# 1040

NOTE: THIS BOOKLET DOES NOT CONTAIN TAX FORMS

# INSTRUCTIONS

Including Instructions for Form 8949 and Schedules 8812, A, C, D, E, F, J, R, and SE

# 2012

**makes doing your taxes faster and easier.**

**is the fast, safe, and free way to prepare and *e-file* your taxes. See *www.irs.gov/freefile.***

Get a faster refund, reduce errors, and save paper. For more information on **IRS** *e-file* and Free File, see Options for *e-filing* your returns in these instructions or click on **IRS** *e-file* at IRS.gov.

**MAILING YOUR RETURN**

If you file a paper return, you may be mailing it to a different address this year.

**FUTURE DEVELOPMENTS**

For the latest information about developments related to Form 1040 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/form1040*.

For details on these and other changes, see *What's New* in these instructions.

IRS

Department of the Treasury **Internal Revenue Service** IRS.gov

Cat. No. 11325E

Department of the Treasury

**Internal Revenue Service**

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## Options for *e-filing* your returns—safely, quickly, and easily.

### Why do 80% of Americans file their taxes electronically?

- *Security*—The IRS uses the latest encryption technology to safeguard your information.
- *Flexible Payments*—File early; pay by April 15.
- *Greater Accuracy*—Fewer errors mean faster processing.
- *Quick Receipt*—Get an acknowledgment that your return was received and accepted.
- *Go Green*—Reduce the amount of paper used.
- *It's Free*—through Free File.
- *Faster Refunds*—Get your refund faster by *e-filing* using direct deposit.

### IRS *e-file:* It's Safe. It's Easy. It's Time.

Joining the 110 million Americans who already are using *e-file* is easy. Just ask your paid or volunteer tax preparer, use commercial software, or use Free File. IRS *e-file* is the safest, most secure way to transmit your tax return to the IRS. Since 1990, the IRS has processed more than 1 billion *e-filed* tax returns safely and securely. There's no paper return to be lost or stolen.

Most tax return preparers are now required to use IRS *e-file*. If you are asked if you want to *e-file*, just give it a try. IRS *e-file* is now the norm, not the exception. Most states also use electronic filing.

#### Free *e-file* Help Available Nationwide

Volunteers are available in communities nationwide providing free tax assistance to low to moderate income (generally under $50,000 in adjusted gross income) and elderly taxpayers (age 60 and older). At selected sites, taxpayers can input and electronically file their own tax return with the assistance of an IRS-certified volunteer.

See *Free Tax Return Assistance* near the end of these instructions for additional information or visit IRS.gov (Keyword: VITA) for a VITA/TCE site near you!

### Everyone Can Free File

If your adjusted gross income was $57,000 or less in 2012, you can use free tax software to prepare and *e-file* your tax return. Earned more? Use Free File Fillable Forms.

**Free File.** This public-private partnership, between the IRS and tax software providers, makes approximately 20 popular commercial software products and *e-file* available for free. Seventy percent of the nation's taxpayers are eligible.

Just visit *www.irs.gov/freefile* for details. Free File combines all the benefits of *e-file* and easy-to-use software at no cost. Guided questions will help ensure you get all the tax credits and deductions you are due. It's fast, safe, and free.

You can review each provider's eligibility rules or use an online tool to find those software products that match your situation. Some providers offer state tax return preparation either for a fee or for free. Free File also is available in English and Spanish.

**Free File Fillable Forms.** The IRS offers electronic versions of IRS paper forms that also can be *e-filed* for free. Free File Fillable Forms is best for people experienced in preparing their own tax returns. There are no income limitations. Free File Fillable Forms does basic math calculations. It supports only federal tax forms.

IRS.gov is the gateway to all electronic services offered by the IRS, as well as the spot to download forms if you should choose to file a paper return.

## Make your tax payments electronically—it's easy.

Do you have a balance due or owe estimated taxes? You can pay electronically either online or by phone, using your bank account or a credit or debit card. If you *e-file* your return, you can also schedule your payment by Electronic Funds Withdrawal or by credit or debit card.

**It's convenient!** You control when your payment is submitted and processed, and receive confirmation of your payment.

**It's secure!** The IRS uses the latest encryption technology to transmit your payment, and does not store your bank information.

