household?**—There are special tax rates for a person who can meet the tests for being an Unmarried Head of Household. See Tax Tables and Tax Rate Schedule Z.

To use Unmarried Head of Household tax rates, you must, on December 31, 1972, be single or legally separated, and meet test (1) or (2) below.

(1) You paid more than half the cost of keeping up a home which was the main home of your father or mother you can claim as a dependent (you did not have to live with them).

(2) You paid more than half the cost of keeping up your home which, except for temporary absences for vacation, school, etc., was lived in all year by one of the following:

(a) Your unmarried child, grandchild, foster child or stepchild (they do not have to be your dependents).

(b) Any other relative you can claim as a dependent (see list under "Exemptions" on this page) if he or she is not your dependent under a multiple support agreement (this is where two or more taxpayers supported the relative and no one gave more than half the support).

Taxpayers married to nonresident aliens can qualify as unmarried head of household under certain circumstances. See an IRS office for further information.

**Were You a Widow or Widower with a Dependent Child?**—You may still be able to use joint return tax rates for 1972 (see Tax Tables and Tax Rate Schedule Y).

If your wife or husband died during

1971 or 1970, you can file a return for 1972 showing only your own income, exemptions, and deductions, and figure the tax at joint return rates if you meet all of the following tests:

- (1) You did not remarry during 1972.
- (2) You could have filed a joint return with your wife or husband for the year she or he died. Whether you actually filed jointly does not matter.
- (3) You have a child or stepchild you can claim as a dependent.
- (4) Your home was the main home of that child during 1972, except for temporary absences for vacation, school, etc.

Check the box on line 5 "Widow(er) with dependent child" and give year of death in the parentheses. Do not claim an exemption for your wife or husband. You can do this only for the year she or he died.

If your husband (wife) died in 1972 and you had not remarried read the instruction "Were You Married Or Single?" on page 4.

### Exemptions (\$750 for Each Exemption You Can Take)

**Note:** If you take your tax from Tax Tables 1–12, do not take separate deduction for exemptions. The deduction has already been allowed in the tax tables.

#### Lines 6 and 7—You and Your Wife (Husband).—

**For You.**—You can always take one exemption for yourself. Take two exemptions if you were blind, or are 65 or older. Take three if you were both blind and 65 or older. Be sure to check all the boxes for the exemptions you can take.

Age and blindness are decided as of December 31. However, if your 65th birthday was on January 1, 1973, you can consider yourself 65 on December 31, 1972.

You can take the age and blindness exemptions for yourself and your wife or husband if she or he does not file a separate return. You cannot take these exemptions for your children or other dependents.

**For Your Wife (Husband).**—If you are filing a joint return, you can take an exemption for your wife (husband). If you file a separate return, you can take an exemption for her only if she had no income and was not the dependent of someone else.

Your wife's (husband's) exemptions are like your own—one, if she was neither blind nor 65 or older—two, if she was either blind or 65 or older—three, if she was both blind and 65 or older.

If your wife (husband) is a nonresident alien, you may claim her (his) exemptions only if she (he) had no income and is not the dependent of another taxpayer. Use line 32, to claim exemption for a nonresident alien wife (husband) instead of line 7. Write wife's (husband's) name in column (a). Specify whether wife or husband in column (b). Write Nonresident Alien across columns (c) and (d). Use columns (e) and (f) to claim any additional exemptions for age or blindness. Write Blind or 65 or Over, if applicable.

**In Case of Death.**—If your wife or husband died during 1972, decide the number of exemptions you can take for her or him as of the date of death.

**Proof of Blindness.**—If completely blind, attach a statement telling this. If partly blind, you will need a statement from your eye doctor or optometrist that: (a) you can-

not see over 20/200, even with glasses; or (b) your field of view does not exceed 20 degrees.

**Lines 8 and 9—Children and Other Dependents.**—Show on line 8 the first names and the total number of your dependent children who lived with you during 1972.

If you claim other dependents, complete columns (a) through (f) on page 2, line 32. If dependent died or was born during the year, write in column (c) D for died or B for born. Enter on line 9 the total number of dependents shown on line 32.

Each person you claim as a dependent has to meet all of the following five tests:

(1) **Income.**—Received less than \$750 income. (If your child\* was under 19 or was a full-time student, ignore this test.)

(2) **Support.**—Received over half his support from you or is treated as receiving over half of his support from you under rules for "Children of divorced or separated parents" or "Dependents supported by two or more taxpayers" both on next page. If you file a joint return, the support can be from either husband or wife. See "Meaning of Support" below.

(3) **Married Dependents.**—Did not file a joint return with husband (wife).

(4) **Citizenship or Residence.**—Was one of the following: a citizen or resident of the U.S., a resident of Canada, Mexico, the Republic of Panama or Canal Zone, or was an alien child adopted by and living with a U.S. citizen in a foreign country.

(5) **Relationship.**—Met one of the following tests:

(a) Was related to you in one of the following ways (if filing jointly, the dependent can be related to either husband or wife)—

*Child	Stepbrother	Daughter-in-law
Stepchild	Stepsister	The following if
Mother	Stepmother	related by blood.
Father	Stepfather	Uncle
Grand-	Mother-in-law	Aunt
parent	Father-in-law	Nephew
Brother	Brother-in-law	Niece
Sister	Sister-in-law	
Grandchild	Son-in-law	

\*Child includes:

- Your son, daughter, stepson, stepdaughter.
  - A child who lived in your home as a member of your family if placed with you by an authorized placement agency for legal adoption.
  - A foster child who lived in your home as a member of your family for the whole year.
- (b) Was a person who lived in your home as a member of your family for the whole year.

**Meaning of Support.**—Support includes things like food, a place to live, clothes, medical and dental care, and cost of education.

Generally in figuring support, you use the actual cost for these things. But if you provide a place for the dependent to live, include it at fair rental value.

Support **DOES NOT** include things like purchase of an automobile, premiums for life insurance, funeral expenses for deceased dependent, purchase of furniture or appliances, income taxes and social security taxes.

In figuring who furnished over half of a dependent's support, include the dependent's own money used for his own support, even if his money was not taxable. For example, include social security benefits, but if your child was a student, do not include amounts he received as scholarships.

**Student Dependent.**—Even if your child had income of \$750 or more, you can claim him (her) as a dependent if he (she) was a full-time student and met tests (2), (3), and (4) above.

To qualify as a student, your child (1) was enrolled as a full-time student

at an educational institution\* during any five months of 1972, or

(2) had taken a full-time, on-farm training course during any five months of 1972. (The course had to be given by an educational institution\* or a State, county, or local government agency.)

\*Educational institution means a school that has a regular teaching staff, curriculum, and body of students in attendance. It includes elementary schools, junior and senior high schools, colleges, universities, technical and mechanical schools, and the like. It also includes a night school in which the student is enrolled for the number of hours or classes that is considered full-time attendance at a similar day school. It does not include on-the-job training courses, correspondence schools, etc.

For more information, get **Publication 532, Tax Information for Students and Parents.**

**Children of Divorced or Separated Parents.**—There are special rules—get **Publication 501, Your Exemptions and Exemptions for Dependents.**

**Dependent Supported by Two or More Taxpayers.**—If two or more taxpayers supported a person and no one gave more than half the support, get **Form 2120, Multiple Support Declaration, and Publication 501, Your Exemptions and Exemptions for Dependents.**

**Birth or Death of Dependent.**—You can take a full \$750 exemption for a dependent who died or was born during 1972 if he (she) met the tests for a dependent for the time he (she) lived.

## What Income To Report on Your Return

You have to report all income in whatever form received (money, property, services, etc.), unless it is exempt. Examples are given below.

**Examples of Income You Must Report.**—Wages, salaries, bonuses, commissions, fees, and tips.

Dividends.

Earned income from sources outside U.S. (See Form 2555.)

Earnings (interest) from savings and loan associations, mutual savings banks, credit unions, etc.

Interest on tax refunds.

Interest on bank deposits, bonds, notes.

Interest on U.S. Savings Bonds.

Interest on arbitrage bonds issued after Oct. 9, 1969, by State and local governments.

Profits from businesses and professions. Your share of profits from partnerships and small business corporations.

Pensions, annuities, endowments.

Supplemental annuities under the Railroad Retirement Act (but not regular Railroad Retirement Act benefits).

Profits from the sale or exchange of real estate, securities, or other property.

Rents and royalties.

Your share of estate or trust income.

Employer supplemental unemployment benefits.

Alimony, separate maintenance or support payments received from and deductible by your husband (wife).

Prizes and awards (contests, raffles, etc.).

Refunds of State and local taxes (principal amounts) if deducted in a prior year and resulted in tax benefits.

Embezzled or other illegal income.

**Examples of Income You Do Not Report.**—

Disability retirement payments and other benefits paid by the Veterans Administration.

Dividends on veterans' insurance.

Life insurance sums received at a person's death.

Workmen's compensation, insurance, damages, etc., for injury or sickness.

Interest on certain State and municipal bonds.

Federal social security benefits.

Gifts, money or other property you inherited or that was willed to you.

Insurance repayments that were more than the cost of your normal living expenses if you lost the use of your home because of fire or other casualty (repayment of the amount you spent for normal living expenses must be reported as income).

Combat pay (see explanation below).

**Line 11.—Wages, Salaries, Tips, etc.**—Show the total of all wages, salaries, fees, commissions, tips, bonuses, and other amounts your employers paid you before they took out for taxes, insurance, etc. Include in this total:

(1) The amount shown on Form W-2 in the box "Wages paid subject to withholding in 1972" (this will include any tips you reported). See explanation below if you received combat pay.

(2) Any amount shown on Form W-2 in the box "Other compensation paid in 1972."

(3) Tips you did not report to your employer (you show any social security tax due on these tips on line 65—instructions for this are on page 10).

(4) Wages you received but do not have a Form W-2 for.

(5) Fair market value of meals and living quarters if given by your employer as a matter of your choice and not for his convenience. If your employer gave you meals where you worked and for his convenience, do not report their value. Do not report the value of living quarters if you had to accept them as a condition of employment.

Strike and lockout benefits paid by a union from union dues, including both cash and the fair market value of goods received, are includible in income unless the facts clearly show that such benefits were intended as a gift.

Get **Publication 525, Taxable Income and Nontaxable Income**, for more information on reporting income received in the form of goods, property, meals, etc. It also explains how you can elect to report the value of restricted property received as compensation when you receive it and then later report any increase in its value as a capital gain.

If your employer paid you more than you spent for business expenses, see the instructions for line 48, on page 9, for reporting this income.

**Serving in a War Zone.**—Members of the Armed Forces as well as civilian government employees who are prisoners of war or in a missing status as a result of the Vietnam conflict do not have to pay Federal income tax on their pay received for any month such persons are in a missing or prisoner of war status; therefore, under these conditions all of such pay is excludable from income.

An enlisted man does not have to include wages for any month during which he served in a combat zone or in an area in direct support of a combat zone if he qualified for Hostile Fire Pay. Nor does he have to include wages he received while in a hospital because of injuries or sickness from combat zone service. A commissioned officer does not have to include the first \$500 a month of such pay.

If you do not know if your Form W-2 has combat pay already added in, get in touch with your payroll office. Combat pay should not have been included, but if it was, ask for a corrected Form W-2 or a certificate to show your wages when you were in the combat zone or hospital. If you get the certificate, subtract the amount on it from the amount on your W-2 and include the difference on line 11.

**Line 12a.—Dividends.**—For explanation of dividend income, see instructions for Schedule B on page 13. If you received \$200 or less in dividends and other distributions, show the amount after subtracting nontaxable distributions and capital gain distributions, on line 12a. You do not need to list them on a separate schedule.

If you received more than \$200, fill in Schedule B and list names of all payers and amounts received. The note below tells you whether you need to complete Schedule D. Show on line 12a of Form 1040 the total dividends received (this is gross dividends less capital gain distributions and any nontaxable distributions).

**Note:** If you received capital gain distributions and do not need Schedule D to report any other gains or losses or to figure the alternative tax, do not fill in that schedule. Instead, show 50 percent of your capital gain distributions on line 41 of Form 1040.

**Line 12b.—Exclusion.**—For explanation of dividends exclusion see instructions on page 13.

**Line 13.—Interest Income.**—For explanation of interest income, see page 13. If you received \$200 or less in interest, show the total amount on this line. You do not need to fill in a separate schedule.

If you received over \$200, fill in Schedule B and list names of all payers and amounts received. Then show the total amount on line 13 of Form 1040.

### Should You Use the Standard Deduction (line 52(b)) or Itemize Your Deductions (line 52(a))?

One of the important decisions you must make is whether to take the standard deduction or to itemize your actual deductions for charitable contributions, medical expenses, interest, taxes, etc. Because the standard deduction varies at different income levels, it will generally be helpful to follow these guidelines based on your adjusted gross income (line 17). (If married filing separately, use one-half of the following dollar amounts. And be sure to use only the total of your own deductions.)

If line 17 is less than \$8,667 and your itemized deductions are less than \$1,300, find your tax in Tax Tables 1-12 which give you the benefit of the standard deduction. If your deductions exceed \$1,300, itemize them.

If line 17 is between \$8,667 and \$13,333 and your itemized deductions are over 15 percent of line 17, itemize them. If under 15 percent of line 17, take the standard deduction.

If line 17 is over \$13,333 and your itemized deductions are over \$2,000, itemize them. If they are \$2,000 or less, take the standard deduction.

If you have income other than earned income and could be claimed as a dependent on your parent's return be sure to read the blocked instruction under the topic, "Tax—Credits—Payments" on the next page.



If the block between lines 17 and 18 is to be checked, follow these instructions.

**Caution:** If you could be claimed as a dependent on your parent's return and line 17, Form 1040 includes income other than earned income (see next paragraph for definition of earned income) figure your tax by completing Part III, on page 2, of Form 1040. Do NOT use Tax Tables 1-12. A common example of this is an unmarried full time student (or an unmarried person under 19 years of age) who has dividend or interest income on his (her) own return and his (her) parents are filing a return of their own. If you don't itemize your deductions substitute the following instruction for line 52(b):

**52(b)** If you do not itemize deductions, enter the larger of:

1. 15% of that portion of line 17 that is attributable to earned income but not more than \$2,000 (\$1,000 if married filing separately), or
2. \$1,300 (\$650 if married filing separately), but not more than your earned income included on line 17.

"Earned income" means wages, salaries, professional fees, etc., as well as compensation for personal services actually rendered. It does not include compensation for personal services rendered to a corporation that represents a distribution of earnings and profits rather than a reasonable allowance for personal services actually rendered. If you were engaged in a trade or business in which both personal services and capital were material income producing factors, a reasonable allowance for personal services you rendered, not in excess of 30 percent of your share of net profits of the business, shall be considered as earned income.

#### Line 18—Tax.—

#### To Figure Your Tax if You Take the Standard Deduction and the Above Blocked Instruction Isn't Applicable

If line 17 is under \$10,000, find your tax in Tax Tables 1-12. The standard deduction has been allowed in these tables. Also, the deduction for the exemptions you claimed has already been allowed in these tables. Enter the tax on line 18.

If line 17 is \$10,000 or more, fill in lines 51 through 55 on the back of your return. (Your standard deduction goes on line 52.) Be sure to use correct Tax Rate Schedule X, Y, or Z to figure your tax. Enter the tax on line 18.

#### To Figure Your Tax if You Itemize Deductions

Fill in Schedule A and enter your total deductions on line 52 of Form 1040. Fill in lines 51, 53, 54, and 55. Use Tax Rate Schedule X, Y, or Z to figure your tax. Enter the tax on line 18.

#### Other Ways to Figure Your Tax

**Schedule G, Income Averaging.**—It may pay you to use the "averaging method" if after subtracting \$3,000 from your 1972 taxable income (line 55), the balance is over 30 percent of the total of your taxable income for the last four years (1968 through 1971). If you use this method, fill in Schedule G. For more information, get Publication 506, Computing Your Tax Under the Income Averaging Method.

**Schedule D, Alternative Tax.**—It may pay you to use the alternative tax if you

have a net long-term capital gain, or if your net long-term capital gain was more than your net short-term capital loss. See Alternative Tax Computation on Schedule D. If you use this method, fill in Schedule D.

**Form 4726, Maximum Tax on Earned Income.**—The tax on earned taxable income is limited to a maximum rate of 50 percent for 1972. Get Form 4726 for more information if your earned taxable income was over:

- \$38,000 and you are single,
- \$52,000 and you are married filing jointly or are a widow(er) with dependent child, or
- \$38,000 and you claim unmarried head of household.

**Line 21—Other Taxes.**—Enter the amount shown on line 67. Also include in your total for line 21 any income tax from accumulation trusts under sections 668 and 669 of the Internal Revenue Code (see Form 4970). On the dotted line to the left of the line 21 entry space, write "Tax from Form 4970," and show the amount.

**Line 23—Federal Income Tax Withheld.**—Enter the total income tax withheld as shown on your Forms W-2 or W-2P.

**Line 24—Estimated Tax Payments.**—If you and your wife (husband) filed a joint declaration of estimated tax for 1972 but decide to file separate income tax returns for 1972, either of you can claim all the estimated tax paid. Or, you can each claim part in whatever amounts you agree to. Be sure to show the social security numbers of both on both returns.

If you and your wife (husband) filed separate estimated tax declarations for 1972 but decide to file a joint income tax return for 1972, enter on this line the total of the amounts paid on your separate declarations. Be sure to show both social security numbers on your joint return.

Follow the above instructions even if your wife (husband) has died.

**Line 25—Extension of Time to File 1972 Return.**—If you filed an application to request an automatic 2-month extension of time to file Form 1040 for 1972, enter the amount paid with Form 4868 on this line.

**Line 27—Special Note for Beneficiary of a Trust.**—If you have a tax credit because of the "throwback" rule, include the credit in your total for line 27 (see Form 4970). On the dotted line to the left of the line 27 entry space, write "Throwback credit," and show the amount.

**Line 28—Balance Due.**—In most cases, persons who have income tax withheld from their wages will find that the amount withheld will be fairly close to their tax for the year. Sometimes it is not and this is more likely to happen if both husband and wife worked.

If you find that you need more income tax withheld for 1973, you can file a new allowance certificate, Form W-4, with your employer and claim fewer allowances or ask him to withhold more money. Or, if you prefer, you can file a Declaration of Estimated Tax on Form 1040-ES and make installment payments. For more information, get Publication 505, Tax Withholding and Declaration of Estimated Tax.

**Penalty for Not Paying Tax.**—Generally, a penalty is charged if the balance due on Form 1040 is not paid by the date the return is due, which is April 16 this year. The penalty is one-half percent of the un-

paid amount for each month or part of a month it remains unpaid—up to 25 percent of the unpaid amount. This penalty cannot be deducted on your return, and it is in addition to the interest charge of 6 percent a year on the unpaid amount.

**Penalty for Not Paying Enough Tax During the Year.**—Add lines 64, 65, 66, and 69. Subtract this total from line 22 and call the difference total A. Add lines 69, 25 (unless extension is filed and tax is paid before January 31, 1973) and 70. Subtract this total from line 27 and call the difference total B.

If total B is less than 80 percent (66⅔ percent for farmers and fishermen) of total A, you may owe a penalty unless you meet one or more of the exceptions explained on Form 2210 (Form 2210F for farmers and fishermen). Attach this form or a statement to your return to show how you figured the penalty or which exceptions you believe you meet.

If you owe a penalty, show the amount in the bottom margin on page 1 of Form 1040 and write "Penalty—estimated tax." If you owe tax on line 28, include the penalty amount in with your total. Or, if you are overpaid, subtract the penalty amount from overpayment on line 29.

**Line 31—Overpayments Credited to 1973 Estimated Tax.**—We will apply amounts you want credited to estimated tax to the account under your social security number, unless you attach a request to apply it to your wife's (husband's) account. The request should include her (his) social security number if it is not shown on the return.

## Declaration of Estimated Tax

Every citizen of the United States or resident of the United States, Puerto Rico, Virgin Islands, Guam and American Samoa shall make a declaration of his (her) estimated tax if his (her) total estimated tax is \$100 or more and he (she):

- (1) Can reasonably expect to receive more than \$500 from sources other than wages subject to withholding; or,
- (2) Can reasonably expect gross income to exceed—
  - (a) \$20,000 for a single individual, a head of a household, or a widow or widower entitled to the special tax rates;
  - (b) \$20,000 for a married individual entitled to file a joint declaration with his wife (her husband), but only if his wife (her husband) has not received wages for the taxable year;
  - (c) \$20,000 for a married person living apart from husband or wife as described on page 5.
  - (d) \$10,000 for a married individual entitled to file a joint declaration with his wife (her husband), but only if both he (she) and his wife (her husband) have received wages for the taxable year; or,
  - (e) \$5,000 for a married individual not entitled to file a joint declaration with his wife (her husband).

See Form 1040-ES for details.

**Do You Have an Account in a Foreign Country?**—Read the question and check the "Yes" or "No" block. If you have checked the "Yes" block attach Form 4683. The "No" block should be checked if (1) you have no foreign accounts, (2) you own 50 percent or less of the stock in any corporation which owns one or more foreign accounts, or (3) you have an account in a U.S. military banking facility operated by a U.S. financial institution.

# Instructions for Page 2 of Form 1040

**Lines 33 and 34—Revenue Sharing.**—How much of several billion dollars of federal money your State and local government receives yearly depends on how you complete lines 33 and 34.

**Specific Instructions for Lines 33, columns (a) through (d).**—Show where you lived as of December 31, 1972, even though you may have moved since then, or may have been temporarily absent from your usual home (on business or vacation, etc.) on that date. Do not enter the name of a city or town that you live near but outside of, even though that city or town is your postal mailing address.

**Outside U.S.**—If you lived outside the United States on December 31, 1972, write "outside U.S." on line 33, column (a), and leave columns (b), (c), and (d) blank. However, if you are filing a joint return with your wife or husband who lived inside the United States, show her or his U.S. residence and complete the remaining columns.

**Married Persons Inside U.S. Not Living Together.**—If you are filing a joint return with a wife or husband who did not live with you in the United States on December 31, 1972, and no dependents are claimed on the return, show the home of either the husband or the wife; if dependents are claimed on the joint return, show the home where most of the family lived.

**Line 33, column (a)—State.**—Enter in this column the abbreviation for the State (or the District of Columbia) in which you lived on December 31, 1972.

**Line 33, column (b)—County.**—Print or type the full name (do not abbreviate) of the County ("Parish" in Louisiana; organized "Borough" in Alaska) in which you lived on December 31, 1972, unless you lived in one of the following places on that date.

If you lived in one of the following places, leave line 33, column (b) blank:

Alaska (not within an organized Borough)  
Washington, D.C.  
Baltimore City, Maryland  
St. Louis, Missouri  
Carson City, Nevada  
Certain Cities in Virginia—

Alexandria	Lexington
Bedford	Lynchburg
Bristol	Martinsville
Buena Vista	Newport News
Charlottesville	Norfolk
Chesapeake	Norton
Clifton Forge	Petersburg
Colonial Heights	Portsmouth
Covington	Radford
Danville	Richmond
Emporia	Roanoke
Fairfax	Salem
Falls Church	South Boston
Franklin	Staunton
Fredericksburg	Suffolk
Galax	Virginia Beach
Hampton	Waynesboro
Harrisonburg	Williamsburg
Hopewell	Winchester

**Line 33, column (c)—Locality.**—If on December 31, 1972, you lived inside an incorporated city, town, or village, print or type the name of the municipality. Please do not abbreviate. If you did not live inside the boundaries of such a location, check the box in this column.

**Line 33, column (d)—Township.**—In some States, a township is called a "town," "organized town," "plantation," "precinct," or "location." Print or type the full name of the township in which you lived on December 31, 1972, only if you lived in a township in one of the following States:

Connecticut (towns)	New Hampshire (towns and locations)
Illinois (townships and precincts)	New Jersey
Indiana	New York (towns)
Kansas	North Dakota
Maine (towns and plantations)	Ohio
Massachusetts (towns)	Pennsylvania
Michigan	Rhode Island (towns)
Minnesota (townships and towns)	South Dakota
Missouri	Vermont (organized towns)
Nebraska	Washington
	Wisconsin (towns)

If you did not live in one of the above States on December 31, 1972, leave line 33, column (d) blank.

**Line 34.**—In order for the Federal government to distribute "revenue sharing" funds properly to States, counties, townships, and municipalities, we must know how many people live in each place. Tax returns can count much of your population, but we need to subtract from this count anyone who should be counted somewhere else. This is the purpose of line 34. Accordingly, please enter in the box in the middle of line 34 the number of persons included on line 10 of your return who are filing a separate return of their own, or who should not be counted at your residence on December 31, 1972. The latter includes persons listed on your return who did not live with you on December 31, 1972, such as a husband or wife (on a joint return) who lived elsewhere, and dependents who lived elsewhere. Dependent students who were away at school on December 31, 1972, but who live with you when not at school, are to be considered as living with you.

## PART I.—Income Other Than Wages, Dividends, and Interest

### Miscellaneous Income

**Line 40—Fully Taxable Pensions and Annuities (Not Reported on Schedule E).**—See Instructions for Schedule E for information on pensions and annuities.