**It's green!** Electronic payments are paperless, so no check to write and no voucher to mail.

Visit *www.irs.gov/e-pay* for more information or to make a payment.

## The Taxpayer Advocate Service Is Here To Help You

**What is the Taxpayer Advocate Service?**
The Taxpayer Advocate Service (TAS) is your voice at the IRS. Our job is to ensure that every taxpayer is treated fairly and that you know and understand your rights.

**What can TAS do for you?**
We can offer you free help with IRS problems that you can't resolve on your own. We know the tax process can be confusing, but *the worst thing you can do is nothing at all!* TAS can help if you can't resolve your tax problem and:

- Your problem is causing financial difficulties for you, your family, or your business.
- You face (or your business is facing) an immediate threat of adverse action.
- You've tried repeatedly to contact the IRS but no one has responded, or the IRS hasn't responded by the date promised.

If you qualify for our help, you'll be assigned to one advocate who'll be with you at every turn and will do everything possible to resolve your problem.

- TAS is an independent organization within the IRS. Our advocates know how to work with the IRS to get your problems resolved.
- Our services are free and tailored to meet your needs.
- We have offices in *every state, the District of Columbia, and Puerto Rico*.
- Our *online tax toolkit* can help you understand your rights and options in dealing with the IRS. Go to *www.taxpayeradvocate.irs.gov/Individuals/Get-Tax-Help*.

**How can you reach us?**
If you think TAS can help you, call your local advocate, whose number is in your phone book and on our website at *www.irs.gov/advocate*. You can also call us toll-free at 1-877-777-4778.

**How else does TAS help taxpayers?**
TAS also works to resolve large-scale, systemic problems that affect many taxpayers. If you know of one of these broad issues, please report it to us through our Systemic Advocacy Management System at *www.irs.gov/advocate*.

## Low Income Taxpayer Clinics Help Taxpayers

Low Income Taxpayer Clinics (LITCs) are independent from the IRS. Some serve individuals whose income is below a certain level and who need to resolve a tax problem. These clinics provide professional representation before the IRS or in court on audits, appeals, tax collection disputes, and other issues for free or for a small fee. Some clinics provide information about taxpayer rights and responsibilities in many different languages for individuals who speak English as a second language. For more information, and to find a clinic near you, read the LITC page on *www.irs.gov/advocate* or IRS *Publication 4134, Low Income Taxpayer Clinic List*. You can also get this publication at your local IRS office or by calling 1-800-829-3676.

## Suggestions for Improving the IRS

### Taxpayer Advocacy Panel

Have a suggestion for improving the IRS and do not know who to contact? The Taxpayer Advocacy Panel (TAP) is a diverse group of citizen volunteers who listen to taxpayers, identify taxpayers' issues, and make suggestions for improving IRS service and customer satisfaction. The panel is demographically and geographically diverse, with at least one member from each state, the District of Columbia, and Puerto Rico. Contact TAP at *www.improveirs.org* or 1-888-912-1227 (toll-free).

## The IRS Mission

Provide America's taxpayers top quality service by helping them understand and meet their tax responsibilities and by applying the tax law with integrity and fairness to all.

# What's New

For information about any additional changes to the 2012 tax law or any other developments affecting Form 1040 or its instructions, go to *www.irs.gov/form1040*.

**Tax benefits extended.** Several temporary tax benefits have been extended through 2013, including the following.

- Deduction for educator expenses in figuring adjusted gross income (line 23).
- Tuition and fees deduction (line 34).
- Credit for nonbusiness energy property (line 52).
- Election to deduct state and local sales taxes instead of state and local income taxes (Schedule A).
- Deduction for mortgage insurance premiums (Schedule A).
- Exclusion from income of qualified charitable distributions (see the instructions for lines 15a and 15b).

**Standard mileage rates.** The 2012 rate for business use of your vehicle remains 55½ cents a mile. The 2012 rate for use of your vehicle to get medical care or to move is decreased to 23 cents a mile.

**Roth IRAs.** If you converted or rolled over an amount to a Roth IRA in 2010 and did not elect to report the taxable amount on your 2010 return, you generally should have reported half of it on your 2011 return. Report the rest on your 2012 return. Report the amount that is taxable on your 2012 return on line 15b (for conversions from IRAs) or 16b (for rollovers from qualified retirement plans). See the instructions for lines 15a and 15b and lines 16a and 16b.

**Designated Roth accounts.** If you rolled over an amount from a 401(k) or 403(b) plan to a designated Roth account in 2010 and did not elect to report the taxable amount on your 2010 return, you generally should have reported half of it on your 2011 return. Report the rest on your 2012 return. See the instructions for lines 16a and 16b.

**Schedule 8812.** Use Schedule 8812 (Form 1040A or 1040) to figure your additional child tax credit for 2012. Schedule 8812 is new for 2012. Form 8812 is no longer in use. See the instructions for line 65.

**Identity Protection Personal Identification Number (IP PIN).** If we sent you an IP PIN, see *Identity Protection PIN* after the instructions for line 77 to find out how to use it.

**Expired tax benefits.** The first-time homebuyer credit has expired. You cannot claim it on your 2012 return. That is why line 67 is shown as "Reserved."

The District of Columbia first-time homebuyer credit cannot be claimed for homes bought after 2011.

The adoption credit stopped being refundable at the end of 2011. That is why line 71, box b, is shown as "Reserved." You can claim the adoption credit on line 53. See the instructions for line 53.

**Mailing your return.** If you are filing a paper return, you may be mailing it to a different address this year because the IRS has changed the filing location for several areas. See *Where Do You File?* at the end of these instructions.

# Filing Requirements

These rules apply to all U.S. citizens, regardless of where they live, and resident aliens.

Have you tried IRS *e-file?* It's the fastest way to get your refund and it's free if you are eligible. Visit IRS.gov for details.

## Do You Have To File?

Use Chart A, B, or C to see if you must file a return. U.S. citizens who lived in or had income from a U.S. possession should see Pub. 570. Residents of Puerto Rico can use TeleTax topic 901 to see if they must file.

TIP *Even if you do not otherwise have to file a return, you should file one to get a refund of any federal income tax withheld. You should also file if you are eligible for any of the following credits.*

- *Earned income credit.*
- *Additional child tax credit.*
- *American opportunity credit.*
- *Credit for federal tax on fuels.*
- *Refundable credit for prior year minimum tax.*
- *Health coverage tax credit.*

See Pub. 501 for details. Also see Pub. 501 if you do not have to file but received a Form 1099-B (or substitute statement).

**Exception for certain children under age 19 or full-time students.** If certain conditions apply, you can elect to include on your return the income of a child who was under age 19 at the end of 2012 or was a full-time student under age 24 at the end of 2012. To do so, use Form 8814. If you make this election, your child does not have to file a return. For details, use TeleTax topic 553 or see Form 8814.

A child born on January 1, 1989, is considered to be age 24 at the end of 2012. Do not use Form 8814 for such a child.

**Resident aliens.** These rules also apply if you were a resident alien. Also, you may qualify for certain tax treaty benefits. See Pub. 519 for details.

**Nonresident aliens and dual-status aliens.** These rules also apply if you were a nonresident alien or a dual-status alien and both of the following apply.

- You were married to a U.S. citizen or resident alien at the end of 2012.
- You elected to be taxed as a resident alien.

See Pub. 519 for details.

CAUTION *Specific rules apply to determine if you are a resident alien, nonresident alien, or dual-status alien. Most nonresident aliens and dual-status aliens have different filing requirements and may have to file Form 1040NR or Form 1040NR-EZ. Pub. 519 discusses these requirements and other information to help aliens comply with U.S. tax law, including tax treaty benefits and special rules for students and scholars.*

## When and Where Should You File?

File Form 1040 by **April 15, 2013.** If you file after this date, you may have to pay interest and penalties. See *Interest and Penalties,* later.

If you were serving in, or in support of, the U.S. Armed Forces in a designated combat zone or contingency operation, you may be able to file later. See Pub. 3 for details.

Filing instructions and addresses are at the end of these instructions.

### What if You Cannot File on Time?

You can get an automatic 6-month extension if, no later than the date your return is due, you file Form 4868. For details, see Form 4868.