Use this line to report:

- (1) Pensions and annuities if you paid no part of their cost.
- (2) Military retirement pay even if you have a Form W-2.
- (3) Disability retirement income if you are below the normal retirement age.
- (4) Amounts received as annuity under the special rule (see Instructions for Schedule E) if you recovered your entire cost before January 1, 1972.
- (5) Taxable ordinary income from retirement plan or profit-sharing distributions.

**Line 41—50% of Capital Gain Distributions (Not Reported on Schedule D).**—See instructions for line 12a—Dividends, on page 6.

**Line 42—State Income Tax Refunds.**—Show refund of State income tax if you

took a deduction for it in a prior year and you paid less Federal tax by doing so.

**Line 43—Alimony.**—Show amounts you received as alimony or separate maintenance.

**Line 44—Other.**—Use this line to report and tell the source of any income you cannot find a place for on your return or other schedules. Include prizes, awards, amounts you recovered for bad debts, or other items that reduced your tax in a prior year.

**Net Operating Loss.**—If you had a business or trade in 1972 and it lost money, you can subtract the loss from your 1972 income. (The loss can also be from a personal casualty or theft loss or from selling or disposing of real or depreciable property used in your trade or business.)

If your losses were greater than your income, the difference may result in a "net operating loss." Generally, you can use it to reduce your income for the three years before 1972 and the five years after 1972. This means you have to carry the loss back to 1969 and then bring any remaining loss forward to 1970, 1971, and 1973 through 1977. If you are due a refund from the "carryback," you may use Form 1045 to get a quick refund.

If you had a loss in a prior year to carry forward to 1972, enter it as a "minus"

figure on line 44. Attach a separate sheet showing how you figured the amount.

## PART II.—Adjustments to Income

**Line 46—Sick Pay Exclusion.**—You may be able to take an exclusion for pay you received while you were absent from work because of injury or sickness, if you were covered by a sick pay plan paid for by your employer. If both you and your employer paid for the plan, you can exclude all the benefits you received from the part you paid. But there is a limit on excluding benefits you received from the part your employer paid.

A disability pension may also qualify for the sick pay exclusion.

For more information and how to figure your exclusion, get Form 2440 and Publication 522, Adjustments to Income for Sick Pay.

Show the amount of your sick pay exclusion on line 46. Attach Form 2440 (or a statement showing how you figured the exclusion, when you were absent, regular weekly rate of pay, and whether you were in the hospital). If you are retired on disability and have a sick pay exclusion, you



can attach the Form W-2P you received from the payer of the pension, if it shows the amount excludable. You do not have to attach Form 2440 or a statement.

**Line 47—Moving Expenses.**—Employees, including new employees, and self-employed persons, including partners, can deduct certain moving expenses. The move had to be in connection with your job or business. The expenses you can deduct include the cost of moving your furniture and other household goods, personal belongings, and members of your family. You can also deduct meals and lodging while traveling to your new home.

Up to a certain amount, you can also deduct for:

(1) Travel, meals, and lodging for house-hunting trips you made after getting the job and before you moved.

(2) Meals and lodging while in temporary quarters in the general area of your new place of work, for up to 30 days after you got the job.

(3) Expenses for selling, buying, or leasing your new or old home.

For more information, get **Form 3903** and **Publication 521**, Tax Information on Moving Expenses.

If you can deduct moving expenses, fill in Form 3903. You also have to report on line 11 of Form 1040 all amounts you were paid or repaid for moving expenses. (If you were employed, these amounts should appear on the Form W-2 your employer gave you.) Then show your allowable expenses on line 47.

**Line 48—Employee Business Expenses (and Employer Payments).**—

**Deductible Expenses and Excess Payments.**—You can deduct the expenses listed below that were not paid by your employer. If you paid part of an expense and your employer paid part, you can deduct the amount you paid. If your employer paid you more than you spent, report the difference as income. (See instruction "Reporting Deductions and Excess Payments" on this page.)

(1) **Travel and Transportation.**—Bus, taxi, plane, train, etc., fares or the cost of using your car in your work.

(2) **Meals and Lodging.**—You can deduct these if you were temporarily away on business at least overnight from the general area of your main place of work. You cannot deduct the cost of meals on daily trips where you did not need to sleep or rest.

(3) **Outside Salesman.**—In addition to the above, an outside salesman can generally deduct other expenses necessary in sales work. For example, selling expenses, stationery, and postage. An outside salesman is one who does all his selling away from his employer's place of business. If your main duties are service and delivery, such as a milk driver-salesman, you are not an outside salesman.

(4) **Other Business Expenses.**—If you itemize deductions on Schedule A, you can also deduct other business expenses under the heading "Miscellaneous deductions." Examples of such other expenses are dues to unions and professional organizations, and the cost of tools, materials, etc., that your employer did not pay for.

If you claim a deduction for business expenses, attach **Form 2106** or a statement showing the following:

(1) The total of all amounts received from or charged to your employer.

(2) The amount of your business expenses broken down into broad subjects.

(3) The number of days away from home on business.

Even if you do not claim a deduction for your business expenses, you have to attach the above information unless you were required to, and did, make a satisfactory accounting of them to your employer.

If your expenses were the type necessary to carry out your employer's trade or business, and you gave him proof of the time, place, and business reason of the travel, you are considered to have made a satisfactory accounting (1) as to travel expenses (other than transportation expenses to and from destination), if you receive, instead of actual living expenses, a daily allowance of no more than the greater of \$36 or the maximum per diem rate authorized to be paid by the Federal Government in the locality in which the travel is performed, and (2) as to transportation expenses, if you receive a mileage allowance of no more than 15 cents a mile.

If you use your own car for business reasons, you can deduct what it cost you for business use. Instead of figuring your actual expenses such as gas, oil, repairs, license tags, insurance, depreciation, you can take a fixed mileage rate.

This is figured at 12 cents a mile for the first 15,000 miles and 9 cents for each mile over 15,000. Add to this amount your parking fees and tolls.

You can change methods of figuring your cost from year to year. But you cannot change to the fixed mileage rate if you claimed depreciation and did not use the straight line method, or if you claimed additional first-year depreciation.

For more information, get **Publication 463**, Travel, Entertainment and Gift Expenses.

**Reporting Deductions and Excess Payments.**—Report expenses and payments as explained below.

(1) If your employer paid you more than you spent, report the difference on line 44, under "Other."

(2) If you spent more than your employer paid you for travel and transportation, meals and lodging, and outside salesman expenses, you can deduct the difference on line 48. If you itemize deductions and had other business expenses your employer did not pay for, you can deduct them under "Miscellaneous deductions" on Schedule A.

(3) If your expenses equaled the payments you received (or were more than the payments but you do not want to claim a deduction for the difference), write on the bottom margin of page 2, Form 1040, "Employer payments were not more than my business expenses."

**Note:** If your Form W-2 includes amounts your employer paid you for business expenses, attach Form 2106 or a statement. (See above instruction "Deductible Expenses and Excess Payments.") Include your total expense on line 48.

**Line 49—Payments as a Self-Employed Person to a Retirement Plan.**—If you are self-employed and paid into a qualified pension, profit-sharing, annuity or bond purchase plan, get **Form 4848**.

## PART IV.—Credits

**Line 56—Retirement Income Credit.**—See instructions for Schedule R.

**Line 57—Investment Credit.**—For exceptions and conditions under which you can take an investment credit, get **Form 3468**.

**Line 58—Foreign Tax Credit.**—You can claim credit for income tax payments to a foreign country or U.S. possession only if you itemize deductions. For more information, get **Form 1116**.

**Line 59—Credit for Contributions to Candidates for Public Office.**—You may claim a tax credit on line 59, Form 1040 or an itemized deduction on line 32, Schedule A (Form 1040), but you cannot claim both, for political contributions paid after December 31, 1971.

If you elect to claim a credit on line 59, Form 1040, the amount of the credit is one-half of the political contributions paid, but not more than \$12.50 (\$25 if married and filing a joint return). This credit may not exceed the tax on line 18, less the amount of the credits on lines 56, 57, and 58; therefore, make a side calculation before you enter the credit on line 59.

### Definitions

"Political contributions" means a contribution or gift of money to—

(1) An individual who is a candidate for nomination or election to any Federal, State, or local elective public office in any primary, general, or special election, for use by him to further his candidacy for nomination or election to that office;

(2) Any committee, association, or organization organized and operated exclusively for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals who are candidates for nomination or election to any Federal, State, or local elective public office, for use by such committee, association, or organization to further the candidacy of the individual or individuals for nomination or election to the office;

(3) The national committee of a national political party;

(4) The State committee of a national political party as designated by the State committee of that party; or

(5) A local committee of a national political party as designated by the State committee of that party.

"Candidate" means an individual who has publicly announced that he is a candidate for nomination or election to any Federal, State, or local elective public office and he meets the qualifications prescribed by law to hold the office.

"National political party" means:

(1) In the case of contributions made during a taxable year of the taxpayer in which the electors of President and Vice President are chosen, a political party presenting candidates or electors for such offices on the official election ballot of ten or more States; or

(2) In the case of contributions made during any other taxable year of the taxpayer, a political party which met the qualifications described in the preceding paragraph (1) in the last preceding election of a President and Vice President.

"State" means the various States and the District of Columbia.

"Local" means a political subdivision or part thereof, or two or more political subdivisions or parts thereof, of a State.

## PART V.—Other Taxes

**Line 62—Self-employment Tax.**—Enter amount shown on line 16, Schedule SE.

**Line 63—Tax from Recomputing Prior Year Investment Credit.**—Enter the difference between the credit taken in a prior year and the credit you refigured due to disposing of the property early. Attach Form 4255.

**Line 64—Minimum Tax.**—If you have items of tax preference (accelerated depreciation, stock options, long-term capital gains, etc.) of more than \$15,000, attach Form 4625 even if there is no minimum tax due.

**Lines 65 and 66—Tax on Tip Income.**—If you received tips you did not report to your employer, or if your wages were not enough for him to withhold social security or railroad retirement tax, you have to pay these taxes with your Form 1040.

The Form W-2 your employer gives you will show any social security tax you owe on tips you reported to him. Enter that amount on line 66.

For tips you did not report but must pay social security tax on, attach Form 4137. Enter the tax on line 65. For tips you have to pay railroad retirement tax on, get in touch with your nearest Railroad Retirement Board office for information. Include the tax on line 65. On the dotted line to the left, write "RR tax on tips."

Be sure all your tips are included as income on line 11, Form 1040.

## PART VI.—Other Payments

**Line 68—Excess Social Security Tax Withheld—More Than One Employer.**—If you had more than one employer in 1972 and together they paid you more than \$9,000 in wages, too much social security (FICA) tax may have been taken out of your wages. If too much was withheld, you can take credit for it against your income tax. Follow the steps below to figure your credit. If you are filing a joint return, you have to figure this separately for you and your wife (husband).

**Step 1. (a)** Add all social security (FICA) tax withheld by employers from your wages as shown on all forms W-2 for 1972.

**Caution:** Do not include more than \$468 for any employer. (See note that follows.) Enter the total here . . . . .

**(b)** Add all uncollected tax on tips, if any, as shown on all Forms W-2 for 1972. Enter the total here . . . . .

\$
\$
\$
\$468.00
\$

**Step 2.** Add (a) and (b) . . . . .

**Step 3.** Subtract . . . . .

**Step 4.** Enter this amount on Form 1040, line 68 . . . . .

**Note:** If any employer took out more than \$468 for social security tax, ask him to refund the excess amount owed you. You cannot take credit for it on your return.

**Excess Hospital Insurance Benefits Tax (Railroad Employees and Railroad Employee Representatives).**—If in 1972 you

received taxable RRTA compensation (exclusive of taxable compensation earned or deemed earned in a year prior to 1968) and you also received FICA (social security) wages and the total of the compensation and wages is more than \$9,000, you are entitled to claim on line 68 any excess of that amount that was applied as payment for hospital insurance tax. To compute the excess, see Form 4469.

**Line 69—Credit for Federal Taxes on Special Fuels, Nonhighway Gasoline and Lubricating Oil.**—Enter on this line any tax credit you can take for:

- (1) Gasoline used—
  - (a) on a farm for farming use.
  - (b) in vehicles and machines used off the highway, such as in boats and, generally, in commercial aircraft.
  - (c) in vehicles furnishing certain public transportation by land.
- (2) Lubricating oil used for any purpose other than in a highway motor vehicle.
- (3) Special fuels used—
  - (a) on a farm for farming use.
  - (b) in vehicles furnishing certain public transportation by land.
  - (c) generally, in commercial aviation or under other conditions not subject to tax.

Attach Form 4136. For more information, get Publication 225, Farmer's Tax Guide, or Publication 378, Federal Fuel Tax Credit or Refund for Nonhighway and Transit Users.

**Line 70—Credit for Taxes Paid by Regulated Investment Companies.**—Enter the credit on this line. Attach Copy B of Form 2439.

## Instructions for Schedule A (Form 1040)

### Itemized Deductions

(See the blocked instruction on page 6, *Should You Use the Standard Deduction or Itemize Your Deductions?*)

### Medical and Dental Expenses

First, if you decide to itemize your deductions, you can deduct one-half (up to \$150) of the amount you paid for medical care insurance even if you have no other medical expenses.

If you had payments for medicines, doctors, hospitals, etc., follow the step-by-step instructions in line 1 through 10 on Schedule A. Follow these lines carefully because they show you how much you can deduct. Show the amount you paid for medicine and drugs. Next, subtract 1 percent of your adjusted gross income from that amount. Add the amounts on lines 4, 5, and 6. Then subtract from the total, 3 percent of your adjusted gross income. The remainder plus your medical care insurance on line 1, is your medical expense deduction. The one percent and three percent limitations apply in all cases, regardless of your age or the age of your wife (husband) or other dependents.

The medical expenses can be for yourself, your wife (husband) or any dependent who received over half his (her) support from you even if the dependent had income of \$750 or more.

Include all amounts you paid during 1972, but do not include amounts repaid to you, or paid to anyone else, by hospital, health or accident insurance. And be sure

to include on line 5 the rest of the amount you paid for medical care insurance (the amount you could not list on line 1). Some examples of what you can and cannot deduct are given below.

#### Types of Expenses You Can Deduct.—

Payments for medicines, drugs, vaccines, and vitamins your doctor told you to take, but not vitamins you take on your own just to keep healthy.

Payments to hospitals, physicians (medical doctors and osteopaths), dentists, nurses, chiropractors, podiatrists, physiotherapist, psychiatrists, psychoanalysts, and eye doctors or others who examine or test eyes. (If you pay someone to do both nursing and housework, you can deduct only the nursing cost.)

Payments for false teeth, eyeglasses, medical and surgical aids, arches, braces, crutches, sacroiliac belts, wheelchairs, batteries for hearing aids, orthopedic shoes, and cost and care of seeing eye dogs, etc.

Payments for ambulance service and other travel costs necessary to get medical care. Instead of figuring amounts you spent for gas, oil, etc., for your car, you can take 6 cents a mile.

Payments for examinations, X-ray services, insulin treatment, whirlpool baths the doctor ordered, meals and lodging if part of cost for care in a hospital or similar place, hospital or medical insurance, including monthly payments for extra medical insurance under Medicare.

#### Types of Expenses You Cannot Deduct.—

Payments for funerals and cemetery lots, cosmetics, illegal operations or drugs that are against the law, travel your doctor tells

you to take for rest or change, life insurance policies, the part of social security tax you pay for basic Medicare.

If you need more information, get Publication 502, Deduction for Medical and Dental Expenses.

### Taxes

#### You Can Deduct.—

Real estate taxes.

State and local taxes on gas used in your car, boat, etc. For amount to deduct for gas used in your car, see State Gasoline Tax Table on page 11.

State and local income taxes.

Personal property taxes. If part of the amount you paid for your car tags was based on the car's value, you can deduct that part as a personal property tax. If you need more information about this contact your local Internal Revenue office.

General sales taxes. For amount to deduct, see the Optional State Sales Tax Tables.

The only sales taxes you can add to the table amount are those on the following.

- (1) A boat, an airplane, a trailer home, or materials you bought to build a home if:
  - (a) the tax rate was the same as the general sales tax rate, and
  - (b) the seller stated the tax separately from the price of the item but included it in the total amount you paid.

(2) A car, unless you bought it in Vermont or West Virginia. (In these states, the tax rates are higher than the general sales tax rate.)

The sales tax tables cover income up to \$19,999 (Income is: line 17 of Form 1040 plus any income you received that is not subject to tax, such as social security, veterans', and railroad retirement benefits and workmen's compensation.) The steps below and the examples shown explain how to figure your sales tax deduction if your income was over \$19,999.

If your income was more than \$19,999 but less than \$100,000, figure your deduction as follows:

**Step 1.** For the first \$19,999, find the amount for your family size in the table for your State.

**Step 2.** For each \$1,000 or fraction thereof of income over \$19,999, but less than \$50,000, add 2 percent of the amount you determined in Step 1, above.

**Step 3.** For each \$1,000 or fraction thereof of income over \$49,999, but less than \$100,000, add 1 percent of the amount you determined in Step 1, above.

If your income was \$100,000 or more, your deduction is 210 percent of the amount determined in Step 1, above.

**Example 1.**—Assume your income was \$27,250, you live in Ohio, and there are 5 persons in your family.

**Step 1.** The Ohio table for income of \$19,999 and a family of 5 persons shows . . . . . \$184.00

**Step 2.** Figure this step as follows:  
 $.02 \times \$184.00 = \$3.68$   
 $\$27,250 - \$19,999 = \$7,251$   
 $\$7,251 \div 1,000 = 7.251$  or 8  
 (each \$1,000 or part of \$1,000 of income)  
 $8 \times \$3.68 = 29.44$   
 Ohio sales tax deduction on income of \$27,250 for family of 5 . . . . . \$213.44

**Example 2.**—Assume the same facts except that your income was \$52,500.

**Step 1.** Ohio sales tax table—\$19,999 income—family size 5 . . . . . \$184.00

**Step 2.** Figure this step as follows:  
 $.02 \times \$184.00 = \$3.68$   
 $\$49,999 - \$19,999 = \$30,000$   
 $\$30,000 \div 1,000 = 30$   
 $30 \times \$3.68 = 110.40$

**Step 3.** Figure this step as follows:  
 $.01 \times \$184.00 = \$1.84$   
 $\$52,500 - \$49,999 = \$2,501$   
 $\$2,501 \div 1,000 = 2.501$  or 3  
 $3 \times \$1.84 = 5.52$   
 Ohio sales tax deduction on income of \$52,500 for family of 5 . . . . . \$299.92

If your records show that you paid more sales tax than the amount shown in the table, you can deduct the larger amount and not use the table. If you do not use the table, you can deduct the following taxes:

(1) General State or local sales taxes you paid when you bought items.

(2) General State or local sales taxes the seller paid if he stated the tax separately from the price of the item but included it in the total amount you paid.

(3) Certain State or local selective sales or excise taxes if the rates were the same as the general sales tax rates.

**Do Not Deduct.—**

Federal social security tax, Federal excise taxes on your personal goods or for transportation, telephone, or gasoline.

Fees for hunting and dog licenses, car inspection, or the cost of driver's licenses.

Taxes you paid for another person, water taxes, or taxes on liquor, beer, wine, cigarettes, and tobacco.

Selective sales or excise taxes (such as those on admissions, room rental, etc.) even if they are separately stated. (Note: If these taxes are at the same rate as the general sales tax and you do not use the sales tax tables, you can deduct them as explained above.)

Taxes charged for sidewalks, front-foot benefits, or other improvements which make your property more valuable.

If you had any deductible tax other than those for lines 11 through 15 on Schedule A (such as foreign income tax), describe the tax and show the amount on line 16.

Use Schedules C, E, or F to deduct business Federal taxes, or other taxes paid for your business or profession.

For more information about taxes, get **Publication 546, Income Tax Deduction for Taxes**. More information about deductions homeowners can take is given in **Publication 530, Tax Information on Deductions for Homeowners**.

**State Gasoline Tax Table**

The following list shows the tax rate on a gallon of gas in each State based on information available on September 1, 1972. Find the rate for your State. Then use the table below to find how much tax

to deduct for the number of miles you drove your car. If your car had 4 cylinders or less, deduct half the table amount. If the rate for your State changed during 1972, find your deduction for the miles

you drove at each rate, and add the two amounts.

If your records show that you paid more than the amount shown in the table, you can deduct the larger amount.

Alabama 7¢	Dist. of Columbia 7¢ (after Jan. 31, 8¢)	Iowa 7¢	Michigan 7¢	New Jersey 7¢	Oregon 7¢	Vermont 9¢
Alaska 8¢	Florida 8¢	Kansas 7¢	Minnesota 7¢	(after June 30, 8¢)	Pennsylvania 8¢	Virginia 7¢
Arizona 7¢	Georgia 7.5¢	Kentucky 7¢	Mississippi 8¢	New Mexico 7¢	Rhode Island 8¢	(after June 30, 9¢)
Arkansas 7.5¢	Hawaii 5¢	(after June 30, 9¢)	Missouri 5¢	New York 7¢	South Carolina 7¢	Washington 9¢
California 7¢	Idaho 7¢	Louisiana 8¢	(after Aug. 12, 7¢)	(after Jan. 31, 8¢)	(after Aug. 31, 8¢)	West Virginia 8.5¢
Colorado 7¢	(after Mar. 31, 8.5¢)	Maine 9¢	Montana 7¢	North Carolina 9¢	South Dakota 7¢	Wisconsin 7¢
Connecticut 10¢	Illinois 7.5¢	Maryland 7¢	Nebraska 8.5¢	North Dakota 7¢	Tennessee 7¢	Wyoming 7¢
(Use 2 × 5¢ rate)	Indiana 8¢	(after June 30, 9¢)	Nevada 6¢	Ohio 7¢	Texas 5¢	
Delaware 8¢		Massachusetts 7.5¢	New Hampshire 9¢	Oklahoma 6.5¢	Utah 7¢	

Nonbusiness Mileage Driven	RATE PER GALLON								Nonbusiness Mileage Driven	RATE PER GALLON							
	5¢	6¢	6.5¢ & 6.58¢	7¢	7.5¢	8¢	8.5¢	9¢		5¢	6¢	6.5¢ & 6.58¢	7¢	7.5¢	8¢	8.5¢	9¢
Under 3,000 . . . . .	\$7	\$9	\$9	\$10	\$11	\$11	\$12	\$13	10,000 to 10,999 . . . . .	\$38	\$45	\$49	\$53	\$56	\$60	\$64	\$68
3,000 to 3,499 . . . . .	12	14	15	16	17	19	20	21	11,000 to 11,999 . . . . .	41	49	53	57	62	66	70	74
3,500 to 3,999 . . . . .	13	16	17	19	20	21	23	24	12,000 to 12,999 . . . . .	45	54	58	63	67	71	76	80
4,000 to 4,499 . . . . .	15	18	20	21	23	24	26	27	13,000 to 13,999 . . . . .	48	58	63	67	72	77	82	87
4,500 to 4,999 . . . . .	17	20	22	24	25	27	29	31	14,000 to 14,999 . . . . .	52	62	67	73	78	83	88	93
5,000 to 5,499 . . . . .	19	23	24	26	28	30	32	34	15,000 to 15,999 . . . . .	55	66	72	77	83	89	94	100
5,500 to 5,999 . . . . .	21	25	27	29	31	33	35	37	16,000 to 16,999 . . . . .	59	71	77	83	88	94	100	106
6,000 to 6,499 . . . . .	22	27	29	31	33	36	38	40	17,000 to 17,999 . . . . .	63	75	81	88	94	100	106	113
6,500 to 6,999 . . . . .	24	29	31	34	36	39	41	43	18,000 to 18,999 . . . . .	66	79	86	92	99	106	112	119
7,000 to 7,499 . . . . .	26	31	34	36	39	41	44	47	19,000 to 19,999 . . . . .	70	84	91	98	104	111	118	125
7,500 to 7,999 . . . . .	28	33	36	39	42	44	47	50	20,000 miles* . . . . .	71	86	93	100	107	114	121	129
8,000 to 8,499 . . . . .	29	35	38	41	44	47	50	53									
8,500 to 8,999 . . . . .	31	38	41	44	47	50	53	56									
9,000 to 9,499 . . . . .	33	40	43	46	50	53	56	59									
9,500 to 9,999 . . . . .	35	42	45	49	52	56	59	63									

\*For over 20,000 miles, use table amounts corresponding to total mileage driven. For example, for 25,000 miles, add the deduction for 5,000 to the deduction for 20,000 miles.

**Contributions**

**You Can Deduct Gifts To.—**

Organizations operated for religious, charitable, educational, scientific, or literary purposes, or to prevent cruelty to animals and children. These include:

- Churches (including assessments paid), Salvation Army, Red Cross, CARE, Goodwill Industries, United Funds and

Community Chests, Boy Scouts, Girl Scouts, Boys Clubs of America, and similar organizations.

Fraternal organizations if the gifts will be used for the above purposes, and certain cultural and veterans' organizations.

Governmental agencies that will use the

gifts for public purposes, including civil defense.

Nonprofit schools, hospitals, and organizations whose main purpose is to find a cure for (or to help persons who have) arthritis, asthma, cancer, cerebral palsy, cystic fibrosis, heart disease, diabetes, hemophilia, mental illness and retardation, multiple sclerosis, muscular dystrophy, polio, tuberculosis, etc.

### You Can Also Deduct.—

Amounts you paid for your gasoline and other expenses necessary to carry out your duties as a civil defense volunteer. (Do not deduct any amounts that were repaid to you.)