CAUTION *An automatic 6-month extension to file does not extend the time to pay your tax. If you do not pay your tax by the original due date of your return, you will owe interest on the unpaid tax and may owe penalties. See Form 4868.*

If you are a U.S. citizen or resident alien, you may qualify for an automatic extension of time to file without filing Form 4868. You qualify if, on the due date of your return, you meet one of the following conditions.

- You live outside the United States and Puerto Rico and your main place of business or post of duty is outside the United States and Puerto Rico.
- You are in military or naval service on duty outside the United States and Puerto Rico.

This extension gives you an extra 2 months to file and pay the tax, but interest will be charged from the original due date of the return on any unpaid tax. You must include a statement showing that you meet the requirements. If you are still unable to file your return by the end of the 2-month period, you can get an additional 4 months if, no later than June 17, 2013, you file Form 4868. This 4-month extension of time to file does not extend the time to pay your tax. See Form 4868.

### Private Delivery Services

You can use certain private delivery services designated by the IRS to meet the "timely mailing as timely filing/paying" rule for tax returns and payments. These private delivery services include only the following.

- DHL Express (DHL): DHL Same Day Service.
- Federal Express (FedEx): FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day, FedEx International Priority, and FedEx International First.
- United Parcel Service (UPS): UPS Next Day Air, UPS Next Day Air Saver,

UPS 2nd Day Air, UPS 2nd Day Air A.M., UPS Worldwide Express Plus, and UPS Worldwide Express.

For the IRS mailing address to use if you are using a private delivery service, go to IRS.gov and enter "private delivery service" in the search box.

The private delivery service can tell you how to get written proof of the mailing date.

## Chart A—For Most People

| IF your filing status is . . . | AND at the end of 2012 you were* . . . | THEN file a return if your gross income** was at least . . . |
|---|---|---|
| Single (see the instructions for line 1) | under 65<br>65 or older | $9,750<br>11,200 |
| Married filing jointly*** (see the instructions for line 2) | under 65 (both spouses)<br>65 or older (one spouse)<br>65 or older (both spouses) | $19,500<br>20,650<br>21,800 |
| Married filing separately (see the instructions for line 3) | any age | $3,800 |
| Head of household (see the instructions for line 4) | under 65<br>65 or older | $12,500<br>13,950 |
| Qualifying widow(er) with dependent child (see the instructions for line 5) | under 65<br>65 or older | $15,700<br>16,850 |

**If you were born on January 1, 1948, you are considered to be age 65 at the end of 2012.*

******Gross income*** *means all income you received in the form of money, goods, property, and services that is not exempt from tax, including any income from sources outside the United States or from the sale of your main home (even if you can exclude part or all of it). Do not include any social security benefits unless (a) you are married filing a separate return and you lived with your spouse at any time in 2012 or (b) one-half of your social security benefits plus your other gross income and any tax-exempt interest is more than $25,000 ($32,000 if married filing jointly). If (a) or (b) applies, see the instructions for lines 20a and 20b to figure the taxable part of social security benefits you must include in gross income. Gross income includes gains, but not losses, reported on Form 8949 or Schedule D. Gross income from a business means, for example, the amount on Schedule C, line 7, or Schedule F, line 9. But, in figuring gross income, do not reduce your income by any losses, including any loss on Schedule C, line 7, or Schedule F, line 9.*

****If you did not live with your spouse at the end of 2012 (or on the date your spouse died) and your gross income was at least $3,800, you must file a return regardless of your age.*

## **Chart B—For Children and Other Dependents** (See the instructions for line 6c to find out if someone can claim you as a dependent.)

If your parent (or someone else) can claim you as a dependent, use this chart to see if you must file a return.

In this chart, **unearned income** includes taxable interest, ordinary dividends, and capital gain distributions. It also includes unemployment compensation, taxable social security benefits, pensions, annuities, and distributions of unearned income from a trust. **Earned income** includes salaries, wages, tips, professional fees, and taxable scholarship and fellowship grants. **Gross income** is the total of your unearned and earned income.

**Single dependents.** Were you **either** age 65 or older **or** blind?

☐ **No.** You must file a return if **any** of the following apply.

- Your unearned income was over $950.
- Your earned income was over $5,950.
- Your gross income was more than the **larger** of—
  - $950, or
  - Your earned income (up to $5,650) plus $300.