Out-of-pocket expenses such as gas, oil, etc., to do volunteer work for a charitable organization. (Do not deduct any amounts that were repaid to you.) Instead of figuring what you spent for gas and oil, you can take 6 cents a mile.

In some cases, amounts you spent to take care of a student in your home under a written agreement with a charitable or educational institution.

### Do Not Deduct Gifts To.—

Relatives, friends, or other persons.

Foreign organizations, organizations operated for personal profit or where a large part of their activity is to try to get persons to vote for new laws or changes in old laws.

Social clubs, labor unions, or chambers of commerce.

Deduct what you gave in cash (checks, money orders, etc.) or property, but do not deduct the value of your time or services. If you gave property (other than securities), describe it, show the date you gave it, and how you figured its value. Also, for each gift valued at over \$200 and each gift of capital gain or ordinary income property, explain:

- (1) Any conditions attached to the gift,
- (2) How you got the property,
- (3) Cost or other basis of the property if you owned it less than five years or if Internal Revenue Code Section 170(e) applies, and
- (4) Attach a signed copy of any appraisal. If you elected to reduce your deduction for contributions of capital gain property, indicate this and show how you figured it.

**Publication 561**, Valuation of Donated Property, gives information and guidelines on appraisals. A special rule is given to figure the amount you can deduct for a gift of ordinary income property described in section 170(e)(1)(A) of the Internal Revenue Code. Generally, you cannot take a deduction for a transfer of a future interest in tangible personal property until the entire interest has been transferred.

For more information about contributions, get **Publication 526**, Income Tax Deduction for Contributions. It explains special rules, the maximum amount you can deduct, examples and limits on gifts of appreciated property, rent-free use of property, bargain sales to charity, and gifts of the use of property.

### Interest Expense

Show on Schedule A only interest on nonbusiness items. Show interest paid on business items on the same schedule you use to report your business income.

### You Can Deduct Interest On.—

Your personal note to a bank, credit union, or person for money you borrowed.

Mortgage on your home.

Life insurance loan if the interest is paid in cash.

Taxes you paid late. Show only the interest. If the taxes are the kind you can deduct, enter them under the heading, "Taxes."

Bank credit card plan. You can deduct the finance charge as interest if no part is

for service charges, loan fees, credit investigation fees, etc.

**Revolving charge accounts.** You may deduct the "finance charge" levied by retail stores on your revolving charge accounts if the charges are based on your unpaid balance and computed monthly.

**Personal property** (cars, televisions, etc.), that you buy on the installment plan. If the carrying charges are separately stated, but the interest charge cannot be ascertained, deduct the lower of the following amounts: (1) 6 percent of your average unpaid monthly balance, or (2) the actual charges for the year.

**Caution:** Interest expense in excess of \$25,000 (\$12,500 if married filing separately) paid or accrued on an indebtedness related to property held for investment may be subject to certain limitations. See **Form 4952** for further instructions and if applicable, report the allowable interest expense which is to be treated as an itemized deduction on line 24, Schedule A.

### Do Not Deduct Interest On.—

Money owed by another person unless you have to pay it if he does not.

Money you owe that the law will not make you pay back, such as gambling debts.

Life insurance loan if the interest is added to the loan and you report on the cash basis.

Money you borrowed to buy tax-exempt securities or single-premium life insurance.

Do not include items like carrying charges and insurance.

For more information on interest expenses, get **Publication 545**, Income Tax Deduction for Interest Expense.

### Casualty or Theft Loss(es)

If you had property that was stolen or damaged by fire, storm, car accident, shipwreck, etc., you may be able to deduct your loss or part of it. In general, Schedule A can be used to report a casualty or theft loss. On property used only for personal purposes you can deduct only the amount over any insurance or other reimbursements plus \$100 (if a husband and wife owned the property jointly but file separate returns, both have to subtract \$100 from their part of the loss).

Casualty or theft losses of trade, business, rental, royalty, or other income producing properties are not subject to the \$100 limitation.

If you had more than one casualty or theft loss occurrence omit lines 26 through 29 of Schedule A (Form 1040). On a separate sheet of paper prepare a schedule using the information on lines 26 through 30 for each loss occurrence. Total the net losses for each occurrence and enter it on line 30, Schedule A. Write in the margin to the right of line 30, "multiple casualty/theft losses, see attachment."

You may find **Form 4684**, Casualties and Thefts, helpful in determining the amount of your loss, particularly if the property is over six months old. If you fill out **Form 4684** omit lines 26 through 29 of Schedule A (Form 1040) and enter the loss from **Form 4684** on line 30.

For more information, get **Publication 547**, Tax Information on Disasters, Casualty Losses, and Thefts.

### Care of Children and Other Dependents

You may be able to deduct up to \$400 for each month for expenses you paid for the care of a qualifying individual (see next paragraph) or for household services. These expenses must have been incurred so that you (and your wife (hus-

band) if married) could work or find work. Self-employment is considered to be work for the purpose of this deduction.

The expenses, whether for the care of a qualifying individual or for household services, are not deductible unless a qualifying individual lived in your home as a member of your family. The following persons are qualifying individuals:

(1) Any child under 15 years old who can be claimed as an exemption.

(2) A dependent who could not care for herself (himself) because of mental or physical illness. This must be a person you could claim as an exemption except for the fact that she (he) received more than \$750 income. See page 5 of the instructions for Exemptions.

(3) Your wife (husband) who could not care for herself (himself) because of mental or physical illness.

You can deduct expenses for the services of a maid or cook but not for the services of a chauffeur, bartender, or gardener. The full amount you paid to a nursery school is dependent care expense, even if the school gave your child lunch. But school expenses you paid for a child in the first or higher grade are not. Expenses paid to a person related to you or your wife (husband) cannot be deducted.

The expense must be for services in your home, with one exception. You can deduct the cost of services outside your home for any dependent child under 15 years old. In this case, the amount you can deduct is limited to:

- (1) \$200 a month for one child.
- (2) \$300 a month for two children.
- (3) \$400 a month for three or more children.

If your wife (husband) or dependent age 15 or over was physically or mentally unable to care for herself (himself) and received income and/or disability payments during 1972, you have to reduce your monthly expense as follows:

(1) **Dependent, 15 or over.**—Subtract \$750 from the adjusted gross income and disability payments the dependent received during 1972. Divide the balance by the number of months you paid expenses for her (him). Then subtract the result from your monthly expenses paid for her (him).

(2) **Wife (husband).**—Divide disability payments your wife (husband) received during 1972 by the number of months you paid expenses for your wife (husband). Then subtract the result from your monthly expenses paid for your wife (husband).

Disability payment means payment (other than a gift) the person received because of her (his) physical or mental condition and which is not included in income. For example, workmen's or veterans' disability compensation, private health and accident insurance.

If your adjusted gross income (line 17, Form 1040) was more than \$18,000, you have to reduce your monthly expenses by dividing one-half of the amount over \$18,000 by 12 (number of months in your taxable year). For example, if your adjusted gross income was \$20,400, you would reduce your monthly expenses by \$100 ( $\$20,400 \text{ less } \$18,000 \div 2 = \$1,200 \div 12 = \$100$ ). If you were married for all or part of the year, be sure to take into account the adjusted gross income of both you and your wife (husband) for the time you were married.

Requirements for married taxpayers:

(1) If you were married at the end of 1972, you and your wife (husband) must file a joint return for the year to claim the deduction.

(2) If you were married during the time you paid the expenses:

- (a) Both you and your wife (husband) must have either worked full time or have been looking for a job, or
- (b) Your wife (husband) had to be unable to care for herself (himself) because of mental or physical illness.

Use **Form 2441** to figure your deduction and attach the completed form to your return. Enter your deduction on line 31, Schedule A. For more information, get **Publication 503**, Child Care and Disabled Dependent Care.

### Miscellaneous Deductions

**Contributions to Candidates for Public Office, Itemized Deduction.**—You may claim an itemized deduction on line 32, Schedule A (Form 1040), or a tax credit on line 59, Form 1040, but you cannot claim both, for political contributions paid after December 31, 1971.

If you elect to claim an itemized deduction on line 32, Schedule A (Form 1040), the amount of the deduction entered may not exceed \$50 (\$100 if you are married and file a joint return). Just write "political contribution" on this line (you need not identify the person or political party) next to the amount of the contribution.

See page 9, for definitions of the following terms: "Political contributions," "Can-

didate," "National political party," "State," and "Local."

**Expenses for Education.**—You can generally deduct expenses for:

Education that helps you keep up or improve skills you must have in your present job, trade or business.

Education that your employer said you must have or the law or regulations say you must have, to keep your present salary or job.

### Do Not Deduct Expenses For.—

Education that you need to meet the minimum educational requirements for your job, trade, or business.

Education that is part of a course of study that will lead to your getting a new trade or business.

The rules for reporting educational expenses are the same as those on page 9 for employee business expenses.

For more information, get **Publication 508**, Tax Information on Educational Expenses.

**Other.**—Under "Miscellaneous deductions," you can deduct several other types of expenses such as:

Cost of safety equipment, small tools, and supplies used in your job.

Dues to unions, professional organizations, chambers of commerce.

Cost of business entertainment.

Fees you paid to employment agencies to get a job.

Gambling losses, but only up to the amount you won.

Necessary expenses connected with producing or collecting income or for managing or protecting property held for producing income.

Periodic payments of alimony or separate maintenance made under a court decree. You can also deduct payments made under either (1) a written separation agreement entered into after August 16, 1954, or (2) a decree for support entered into after March 1, 1954. (The person who receives these payments must report them as income.) Do not deduct lump-sum cash or property settlements, voluntary payments not made under a court order or a written separation agreement or amounts that are indicated as payments for support of minor children. For more information, get **Publication 504**, Income Tax Deductions for Alimony Payments.

**Note:** If you work for wages or a salary, be sure to include the employee business expenses you did not claim on line 48, Form 1040.

**Do Not Deduct the Cost Of.**—Going to and from work or entertaining friends.

For more information, get **Publication 529**, Other Miscellaneous Deductions.

## Instructions for Schedule B (Form 1040)

**Line 1—Gross Dividends and Other Distributions on Stock.**—If you own stock, you have to report as dividends any payments you receive out of the company's earnings and profits. Usually dividends are paid in cash. But if you received merchandise or other property, you have to report its fair market value.

If you received more than \$200 in gross dividends and other distributions (including capital gain dividends and nontaxable distributions), list names of all payers and amounts received in line 1, Schedule B. Be sure to include amounts you received through a nominee or other middle person. List his name as payer. Also include amounts you received as a member of a partnership or beneficiary of an estate or trust.

### Do Not Report the Following as Dividends.—

Mutual insurance company dividends that reduce the premiums you pay. (These are not income.)

Dividends paid by savings and loan associations, mutual savings banks, cooperative banks, and credit unions on deposits or accounts from which you could withdraw your money. (Report these as interest.)

For more information and special rules for stock dividends, liquidations, stock rights, conversions and redemptions, get **Publication 550**, Tax Information on Investment Income and Expenses.

**Line 3—Capital Gain Distributions.**—Enter on this line all capital gain distributions. If you received a return of capital that was more than the cost (or other basis) of your stock, include the difference as a capital gain distribution, even though the paying corporation called it a nontaxable distribution. The amounts included on line 3 must also be included in line 1, Schedule B. Also see note at bottom of Schedule B.

**Line 4—Nontaxable Distributions.**—Enter on this line the total of nontaxable distributions (return of capital) not included in

line 3. Your investment cost (or other basis) must be reduced by the amount of nontaxable distributions received. Amounts reported here cannot be more than the cost (or other basis) of your stock in paying corporations since amounts received over your cost (or other basis) are taxed as gains. These gains must be reported on separate Schedule D. Any amount entered on line 4 must also be included in line 1, Schedule B.

### Dividends Exclusion

You can exclude on Form 1040, line 12b, up to \$100 of dividends received from qualifying domestic corporations.

If you file a joint return and both husband and wife had dividend income, each can exclude up to \$100 of dividends received from qualifying corporations. However, neither can use any part of the \$100 exclusion not used by the other. For example, if a husband had \$300 in dividends, and his wife had \$20, only \$120 may be excluded.

Taxable dividends from the following corporations do not qualify for the dividends exclusion:

(a) Foreign corporations, including your share from a controlled foreign corporation.

(b) So-called exempt organizations (charitable, fraternal, etc.) and exempt farmers' cooperative organizations.

(c) Regulated investment companies, unless they have told you how much of such dividends qualify for the exclusion.

(d) Real estate investment trusts.

(e) Corporations receiving 80 percent or more of their income from U.S. possessions and 50 percent or more of their income from the active conduct of a business therein.

(f) Actual distributions out of the current earnings and profits of an electing small business corporation. However, for this purpose, current earnings and profits are limited to taxable income for the year.

**Line 7—Interest Income.**—If you received more than \$200 in interest, list names of all payers and amounts received in line 7, Schedule B.

Report any interest you received or which was credited to your account so you could withdraw it. (It did not have to be entered in your passbook.)

### Include Interest on the Following.—

Accounts with banks, credit unions, savings and loan associations, etc.

Tax refunds.

Notes and loans.

U.S. Savings bonds. The yearly increase in the value of a bond is interest. You can report it in either of the following ways.

(1) You can report the interest when you cash your bonds or, if earlier, when they mature. (This is the date after which a bond will earn no further interest.)

(2) You can report the "yearly increase" in all bonds on your return each year. (You can change to this way of reporting at any time. But if you do so, you must report in the first year you use this method the entire increase in all bonds from the date they were issued. And then report the "yearly increase" each year afterwards.)

For more information, get **Publication 576**, Tax Information on United States Savings bonds.

Bonds and debentures. Also arbitrage bonds issued after October 9, 1969, by State and local governments. But do not report interest on other State and municipal bonds and securities. If you held corporate bonds or other notes of debt originally issued at a discount after May 27, 1969, you have to include a certain portion of the discount for the part of the year you held the bond or note.

For more information about interest income, how to figure original issue bond discount, and rules for interest on industrial development bonds, get **Publication 550**, Tax Information on Investment Income and Expenses.



# Instructions for Schedule D (Form 1040)

(References are to the Internal Revenue Code.)

**A. Who May File.**—Use Schedule D (Form 1040) to report the sale or exchange of a capital asset as defined in Instruction B. In general, do not use Schedule D (Form 1040), but use Form 4797, Supplemental Schedule of Gains and Losses, to report (1) the sale, exchange, or involuntary conversion of trade or business property, certain depreciable and amortizable property; (2) the involuntary conversion (for example, a casualty or theft) of certain capital assets; and (3) the disposition of other noncapital assets not mentioned in (1). If a capital asset is involuntarily converted (for example, by reason of casualty or theft) you may use Form 4684, Casualties and Thefts, instead of completing Part I, Section A, Form 4797. Obtain these forms from an Internal Revenue Service office.

**B. What Is a Capital Asset.**—In general, all property you own and use for personal purposes, pleasure, or investment is a capital asset. Following are some examples: (1) stocks or bonds held in your personal account, (2) a dwelling owned and occupied by an individual and his family, (3) household furnishings used by an individual and his family, (4) an automobile used for pleasure.

In particular, a capital asset as defined by law is any piece of property, held by the taxpayer, except:

- (a) stock in trade;
- (b) real or personal property includible in inventory;
- (c) real or personal property held for sale to customers;
- (d) accounts or notes receivable acquired in the ordinary course of a trade or business for services rendered, or from the sale of any of the properties described in (a), (b), or (c), or for services rendered as an employee;
- (e) depreciable property used in your trade or business (even though fully depreciated);
- (f) real property used in your trade or business;
- (g) a copyright, literary, musical or artistic composition, letter, or memorandum, or similar property—(i) created by your personal efforts; (ii) prepared or produced for you, in the case of a letter, memorandum, or similar property; or (iii) acquired from a person described in (i) or (ii) under circumstances entitling you to his basis (for example, by gift); and
- (h) certain government obligations issued at a discount on or after March 1, 1941, payable without interest, and maturing at a fixed date not exceeding one year from date of issue.

**C. Sale or Exchange of Certain Capital Assets at a Loss.**—Property held for personal use is a capital asset. Gain from the sale or exchange of such property is a capital gain and should be reported either in Part I or Part II. However, losses from sales and exchanges of such property (but not necessarily involuntary conversions such as by casualty or theft) are generally not deductible.

**D. How Acquired Symbol.**—In column (b) of Part I and Part II, use the following symbols to indicate how the property was acquired: "A" for purchase on the open market; "B" for exercise of stock option or through employee stock purchase plan; "C" for inheritance or gift; "D" for exchange involving carryover of prior asset basis; and "E" for other.

**E. Cost or Other Basis, as Adjusted.**—In general, this means cost (or other basis as explained in the next paragraph), less applicable depreciation (allowed or allowable), amortization, depletion, etc. (see section 1011).

If property was acquired by bequest, gift, tax-free exchange, involuntary conversion, or wash sale of stock (see sections 1014, 1015, 1031, 1033 and 1091, respectively) a basis other than cost might be applicable. Attach an explanation if the basis used is other than actual cash cost of the property.

If a charitable contribution deduction is allowed by reason of a sale of property to a charitable organization after December 19, 1969, the adjusted basis for determining gain from the sale is an amount which is in the same ratio to the adjusted basis as the amount realized is to the fair market value of the property.

**F. Short-term or Long-term.**—A sale or exchange of a capital asset will usually result in either a short-term or a long-term capital gain or loss, depending upon the period of time the property is held. (See instruction G.)

If held six months or less, the gain or loss resulting from its sale or exchange is classified as short-term, and should be reported on the applicable line in Part I.

If held more than six months, the gain or loss resulting from its sale or exchange is long-term and should be reported on the applicable line in Part II.

**G. Holding Period.**—To determine whether you held property over six months, you begin counting on the day after the day you acquired the property. The same day of each succeeding month is the beginning of a new month, regardless of the number of days in the preceding month. In your computation, include the day you disposed of the property. In the case of a sale of stock or bond on a stock exchange by a cash basis taxpayer, the date of disposition is: (a) the "trade date" if sold at a loss, or (b) the "settlement date" if sold at a gain. For special rules regarding nontaxable exchanges, gifts of property, property acquired by inheritance or through a bequest or devise, see Publication 544, Sales and Exchanges of Assets, Including Information on Basis of Assets.

A *nonbusiness bad debt* is usually treated as a short-term capital loss. This does not apply to (1) a debt evidenced by a corporate security with interest coupons or in registered form and (2) a debt acquired in your trade or business.

**H. Capital Loss Carryover.**—If there was a net capital loss on line 14, Schedule D (Form 1040) for 1971 and it did not exceed the capital loss deduction against income on line 35, Form 1040 for 1971, there is no capital loss carryover into 1972, and lines 4(a), 4(b), 12(a), and 12(b) may be ignored on Schedule D (Form 1040) for 1972.

A capital loss carryover into 1972 may exist if the net capital loss on line 14, Schedule D (Form 1040) for 1971 exceeds the capital loss deduction against income on line 35, Form 1040 for 1971. Obtain Form 4798, Capital Loss Carryover, to determine if there is a capital loss carryover into 1972.

**I. Capital Loss Limitation.**—If line 14 results in a net capital loss, the first instruction for line 16 will guide you to com-

pleting line 16 or omitting line 16 and going to Part IV. Part IV is used in the event there are pre-1970 long-term capital loss carryovers in the net capital loss on line 14. In general, the Tax Reform Act of 1969 tightened the rules on the capital loss limitation for net long-term capital losses attributable to periods beginning after December 31, 1969. The effects of the new rules are contained on lines 21 through 30. Married taxpayers filing a separate return should see Instruction M.

**J. Line(s) 26 or 40.**—Assuming there is a gain and a loss on the lines mentioned in the instruction(s) for line(s) 26 or 40, enter the gain reduced by the amount of the loss; however, if the loss exceeds the gain enter a zero. If there is a gain and there is no loss, just enter the gain.

**K. Line(s) 29 or 43.**—Assuming there is a loss and a gain on the lines mentioned in the instruction(s) for line(s) 29 or 43, enter the loss reduced by the amount of the gain; however, if the gain exceeds the loss enter a zero. If there is a loss and there is no gain, just enter the loss.

**L. "Taxable Income, as Adjusted".**—This term is used to describe the amount on line 55, Form 1040 (line 17, Form 1040 if you use the tax table) determined without regard to sales or exchanges of capital assets—use a side computation to arrive at this figure. If your filing status is other than "married taxpayer filing a separate return" and it is apparent that your taxable income (excluding, (1) gains and losses from the sales or exchanges of capital assets, and (2) personal and dependency exemptions) exceeds \$1,000, omit this side computation and if you are to complete line 16, enter on line 16(b) the loss on line 16(a); or, if you are to complete Part IV instead of line 16, enter on line 34 the loss on line 33—but in either case, do not enter a loss larger than \$1,000.

**M. Married Taxpayers Filing Separate Returns.**—The \$500 limitation mentioned in the parentheses "... if married filing a separate return" remains at \$500 if line 4(a) and line 12(a) are blank. However, if either of such lines contain losses, the \$500 limitation may be increased by amounts attributable to pre-1970 short-term and long-term capital loss components, but the combined total may not exceed \$1,000. Therefore, if the loss on line 16(a) or line 33 (if Part IV instead of line 16 was completed) equals or exceeds \$1,000 you may disregard the next two paragraphs, and for that matter completion of Part V.

If there is a loss on line 4(a), complete Part V. If there is a loss on line 12(a), complete lines 21 through 29 (assuming all the lines in Part IV were not otherwise required to be completed) ignoring the note under line 21.

Accordingly, if married and filing a separate return, the limitation on line 16(b) (ii), or line 34(c) (if Part IV instead of line 16 was completed), is the sum of \$500 plus (1) the loss on line 29 (otherwise known as the long-term capital loss component) and (2) the loss on line 43 (otherwise known as the short-term capital loss component) the total of which must not exceed \$1,000.

**N. Investment Interest Expense Deduction Adjustment.**—If Schedule D, line 13 is blank; or if line 13 or line 14 show a loss, please disregard the rest of Instruction N.

If you have investment interest expense in excess of \$25,000, the amount of such interest that may be deducted could be



limited. See Form 4952 for details. If there is an entry on Form 4952, line 14; and, on Schedule D, both lines 13 and 14 show a gain, a portion or all of the amount of capital gains used on Form 4952, line 14, will be treated as ordinary income for purposes of determining the 50% capital gain deduction or the Alternative Capital Gain Tax. The amount treated as ordinary income is the lesser of: (a) the amount on Form 4952, line 14, (b) the amount on Schedule D, line 13, or (c) the amount on Schedule D, line 14. This amount will be entered in the margin to the right of Schedule D, line 13, and identified as "From Form 4952." Therefore, before determining the Capital Gain deduction on Schedule D, line 15(a), or the Alternative Tax in Part VI, decrease the gains on Schedule D, line 13 and line 14 by the amount treated as ordinary income limited to the lesser amount of (a), (b), or (c) above. The amount treated as an ordinary gain shown in the margin to the right of line 13, Schedule D should be entered on Form 4797, Part II, line 8.

**O. Installment Sales.**—If you sold personal property for more than \$1,000, or real property for any amount, you may be eligible to report any gain under the installment method if (1) there are no payments in the year of sale or (2) the payments in the year of sale do not exceed 30 percent of the selling price. (See section 453.) Such sales must provide for one or more payments in each of two or more taxable years.

For treatment of a portion of payments as "unstated interest" on deferred payment sales, see section 483.

For further information, obtain **Publication 537**, Installment and Deferred-Payment Sales, from any Internal Revenue Service office.

**P. Capital Gain Distributions.**—See pages 6 and 13 of the instructions for Form 1040.

**Q. Special Rules.**—The following items may require special treatment: (1) transactions by a securities dealer (section 1236), (2) wash sales of stock or securities

(section 1091), (3) bonds and other evidence of indebtedness if original issue discount is a factor (section 1232), (4) certain real property subdivided for sale may be considered a capital asset (section 1237), (5) distributions received attributable to an employee pension, profit-sharing, or bonus plan (sections 401-407), (6) gain on sale of depreciable property between husband and wife or between shareholder and a "controlled corporation" treated as ordinary gain (section 1239), (7) gain on disposition of stock in a domestic international sales corporation (section 995).

**R. Sale of Personal Residence.**—Tax on a portion or all of the gain from the sale of your principal residence may be deferred if:

(1) within one year after or before the sale, you purchase another principal residence and use it as such; or

(2) within one year after or before the sale, you begin construction of a new principal residence and use it as such not later than 18 months after the sale.

If you sold property for \$20,000 or less on or after your 65th birthday, which was owned and used by you as your principal residence for at least five of the last eight years, any gain on the sale need not be included in income. If the property was sold for more than \$20,000, part of the gain may be taken into income. See **Publication 523**, Tax Information on Selling Your Home.

**S. Losses in Transactions Between Certain Persons.**—No deduction is allowable for loss from sale or exchange of property directly or indirectly between (1) members of a family; (2) a corporation and an individual or a fiduciary owning more than 50 percent of the corporation's stock (liquidations excepted); (3) a grantor and fiduciary of a trust; (4) a fiduciary and a beneficiary of the same trust; (5) a fiduciary and a fiduciary or beneficiary of another trust created by the same grantor; or (6) an individual and a tax-exempt organization controlled by the individual or his family. Partners and partnerships see section 707(b).

**T. Long-term Capital Gains from Regulated Investment Companies.**—Include in income as a long-term capital gain the amount shown on Form 2439, that constitutes your share of the undistributed capital gains of a regulated investment company. Enter the tax paid by the company as shown on Form 2439 in line 70, Form 1040. Add to the basis of your stock, the excess of the amount included in income over the credit.

**U. Losses on Small Business Stock.**—If you had a loss on section 1244 stock which, but for that section, would be treated as a loss from the sale or exchange of a capital asset, treat it as a loss from the sale or exchange of an asset that is not a capital asset to the extent provided in that section.

**V. Alternative Tax Computation.**—It may be to your advantage to use the alternative tax if the net long-term capital gain exceeds the net short-term capital loss, or if there is a net long-term capital gain only, and you are filing (1) as a single person with taxable income exceeding \$38,000; (2) a joint return, or as a surviving husband or wife, with taxable income exceeding \$52,000; (3) a separate return from your wife (husband) with taxable income exceeding \$26,000; or (4) as a head of household with taxable income exceeding \$38,000.

If the net long-term capital gain exceeds the net short-term capital loss, or if there is only a net long-term capital gain, compute the tax using the alternative method (section 1201) to determine if the resulting tax is less than the tax computed using the regular method.

**Line 48.**—"Certain subsection (d) gains" referred to on line 48 consist of long-term capital gains (except gains under sections 631 and 1235) recognized during the taxable year (including gains recognized under the installment method) from sales made under a binding contract that was entered into on or before October 9, 1969, or sales or dispositions completed on or before October 9, 1969.

## Instructions for Schedule E (Form 1040)

### PART I.—Pensions and Annuities

**General Rule for Annuities.**—Generally, amounts you received from annuities and pensions are included in your income in an amount which is figured on your life expectancy. This computation and your life expectancy multiple can be found in the income tax regulations covering annuities and pensions. Once you figure the yearly excludable amount, it does not change so you will not have to refigure the amount to exclude each year. In making this computation, you can get help from the Internal Revenue Service as well as from the payer of the annuity or pension.

**Special Rule for Certain Types of Employees' Annuities.**—A special rule applies for amounts received as employees' annuities if the employer contributed part of the cost and if you will receive the amount you contributed within three years from the date of the first payment you receive under the contract. If both conditions are met, you can exclude from income the payments you receive under the contract during the first three years, until you recover your cost. Your cost is the amount you contributed, plus the contributions your employer made on which you were pre-

viously taxed. After you recover your cost, all amounts you receive are fully taxable. This method of figuring taxable income also applies to the employee's beneficiary if the employee dies before receiving any annuity or pension payments.

**Example:** An employee received \$200 a month from an annuity. While he worked, he contributed \$4,925 toward the cost of the annuity. His employer also made contributions toward the cost of the annuity, for which the employee was not taxed. The retired employee would be paid \$7,200 during the first three years, which exceeds his contribution of \$4,925. He would exclude from income all the payments received as an annuity until he has received \$4,925. All payments received afterward are fully taxable.

**Note:** If you did not contribute to the cost of your annuity or you have recovered your entire cost before January 1, 1972, report your annuity on Form 1040, line 40 instead of on Schedule E. (Do this even if you received a Form W-2P.)

**Death Benefit Exclusion.**—If you receive pension or annuity payments as a beneficiary of a deceased employee and the employee received no retirement pension or annuity payments, you may be entitled to a death benefit exclusion of up to

\$5,000. For more information, get **Publication 575**, Tax Information on Pensions and Annuities.

**Form W-2P.**—If you received a Form W-2P, report in Part I, Schedule E, the gross amount of pension or annuity payments you received.

If you are retired on disability and are under normal retirement age and your Form W-2P shows an amount as "Gross amount reportable as wages or salary", report that amount on line 40 of Form 1040. Also, show on line 46 of Form 1040 the "Amount excludable as sick pay." For more information, get **Publication 522**, Adjustments to Income for Sick Pay.

If you received retirement plan or profit-sharing distributions, report the taxable amount paid as: (1) capital gain (amount from column b of Form W-2P) on Schedule D (Form 1040); and (2) ordinary income (amount from column c of Form W-2P) on Form 1040, line 40.

### PART II.—Rent and Royalty Income

**Rents.**—If you were not in the business of selling real estate but received rent from property you own or control, report the total in column (b), Part II, Schedule E. If you received property as rent, instead of money, report its fair market value.

**Form 4831, Rental Income**, is available at Internal Revenue Service offices, if you want to use it as an attachment to your return to report your rental income and expenses. If you use Form 4831, be sure to carry over the totals of income and related expenses to the correct columns of Part II, Schedule E.

**Rental Income Based upon Farm Production or Crop Shares.**—Report such income and your related expenses on Form 4835, Farm Rental Income and Expenses, if you meet all these tests:

(1) You received rental income based on farm production or you received crop shares based on the rental of all or part of your crop land on a crop share basis.

(2) You did not, to any great extent, take part in managing or operating the farm.

(3) Two-thirds of your gross income was from farming (fishing). See note below.

If you use Form 4835, be sure to carry over the totals of income and related expenses to the correct columns of Part II, Schedule E. Report crop shares received only for the year in which they are converted to money or its equivalent, such as merchandise or property.

**Note:** For purposes of estimated tax, such income received from crop shares and from rental based on farm production (but not a fixed rental that is not based on farm production) is considered to be income from farming. Add such income shown on Form 4835, line 22, to your other income from farming (or fishing). If the total is at least two-thirds of your gross income, the penalty for failure to pay estimated tax will not apply if you file your tax return and pay the tax on or before March 1, 1973.

In the case of buildings, you can deduct depreciation. You can also deduct all ordinary and necessary expenses, such as taxes, interest, repairs, insurance, agent's commissions, maintenance, and similar items. Do not deduct capital investments or improvements. Add these to the basis of the property for the purpose of depreciation. For example, a landlord can deduct the cost of minor repairs, but not the cost of major improvements such as a new roof or remodeling. Do not deduct the value of your own labor.

**If You Rent Part of Your House.**—If you rent out only part of your property, you can deduct only the part of your expenses that relate to the rented part. If you do not know the exact amount of these expenses, figure them on a proportionate basis. For example, if you rent out half of your home and live in the other half, deduct only half the depreciation and other expenses.

Report amounts received from room rent and other space rentals in this part, unless you also provided services to the person renting from you. If you provided services, report the full amount received as business income in separate Schedule C (Form 1040). If you were in the business of selling real estate, report rentals received in separate Schedule C.

**Royalties.**—Report in column (c) Part II, Schedule E royalties from oil, gas or mineral properties, and royalties from copy-

rights and patents. If you hold an operating oil, gas, or mineral interest, report gross income and expenses in separate Schedule C. Under certain circumstances, you can treat amounts received on the disposal of coal and iron ore as the sale of a capital asset. (For more information, get **Publication 544, Sales and Exchanges of Assets, Including Information on Basis of Assets.**)

If State or local taxes were withheld from oil or gas payments you received, report in column (c) the gross amount of royalty, and include the taxes withheld by the producer in column (e), other expenses.

## PART III.—Partnerships, etc.

**Partnerships.**—If you are a member of a partnership, joint venture, or the like, include in Part III, Schedule E, your share of the ordinary income (whether you received it or not) or the net loss for the partnership tax year which ends during the year covered by your return or on the same day as that covered by your return. Losses are only allowed to the extent of the adjusted basis of your partnership interest at the end of the partnership year in which the losses occurred.

Other items of income, deductions, credits, etc., to be carried to your individual return and applicable schedules are shown in Schedule K-1 (Form 1065) of the partnership return.

Each partner must include on separate Schedule SE his distributive share of partnership income (or loss) from the operation of a trade or business which constitutes net earnings from self-employment. Members of farm partnerships should first complete Part II of Schedule SE to figure self-employment tax. For more information, get **Publication 541, Tax Information on Partnership Income and Losses.**

**Estates and Trusts.**—If you are a beneficiary of an estate or trust, report your taxable part of its income in Part III, Schedule E, whether you received it or not. Enter your share of income of the following classes on the correct lines and schedules of your return:

Dividends from qualifying domestic corporations.

Gains from the sale or exchange of capital assets and certain other property.

Include all other taxable income from estates and trusts in this Part. You can subtract your share of depreciation on estate or trust property. You can get information from the fiduciary about these items. Include your share of items of tax preference on Form 4625.

**Income from Farming Reported in Part III.**—If your gross income from farming (or fishing) is at least two-thirds of your gross income, the penalty for failure to pay estimated tax will not apply if you file your tax return, and pay the tax due, on or before March 1, 1973.

If you are a member of a partnership or if you are a beneficiary of an estate or trust reporting income from farming in Part III, Schedule E, and meet the two-thirds requirement, show your share of

partnership gross income or your part of fiduciary taxable income from farming in Part III, Form 4835. Attach to Form 1040.

**Small Business Corporations.**—If you are a shareholder in a small business corporation which elected to have its current taxable income taxed to its stockholders, report—

(1) Actual dividend distributions (whether taxable as ordinary income or long-term capital gain) as dividend income in Schedule B, Part I. To the extent the dividends are out of current earnings and profits, they are NOT entitled to the dividend exclusion. However, for this purpose, the earnings and profits of the taxable year are deemed not to exceed taxable income for the year.

Subtract from the actual dividend distribution the non-dividend (distributions of previously taxed income) portion on line 4, Part I of Schedule B and the long-term capital gain portion on line 3, Part I of Schedule B. Also include the long-term capital gain portion on line 7 of Schedule D.

(2)(a) Constructive dividends taxable as ordinary income (loss) in Schedule E, Part III.

(b) Constructive dividends taxable as long-term capital gain on line 7 of Schedule D.

If you are a shareholder claiming a deduction for a net operating loss, attach to your return a computation of the adjusted basis of your stock in the corporation and the adjusted basis of any debt the corporation owes you. See sections 1374, 1376, and related income tax regulations for limitation on deduction and required adjustments. Include your share of items of tax preference on Form 4625.

## Depreciation

You can deduct a reasonable allowance for the exhaustion, wear and tear, and obsolescence of property used in a trade or business, or of property held for the production of income. The allowance is not allowed for stock in trade, inventories, land, and personal assets. See **Form 4562** for information on depreciation methods, special rules; limitations on accelerated depreciation for new and used section 1250 (real) property; election to compute depreciation deduction for rehabilitation expenditures incurred for low-income rental housing under the straight line method using a useful life of 60 months and no salvage value; etc.

**Class Life (ADR) System and Guideline Class Life System.**—If depreciation is figured by using the Class Life (ADR) System for assets placed in service after December 31, 1970, or the Guideline Class Life System for assets placed in service before January 1, 1971, you must file Form 4832 (Class Life (ADR) System) or Form 5006 (Guideline Class Life System). Except as otherwise expressly provided in income tax regulations sections 1.167(a)-11(b)(5)(vi) and 1.167(a)-12, the provisions of Revenue Procedures 62-21 and 65-13 are not applicable for taxable years ending after December 31, 1970. For more information, get Instructions for Forms 4832 and 5006, and Publication 534, Tax Information on Depreciation.

**Test 1. Prior Earned Income.**—You must have received over \$600 of earned income during each of any 10 years before 1972. The years did not have to follow in order.

**What is Earned Income.**—This is wages, salaries, professional fees, or other amounts you received as payment for your work or services. An annuity or pension is not earned income.

## Instructions for Schedule R (Form 1040)

### Retirement Income Credit

If you are retired or are 65 or older, you may be able to take a credit against your income tax of up to 15 percent of your retirement income.

To qualify for the credit, you have to meet tests 1 and 2. Both husband and wife can take the credit if both meet these tests. If you meet these two tests, you then figure how much, if any, of your retirement income you can take a credit on. This is explained in "Figuring the Credit."

If you were in a trade or business in which both personal services and capital were to a great extent income-producing factors, you can consider a reasonable amount (but not over 30 percent of your net profits) as earned income.

If you are a surviving widow or widower and have not remarried, you can use the earned income of your deceased husband (wife) in figuring whether you meet this test, even if you had no earned income. You can also add his (her) earned income to yours to figure whether you qualify.

**Test 2. Retirement Income.**—You must have received retirement income during 1972.

**What is Retirement Income.**—(a) If you were under 65 on January 1, 1973, retirement income includes only the amount received during 1972 from a pension or annuity under a public retirement system, which you reported as income on your Form 1040. (A public retirement system is one set up by the Federal government, or a State, county, city, etc.)

If you are retired from the Federal government on disability and are under normal retirement age, no part of your disability annuity is retirement income for this purpose, even though you reported it as income on your Form 1040. Once you reach normal retirement age, your annuity is then retirement income.

(b) If you were 65 or older on January 1, 1973, retirement income includes the amounts received during 1972 from pensions, annuities, interest, rents, and dividends which you reported as income on your Form 1040. It does not include royalties. (For this purpose, income from rents means the full amount paid you before subtracting depreciation or any other expenses.)

**Figuring the Credit.**—If you are having IRS figure your tax and also want them to figure your retirement income credit, follow the instructions at the top of Schedule R.

If you figure the credit yourself, a married couple filing jointly should use column A for wife and column B for husband. If both you and your wife (husband) are 65 or older and are filing jointly, add the line

amounts for columns A and B and enter the totals in column C to see which method will give you the larger credit. All others should use column B.

The maximum amount of retirement income on which you can take the credit is \$1,524 (\$2,286 if you and your wife (husband) are both 65 or older and are filing jointly, or \$3,048 if you are filing jointly and both husband and wife show \$1,524 on line 6, columns A and B). From this amount you may have to subtract a part of your 1972 earned income and must subtract certain exempt pensions and annuities (lines 2(a) and (b)). The maximum amounts allowed as a credit are shown below, but the credit cannot be more than the amount of tax shown on your Form 1040, line 18.

\$457.20 (15% of \$3,048) on a joint return where both husband and wife show \$1,524 on line 6, columns A and B.

\$342.90 (15% of \$2,286) on a joint return where both husband and wife are over 65 (even if one had no prior earned income to meet test 1, on page 16).

\$228.60 (15% of \$1,524) for all others.

Figure your credit as follows:  
Answer the question in column B (A and B if you are filing a joint return).

**Line 2(a).**—Show the following pensions and annuities received during 1972:

(1) Pensions and annuities received under the Social Security Act or Railroad Retirement Acts. For social security pension, show the gross amount before deduction of any amount withheld to pay medicare insurance premiums.

(2) Any other pensions and annuities that are not taxed. (Do not include supplemental annuities, such as military disability pensions, or any amount treated as a return of your cost.)

Do not include on this line amounts you received under accident or health insurance plans or as compensation for injury or sickness.

**Line 2(b)**—Show earned income received during 1972 on line (1) or (2), depending on your age. If you were 72 or older on January 1, 1973, skip this line.

(The meaning of earned income is given under test 1, on page 16.)

**Line 3.**—Add lines 2(a) and (b) and enter total on line 3.

**Line 4.**—Subtract line 3 from line 1 and enter the difference on line 4. (If line 3 is more than line 1, enter zero on line 4.) If the amount you entered on line 4 for column A, B, or C is more than zero, complete the rest of the schedule to figure your credit. If all of these columns are zero on line 4, you cannot take a retirement income credit so do not complete the rest of the schedule.

**Line 5.**—If you are under 65, enter your retirement income on line (a). See test 2, paragraph (a), above, for what income to enter.

If you are 65 or older, enter your retirement income on line (b). See test 2, paragraph (b), above, for what income to enter.

**Lines 6 through 13.**—Complete these lines as instructed on the schedule.

If you need more information, get **Publication 524, Retirement Income Credit**. It gives examples of how to figure the credit and also sample filled-in schedules.

**Married Residents of Community Property States.**—If you are married and live in a community property State, all community income must be divided equally between you and your wife (husband) to figure whether each qualifies for the credit and the amount of credit each can take. Thus, in figuring whether you and your wife (husband) had prior earned income to meet test 1, above, community income earned by either of you is to be divided equally.

To figure whether you and your wife (husband) had retirement income to meet test 2, above, you should also divide equally unearned income such as nontaxable pensions and annuities that are community income. For example, if the husband is 65 or older and his wife is under 65, she can consider half of his pension from a public retirement system as retirement income. But she cannot consider her half share of rents, dividends, interest, or annuities as retirement income.

For more information, get **Publication 555, Community Property and the Federal Income Tax**.

## Instructions for Schedule C (Form 1040)

If you owned a business or practiced a profession, fill in Schedule C. Then enter your net profit or loss on Form 1040, line 35. If you had more than one business, or if husband and wife had separate businesses, complete a Schedule C for each business. Farmers should use Schedule F.

You have to pay the social security self-employment tax on income from any trade or business, unless specifically excluded. See Schedule SE. Generally, if you filed Form 4029 or Form 4361, do not file Schedule SE. Instead write "Exempt—Form 4029" or "Exempt—Form 4361" on line 62 of Form 1040.

If some of your expenses are part business and part personal, you can deduct the business part but not the personal part. For instance if only half of a businessman's car usage is for business, he can deduct only half of the cost of operating the car.

Sales, exchanges, or involuntary conversions of certain trade or business property are to be reported on Form 4797, Supplemental Schedule of Gains and Losses.

**Accounting Methods and Records.**—On your return you must use the "cash

method" of reporting unless you kept books of account. If you kept such books, you can use either the "cash method," "accrual method," or other method, such as "completed contract" or "percentage of completion." You can use any of these methods or a combination of them, provided the method or methods used properly reflect your income.

"Cash method" means you generally show all items of taxable income actually or constructively received during the year (whether in cash, property, or services) and those amounts actually paid during the year for deductible expenses. Income is "constructively" received when it is credited to your account or set aside for you to draw on at any time.

"Accrual method" means you report income when earned, even if not received, and deduct expenses when incurred, even if not paid during the tax year.

**Item A—Principal Business Activity and Product.**—Give the one business activity that accounted for the largest percentage of gross income included in Schedule C, page 1, line 1. State the broad field of business activity as well as the product or serv-

ice. For example, "wholesale—drugs," "retail—apparel."

**Item D—Business Address.**—Do not use your home address as a business address unless you actually conducted the business from your home. Show street address rather than box number.

**Item F—Information Returns.**—You may be required to file information returns for certain payments of fees and other non-employee compensation, interest, rents, royalties, annuities and pensions. For more detailed information, see instructions for Form 1096.

### Income

**Line 1—Gross receipts or gross sales.**—Enter gross receipts or sales from your trade or business, except those items required to be reported in line 4. (See instructions for line 4.)

**Returns and allowances.**—Enter such items as returned sales, rebates, and allowances from the sale price or service charge.

**Installment Sales.**—If you use the installment method of reporting income from sales, attach to your return a schedule showing separately for 1972 and the three preceding years:

- (1) gross sales,
- (2) cost of goods sold,
- (3) gross profit,
- (4) percentage of gross profits to gross sales,
- (5) amounts collected, and
- (6) gross profits on amounts collected.

**Line 2—Cost of goods sold (Schedule C-1).**—If you were engaged in a trade or business in which the production, purchase, or sale of merchandise was an income producing factor, inventories of merchandise must be taken into account at the beginning and end of your tax year.

The inventories can be valued at:

- (1) cost,
- (2) cost or market, whichever is lower, or
- (3) any other method approved by the Commissioner.

You must continue to use the same value method you adopted for the first year you took inventory unless you get permission to change your method by applying to the Commissioner of Internal Revenue, Washington, D.C. 20224. Use Form 3115 to apply for permission to change your method of valuing inventories. It must be filed with the Commissioner within 180 days after the beginning of the tax year in which you want to use the new method.

**Cost of Operations (Where Inventories are Not an Income-determining Factor).**—If the amount entered on line 2 includes an amount applicable to cost of operations, complete appropriate lines of Schedule C-1.

**Line 4—Other Income.**—Include on line 4 finance reserve income, sales of scrap, amounts recovered from bad debts, and interest (items formerly included in line 1), as well as other kinds of miscellaneous income from your trade or business.

## Deductions

**Note:** That portion of wage, salary, rent and price payments in excess of amount permitted under Executive Order 11640, issued pursuant to the authority of the Economic Stabilization Act of 1970, as amended, is not deductible as a business expense under section 162(c)(2). (Revenue Ruling 72-236.)

**Line 6—Depreciation.**—You can deduct a reasonable allowance for the exhaustion, wear and tear, and obsolescence of property used in your trade or business. The allowance is not allowed for stock in trade, inventories, land, and personal assets.

**Class Life (ADR) System and Guideline Class Life System.**—If depreciation is figured by using the Class Life (ADR) System

for assets placed in service after December 31, 1970, or the Guideline Class Life System for assets placed in service before January 1, 1971, you must file Form 4832 (Class Life (ADR) System) or Form 5006 (Guideline Class Life System). Except as otherwise expressly provided in income tax regulations sections 1.167(a)-11(b)(5)(vi) and 1.167(a)-12, the provisions of Revenue Procedures 62-21 and 65-13 are not applicable for taxable years ending after December 31, 1970. For more information, get Instructions for Form 4832, and Form 5006, and Publication 534, Tax Information on Depreciation.

If you use depreciation rules other than those provided for on Form 4832 and Form 5006, you may complete Form 4562, Depreciation. See instructions on back of Form 4562 for more detailed information regarding methods of computing depreciation, other than the new depreciation rules mentioned in the preceding paragraph.

**Line 9—Repairs.**—You can deduct the cost of incidental repairs, including labor (but not the value of your own labor), supplies, and other items, that do not add to the value or appreciably prolong the life of the property. Amounts spent to restore or replace property are not deductible. They are chargeable to capital accounts or to depreciation reserve, depending on how depreciation is charged on your books. Include on line 9 the total amount of repairs from Form 4832.

**Line 14—Amortization.**—For the election to amortize expenditures for pollution control facilities, research or experimentation, a trademark or trade name, railroad rolling stock, railroad grading and tunnel bores, certain coal mine safety equipment, and on-the-job training and child care facilities, see Code sections 169, 174, 177, 184, 185, 187, and 188, respectively.

**Line 15(a)—Retirement Plans, etc.**—Enter the amount being claimed as a deduction for contributions to a pension, profit-sharing, or annuity plan.

**Note:** Every employer who has adopted a pension, profit-sharing, or other funded deferred compensation plan, regardless of whether or not the plan is qualified under the Internal Revenue Code or whether a deduction is claimed for the current taxable year, must file Form 4848 for all plans adopted. In general, Form 4848 is to be filed on or before the 15th day of the 5th month following the close of the taxable year. If the plan includes you as a self-employed person, enter contributions made as an employer on your behalf (but not voluntary contributions you made as an employee) on Form 1040, line 49, instead

of on line 15a of Schedule C. (See Form 4848.)

**Line 15(b)—Employee benefit program.**—Enter the amount of your contributions to employee benefit programs that are not an incidental part of a pension or profit-sharing plan included on line 15a. Contributions to employee benefit programs that are to be reported on this line include insurance, health, and welfare programs.

**Line 16—Interest on Business Indebtedness.**—Do not include in line 16, interest that your trade or business paid or accrued on debts incurred to purchase or carry property held for investment. (See section 163(d)). You should claim this interest on investment debts on Schedule A (Form 1040). For further information, see Schedule A (Form 1040) instructions.

**Line 17—Bad Debts Arising from Sales or Services.**—Include debts, or portions of them arising from sales or professional services that were included in income and definitely known to be worthless; or a reasonable amount that was added during the tax year to a reserve for bad debts. A debt which is deducted as bad and which reduces your tax must, if later collected, be included as income for the year in which collected.

**Line 18—Depletion.**—If a deduction is claimed on account of timber depletion, attach Form T to your return.

**Line 19—Other Business Expenses.**—Include all ordinary and necessary business expenses for which no space is provided in the schedule. Do not include cost of business equipment or furniture, amounts spent for replacements or permanent improvements to property, or personal living and family expenses.

**Automobile Expenses, Special Rule.**—See page 9 of Form 1040 instructions for optional method of figuring deductible automobile expenses.

**Schedule C-4—Expense Account Information.**—Expense account allowance means (a) amounts other than compensation, received as advances or reimbursements, and (b) amounts paid by or for you for expenses incurred by or for yourself or your employees, including all amounts charged through any type of credit card, for which a deduction is claimed in this schedule. This term does not include amounts paid for (1) the purchase of goods for resale or use in your business, and (2) incidental expenses, such as the purchase of office supplies or for local transportation in connection with an errand. You should keep records as proof of amounts spent for entertainment.

## Instructions for Schedule F (Form 1040)

### A. Cash Receipts and Disbursements Method of Reporting

Include in income (a) Profits received from the sale of livestock and other items purchased for resale. (b) Cash and the value of merchandise or other property received from the sale of livestock and produce raised during 1972 or prior years. (c) Other farm income.

Your expenses are the amounts you paid during 1972, plus deductions such as depreciation.

An election may be made to report crop insurance proceeds in income in the taxable year following the taxable year of destruction or damage if you can establish that it is your practice to report income from such crops, in a following taxable

year. For further information, contact any Internal Revenue Service office, or get Publication 225, Farmer's Tax Guide.

### B. Accrual Method of Reporting

The gross profits are figured as indicated in summary of income and deductions on page 2 of Schedule F. Farm expenses are the actual expenses incurred during 1972, whether you paid them or not. You can value inventories according to the "farm-price method," which provides for the valuation of inventories at market price less direct cost of disposition, or you can use other methods. Farmers raising livestock can value their inventories of animals according to either the "farm-price method" or the "unit-livestock-price method."

### C. Income

Generally, you should report all farm income in Schedule F. However, if you received rental income based upon farm production or if you received crop shares based on the renting of all or part of your crop land on a crop share basis, and you did not materially participate in the operation of the farm, report such income on Form 4835, Farm Rental Income and Expense (such income is not subject to self-employment tax) and Schedule E. If you materially participated in the operation of a farm, the rental income you received is subject to self-employment tax and should be reported in Schedule F. Under both the cash and the accrual methods of reporting, report crop shares received only for the year in which they are converted to money or its equivalent, such as merchandise or property.

Sales, exchanges, or involuntary conversions of certain trade or business property are to be reported on Form 4797, Supplemental Schedule of Gains and Losses.

Anything of value received instead of cash, such as groceries in exchange for produce, must be treated as income to the extent of its market value. The value of farm produce consumed by the farmer and his family need not be reported as income, but expenses incurred in raising such produce must not be claimed as deductions. Recoveries from insurance on growing crops should be included. ("Cash method" taxpayers, see item A.)

### Cooperative Allocations, Dividends and Advances

Also include in farm income: (1) per-unit retain allocations received from cooperatives in money and qualified per-unit retain certificates (to the extent of stated dollar amounts), and (2) patronage dividends received from cooperatives in money and qualified written notices of allocation (to the extent of stated dollar amount).

Patronage dividends received in property other than written notices of allocation are includible in farm income to the extent of fair market value.

Cash advances received from marketing cooperatives you do business with are includible in farm income.

See Publication 225 for detailed instructions on how and when to report the receipt and redemption of nonqualified certificates and nonqualified written notices, and the receipt of patronage dividends received on purchase of assets and nonbusiness purchases.

### Federal Gasoline Tax Credit

If you use the "cash method," enter in Part I, line 24 any Federal gasoline tax claimed as a credit on Form 1040 for 1971. If you use the "accrual method," enter in Part V, line 65 any Federal gasoline tax you claim as a credit on Form 1040 for 1972.

### Agricultural Program Payments

**In Cash.**—Enter the total amount of price support payments, diversion payments, and cost share payments received in cash (sight drafts).

**In Materials and Services.**—If you received benefits in the form of materials, such as fertilizer or lime, or in the form of services, such as grading or the construction of dams, enter the total amount paid by the Department of Agriculture to the vendor or contractor.

### Commodity Credit Corporation Loans

If commodities are pledged as security for a loan from the Commodity Credit Corporation, income is not considered received until the commodities are delivered or forfeited to the Corporation, unless an election is made to include the loan in income when received. If you made this election or delivered or forfeited the pledged commodity, enter the amount received on this line. In the case of an election, attach to your return a statement showing details of the loan. You must continue to report similar loans as income until you receive permission from the Commissioner to change your method of accounting.

### D. Expenses and Other Deductions

**Note:** That portion of wage, salary, rent and price payments in excess of amount permitted under Executive Order 11640,

issued pursuant to the authority of the Economic Stabilization Act of 1970, as amended, is not deductible as a business expense under section 162(c)(2). (Revenue Ruling 72-236.)

**Labor Hired.**—You can deduct amounts paid for farm labor. Do not deduct the value of your own labor or that of your family. Deduct only that part of the board which is purchased for hired labor. The value of products furnished by the farm and used in the board of hired labor is not deductible. Do not deduct amounts paid to persons who did household work except to the extent their services are used in boarding and otherwise caring for farm laborers.

**Repairs and Maintenance.**—You can deduct amounts paid for repairs and maintenance of farm buildings (except your dwelling), farm machinery and equipment; and the cost of ordinary tools of short life or small cost, such as shovels, rakes, etc. Include in this deduction the total amount of repairs from Form 4832.

**Rent of Farm, Part of Farm, or Pasture.**—You can deduct rent paid in cash. A tenant farmer paying rent to his landlord in the form of crops raised on the farm under a crop share agreement cannot deduct as rent the value of the crop, but he can deduct amounts paid in raising the crop.

**Fertilizers, Lime, etc.**—These can be either capitalized or deducted as an expense.

**Taxes.**—You can deduct State and local taxes. Do not deduct Federal income taxes; estate, inheritance, legacy, succession, and gift taxes; nor taxes assessed for any improvement or betterment. Do not deduct taxes on your dwelling or household property and other taxes not related to the business of farming.

**Conservation Expenses.**—You can deduct certain amounts spent (including any amount paid on any assessment levied by a soil or water conservation or drainage district to recover the amount the district spent) for soil or water conservation and the prevention of erosion on land you use.

The allowable deduction for any one year cannot exceed 25 percent of your gross income from farming (excluding certain gains from sales of assets such as farm machinery or from the disposition of land). But any excess can be carried over to the following years with the same limit applying to those years. See Publication 225.

**Land Clearing.**—You can deduct amounts spent for clearing land to make it suitable for farming. This deduction cannot be more than 25 percent of taxable income from farming, or \$5,000, whichever is less.

### Retirement Plans, etc.

**Line 48.**—Enter the amount being claimed as a deduction for contributions to a pension, profit-sharing, or annuity plan.

**Note:** Every employer who has adopted a pension, profit-sharing, or other funded deferred compensation plan, regardless of whether or not the plan is qualified under the Internal Revenue Code or whether a deduction is claimed for the current taxable year, must file Form 4848 for all plans adopted. In general, Form 4848 is to be filed on or before the 15th day of the 5th month following the close of the taxable year. If the plan includes you as a self-employed person, enter contributions made as an employer on your behalf (but not voluntary contributions you made as an employee) on Form 1040, line 49, instead of on line 48 of Schedule F. (See Form 4848.)

**Line 49.**—Enter the amount of your contributions to employee benefit programs that are not an incidental part of a pension or profit-sharing plan included on line 48. Contributions to employee benefit programs that are to be reported on this line include insurance, health, and welfare programs.

**Automobile Expenses, Special Rule.**—See page 9 of instructions for Form 1040, (Line 48) optional method.

**Other Farm Expenses.**—Include such items as advertising, stationery, stamps, account books, other office supplies, etc.

Losses of property included in your inventory are taken care of by the reduced amount of the inventory at the end of the year. The loss of a prospective crop by frost, storm, flood, or fire is not deductible. When using the cash method, the value of animals you raised that were lost by death is not deductible. For animals you bought that were lost by death, the cost less depreciation allowed or allowable is deductible if not compensated by insurance or otherwise. Do not deduct personal losses.

**Planting and Developing Citrus and Almond Groves.**—Charge to capital account expenses for the planting, cultivation, maintenance, or development of any citrus and almond grove (or part of such grove), incurred before the close of the fourth tax year beginning with the tax year in which trees were planted. (See Publication 225.)

**Depreciation.**—You can deduct an allowance for the depreciation of buildings, improvements, machinery, or other farm equipment of a permanent nature. Similar assets may be grouped together as one item for reporting purposes in the depreciation schedule in Schedule F. In figuring depreciation, do not include the value of land. Do not claim depreciation on livestock or any other property included in your inventory. You can claim depreciation on livestock not included in your inventory of livestock bought or raised for sale if you acquired them for work, breeding, or dairy purposes.

**Class Life (ADR) System and Guideline Class Life System.**—If depreciation is figured by using the Class Life (ADR) System for assets placed in service after December 31, 1970, or the Guideline Class Life System for assets placed in service before January 1, 1971, you must file Form 4832 (Class Life (ADR) System) or Form 5006 (Guideline Class Life System). Except as otherwise expressly provided in income tax regulations sections 1.167(a)-11(b)(5)(vi) and 1.167(a)-12, the provisions of Revenue Procedures 62-21 and 65-13 are not applicable for taxable years ending after December 31, 1970. For more information, get Instructions for Form 4832, Form 5006, and Publication 534, Tax Information on Depreciation.

See instructions on back of Form 4562 for more detailed information regarding methods of computing depreciation, other than the new depreciation rules mentioned in the preceding paragraph.

Income from farming is subject to the self-employment tax. (See Schedule SE.) If you filed Form 4029, do not file Schedule SE. Instead, write "Exempt—Form 4029" on line 62, Form 1040.

**Additional Information Available.**—You can get Publication 225, Farmer's Tax Guide, free from your county agricultural agent or an Internal Revenue Service office.



**For persons with incomes under \$10,000 who do not itemize deductions on Schedule A, Form 1040.**

**1972  
Tax  
Tables**

**Caution:** If you could be claimed as a dependent on your parent's return and line 17 on your Form 1040 includes income other than earned income, do not use Tax Tables 1-12. See page 7 of instructions.

"Earned income" means wages, salaries, professional fees, etc., as well as compensation for personal services actually rendered. It does not include compensation for personal services rendered to a corporation that represents a distribution of earnings and profits rather than a reasonable allowance for personal services actually rendered. If you were engaged in a trade or business in which both personal services and capital were material income producing factors, a reasonable allowance for personal services you rendered, not in excess of 30 percent of your share of net profits of the business, shall be considered as earned income.

The standard deduction and deduction for exemptions have been taken into account in determining the tax shown in these Tables.

The Tables show the lower tax after taking into account

both the percentage standard deduction and the low income allowance except in the case of married persons filing separately. For married persons filing separate returns, the tables show the tax figured on the percentage standard deduction and on the low income allowance.

Select the Tax Table that covers the total number of exemptions on Form 1040, line 10. On the appropriate table, read down the income columns until you find the line covering the adjusted gross income you entered on Form 1040, line 17. Then read across to the column heading describing your filing status. Enter the tax you find there on Form 1040, line 18.

**Married persons filing separate returns:** Choose either the low income allowance or percentage standard deduction to figure your tax, but if one uses the percentage standard deduction, then both must use it. If you are a married person living apart from your spouse, see page 5 of the instructions in this package to see if you can be considered to be "unmarried" for purposes of using the tax tables below.

**Table 1 —Returns claiming ONE exemption (and not itemizing deductions)**

If line 17 (adjusted gross income) is—		And you are—				If line 17 (adjusted gross income) is—		And you are—				If line 17 (adjusted gross income) is—		And you are—																			
At least	But less than	Single, not head of household	Married filing separate return claiming—		At least	But less than	Single, not head of household	Married filing separate return claiming—		At least	But less than	Single, not head of household	Married filing separate return claiming—		At least	But less than	Single, not head of household	Married filing separate return claiming—															
			Low income allowance	%Standard deduction				Low income allowance	%Standard deduction				Low income allowance	%Standard deduction				Low income allowance	%Standard deduction														
		Your tax is—						Your tax is—						Your tax is—																			
\$0	\$875	\$0	\$0	\$0	\$0	\$2,750	\$2,775	\$102	\$100	\$203	\$242	\$6,250	\$6,300	\$737	\$703	\$883	\$818	\$0	\$0	\$0	\$0	\$2,750	\$2,775	\$102	\$100	\$203	\$242	\$6,250	\$6,300	\$737	\$703	\$883	\$818
875	900	0	0	0	1	2,775	2,800	106	103	207	245	6,300	6,350	748	712	894	828	900	925	0	0	2,800	2,825	109	107	211	249	6,350	6,400	758	722	905	857
925	950	0	0	0	7	2,825	2,850	113	110	215	253	6,400	6,450	769	731	916	846	950	975	0	0	2,850	2,875	117	114	219	256	6,450	6,500	779	741	927	856
975	1,000	0	0	0	13	2,875	2,900	121	117	223	260	6,500	6,550	790	750	938	865	1,000	1,025	0	0	2,900	2,925	124	121	227	263	6,550	6,600	800	760	949	875
1,025	1,050	0	0	0	18	2,925	2,950	128	124	231	267	6,600	6,650	811	769	960	884	1,050	1,075	0	0	2,950	2,975	132	128	236	271	6,650	6,700	821	779	971	894
1,075	1,100	0	0	0	24	2,975	3,000	136	131	240	274	6,700	6,750	832	788	982	905	1,100	1,125	0	0	3,000	3,050	141	137	246	280	6,750	6,800	842	798	993	916
1,125	1,150	0	0	0	30	3,050	3,100	149	144	255	287	6,800	6,850	853	807	1,004	927	1,150	1,175	0	0	3,100	3,150	157	152	263	294	6,850	6,900	863	817	1,015	938
1,175	1,200	0	0	0	36	3,150	3,200	165	160	272	301	6,900	6,950	874	826	1,026	949	1,200	1,225	0	0	3,200	3,250	173	168	280	309	6,950	7,000	884	836	1,037	960
1,225	1,250	0	0	0	42	3,250	3,300	181	176	289	316	7,000	7,050	895	845	1,048	971	1,250	1,275	0	0	3,300	3,350	189	184	297	324	7,050	7,100	905	855	1,059	982
1,275	1,300	0	0	0	48	3,350	3,400	197	192	306	333	7,100	7,150	916	864	1,070	993	1,300	1,325	0	0	3,400	3,450	205	200	315	341	7,150	7,200	926	874	1,081	1,004
1,325	1,350	0	0	0	54	3,450	3,500	213	208	324	349	7,200	7,250	937	883	1,092	1,015	1,350	1,375	0	0	3,500	3,550	221	216	334	357	7,250	7,300	947	893	1,103	1,026
1,375	1,400	0	0	0	60	3,550	3,600	229	224	343	365	7,300	7,350	958	902	1,114	1,037	1,400	1,425	0	0	3,600	3,650	238	232	353	373	7,350	7,400	968	912	1,125	1,048
1,425	1,450	0	0	2	63	3,650	3,700	246	240	362	381	7,400	7,450	979	921	1,136	1,059	1,450	1,475	0	0	3,700	3,750	255	248	372	389	7,450	7,500	989	931	1,149	1,070
1,475	1,500	0	0	12	72	3,750	3,800	263	256	381	397	7,500	7,550	1,000	940	1,161	1,081	1,500	1,525	0	0	3,800	3,850	272	264	391	405	7,550	7,600	1,010	950	1,174	1,092
1,525	1,550	0	0	16	75	3,850	3,900	280	272	400	413	7,600	7,650	1,021	959	1,186	1,103	1,550	1,575	0	0	3,900	3,950	289	280	410	421	7,650	7,700	1,031	969	1,199	1,114
1,575	1,600	0	0	23	82	3,950	4,000	297	288	419	429	7,700	7,750	1,042	978	1,211	1,125	1,600	1,625	0	0	4,000	4,050	306	296	429	438	7,750	7,800	1,052	988	1,224	1,136
1,625	1,650	0	0	30	88	4,050	4,100	315	305	438	446	7,800	7,850	1,063	997	1,236	1,149	1,650	1,675	0	0	4,100	4,150	324	314	448	454	7,850	7,900	1,073	1,007	1,249	1,161
1,675	1,700	0	0	37	94	4,150	4,200	334	323	457	462	7,900	7,950	1,084	1,016	1,261	1,174	1,700	1,725	0	0	4,200	4,250	343	332	467	470	7,950	8,000	1,094	1,026	1,274	1,186
1,725	1,750	0	0	44	101	4,250	4,300	353	341	476	478	8,000	8,050	1,105	1,035	1,286	1,199	1,750	1,775	0	0	4,300	4,350	362	350	486	486	8,050	8,100	1,116	1,046	1,299	1,211
1,775	1,800	0	0	51	107	4,350	4,400	372	359	495	494	8,100	8,150	1,128	1,057	1,311	1,224	1,800	1,825	0	0	4,400	4,450	381	368	505	502	8,150	8,200	1,140	1,068	1,324	1,236
1,825	1,850	0	0	58	114	4,450	4,500	381	368	505	502	8,200	8,250	1,152	1,079	1,336	1,249	1,850	1,875	0	0	4,500	4,550	391	377	514	510	8,250	8,300	1,164	1,090	1,349	1,261
1,875	1,900	0	0	65	120	4,550	4,600	400	386	524	518	8,300	8,350	1,176	1,101	1,361	1,281	1,900	1,925	0	0	4,600	4,650	410	395	533	526	8,350	8,400	1,188	1,112	1,374	1,286
1,925	1,950	0	0	72	126	4,650	4,700	419	404	543	534	8,400	8,450	1,200	1,123	1,386	1,299	1,950	1,975	0	0	4,700	4,750	429	413	552	543	8,450	8,500	1,212	1,134	1,399	1,311
1,975	2,000	0	0	79	133	4,750	4,800	438	422	562	551	8,500	8,550	1,224	1,145	1,411	1,324	2,000	2,025	0	0	4,800	4,850	448	431	571	559	8,550	8,600	1,236	1,156	1,424	1,336
2,025	2,050	0	0	83	136	4,850	4,900	457	440	581	567	8,600	8,650	1,248	1,167	1,436	1,349	2,050	2,075	0	0	4,900	4,950	467	449	590	575	8,650	8,700	1,260	1,177	1,449	1,361
2,075	2,100	5	5	98	149	4,950	5,000	486	467	609	591	8,700	8,750	1,270	1,187	1,461	1,374	2,100	2,125	9	9	5,000	5,050	495	476	619	599	8,750	8,800	1,280	1,196	1,474	1,386
2,125	2,150	12	12	106	156	5,050	5,100	505	485	628	607	8,800	8,850	1,290	1,205	1,486	1,399	2,150	2,175	16	16	5,100	5,150	514	494	638	615	8,850	8,900	1,301	1,215	1,499	1,411
2,175	2,200	19	19	113	162	5,150	5,200	524	503	647	623	8,900	8,950	1,311	1,224	1,511	1,424	2,200	2,225	23	23	5,200	5,250	533	512	657	631	8,950	9,000	1,321	1,233	1,524	1,436
2,225	2,250	26	26	121	169	5,250	5,300	543	521	666	639	9,000	9,050	1,331	1,243	1,536	1,449	2,250	2,275	30	30	5,300	5,350	552	530	676	647	9,050	9,100	1,341	1,252	1,549	1,461
2,275	2,300	33	33	128	176	5,350	5,400	562	539	685	656	9,100	9,150	1,352	1,261	1,561	1,474	2,300	2,325	37	37	5,400	5,450	571	548	696	664	9,150	9,200	1,362	1,271	1,574	1,486
2,325	2,350	40	40	136	183	5,450	5,500	581	557	707	672	9,200	9,250	1,372	1,280	1,586	1,499	2,350	2,375	44	44	5,500	5,550	590	566	718	680	9,250	9,300	1,382	1,289	1,599	1,511
2,375	2,400	47	47	143	190	5,550	5,600	600	575	729	688	9,300	9,350	1,392	1,299	1,611	1,524	2,400	2,425	51	51	5,600	5,650	609	584	740	697	9,350	9,400	1,403	1,308	1,624	1,536
2,425	2,450	54	54	151	196	5,650	5,700	619	593	751	706	9,400	9,450	1,413	1,317	1,637	1,549	2,450	2,475	58	58	5,700	5,750	628	602	762	716	9,450	9,500	1,423	1,327	1,651	1,561
2,475	2,500	61	61	159	203	5,750	5,800	638	611	773	725	9,500	9,550	1,433	1,336	1,665	1,574	2,500	2,525	65	65	5,800	5,850	647	620	784	734	9,550	9,600	1,443	1,346	1,679	1,586
2,525	2,550	68	68	167	210	5,850	5,900	657	629	795	744	9,600	9,650	1,454	1,355	1,693	1,599	2,550	2,575	72	72	5,900	5,950	666	638	806	753	9,650	9,700	1,464	1,364	1,707	1,611
2,575	2,600	76	75	175	217	5,950	6,000	676	647	817	762	9,700	9,750	1,474	1,374	1,721	1,624	2,600	2,625	79	79	6,000	6,050	685	656	828	772	9,750	9,800	1,484	1,383	1,735	1,



**Table 2 —Returns claiming TWO exemptions (and not itemizing deductions)**

If line 17 (adjusted gross income) is—		And you are—					If line 17 (adjusted gross income) is—		And you are—					If line 17 (adjusted gross income) is—		And you are—					
At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—		At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—		At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—		
					Low income allowance	%Stand-ard deduction						Low income allowance	%Stand-ard deduction						Low income allowance	%Stand-ard deduction	
		Your tax is—							Your tax is—							Your tax is—					
\$0	\$1,775	\$0	\$0	\$0	\$0	\$0	\$3,700	\$3,750	\$134	\$130	\$130	\$238	\$253	\$6,850	\$6,900	\$706	\$674	\$634	\$650	\$773	
1,775	1,800	0	0	0	0	3	3,750	3,800	141	137	137	246	260	6,900	6,950	716	684	644	861	784	
1,800	1,825	0	0	0	0	6	3,800	3,850	149	144	144	255	268	6,950	7,000	727	693	653	872	795	
1,825	1,850	0	0	0	0	9	3,850	3,900	157	152	151	263	275	7,000	7,050	737	703	663	883	806	
1,850	1,875	0	0	0	0	12	3,900	3,950	165	160	159	272	282	7,050	7,100	748	712	672	894	817	
1,875	1,900	0	0	0	0	15	3,950	4,000	173	168	166	280	289	7,100	7,150	758	722	682	905	828	
1,900	1,925	0	0	0	0	18	4,000	4,050	181	176	174	289	297	7,150	7,200	769	731	691	916	839	
1,925	1,950	0	0	0	0	21	4,050	4,100	189	184	181	297	304	7,200	7,250	779	741	701	927	850	
1,950	1,975	0	0	0	0	24	4,100	4,150	197	192	189	306	311	7,250	7,300	790	750	710	938	861	
1,975	2,000	0	0	0	0	27	4,150	4,200	205	200	196	315	319	7,300	7,350	800	760	720	949	872	
2,000	2,025	0	0	0	0	29	4,200	4,250	213	208	204	324	327	7,350	7,400	811	769	729	960	883	
2,025	2,050	0	0	0	0	32	4,250	4,300	221	216	211	334	335	7,400	7,450	821	779	739	971	894	
2,050	2,075	0	0	0	0	35	4,300	4,350	229	224	219	343	343	7,450	7,500	832	788	748	982	905	
2,075	2,100	0	0	0	0	38	4,350	4,400	238	232	226	353	352	7,500	7,550	842	798	758	993	916	
2,100	2,125	0	0	0	0	41	4,400	4,450	246	240	234	362	360	7,550	7,600	853	807	767	1,004	927	
2,125	2,150	0	0	0	0	44	4,450	4,500	255	248	241	372	368	7,600	7,650	863	817	777	1,015	938	
2,150	2,175	0	0	0	2	47	4,500	4,550	263	256	249	381	376	7,650	7,700	874	826	786	1,026	949	
2,175	2,200	0	0	0	5	50	4,550	4,600	272	264	256	391	384	7,700	7,750	884	836	796	1,037	960	
2,200	2,225	0	0	0	9	53	4,600	4,650	280	272	264	400	392	7,750	7,800	895	845	805	1,048	971	
2,225	2,250	0	0	0	12	56	4,650	4,700	289	280	271	410	400	7,800	7,850	905	855	815	1,059	982	
2,250	2,275	0	0	0	16	59	4,700	4,750	297	288	279	419	408	7,850	7,900	916	864	824	1,070	993	
2,275	2,300	0	0	0	19	62	4,750	4,800	306	296	286	429	416	7,900	7,950	926	874	834	1,081	1,004	
2,300	2,325	0	0	0	23	65	4,800	4,850	315	305	294	438	424	7,950	8,000	937	883	843	1,092	1,015	
2,325	2,350	0	0	0	26	68	4,850	4,900	324	314	302	448	432	8,000	8,050	947	893	853	1,103	1,026	
2,350	2,375	0	0	0	30	71	4,900	4,950	334	323	310	457	440	8,050	8,100	958	902	862	1,114	1,037	
2,375	2,400	0	0	0	33	74	4,950	5,000	343	332	318	467	448	8,100	8,150	968	912	872	1,125	1,048	
2,400	2,425	0	0	0	37	78	5,000	5,050	353	341	326	476	457	8,150	8,200	979	921	881	1,136	1,059	
2,425	2,450	0	0	0	40	81	5,050	5,100	362	350	334	486	465	8,200	8,250	989	931	891	1,149	1,070	
2,450	2,475	0	0	0	44	84	5,100	5,150	372	359	342	495	473	8,250	8,300	1,000	940	900	1,161	1,081	
2,475	2,500	0	0	0	47	87	5,150	5,200	381	368	350	505	481	8,300	8,350	1,010	950	910	1,174	1,092	
2,500	2,525	0	0	0	51	90	5,200	5,250	391	377	358	514	489	8,350	8,400	1,021	959	919	1,186	1,103	
2,525	2,550	0	0	0	54	94	5,250	5,300	400	386	366	524	497	8,400	8,450	1,031	969	929	1,199	1,114	
2,550	2,575	0	0	0	58	97	5,300	5,350	410	395	374	533	505	8,450	8,500	1,042	978	938	1,211	1,125	
2,575	2,600	0	0	0	61	100	5,350	5,400	419	404	382	543	513	8,500	8,550	1,052	988	948	1,224	1,136	
2,600	2,625	0	0	0	65	103	5,400	5,450	429	413	390	552	521	8,550	8,600	1,063	997	957	1,236	1,149	
2,625	2,650	0	0	0	68	106	5,450	5,500	438	422	398	562	529	8,600	8,650	1,073	1,007	967	1,249	1,161	
2,650	2,675	0	0	0	72	109	5,500	5,550	448	431	406	571	537	8,650	8,700	1,083	1,016	976	1,261	1,174	
2,675	2,700	0	0	0	76	113	5,550	5,600	457	440	414	581	545	8,700	8,750	1,092	1,024	984	1,274	1,186	
2,700	2,725	0	0	0	79	116	5,600	5,650	467	449	422	590	553	8,750	8,800	1,101	1,032	992	1,286	1,199	
2,725	2,750	0	0	0	83	119	5,650	5,700	476	458	430	600	562	8,800	8,850	1,110	1,040	1,000	1,299	1,211	
2,750	2,775	0	0	0	87	122	5,700	5,750	486	467	438	609	570	8,850	8,900	1,121	1,050	1,008	1,311	1,224	
2,775	2,800	0	0	0	91	125	5,750	5,800	495	476	446	619	578	8,900	8,950	1,131	1,059	1,016	1,324	1,236	
2,800	2,825	2	2	2	94	129	5,800	5,850	505	485	454	628	586	8,950	9,000	1,141	1,068	1,024	1,336	1,249	
2,825	2,850	5	5	5	98	132	5,850	5,900	514	494	463	638	594	9,000	9,050	1,151	1,078	1,033	1,349	1,261	
2,850	2,875	9	9	9	102	135	5,900	5,950	524	503	471	647	602	9,050	9,100	1,161	1,087	1,041	1,361	1,274	
2,875	2,900	12	12	12	106	138	5,950	6,000	533	512	480	657	610	9,100	9,150	1,172	1,096	1,049	1,374	1,286	
2,900	2,925	16	16	16	109	141	6,000	6,050	543	521	488	666	618	9,150	9,200	1,182	1,106	1,057	1,386	1,299	
2,925	2,950	19	19	19	113	145	6,050	6,100	552	530	497	676	626	9,200	9,250	1,192	1,115	1,065	1,399	1,311	
2,950	2,975	23	23	23	117	148	6,100	6,150	562	539	505	685	634	9,250	9,300	1,202	1,124	1,073	1,411	1,324	
2,975	3,000	26	26	26	121	151	6,150	6,200	571	548	514	696	642	9,300	9,350	1,212	1,134	1,081	1,424	1,336	
3,000	3,050	32	32	32	126	156	6,200	6,250	581	557	522	707	650	9,350	9,400	1,223	1,143	1,089	1,436	1,349	
3,050	3,100	39	39	39	134	163	6,250	6,300	590	566	531	718	658	9,400	9,450	1,233	1,152	1,097	1,449	1,361	
3,100	3,150	46	46	46	141	170	6,300	6,350	600	575	539	729	666	9,450	9,500	1,243	1,162	1,105	1,461	1,374	
3,150	3,200	53	53	53	149	177	6,350	6,400	609	584	548	740	675	9,500	9,550	1,253	1,171	1,113	1,474	1,386	
3,200	3,250	60	60	60	157	184	6,400	6,450	619	593	556	751	683	9,550	9,600	1,263	1,181	1,121	1,486	1,399	
3,250	3,300	67	67	67	165	190	6,450	6,500	628	602	565	762	691	9,600	9,650	1,274	1,190	1,129	1,499	1,411	
3,300	3,350	74	74	74	173	197	6,500	6,550	638	611	573	773	700	9,650	9,700	1,284	1,199	1,138	1,511	1,424	
3,350	3,400	81	81	81	181	204	6,550	6,600	647	620	582	784	710	9,700	9,750	1,294	1,209	1,146	1,524	1,436	
3,400	3,450	89	88	88	189	211	6,600	6,650	657	629	590	795	719	9,750	9,800	1,304	1,218	1,154	1,536	1,449	
3,450	3,500	96	95	95	197	218	6,650	6,700	666	638	599	806	729	9,800	9,850	1,314	1,227	1,162	1,549	1,461	
3,500	3,550	104	102	102	205	224	6,700	6,750	676	647	607	817	740	9,850	9,900	1,325	1,237	1,170	1,561	1,474	
3,550	3,600	111	109	109	213	232	6,750	6,800	685	656	616	828	751	9,900	9,950	1,335	1,246	1,178	1,574	1,486	
3,600	3,650	119	116	116	221	239	6,800	6,850	695	665	625	839	762	9,950	10,000	1,345	1,255	1,186	1,586	1,499	
3,650	3,700	126	123	123	229	246															

**Table 3 —Returns claiming THREE exemptions (and not itemizing deductions**

**Table 3 —Returns claiming THREE exemptions (and not itemizing deductions) (Continued)**

If line 17 (adjusted gross income) is—		And you are—					If line 17 (adjusted gross income) is—		And you are—					If line 17 (adjusted gross income) is—		And you are—					
At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—		At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—		At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—		
					Low income allowance	%Stand-ard deduction						Low income allowance	%Stand-ard deduction						Low income allowance	%Stand-ard deduction	
		Your tax is—							Your tax is—							Your tax is—					
\$2,925	\$2,950	\$0	\$0	\$0	\$5	\$35	\$5,250	\$5,300	\$263	\$256	\$249	\$361	\$354	\$7,650	\$7,700	\$716	\$684	\$644	\$861	\$784	
2,950	2,975	0	0	0	9	38	5,300	5,350	272	264	256	391	362	7,700	7,750	727	693	653	872	795	
2,975	3,000	0	0	0	12	41	5,350	5,400	280	272	264	400	371	7,750	7,800	737	703	663	883	806	
3,000	3,050	0	0	0	18	45	5,400	5,450	289	280	271	410	379	7,800	7,850	748	712	672	894	817	
3,050	3,100	0	0	0	25	51	5,450	5,500	297	288	279	419	387	7,850	7,900	758	722	682	905	828	
3,100	3,150	0	0	0	32	57	5,500	5,550	306	296	286	429	395	7,900	7,950	769	731	691	916	839	
3,150	3,200	0	0	0	39	63	5,550	5,600	315	305	294	438	403	7,950	8,000	779	741	701	927	850	
3,200	3,250	0	0	0	46	69	5,600	5,650	324	314	302	448	411	8,000	8,050	790	750	710	938	861	
3,250	3,300	0	0	0	53	75	5,650	5,700	334	323	310	457	419	8,050	8,100	800	760	720	949	872	
3,300	3,350	0	0	0	60	81	5,700	5,750	343	332	318	467	427	8,100	8,150	811	769	729	960	883	
3,350	3,400	0	0	0	67	88	5,750	5,800	353	341	326	476	435	8,150	8,200	821	779	739	971	894	
3,400	3,450	0	0	0	74	94	5,800	5,850	362	350	334	486	443	8,200	8,250	832	788	748	982	905	
3,450	3,500	0	0	0	81	101	5,850	5,900	372	359	342	495	451	8,250	8,300	842	798	758	993	916	
3,500	3,550	0	0	0	89	107	5,900	5,950	381	368	350	505	459	8,300	8,350	853	807	767	1,004	927	
3,550	3,600	4	4	4	96	113	5,950	6,000	391	377	358	514	467	8,350	8,400	863	817	777	1,015	938	
3,600	3,650	11	11	11	104	120	6,000	6,050	400	386	366	524	476	8,400	8,450	874	826	786	1,026	949	
3,650	3,700	18	18	18	111	126	6,050	6,100	410	395	374	533	484	8,450	8,500	884	836	796	1,037	960	
3,700	3,750	25	25	25	119	132	6,100	6,150	419	404	382	543	492	8,500	8,550	895	845	805	1,048	971	
3,750	3,800	32	32	32	126	139	6,150	6,200	429	413	390	552	500	8,550	8,600	905	855	815	1,059	982	
3,800	3,850	39	39	39	134	145	6,200	6,250	438	422	398	562	508	8,600	8,650	916	864	824	1,070	993	
3,850	3,900	46	46	46	141	152	6,250	6,300	448	431	406	571	516	8,650	8,700	926	874	834	1,081	1,004	
3,900	3,950	53	53	53	149	159	6,300	6,350	457	440	414	581	524	8,700	8,750	935	882	842	1,092	1,015	
3,950	4,000	60	60	60	157	166	6,350	6,400	467	449	422	590	532	8,750	8,800	944	890	850	1,103	1,026	
4,000	4,050	67	67	67	165	172	6,400	6,450	476	458	430	600	540	8,800	8,850	953	898	858	1,114	1,037	
4,050	4,100	74	74	74	173	179	6,450	6,500	486	467	438	609	548	8,850	8,900	962	906	866	1,125	1,048	
4,100	4,150	81	81	81	181	186	6,500	6,550	495	476	446	619	556	8,900	8,950	971	914	874	1,136	1,059	
4,150	4,200	89	88	88	189	193	6,550	6,600	505	485	454	628	564	8,950	9,000	980	922	882	1,149	1,070	
4,200	4,250	96	95	95	197	200	6,600	6,650	514	494	463	638	572	9,000	9,050	988	930	890	1,161	1,081	
4,250	4,300	104	102	102	205	206	6,650	6,700	524	503	471	647	581	9,050	9,100	997	938	898	1,174	1,092	
4,300	4,350	111	109	109	213	213	6,700	6,750	533	512	480	657	590	9,100	9,150	1,006	946	906	1,186	1,103	
4,350	4,400	119	116	116	221	220	6,750	6,800	543	521	488	666	600	9,150	9,200	1,015	954	914	1,199	1,114	
4,400	4,450	126	123	123	229	227	6,800	6,850	552	530	497	676	609	9,200	9,250	1,024	962	922	1,211	1,125	
4,450	4,500	134	130	130	238	234	6,850	6,900	562	539	505	685	619	9,250	9,300	1,033	970	930	1,224	1,136	
4,500	4,550	141	137	137	246	241	6,900	6,950	571	548	514	696	628	9,300	9,350	1,042	978	938	1,236	1,149	
4,550	4,600	149	144	144	255	249	6,950	7,000	581	557	522	707	638	9,350	9,400	1,051	987	947	1,249	1,161	
4,600	4,650	157	152	151	263	256	7,000	7,050	590	566	531	718	647	9,400	9,450	1,060	995	955	1,261	1,174	
4,650	4,700	165	160	159	272	263	7,050	7,100	600	575	539	729	657	9,450	9,500	1,069	1,003	963	1,274	1,186	
4,700	4,750	173	168	166	280	270	7,100	7,150	609	584	548	740	666	9,500	9,550	1,078	1,011	971	1,286	1,199	
4,750	4,800	181	176	174	289	277	7,150	7,200	619	593	556	751	676	9,550	9,600	1,087	1,019	979	1,299	1,211	
4,800	4,850	189	184	181	297	285	7,200	7,250	628	602	565	762	685	9,600	9,650	1,096	1,027	987	1,311	1,224	
4,850	4,900	197	192	189	306	292	7,250	7,300	638	611	573	773	696	9,650	9,700	1,104	1,035	995	1,324	1,236	
4,900	4,950	205	200	196	315	299	7,300	7,350	647	620	582	784	707	9,700	9,750	1,114	1,044	1,003	1,336	1,249	
4,950	5,000	213	208	204	324	306	7,350	7,400	657	629	590	795	718	9,750	9,800	1,124	1,053	1,011	1,349	1,261	
5,000	5,050	221	216	211	334	314	7,400	7,450	666	638	599	806	729	9,800	9,850	1,134	1,062	1,019	1,361	1,274	
5,050	5,100	229	224	219	343	322	7,450	7,500	676	647	607	817	740	9,850	9,900	1,145	1,072	1,027	1,374	1,286	
5,100	5,150	238	232	226	353	330	7,500	7,550	685	656	616	828	751	9,900	9,950	1,155	1,081	1,035	1,386	1,299	
5,150	5,200	246	240	234	362	338	7,550	7,600	695	665	625	839	762	9,950	10,000	1,165	1,090	1,043	1,399	1,311	
5,200	5,250	255	248	241	372	346	7,600	7,650	706	674	634	850	773								

**Table 4 —Returns claiming FOUR exemptions (and not itemizing deductions)**

\$0	\$3,550	\$0	\$0	\$0	\$0	\$0	\$4,550	\$4,600	\$39	\$39	\$39	\$134	\$128	\$5,600	\$5,650	\$197	\$192	\$189	\$306	\$273
3,550	3,600	0	0	0	0	5	4,600	4,650	46	46	46	141	135	5,650	5,700	205	200	196	315	280
3,600	3,650	0	0	0	0	11	4,650	4,700	53	53	53	149	141	5,700	5,750	213	208	204	324	287
3,650	3,700	0	0	0	4	17	4,700	4,750	60	60	60	157	148	5,750	5,800	221	216	211	334	294
3,700	3,750	0	0	0	11	23	4,750	4,800	67	67	67	165	154	5,800	5,850	229	224	219	343	302
3,750	3,800	0	0	0	18	29	4,800	4,850	74	74	74	173	161	5,850	5,900	238	232	226	353	309
3,800	3,850	0	0	0	25	35	4,850	4,900	81	81	81	181	168	5,900	5,950	246	240	234	362	317
3,850	3,900	0	0	0	32	41	4,900	4,950	89	88	88	189	175	5,950	6,000	255	248	241	372	325
3,900	3,950	0	0	0	39	47	4,950	5,000	96	95	95	197	182	6,000	6,050	263	256	249	381	333
3,950	4,000	0	0	0	46	53	5,000	5,050	104	102	102	205	188	6,050	6,100	272	264	256	391	341
4,000	4,050	0	0	0	53	59	5,050	5,100	111	109	109	213	195	6,100	6,150	280	272	264	400	349
4,050	4,100	0	0	0	60	65	5,100	5,150	119	116	116	221	202	6,150	6,200	289	280	271	410	357
4,100	4,150	0	0	0	67	71	5,150	5,200	126	123	123	229	209	6,200	6,250	297	288	279	419	365
4,150	4,200	0	0	0	74	77	5,200	5,250	134	130	130	238	216	6,250	6,300	306	296	286	429	373
4,200	4,250	0	0	0	81	84	5,250	5,300	141	137	137	246	222	6,300	6,350	315	305	294	438	38

**Table 4 —Returns claiming FOUR exemptions (and not itemizing deductions) (Continued)**

If line 17 (adjusted gross income) is—		And you are—						If line 17 (adjusted gross income) is—		And you are—						If line 17 (adjusted gross income) is—		And you are—					
At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—		At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—		At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—				
					Low income allowance	%Standard deduction						Low income allowance	%Standard deduction						Low income allowance	%Standard deduction			
		Your tax is—								Your tax is—								Your tax is—					
\$6,500	\$6,550	\$353	\$341	\$326	\$476	\$414	\$7,700	\$7,750	\$581	\$557	\$522	\$707	\$638	\$8,850	\$8,900	\$804	\$763	\$723	\$960	\$883			
6,550	6,600	362	350	334	486	422	7,750	7,800	590	566	531	718	647	8,900	8,950	813	771	731	971	894			
6,600	6,650	372	359	342	495	430	7,800	7,850	600	575	539	729	657	8,950	9,000	822	779	739	982	905			
6,650	6,700	381	368	350	505	438	7,850	7,900	609	584	548	740	666	9,000	9,050	831	788	748	993	916			
6,700	6,750	391	377	358	514	448	7,900	7,950	619	593	556	751	676	9,050	9,100	840	796	756	1,004	927			
6,750	6,800	400	386	366	524	457	7,950	8,000	628	602	565	762	685	9,100	9,150	849	804	764	1,015	938			
6,800	6,850	410	395	374	533	467	8,000	8,050	638	611	573	773	696	9,150	9,200	858	812	772	1,026	949			
6,850	6,900	419	404	382	543	476	8,050	8,100	647	620	582	784	707	9,200	9,250	867	820	780	1,037	960			
6,900	6,950	429	413	390	552	486	8,100	8,150	657	629	590	795	718	9,250	9,300	876	828	788	1,048	971			
6,950	7,000	438	422	398	562	495	8,150	8,200	666	638	599	806	729	9,300	9,350	885	836	796	1,059	982			
7,000	7,050	448	431	406	571	505	8,200	8,250	676	647	607	817	740	9,350	9,400	893	844	804	1,070	993			
7,050	7,100	457	440	414	581	514	8,250	8,300	685	656	616	828	751	9,400	9,450	902	852	812	1,081	1,004			
7,100	7,150	467	449	422	590	524	8,300	8,350	695	665	625	839	762	9,450	9,500	911	860	820	1,092	1,015			
7,150	7,200	476	458	430	600	533	8,350	8,400	706	674	634	850	773	9,500	9,550	920	868	828	1,103	1,026			
7,200	7,250	486	467	438	609	543	8,400	8,450	716	684	644	861	784	9,550	9,600	929	876	836	1,114	1,037			
7,250	7,300	495	476	446	619	552	8,450	8,500	727	693	653	872	795	9,600	9,650	938	884	844	1,125	1,048			
7,300	7,350	505	485	454	628	562	8,500	8,550	737	703	663	883	806	9,650	9,700	947	893	853	1,136	1,059			
7,350	7,400	514	494	463	638	571	8,550	8,600	748	712	672	894	817	9,700	9,750	956	901	861	1,147	1,070			
7,400	7,450	524	503	471	647	581	8,600	8,650	758	722	682	905	828	9,750	9,800	965	909	869	1,161	1,081			
7,450	7,500	533	512	480	657	590	8,650	8,700	768	731	691	916	839	9,800	9,850	974	917	877	1,174	1,092			
7,500	7,550	543	521	488	666	600	8,700	8,750	777	739	699	927	850	9,850	9,900	983	925	885	1,186	1,103			
7,550	7,600	552	530	497	676	609	8,750	8,800	786	747	707	938	861	9,900	9,950	992	933	893	1,199	1,114			
7,600	7,650	562	539	505	685	619	8,800	8,850	795	755	715	949	872	9,950	10,000	1,001	941	901	1,211	1,125			
7,650	7,700	571	548	514	696	628																	

**Table 5 —Returns claiming FIVE exemptions (and not itemizing deductions)**

\$0	\$4,400	\$0	\$0	\$0	\$0	\$0	\$6,250	\$6,300	\$181	\$176	\$174	\$289	\$239	\$8,150	\$8,200	\$524	\$503	\$471	\$647	\$581
4,400	4,450	0	0	0	4	2	6,300	6,350	189	184	181	297	246	8,200	8,250	533	512	480	657	590
4,450	4,500	0	0	0	11	8	6,350	6,400	197	192	189	306	254	8,250	8,300	543	521	488	666	600
4,500	4,550	0	0	0	18	13	6,400	6,450	205	200	196	315	261	8,300	8,350	552	530	497	676	609
4,550	4,600	0	0	0	25	19	6,450	6,500	213	208	204	324	268	8,350	8,400	562	539	505	685	619
4,600	4,650	0	0	0	32	25	6,500	6,550	221	216	211	334	275	8,400	8,450	571	548	514	696	628
4,650	4,700	0	0	0	39	31	6,550	6,600	229	224	219	343	283	8,450	8,500	581	557	522	707	638
4,700	4,750	0	0	0	46	37	6,600	6,650	238	232	226	353	290	8,500	8,550	590	566	531	718	647
4,750	4,800	0	0	0	53	43	6,650	6,700	246	240	234	362	297	8,550	8,600	600	575	539	729	657
4,800	4,850	0	0	0	60	49	6,700	6,750	255	248	241	372	306	8,600	8,650	609	584	548	740	666
4,850	4,900	0	0	0	67	55	6,750	6,800	263	256	249	381	315	8,650	8,700	619	592	556	751	676
4,900	4,950	0	0	0	74	61	6,800	6,850	272	264	256	391	324	8,700	8,750	627	600	563	762	685
4,950	5,000	0	0	0	81	67	6,850	6,900	280	272	264	400	334	8,750	8,800	635	608	570	773	696
5,000	5,050	0	0	0	89	73	6,900	6,950	289	280	271	410	343	8,800	8,850	643	615	578	784	707
5,050	5,100	4	4	4	96	80	6,950	7,000	297	288	279	419	353	8,850	8,900	651	623	585	795	718
5,100	5,150	11	11	11	104	86	7,000	7,050	306	296	286	429	362	8,900	8,950	659	631	592	806	729
5,150	5,200	18	18	18	111	92	7,050	7,100	315	305	294	438	372	8,950	9,000	667	638	599	817	740
5,200	5,250	25	25	25	119	99	7,100	7,150	324	314	302	448	381	9,000	9,050	675	646	607	828	751
5,250	5,300	32	32	32	126	105	7,150	7,200	334	323	310	457	391	9,050	9,100	683	653	614	839	762
5,300	5,350	39	39	39	134	111	7,200	7,250	343	332	318	467	400	9,100	9,150	691	661	621	850	773
5,350	5,400	46	46	46	141	118	7,250	7,300	353	341	326	476	410	9,150	9,200	700	669	629	861	784
5,400	5,450	53	53	53	149	124	7,300	7,350	362	350	334	486	419	9,200	9,250	709	677	637	872	795
5,450	5,500	60	60	60	157	131	7,350	7,400	372	359	342	495	429	9,250	9,300	718	685	645	883	806
5,500	5,550	67	67	67	165	137	7,400	7,450	381	368	350	505	438	9,300	9,350	727	693	653	894	817
5,550	5,600	74	74	74	173	143	7,450	7,500	391	377	358	514	448	9,350	9,400	736	702	662	905	828
5,600	5,650	81	81	81	181	150	7,500	7,550	400	386	366	524	457	9,400	9,450	745	710	670	916	839
5,650	5,700	89	88	88	189	157	7,550	7,600	410	395	374	533	467	9,450	9,500	754	718	678	927	850
5,700	5,750	96	95	95	197	164	7,600	7,650	419	404	382	543	476	9,500	9,550	763	726	686	938	861
5,750	5,800	104	102	102	205	170	7,650	7,700	429	413	390	552	486	9,550	9,600	772	734	694	949	872
5,800	5,850	111	109	109	213	177	7,700	7,750	438	422	398	562	495	9,600	9,650	781	742	702	960	883
5,850	5,900	119	116	116	221	184	7,750	7,800	448	431	406	571	505	9,650	9,700	789	750	710	971	894
5,900	5,950	126	123	123	229	191	7,800	7,850	457	440	414	581	514	9,700	9,750	798	758	718	982	905
5,950	6,000	134	130	130	238	198	7,850	7,900	467	449	422	590	524	9,750	9,800	807	766	726	993	916
6,000	6,050	141	137	137	246	204	7,900	7,950	476	458	430	600	533	9,800	9,850	816	774	734	1,004	927
6,050	6,100	149	144	144	255	211	7,950	8,000	486	467	438	609	543	9,850	9,900	825	782	742	1,015	938
6,100	6,150	157	152	151	263	218	8,000	8,050	495	476	446	619	552	9,900	9,950	834	790	750	1,026	949
6,150	6,200	165	160	159	272	225	8,050	8,100	505	485	454	628	562	9,950	10,000	843	798	758	1,037	960
6,200	6,250	173	168	166	280	232	8,100	8,150	514	494	463	638	571							

**Table 6 —Returns claiming SIX exemptions (and not itemizing deductions)**

\$0	\$5,150	\$0	\$0	\$0	\$0	\$0	\$5,300	\$5,350	\$0	\$0	\$0	\$25	\$4	\$5,500	\$5,550	\$0	\$0
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**Table 6 —Returns claiming SIX exemptions (and not itemizing deductions) (Continued)**

If line 17 (adjusted gross income) is—		And you are—					If line 17 (adjusted gross income) is—		And you are—					If line 17 (adjusted gross income) is—		And you are—				
At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—		At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—		At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—	
					Low income allowance	%Standard deduction						Low income allowance	%Standard deduction						Low income allowance	%Standard deduction
		Your tax is—							Your tax is—							Your tax is—				
\$5,550	\$5,600	\$0	\$0	\$0	\$60	\$33	\$7,050	\$7,100	\$189	\$184	\$181	\$297	\$238	\$8,550	\$8,600	\$457	\$440	\$414	\$581	\$514
5,600	5,650	0	0	0	67	39	7,100	7,150	197	192	189	306	246	8,600	8,650	467	449	422	590	524
5,650	5,700	0	0	0	74	45	7,150	7,200	205	200	196	315	255	8,650	8,700	476	457	430	600	533
5,700	5,750	0	0	0	81	51	7,200	7,250	213	208	204	324	263	8,700	8,750	484	465	437	609	543
5,750	5,800	0	0	0	89	57	7,250	7,300	221	216	211	334	272	8,750	8,800	492	473	443	619	552
5,800	5,850	4	4	4	96	63	7,300	7,350	229	224	219	343	280	8,800	8,850	500	480	450	628	562
5,850	5,900	11	11	11	104	69	7,350	7,400	238	232	226	353	289	8,850	8,900	508	488	457	638	571
5,900	5,950	18	18	18	111	75	7,400	7,450	246	240	234	362	297	8,900	8,950	516	496	465	647	581
5,950	6,000	25	25	25	119	82	7,450	7,500	255	248	241	372	306	8,950	9,000	524	503	472	657	590
6,000	6,050	32	32	32	126	88	7,500	7,550	263	256	249	381	315	9,000	9,050	533	511	479	666	600
6,050	6,100	39	39	39	134	95	7,550	7,600	272	264	256	391	324	9,050	9,100	541	518	486	676	609
6,100	6,150	46	46	46	141	101	7,600	7,650	280	272	264	400	334	9,100	9,150	549	526	494	685	619
6,150	6,200	53	53	53	149	107	7,650	7,700	289	280	271	410	343	9,150	9,200	557	534	501	696	628
6,200	6,250	60	60	60	157	114	7,700	7,750	297	288	279	419	353	9,200	9,250	565	541	508	707	638
6,250	6,300	67	67	67	165	120	7,750	7,800	306	296	286	429	362	9,250	9,300	573	549	515	718	647
6,300	6,350	74	74	74	173	126	7,800	7,850	315	305	294	438	372	9,300	9,350	581	557	522	729	657
6,350	6,400	81	81	81	181	133	7,850	7,900	324	314	302	448	381	9,350	9,400	589	564	530	740	666
6,400	6,450	89	88	88	189	139	7,900	7,950	334	323	310	457	391	9,400	9,450	597	572	537	751	676
6,450	6,500	96	95	95	197	146	7,950	8,000	343	332	318	467	400	9,450	9,500	605	580	544	762	685
6,500	6,550	104	102	102	205	152	8,000	8,050	353	341	326	476	410	9,500	9,550	613	587	551	773	696
6,550	6,600	111	109	109	213	159	8,050	8,100	362	350	334	486	419	9,550	9,600	621	595	559	784	707
6,600	6,650	119	116	116	221	166	8,100	8,150	372	359	342	495	429	9,600	9,650	629	603	566	795	718
6,650	6,700	126	123	123	229	173	8,150	8,200	381	368	350	505	438	9,650	9,700	638	610	573	806	729
6,700	6,750	134	130	130	238	181	8,200	8,250	391	377	358	514	448	9,700	9,750	646	618	580	817	740
6,750	6,800	141	137	137	246	189	8,250	8,300	400	386	366	524	457	9,750	9,800	654	626	587	828	751
6,800	6,850	149	144	144	255	197	8,300	8,350	410	395	374	533	467	9,800	9,850	662	633	595	839	762
6,850	6,900	157	152	151	263	205	8,350	8,400	419	404	382	543	476	9,850	9,900	670	641	602	850	773
6,900	6,950	165	160	159	272	213	8,400	8,450	429	413	390	552	486	9,900	9,950	678	649	609	861	784
6,950	7,000	173	168	166	280	221	8,450	8,500	438	422	398	562	495	9,950	10,000	686	656	616	872	795
7,000	7,050	181	176	174	289	229	8,500	8,550	448	431	406	571	505							

**Table 7 —Returns claiming SEVEN exemptions (and not itemizing deductions)**

\$0	\$5,900	\$0	\$0	\$0	\$0	\$0	\$7,250	\$7,300	\$104	\$102	\$102	\$205	\$149	\$8,650	\$8,700	\$334	\$322	\$310	\$457	\$391
5,900	5,950	0	0	0	4	0	7,300	7,350	111	109	109	213	157	8,700	8,750	342	330	317	467	400
5,950	6,000	0	0	0	11	0	7,350	7,400	119	116	116	221	165	8,750	8,800	350	338	323	476	410
6,000	6,050	0	0	0	18	0	7,400	7,450	126	123	123	229	173	8,800	8,850	358	345	330	486	419
6,050	6,100	0	0	0	25	0	7,450	7,500	134	130	130	238	181	8,850	8,900	366	353	337	495	429
6,100	6,150	0	0	0	32	0	7,500	7,550	141	137	137	246	189	8,900	8,950	374	361	344	505	438
6,150	6,200	0	0	0	39	0	7,550	7,600	149	144	144	255	197	8,950	9,000	382	368	351	514	448
6,200	6,250	0	0	0	46	6	7,600	7,650	157	152	151	263	205	9,000	9,050	390	376	357	524	457
6,250	6,300	0	0	0	53	12	7,650	7,700	165	160	159	272	213	9,050	9,100	398	383	364	533	467
6,300	6,350	0	0	0	60	18	7,700	7,750	173	168	166	280	221	9,100	9,150	406	391	371	543	476
6,350	6,400	0	0	0	67	24	7,750	7,800	181	176	174	289	229	9,150	9,200	414	399	378	552	486
6,400	6,450	0	0	0	74	30	7,800	7,850	189	184	181	297	238	9,200	9,250	422	406	385	562	495
6,450	6,500	0	0	0	81	36	7,850	7,900	197	192	189	306	246	9,250	9,300	430	414	391	571	505
6,500	6,550	0	0	0	89	41	7,900	7,950	205	200	196	315	255	9,300	9,350	438	422	398	581	514
6,550	6,600	4	4	4	96	47	7,950	8,000	213	208	204	324	263	9,350	9,400	447	429	405	590	524
6,600	6,650	11	11	11	104	53	8,000	8,050	221	216	211	334	272	9,400	9,450	455	437	412	600	533
6,650	6,700	18	18	18	111	60	8,050	8,100	229	224	219	343	280	9,450	9,500	463	445	419	609	543
6,700	6,750	25	25	25	119	67	8,100	8,150	238	232	226	353	289	9,500	9,550	471	452	425	619	552
6,750	6,800	32	32	32	126	74	8,150	8,200	246	240	234	362	297	9,550	9,600	479	460	432	628	562
6,800	6,850	39	39	39	134	81	8,200	8,250	255	248	241	372	306	9,600	9,650	487	468	439	638	571
6,850	6,900	46	46	46	141	89	8,250	8,300	263	256	249	381	315	9,650	9,700	495	475	446	647	581
6,900	6,950	53	53	53	149	96	8,300	8,350	272	264	256	391	324	9,700	9,750	503	483	453	657	590
6,950	7,000	60	60	60	157	104	8,350	8,400	280	272	264	400	334	9,750	9,800	511	491	460	666	600
7,000	7,050	67	67	67	165	111	8,400	8,450	289	280	271	410	343	9,800	9,850	519	498	467	676	609
7,050	7,100	74	74	74	173	119	8,450	8,500	297	288	279	419	353	9,850	9,900	527	506	474	685	619
7,100	7,150	81	81	81	181	126	8,500	8,550	306	296	286	429	362	9,900	9,950	535	514	482	696	628
7,150	7,200	89	88	88	189	134	8,550	8,600	315	305	294	438	372	9,950	10,000	543	521	489	707	638
7,200	7,250	96	95	95	197	141	8,600	8,650	324	314	302	448	381							

**Table 8 —Returns claiming EIGHT exemptions (and not itemizing deductions) (Continued)**

If line 17 (adjusted gross income) is—		And you are—					If line 17 (adjusted gross income) is—		And you are—					If line 17 (adjusted gross income) is—		And you are—				
At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—		At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—		At least	But less than	Single, not head of household	Head of household	Married filing joint return	Married filing separate return claiming—	
					Low income allowance	%Standard deduction						Low income allowance	%Standard deduction						Low income allowance	%Standard deduction
		Your tax is—							Your tax is—							Your tax is—				
\$7,650	\$7,700	\$53	\$53	\$53	\$149	\$96	\$8,450	\$8,500	\$173	\$168	\$166	\$280	\$221	\$9,250	\$9,300	\$290	\$281	\$273	\$429	\$362
7,700	7,750	60	60	60	157	104	8,500	8,550	181	176	174	289	229	9,300	9,350	297	288	279	438	372
7,750	7,800	67	67	67	165	111	8,550	8,600	189	184	181	297	238	9,350	9,400	305	295	285	448	381
7,800	7,850	74	74	74	173	119	8,600	8,650	197	192	189	306	246	9,400	9,450	312	302	292	457	391
7,850	7,900	81	81	81	181	126	8,650	8,700	205	200	196	315	255	9,450	9,500	320	310	299	467	400
7,900	7,950	89	88	88	189	134	8,700	8,750	212	207	202	324	263	9,500	9,550	328	317	305	476	410
7,950	8,000	96	95	95	197	141	8,750	8,800	218	213	209	334	272	9,550	9,600	336	325	312	486	419
8,000	8,050	104	102	102	205	149	8,800	8,850	225	220	215	343	280	9,600	9,650	344	333	319	495	429
8,050	8,100	111	109	109	213	157	8,850	8,900	232	227	222	353	289	9,650	9,700	353	340	326	505	438
8,100	8,150	119	116	116	221	165	8,900	8,950	240	234	228	362	297	9,700	9,750	361	348	333	514	448
8,150	8,200	126	123	123	229	173	8,950	9,000	247	241	234	372	306	9,750	9,800	369	356	339	524	457
8,200	8,250	134	130	130	238	181	9,000	9,050	254	247	241	381	315	9,800	9,850	377	363	346	533	467
8,250	8,300	141	137	137	246	189	9,050	9,100	261	254	247	391	324	9,850	9,900	385	371	353	543	476
8,300	8,350	149	144	144	255	197	9,100	9,150	269	261	253	400	334	9,900	9,950	393	379	360	552	486
8,350	8,400	157	152	151	263	205	9,150	9,200	276	268	260	410	343	9,950	10,000	401	386	367	562	495
8,400	8,450	165	160	159	272	213	9,200	9,250	283	275	266	419	353							

**Table 9 —Returns claiming NINE exemptions (and not itemizing deductions)**

\$0 \$7,400		\$0	\$0	\$0	\$0	\$0	\$8,250	\$8,300	\$32	\$32	\$32	\$126	\$74	\$9,150	\$9,200	\$153	\$148	\$147	\$272	\$213
7,400	7,450	0	0	0	4	0	8,300	8,350	39	39	39	134	81	9,200	9,250	160	155	154	280	221
7,450	7,500	0	0	0	11	0	8,350	8,400	46	46	46	141	89	9,250	9,300	166	161	160	289	229
7,500	7,550	0	0	0	18	0	8,400	8,450	53	53	53	149	96	9,300	9,350	173	168	166	297	238
7,550	7,600	0	0	0	25	0	8,450	8,500	60	60	60	157	104	9,350	9,400	180	175	173	306	246
7,600	7,650	0	0	0	32	0	8,500	8,550	67	67	67	165	111	9,400	9,450	187	182	179	315	255
7,650	7,700	0	0	0	39	0	8,550	8,600	74	74	74	173	119	9,450	9,500	194	189	186	324	263
7,700	7,750	0	0	0	46	0	8,600	8,650	81	81	81	181	126	9,500	9,550	200	195	192	334	272
7,750	7,800	0	0	0	53	4	8,650	8,700	89	87	87	189	134	9,550	9,600	207	202	198	343	280
7,800	7,850	0	0	0	60	11	8,700	8,750	95	93	93	197	141	9,600	9,650	214	209	205	353	289
7,850	7,900	0	0	0	67	18	8,750	8,800	101	99	99	205	149	9,650	9,700	221	216	211	362	297
7,900	7,950	0	0	0	74	25	8,800	8,850	108	105	105	213	157	9,700	9,750	228	223	217	372	306
7,950	8,000	0	0	0	81	32	8,850	8,900	114	111	111	221	165	9,750	9,800	235	229	224	381	315
8,000	8,050	0	0	0	89	39	8,900	8,950	120	117	117	229	173	9,800	9,850	242	236	230	391	324
8,050	8,100	4	4	4	96	46	8,950	9,000	127	123	123	238	181	9,850	9,900	249	243	237	400	334
8,100	8,150	11	11	11	104	53	9,000	9,050	133	129	129	246	189	9,900	9,950	257	250	243	410	343
8,150	8,200	18	18	18	111	60	9,050	9,100	140	135	135	255	197	9,950	10,000	264	257	249	419	353
8,200	8,250	25	25	25	119	67	9,100	9,150	146	141	141	263	205							

**Table 10 —Returns claiming TEN exemptions (and not itemizing deductions)**

\$0 \$8,150		\$0	\$0	\$0	\$0	\$0	\$8,750	\$8,800	\$0	\$0	\$0	\$89	\$39	\$9,400	\$9,450	\$72	\$72	\$72	\$189	\$134
8,150	8,200	0	0	0	4	0	8,800	8,850	0	0	0	96	46	9,450	9,500	78	78	78	197	141
8,200	8,250	0	0	0	11	0	8,850	8,900	6	6	6	104	53	9,500	9,550	84	83	83	205	149
8,250	8,300	0	0	0	18	0	8,900	8,950	12	12	12	111	60	9,550	9,600	91	89	89	213	157
8,300	8,350	0	0	0	25	0	8,950	9,000	18	18	18	119	67	9,600	9,650	97	95	95	221	165
8,350	8,400	0	0	0	32	0	9,000	9,050	24	24	24	126	74	9,650	9,700	104	101	101	229	173
8,400	8,450	0	0	0	39	0	9,050	9,100	30	30	30	134	81	9,700	9,750	110	107	107	238	181
8,450	8,500	0	0	0	46	0	9,100	9,150	36	36	36	141	89	9,750	9,800	116	113	113	246	189
8,500	8,550	0	0	0	53	4	9,150	9,200	42	42	42	149	96	9,800	9,850	123	119	119	255	197
8,550	8,600	0	0	0	60	11	9,200	9,250	48	48	48	157	104	9,850	9,900	129	125	125	263	205
8,600	8,650	0	0	0	67	18	9,250	9,300	54	54	54	165	111	9,900	9,950	135	131	131	272	213
8,650	8,700	0	0	0	74	25	9,300	9,350	60	60	60	173	119	9,950	10,000	142	137	137	280	221
8,700	8,750	0	0	0	81	32	9,350	9,400	66	66	66	181	126							

**Table 11 —Returns claiming ELEVEN exemptions (and not itemizing deductions)**

\$0 \$8,900		\$0	\$0	\$0	\$0	\$0	\$9,250	\$9,300	\$0	\$0	\$0	\$53	\$4	\$9,650	\$9,700	\$0	\$0	\$0	\$111	\$60
8,900	8,950	0	0	0	4	0	9,300	9,350	0	0	0	60	11	9,700	9,750	2	2	2	119	67
8,950	9,000	0	0	0	11	0	9,350	9,400	0	0	0	67	18	9,750	9,800	8	8	8	126	74
9,000	9,050	0	0	0	18	0	9,400	9,450	0	0	0	74	25	9,800	9,850	14	14	14	134	81
9,050	9,100	0	0	0	25	0	9,450	9,500	0	0	0	81	32	9,850	9,900	20	20	20	141	89
9,100	9,150	0	0	0	32	0	9,500	9,550	0	0	0	89	39	9,900	9,950	26	26	26	149	96
9,150	9,200	0	0	0	39	0	9,550	9,600	0	0	0	96	46	9,950	10,000	32	32	32	157	104
9,200	9,250	0	0	0	46	0	9,600	9,650	0	0	0	104	53							

**Table 12 —Returns claiming TWELVE exemptions (and not itemizing deductions)**

\$0 \$9,650		\$0	\$0	\$0	\$0	\$0	\$9,750	\$9,800	\$0	\$0	\$0	\$18	\$0	\$9,900	\$9,950	\$0	\$0	\$0	\$39	\$0
9,650	9,700	0	0	0	4	0	9,800	9,850	0	0	0	25	0	9,950	10,000	0	0	0	46	0
9,700	9,750	0	0	0	11	0	9,850	9,900	0	0	0	32	0							

Returns claiming THIRTEEN or more exemptions.—There is no tax due if adjusted gross income is less than \$10,000.

\*This column may also be used by certain widows or widowers who qualify for special tax rates.

# 1972 Tax Rate Schedules

If you do not use one of the Tax Tables, figure your tax on the amount

on Form 1040, line 55, by using the appropriate Tax Rate Schedule on

this page. Enter tax on Form 1040, line 18.

## SCHEDULE X—Single Taxpayers Not Qualifying for Rates in Schedule Y or Z

If the amount on Form 1040, line 55, is:		Enter on Form 1040, line 18:	
Not over \$500		14%	of the amount on line 55.
Over—	But not over—	of excess over—	
\$500	\$1,000	\$70+15%	\$500
\$1,000	\$1,500	\$145+16%	\$1,000
\$1,500	\$2,000	\$225+17%	\$1,500
\$2,000	\$4,000	\$310+19%	\$2,000
\$4,000	\$6,000	\$690+21%	\$4,000
\$6,000	\$8,000	\$1,110+24%	\$6,000
\$8,000	\$10,000	\$1,590+25%	\$8,000
\$10,000	\$12,000	\$2,090+27%	\$10,000
\$12,000	\$14,000	\$2,630+29%	\$12,000
\$14,000	\$16,000	\$3,210+31%	\$14,000
\$16,000	\$18,000	\$3,830+34%	\$16,000
\$18,000	\$20,000	\$4,510+36%	\$18,000
\$20,000	\$22,000	\$5,230+38%	\$20,000
\$22,000	\$26,000	\$5,990+40%	\$22,000
\$26,000	\$32,000	\$7,590+45%	\$26,000
\$32,000	\$38,000	\$10,290+50%	\$32,000
\$38,000	\$44,000	\$13,290+55%	\$38,000
\$44,000	\$50,000	\$16,590+60%	\$44,000
\$50,000	\$60,000	\$20,190+62%	\$50,000
\$60,000	\$70,000	\$26,390+64%	\$60,000
\$70,000	\$80,000	\$32,790+66%	\$70,000
\$80,000	\$90,000	\$39,390+68%	\$80,000
\$90,000	\$100,000	\$46,190+69%	\$90,000
\$100,000		\$53,090+70%	\$100,000

## SCHEDULE Y—Married Taxpayers and Certain Widows and Widowers

If you are a married person living apart from your wife (husband), see page 5 of the instructions to see if you can be considered to be "unmarried" for purposes of using Schedule X or Z.

Married Taxpayers Filing Joint Returns and Certain Widows and Widowers (See page 5)				Married Taxpayers Filing Separate Returns			
If the amount on Form 1040, line 55, is:		Enter on Form 1040, line 18:		If the amount on Form 1040, line 55, is:		Enter on Form 1040, line 18:	
Not over \$1,000		14%	of the amount on line 55.	Not over \$500		14%	of the amount on line 55.
Over—	But not over—	of excess over—		Over—	But not over—	of excess over—	
\$1,000	\$2,000	\$140+15%	\$1,000	\$500	\$1,000	\$70+15%	\$500
\$2,000	\$3,000	\$290+16%	\$2,000	\$1,000	\$1,500	\$145+16%	\$1,000
\$3,000	\$4,000	\$450+17%	\$3,000	\$1,500	\$2,000	\$225+17%	\$1,500
\$4,000	\$8,000	\$620+19%	\$4,000	\$2,000	\$4,000	\$310+19%	\$2,000
\$8,000	\$12,000	\$1,380+22%	\$8,000	\$4,000	\$6,000	\$690+22%	\$4,000
\$12,000	\$16,000	\$2,260+25%	\$12,000	\$6,000	\$8,000	\$1,130+25%	\$6,000
\$16,000	\$20,000	\$3,260+28%	\$16,000	\$8,000	\$10,000	\$1,630+28%	\$8,000
\$20,000	\$24,000	\$4,380+32%	\$20,000	\$10,000	\$12,000	\$2,190+32%	\$10,000
\$24,000	\$28,000	\$5,660+36%	\$24,000	\$12,000	\$14,000	\$2,830+36%	\$12,000
\$28,000	\$32,000	\$7,100+39%	\$28,000	\$14,000	\$16,000	\$3,550+39%	\$14,000
\$32,000	\$36,000	\$8,660+42%	\$32,000	\$16,000	\$18,000	\$4,330+42%	\$16,000
\$36,000	\$40,000	\$10,340+45%	\$36,000	\$18,000	\$20,000	\$5,170+45%	\$18,000
\$40,000	\$44,000	\$12,140+48%	\$40,000	\$20,000	\$22,000	\$6,070+48%	\$20,000
\$44,000	\$52,000	\$14,060+50%	\$44,000	\$22,000	\$26,000	\$7,030+50%	\$22,000
\$52,000	\$64,000	\$18,060+53%	\$52,000	\$26,000	\$32,000	\$9,030+53%	\$26,000
\$64,000	\$76,000	\$24,420+55%	\$64,000	\$32,000	\$38,000	\$12,210+55%	\$32,000
\$76,000	\$88,000	\$31,020+58%	\$76,000	\$38,000	\$44,000	\$15,510+58%	\$38,000
\$88,000	\$100,000	\$37,980+60%	\$88,000	\$44,000	\$50,000	\$18,990+60%	\$44,000
\$100,000	\$120,000	\$45,180+62%	\$100,000	\$50,000	\$60,000	\$22,590+62%	\$50,000
\$120,000	\$140,000	\$57,580+64%	\$120,000	\$60,000	\$70,000	\$28,790+64%	\$60,000
\$140,000	\$160,000	\$70,380+66%	\$140,000	\$70,000	\$80,000	\$35,190+66%	\$70,000
\$160,000	\$180,000	\$83,580+68%	\$160,000	\$80,000	\$90,000	\$41,790+68%	\$80,000
\$180,000	\$200,000	\$97,180+69%	\$180,000	\$90,000	\$100,000	\$48,590+69%	\$90,000
\$200,000		\$110,980+70%	\$200,000	\$100,000		\$55,490+70%	\$100,000

## SCHEDULE Z—Unmarried (or legally separated) Taxpayers Who Qualify as Heads of Household (See page 5)

If the amount on Form 1040, line 55, is:		Enter on Form 1040, line 18:	
Not over \$1,000		14%	of the amount on line 55.
Over—	But not over—	of excess over—	
\$1,000	\$2,000	\$140+16%	\$1,000
\$2,000	\$4,000	\$300+18%	\$2,000
\$4,000	\$6,000	\$660+19%	\$4,000
\$6,000	\$8,000	\$1,040+22%	\$6,000
\$8,000	\$10,000	\$1,480+23%	\$8,000
\$10,000	\$12,000	\$1,940+25%	\$10,000
\$12,000	\$14,000	\$2,440+27%	\$12,000
\$14,000	\$16,000	\$2,980+28%	\$14,000
\$16,000	\$18,000	\$3,540+31%	\$16,000
\$18,000	\$20,000	\$4,160+32%	\$18,000
\$20,000	\$22,000	\$4,800+35%	\$20,000
\$22,000	\$24,000	\$5,500+36%	\$22,000
\$24,000	\$26,000	\$6,220+38%	\$24,000
\$26,000	\$28,000	\$6,980+41%	\$26,000
\$28,000	\$32,000	\$7,800+42%	\$28,000
\$32,000	\$36,000	\$9,480+45%	\$32,000
\$36,000	\$38,000	\$11,280+48%	\$36,000
\$38,000	\$40,000	\$12,240+51%	\$38,000
\$40,000	\$44,000	\$13,260+52%	\$40,000
\$44,000	\$50,000	\$15,340+55%	\$44,000
\$50,000	\$52,000	\$18,640+56%	\$50,000
\$52,000	\$64,000	\$19,760+58%	\$52,000
\$64,000	\$70,000	\$26,720+59%	\$64,000
\$70,000	\$76,000	\$30,260+61%	\$70,000
\$76,000	\$80,000	\$33,920+62%	\$76,000
\$80,000	\$88,000	\$36,400+63%	\$80,000
\$88,000	\$100,000	\$41,440+64%	\$88,000
\$100,000	\$120,000	\$49,120+66%	\$100,000
\$120,000	\$140,000	\$62,320+67%	\$120,000
\$140,000	\$160,000	\$75,720+68%	\$140,000
\$160,000	\$180,000	\$89,320+69%	\$160,000
\$180,000		\$103,120+70%	\$180,000



# 1972 Optional State Sales Tax Tables

If you itemize your deductions, you may use these tables to determine the general sales tax to enter on line 13, Schedule A. If you are able to establish that you paid an amount larger than that shown, you are entitled to deduct the larger amount. The sales tax paid on the purchase of an automobile may be added to the table amount except in Vermont and West Virginia.

If your income was more than \$19,999 but less than \$100,000, compute your deduction as follows:

Step 1—For the first \$19,999, find the amount for your family size in the table for your State.

Step 2—For each \$1,000 or fraction thereof of income over \$19,999 but less than \$50,000, add 2 percent of the amount you determined in Step 1, above.

Step 3—For each \$1,000 or fraction thereof of income over \$49,999, but less than \$100,000, add 1 percent of the amount you determined in Step 1, above.

If your income was \$100,000 or more, your deduction is 210 percent of the amount determined in Step 1, above.

Income <sup>1</sup>	Alabama <sup>2</sup>					Arizona <sup>3</sup>					Arkansas <sup>2</sup>					California <sup>4</sup>				
	Family size (persons)					Family size (persons)					Family size (persons)					Family size (persons)				
	1	2	3&4	5	Over 5	1	2	3	4	5	Over 5	1	2	3&4	5	Over 5	1&2	3&4	5	Over 5
Under \$3,000	\$51	\$61	\$73	\$79	\$79	\$41	\$53	\$55	\$64	\$64	\$65	\$38	\$45	\$54	\$58	\$59	\$41	\$47	\$53	\$53
\$3,000-\$3,999	62	76	90	98	100	50	65	68	77	79	81	47	56	67	73	74	53	61	67	67
\$4,000-\$4,999	72	90	105	116	118	59	75	80	89	92	96	54	66	78	86	88	64	73	81	81
\$5,000-\$5,999	82	102	119	132	136	67	85	90	99	104	109	61	76	88	98	101	75	85	94	95
\$6,000-\$6,999	90	114	132	147	152	74	94	100	109	116	121	67	85	98	110	114	85	96	106	107
\$7,000-\$7,999	98	125	144	161	168	81	102	110	118	127	133	73	93	108	121	126	95	107	118	119
\$8,000-\$8,999	106	136	156	175	183	87	110	119	126	137	144	79	101	117	131	137	105	117	130	131
\$9,000-\$9,999	113	146	167	188	198	93	118	127	134	147	155	84	109	125	141	148	114	127	141	143
\$10,000-\$10,999	120	156	178	201	212	99	125	135	142	156	165	89	116	133	151	158	123	137	152	154
\$11,000-\$11,999	127	165	188	213	226	105	132	143	149	165	175	94	123	141	160	168	132	147	163	165
\$12,000-\$12,999	133	174	198	225	239	111	139	151	156	174	185	99	130	149	169	178	141	157	173	176
\$13,000-\$13,999	139	183	208	236	252	116	145	158	163	182	194	104	137	156	178	188	150	166	183	187
\$14,000-\$14,999	145	192	218	247	265	121	151	165	170	190	203	109	144	163	186	198	158	175	193	197
\$15,000-\$15,999	151	201	227	258	277	126	157	172	176	198	212	113	151	170	194	207	166	184	203	207
\$16,000-\$16,999	157	209	236	269	289	131	163	179	182	206	221	117	157	177	202	216	174	193	212	217
\$17,000-\$17,999	162	217	245	280	301	136	169	186	188	214	230	121	163	184	210	225	182	201	221	227
\$18,000-\$18,999	167	225	253	290	313	141	175	193	194	222	238	125	169	190	218	234	190	209	230	237
\$19,000-\$19,999	172	233	261	300	324	145	180	199	199	229	246	129	175	196	226	242	198	217	239	246

Income <sup>1</sup>	Colorado <sup>2</sup>					Connecticut <sup>5</sup>					Dist. of Columbia					Florida					Georgia <sup>2</sup>					Hawaii				
	Family size (persons)					Family size (persons)					Family size (persons)					Family size (persons)					Family size (persons)					Family size (persons)				
	1	2	3	4	5	Over 5	1&2	3&4	5	Over 5	1	2	3&4	5	Over 5	1&2	3&4	5	Over 5	1	2	3&4	5	Over 5	1	2	3&4	5	Over 5	
Under \$3,000	\$35	\$48	\$49	\$59	\$59	\$60	\$42	\$49	\$58	\$58	\$36	\$45	\$56	\$60	\$60	\$31	\$41	\$44	\$44	\$40	\$49	\$59	\$65	\$65	\$69	\$87	\$91	\$101	\$101	\$101
\$3,000-\$3,999	44	58	61	71	73	75	57	65	76	76	43	56	69	75	75	41	52	57	57	50	61	72	80	80	85	105	111	123	123	123
\$4,000-\$4,999	51	68	72	82	85	88	71	80	92	92	49	66	80	88	89	51	63	68	68	58	72	85	94	94	99	120	129	143	144	144
\$5,000-\$5,999	58	76	82	91	97	100	84	94	107	107	55	76	91	100	102	60	73	79	79	65	82	96	106	107	112	135	145	161	163	163
\$6,000-\$6,999	64	84	91	100	107	112	97	108	122	122	60	85	100	112	115	69	82	90	90	72	91	106	118	120	123	148	159	178	181	181
\$7,000-\$7,999	70	92	100	109	117	123	110	122	136	136	65	93	109	123	127	78	91	100	100	79	100	116	129	133	134	160	173	193	198	198
\$8,000-\$8,999	76	99	108	117	127	133	122	135	150	150	70	101	118	133	138	86	100	110	110	85	109	125	140	145	145	172	186	208	215	215
\$9,000-\$9,999	81	106	116	124	136	143	134	148	163	164	74	109	126	143	149	94	108	119	120	91	117	134	150	157	155	183	199	222	230	230
\$10,000-\$10,999	86	112	124	131	145	153	146	161	176	177	78	116	134	152	160	102	116	128	130	96	125	143	159	168	165	193	211	236	245	245
\$11,000-\$11,999	91	118	132	138	154	163	158	173	189	191	82	123	142	161	170	110	124	137	140	102	135	151	169	179	174	203	222	249	260	260
\$12,000-\$12,999	96	124	139	145	162	172	170	185	201	205	86	130	149	170	180	118	132	146	150	107	140	159	178	190	183	213	233	261	274	274
\$13,000-\$13,999	101	130	146	151	170	181	182	197	213	219	90	137	156	179	190	126	140	154	160	112	147	167	187	200	192	222	244	273	287	287
\$14,000-\$14,999	106	136	153	157	178	190	194	209	225	233	94	144	163	187	200	134	148	162	169	117	154	174	196	210	200	231	254	285	300	300
\$15,000-\$15,999	110	141	160	163	186	198	206	221	237	246	97	151	170	195	210	141	156	170	178	122	161	181	204	220	208	240	264	296	313	313
\$16,000-\$16,999	114	146	167	169	194	206	217	233	249	259	100	157	177	203	219	148	163	178	187	127	168	188	212	230	216	248	274	307	326	326
\$17,000-\$17,999	118	151	173	175	201	214	228	245	261	272	103	163	183	211	228	155	170	186	196	132	174	195	220	240	224	256	284	318	338	338
\$18,000-\$18,999	122	156	179	181	208	222	239	256	272	285	106	169	189	219	237	162	177	194	205	136	180	202	228	250	232	264	293	329	350	350
\$19,000-\$19,999	126	161	185	186	215	230	250	267	283	298	109	175	195	226	246	169	184	201	214	140	186	208	235	259	239	272	302	339	362	362

Income <sup>1</sup>	Idaho					Illinois <sup>6</sup>					Indiana					Iowa					Kansas <sup>2</sup>									
	Family size (persons)					Family size (persons)					Family size (persons)					Family size (persons)					Family size (persons)									
	1	2	3	4	5	Over 5	1	2	3	4	5	Over 5	1	2	3	4	5	Over 5	1	2	3	4	5	Over 5	1	2	3	4	5	Over 5
Under \$3,000	\$34	\$45	\$47	\$57	\$57	\$58	\$54	\$70	\$80	\$92	\$92	\$97	\$25	\$34	\$37	\$43	\$43	\$45	\$40	\$51	\$56	\$63	\$63	\$66	\$41	\$51	\$56	\$64	\$64	\$67
\$3,000-\$3,999	42	55	59	69	69	72	66	86	98	111	113	121	31	41	46	52	53	56	49	63	69	77	78	83	50	63	69	78	78	84
\$4,000-\$4,999	49	64	69	79	82	85	77	100	115	128	133	142	36	48	54	60	63	65	57	73	81	89	92	98	58	74	82	90	92	100
\$5,000-\$5,999	56	73	79	88	93	97	87	114	131	144	151	162	41	54	61	67	71	75	65	83	92	101	105	112	66	84	93	102	106	114
\$6,000-\$6,999	62	81	88	97	104	109	97	126	145	158	168	181	46	60	68	74	79	83	72	92	103	111	117	125	73	93	104	112	118	127
\$7,000-\$7,999	68	88	97	105	114	120	106	138	159	171	184	199	50	65	74	80	86	91	78	101	113	121	129	138	80	102	114	122	130	140
\$8,000-\$8,999	74	95	105	113	124	130	115	149	172	184	199	216	54	70	80	86	93	99	84	109	122	131	140	150	86	110	124	132	142	153
\$9,000-\$9,999	79	102	113	120	133	140	123	160	184	194	214	232	58	75	86	91	100	107	90	117	131	141	151	162	92	118	133	141	153	165
\$10,000-\$10,999	84	109	121	127	142	150	131	170	196	208	228	248	61	80	91	96	106	114	96	124	140	148	161	173	98	125	142	150	163	176
\$11,000-\$11,999	89	115	129	134	151	159	138	180	207	219	242	263	65	85	97	101	112	121	102	131	149	156	171	184	104	132	151	158	173	187
\$12,000-\$12,999	94	121	136	140	159	168	145	190	218	230	255	277	68	89	102	106	118	128	107	138	157	164	181	194	109	139	159	166	183	198
\$1																														

# 1972 Optional State Sales Tax Tables

If you itemize your deductions, you may use these tables to determine the general sales tax to enter on line 13, Schedule A. If you are able to establish that you paid an amount larger than that shown, you are entitled to deduct the larger amount. The sales tax paid on the purchase of an automobile may be added to the table amount except in Vermont and West Virginia.

If your income was more than \$19,999 but less than \$100,000, compute your deduction as follows:

**Step 1**—For the first \$19,999, find the amount for your family size in the table for your State.

**Step 2**—For each \$1,000 or fraction thereof of income over \$19,999, but less than \$50,000, add 2 percent of the amount you determined in Step 1, above.

**Step 3**—For each \$1,000 or fraction thereof of income over \$49,999, but less than \$100,000, add 1 percent of the amount you determined in Step 1, above.

If your income was \$100,000 or more, your deduction is 210 percent of the amount determined in Step 1, above.

Income <sup>1</sup>	Mississippi					Missouri <sup>2</sup>					Nebraska <sup>2</sup>					Nevada <sup>3</sup>							
	Family size (persons)					Family size (persons)					Family size (persons)					Family size (persons)							
	1	2	3&4	5	Over	1	2	3	4	5	Over	1	2	3	4	5	Over	1	2	3	4	5	Over
Under \$3,000	\$70	\$83	\$100	\$109	\$109	\$37	\$48	\$52	\$59	\$59	\$63	\$30	\$39	\$43	\$49	\$50	\$53	\$38	\$51	\$53	\$65	\$65	\$67
\$3,000-\$3,999	86	104	124	135	135	45	58	65	72	74	79	37	48	54	60	62	66	47	62	66	78	79	82
\$4,000-\$4,999	100	123	144	159	159	53	68	76	83	87	93	43	56	63	69	73	78	55	72	77	89	92	96
\$5,000-\$5,999	113	141	163	181	182	59	77	86	94	99	106	49	63	71	78	83	89	62	81	88	99	104	109
\$6,000-\$6,999	125	158	181	201	204	65	85	95	103	111	118	54	70	79	86	92	99	69	90	98	108	116	121
\$7,000-\$7,999	136	173	198	220	225	71	93	104	112	122	130	59	76	87	94	101	109	75	98	107	116	127	133
\$8,000-\$8,999	147	188	214	238	246	77	100	113	121	132	141	64	82	94	101	109	118	81	105	116	124	137	144
\$9,000-\$9,999	157	203	230	256	266	83	107	121	129	142	152	68	88	101	108	117	127	87	112	125	132	147	154
\$10,000-\$10,999	167	217	244	273	285	88	114	129	137	151	162	72	94	108	114	125	136	92	119	133	139	156	164
\$11,000-\$11,999	176	230	258	289	304	93	121	137	145	160	172	76	99	114	120	133	144	97	126	141	146	165	174
\$12,000-\$12,999	185	243	272	305	322	98	127	144	152	169	182	80	104	120	126	140	152	102	133	149	153	174	183
\$13,000-\$13,999	194	256	285	320	340	103	133	151	159	178	191	84	109	126	132	147	160	107	139	156	159	182	192
\$14,000-\$14,999	202	269	298	335	358	107	139	158	166	187	200	88	114	132	138	154	168	112	145	163	165	190	201
\$15,000-\$15,999	210	281	311	350	375	111	145	165	173	195	209	92	119	138	144	161	175	117	151	170	171	199	210
\$16,000-\$16,999	218	293	323	364	392	115	151	172	179	203	218	96	124	143	149	168	182	122	157	177	177	206	219
\$17,000-\$17,999	226	305	335	378	408	119	156	179	185	211	227	99	128	148	154	174	189	126	163	184	184	214	227
\$18,000-\$18,999	234	316	347	392	424	123	161	185	191	219	235	102	132	153	159	180	196	130	168	191	191	222	235
\$19,000-\$19,999	241	327	359	405	440	127	166	191	197	226	243	105	136	158	164	186	203	134	173	197	197	229	243

Income <sup>1</sup>	New Jersey		New Mexico <sup>2</sup>					New York <sup>4</sup>					North Carolina <sup>5</sup>					North Dakota					Ohio <sup>6</sup>					Oklahoma <sup>2</sup>										
	Family size (persons)		Family size (persons)					Family size (persons)					Family size (persons)					Family size (persons)					Family size (persons)					Family size (persons)										
	4 or under	5 and over	1	2	3	4	5	Over	1	2	3	4	5	Over	1	2	3	4	5	Over	1	2	3	4	5	Over	1	2	3	4	5	Over	1	2	3	4	5	Over
Under \$3,000	\$27	\$35	\$58	\$77	\$78	\$92	\$92	\$92	\$37	\$44	\$53	\$56	\$56	\$35	\$40	\$50	\$54	\$55	\$41	\$50	\$57	\$61	\$63	\$27	\$33	\$33	\$34	\$34	\$25	\$29	\$35	\$38	\$38	\$25	\$29	\$35	\$38	\$38
\$3,000-\$3,999	36	45	71	94	96	111	111	113	49	57	66	71	71	43	51	62	68	69	51	62	71	77	81	36	43	44	45	45	31	37	43	47	48	31	37	43	47	48
\$4,000-\$4,999	45	55	83	109	113	128	128	134	60	69	79	84	84	50	60	73	80	82	60	73	84	92	96	44	52	54	56	56	36	44	51	56	58	36	44	51	56	58
\$5,000-\$5,999	54	64	94	123	129	143	146	151	70	81	90	97	97	57	69	82	92	94	69	84	96	106	111	52	61	64	66	66	41	50	58	64	66	41	50	58	64	66
\$6,000-\$6,999	62	73	104	135	144	157	163	171	80	92	101	109	109	63	77	91	102	106	77	94	108	119	125	60	70	74	76	76	45	56	64	72	74	45	56	64	72	74
\$7,000-\$7,999	71	82	113	147	158	170	179	188	90	102	111	120	120	69	85	100	112	116	85	103	119	131	138	68	78	83	86	86	49	61	70	79	82	49	61	70	79	82
\$8,000-\$8,999	79	90	122	158	171	183	194	204	99	112	121	131	131	74	93	108	122	126	92	112	129	143	151	75	86	92	96	96	53	66	76	86	89	53	66	76	86	89
\$9,000-\$9,999	87	98	131	169	184	195	209	220	108	122	130	141	142	79	100	116	131	136	99	121	139	154	164	82	94	101	105	105	57	71	82	93	96	57	71	82	93	96
\$10,000-\$10,999	95	106	139	179	196	206	223	235	117	132	139	151	154	84	107	123	140	146	106	129	149	165	176	89	102	110	114	114	60	76	87	99	103	60	76	87	99	103
\$11,000-\$11,999	103	114	147	189	208	217	237	250	126	142	148	161	165	89	114	131	149	156	112	137	158	176	188	96	110	119	123	123	64	81	92	105	110	64	81	92	105	110
\$12,000-\$12,999	110	122	155	199	220	227	250	264	135	151	157	171	176	94	121	138	158	165	118	145	167	186	199	103	117	128	132	132	68	86	97	111	117	68	86	97	111	117
\$13,000-\$13,999	118	129	162	208	231	237	263	278	144	160	165	180	187	98	128	145	166	174	124	152	176	196	210	110	124	136	141	141	71	91	102	117	123	71	91	102	117	123
\$14,000-\$14,999	126	136	169	217	242	247	276	291	152	169	173	189	198	102	134	152	174	183	130	159	184	206	221	117	131	144	150	150	74	96	107	123	129	74	96	107	123	129
\$15,000-\$15,999	133	143	176	226	253	256	289	304	160	178	181	198	209	106	140	158	182	192	136	166	192	216	232	124	138	152	159	159	77	100	112	129	135	77	100	112	129	135
\$16,000-\$16,999	141	150	183	235	263	265	301	317	168	187	189	207	220	110	146	164	190	200	142	173	200	226	243	130	145	160	168	168	80	104	117	134	141	80	104	117	134	141
\$17,000-\$17,999	148	157	190	243	273	274	313	330	176	196	196	215	230	114	152	170	197	208	148	180	208	235	253	136	152	168	177	177	83	108	121	139	147	83	108	121	139	147
\$18,000-\$18,999	156	164	196	251	283	283	324	342	184	204	204	223	240	118	158	176	204	216	153	187	216	244	263	142	159	176	185	185	86	112	125	144	153	86	112	125	144	153
\$19,000-\$19,999	163	171	202	259	293	293	335	354	192	212	212	231	250	122	164	181	211	224	158	194	224	253	273	148	165	184	193	193	88	116	129	149	159	88	116	129	149	159

Income <sup>1</sup>	Pennsylvania		Rhode Island					South Carolina					South Dakota <sup>7</sup>					Tennessee <sup>2</sup>					Texas <sup>2</sup>								
	Family size (persons)		Family size (persons)					Family size (persons)					Family size (persons)					Family size (persons)					Family size (persons)								
	4 or under	5 and over	1	2	3	4	5	Over	1	2	3	4	5	Over	1	2	3	4	5	Over	1	2	3	4	5	Over	1	2	3	4	5
Under \$3,000	\$24	\$31	\$38	\$45	\$53	\$55	\$55	\$52	\$61	\$73	\$80	\$80	\$52	\$66	\$71	\$81	\$83	\$46	\$55	\$66	\$72	\$72	\$32	\$41	\$44	\$44	\$32	\$41	\$44	\$44	
\$3,000-\$3,999	33	40	50	58	67	70	70	63	76	90	99	99	64	81	88	99	105	56	68	81	89	90	42	52	56	56	42	52	56	56	
\$4,000-\$4,999	42	49	62	70	80	84	84	73	90	105	116	118	75	95	104	115	117	65	80	95	104	106	51	62	67	68	51	62	67	68	
\$5,000-\$5,999	50	58	73	82	92	98	98	83	102	119	132	135	84	107	118	130	134	73	92	107	119	122	59	71	78	79	59	71	78	79	
\$6,000-\$6,999	58	67	83	93	103	110	110	91																							

**Where to Send Your Order for Free Forms and Publications.**—Send your order to the District Director, IRS, for your State. If there is more than one district office in your State, send the order to the office nearest you.

- Alabama—Birmingham, Ala. 35203
- Alaska—Anchorage, Alaska 99510
- Arizona—Phoenix, Ariz. 85025
- Arkansas—Little Rock, Ark. 72203
- California—Los Angeles, Calif. 90012  
San Francisco, Calif. 94102
- Colorado—Denver, Colo. 80202
- Connecticut—Hartford, Conn. 06103
- Delaware—Wilmington, Del. 19801
- District of Columbia—Baltimore, Md. 21201
- Florida—Jacksonville, Fla. 32202
- Georgia—Atlanta, Ga. 30303
- Hawaii—Honolulu, Hawaii 96813
- Idaho—Boise, Idaho 83707
- Illinois—Chicago, Ill. 60602  
Springfield, Ill. 62704
- Indiana—Indianapolis, Ind. 46204
- Iowa—Des Moines, Iowa 50309
- Kansas—Wichita, Kans. 67202
- Kentucky—Louisville, Ky. 40202

- Louisiana—New Orleans, La. 70130
- Maine—Augusta, Maine 04330
- Maryland—Baltimore, Md. 21201
- Massachusetts—Boston, Mass. 02203
- Michigan—Detroit, Mich. 48226
- Minnesota—St. Paul, Minn. 55101
- Mississippi—Jackson, Miss. 39202
- Missouri—St. Louis, Mo. 63101
- Montana—Helena, Mont. 59601
- Nebraska—Omaha, Nebr. 68102
- Nevada—Reno, Nev. 89502
- New Hampshire—Portsmouth, N.H. 03801
- New Jersey—Newark, N.J. 07102
- New Mexico—Albuquerque, N. Mex. 87101
- New York—Albany, N.Y. 12206  
Brooklyn, N.Y. 11201  
Buffalo, N.Y. 14202  
New York, N.Y. 10007
- North Carolina—Greensboro, N.C. 27401
- North Dakota—Fargo, N. Dak. 58102
- Ohio—Cleveland, Ohio 44199  
Cincinnati, Ohio 45202
- Oklahoma—Oklahoma City, Okla. 73102
- Oregon—Portland, Ore. 97204
- Panama Canal Zone—Director, Office of International Operations, Internal Revenue Service, Washington, D.C. 20225

- Pennsylvania—Philadelphia, Pa. 19108  
Pittsburgh, Pa. 15222
- Puerto Rico—Director's Representative, U.S. Internal Revenue Service, 255 Ponce de Leon Avenue, Hato Rey, Puerto Rico 00917
- Rhode Island—Providence, R.I. 02903
- South Carolina—Columbia, S.C. 29201
- South Dakota—Aberdeen, S. Dak. 57401
- Tennessee—Nashville, Tenn. 37203
- Texas—Austin, Tex. 78701  
Dallas, Tex. 75202
- Utah—Salt Lake City, Utah 84110
- Vermont—Burlington, Vt. 05401
- Virginia—Richmond, Va. 23240
- Virgin Islands—Department of Finance, Tax Division, Charlotte Amalie, St. Thomas, Virgin Islands 00801
- Washington—Seattle, Wash. 98121
- West Virginia—Parkersburg, W. Va. 26101
- Wisconsin—Milwaukee, Wis. 53202
- Wyoming—Cheyenne, Wyo. 82001
- Foreign Addresses—Taxpayers with legal residence in foreign countries: Director, Office of International Operations, Internal Revenue Service, Washington, D.C. 20225

**How to Get Forms**

As far as practical, we mail forms and schedules directly to you based on what you filed last year. The IRS will mail people either Short Form 1040A or Form 1040. If you received Form 1040, schedules and forms that may be required include the following, which you may obtain from an Internal Revenue Service office, and at many banks and post offices, or by using the order blank below.

- Schedule A** for itemized deductions;
- Schedule B** for gross dividends and other distributions on stock in excess of \$200, and for interest income in excess of \$200;
- Schedule C** for income from a personally owned business;
- Schedule D** for income from the sale or exchange of capital assets;
- Schedule E** for income from pensions, annuities, rents, royalties, partnerships, estates, trusts, etc.;
- Schedule F** for income from farming;
- Schedule G** for income averaging;
- Schedule R** for retirement income credit;
- Schedule SE** for reporting net earnings from self-employment; and
- Form 1040-ES** for making estimated tax payments.

Some specialized forms available only at Internal Revenue Service offices are:

- Form 1310**, Statement of Claimant to Refund Due Deceased Taxpayer;
- Form 2106**, Employee Business Expenses;
- Form 2120**, Multiple Support Declaration;
- Form 2210**, Underpayment of Estimated Tax by Individuals;
- Form 2440**, Sick-Pay Exclusion;
- Form 2441**, Expenses for Household and Dependent Care Services;
- Form 3468**, Computation of Investment Credit;
- Form 3903**, Moving Expense Adjustment;
- Form 4136**, Computation of Credit for Federal Tax on Gasoline, Special Fuels, and Lubricating Oil;
- Form 4137**, Computation of Social Security Tax on Unreported Tip Income;
- Form 4562** for optional use by individuals, etc., claiming depreciation;
- Form 4683**, U.S. Information Return on Foreign Bank, Securities, and Other Financial Accounts;
- Form 4684** for reporting gains and losses resulting from casualties and thefts;
- Form 4797**, Supplemental Schedule of Gains and Losses;
- Form 4798** for computing a capital loss carryover from the current year to a succeeding taxable year;
- Form 4831** for reporting rental income;

- Form 4832**, Asset Depreciation Range (for determining a reasonable allowance for depreciation of designated classes of assets); and
- Form 4835** for reporting farm rental income and expenses.
- Some helpful publications which may be ordered using the order blank are:
- 501** Exemptions and Dependents
- 502** Medical Expenses
- 506** Computing Your Tax Under the Income Averaging Method
- 521** Moving Expenses
- 522** Sick Pay
- 523** Selling Your Home
- 524** Retirement Income Credit
- 526** Contributions
- 529** Miscellaneous Deductions
- 530** Homeowner's Deductions
- 532** Students and Parents
- 545** Interest Expense
- 552** Recordkeeping Requirements
- 575** Pensions and Annuities
- Publication 17**, Your Federal Income Tax, and **Publication 334**, Tax Guide for Small Business (1973 editions), may be purchased for 75¢ a copy from the Public Documents Distribution Center, Pueblo Industrial Park, Pueblo, Colorado 81009, from any District Director, or from many post offices.
- Other publications and forms referred to in the instructions are available free from any District Director.

**Order Blank for Free Forms and Publications.**—The forms and publications listed below are described above. We will send you 2 copies of each form and 1 copy of each publication checked below. Cut the order blank on the dotted line, write your name and address on the other side and send to the IRS office shown

above. The order blank will be used as a label to return your order. **DO NOT** use the envelope in this booklet to mail this order blank. Orders should be submitted no later than March 15 to insure timely receipt of needed items.

(✓)	Form No.	(✓)	Form No.	(✓)	Form No.	(✓)	Form No.	(✓)	Form No.	(✓)	Pub. No.	(✓)	Pub. No.
	1040		Schedule D (1040)		1310		3468		4684		501		526
	1040 Instr.		Sch. E&R (1040)		2106		3903		4797		502		529
	1040A		Schedule F (1040)		2120		4136		4798		506		530
	1040A Instr.		Schedule G (1040)		2210		4137		4831		521		532
	Sch. A&B (1040)		Schedule SE (1040)		2440		4562		4832		522		545
	Schedule C (1040)		1040-ES		2441		4683		4835		523		552
											524		575

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