☐ **Yes.** You must file a return if **any** of the following apply.

- Your unearned income was over $2,400 ($3,850 if 65 or older **and** blind).
- Your earned income was over $7,400 ($8,850 if 65 or older **and** blind).
- Your gross income was more than the **larger** of—
  - $2,400 ($3,850 if 65 or older **and** blind), or
  - Your earned income (up to $5,650) plus $1,750 ($3,200 if 65 or older **and** blind).

**Married dependents.** Were you **either** age 65 or older **or** blind?

☐ **No.** You must file a return if **any** of the following apply.

- Your unearned income was over $950.
- Your earned income was over $5,950.
- Your gross income was at least $5 and your spouse files a separate return and itemizes deductions.
- Your gross income was more than the **larger** of—
  - $950, or
  - Your earned income (up to $5,650) plus $300.

☐ **Yes.** You must file a return if **any** of the following apply.

- Your unearned income was over $2,100 ($3,250 if 65 or older **and** blind).
- Your earned income was over $7,100 ($8,250 if 65 or older **and** blind).
- Your gross income was at least $5 and your spouse files a separate return and itemizes deductions.
- Your gross income was more than the **larger** of—
  - $2,100 ($3,250 if 65 or older **and** blind), or
  - Your earned income (up to $5,650) plus $1,450 ($2,600 if 65 or older **and** blind).

## Chart C—Other Situations When You Must File

| You must file a return if any of the four conditions below apply for 2012. |
|---|
| **1.** You owe any special taxes, including any of the following.<br>**a.** Alternative minimum tax.<br>**b.** Additional tax on a qualified plan, including an individual retirement arrangement (IRA), or other tax-favored account. But if you are filing a return only because you owe this tax, you can file **Form 5329** by itself.<br>**c.** Household employment taxes. But if you are filing a return only because you owe this tax, you can file **Schedule H** by itself.<br>**d.** Social security and Medicare tax on tips you did not report to your employer or on wages you received from an employer who did not withhold these taxes.<br>**e.** Recapture of first-time homebuyer credit. See the instructions for line 59b.<br>**f.** Write-in taxes, including uncollected social security and Medicare or RRTA tax on tips you reported to your employer or on group-term life insurance and additional taxes on health savings accounts. See the instructions for line 60.<br>**g.** Recapture taxes. See the instructions for line 44 and line 60. |
| **2.** You (or your spouse, if filing jointly) received HSA, Archer MSA, or Medicare Advantage MSA distributions. |
| **3.** You had net earnings from self-employment of at least $400. |
| **4.** You had wages of $108.28 or more from a church or qualified church-controlled organization that is exempt from employer social security and Medicare taxes. |

## Where To Report Certain Items From 2012 Forms W-2, 1097, 1098, and 1099

IRS *e-file* takes the guesswork out of preparing your return. You may also be eligible to use Free File to file your federal income tax return. Visit *www.irs.gov/efile* for details.

If any federal income tax withheld is shown on these forms, include the tax withheld on Form 1040, line 62. If any state or local income tax withheld is shown on these forms and you deduct state and local income taxes on Schedule A, line 5, include the tax withheld in your deduction on that line.

| Form | Item and Box in Which It Should Appear | Where To Report |
|---|---|---|
| W-2 | Wages, tips, other compensation (box 1) | Form 1040, line 7 |
| | Allocated tips (box 8) | See *Wages, Salaries, Tips, etc.* |
| | Dependent care benefits (box 10) | Form 2441, Part III |
| | Adoption benefits (box 12, code T) | Form 8839, line 16 |
| | Employer contributions to an Archer MSA (box 12, code R) | Form 8853, line 1 |
| | Employer contributions to a health savings account (box 12, code W) | Form 8889, line 9 |
| | Uncollected social security and Medicare or RRTA tax (box 12, code A, B, M, or N) | See the instructions for Form 1040, line 60 |
| W-2G | Gambling winnings (box 1) | Form 1040, line 21 (Schedule C or C-EZ for professional gamblers) |
| 1097-BTC | Bond tax credit | See Form 8912 and its instructions |
| 1098 | Mortgage interest (box 1)<br>Points (box 2) | Schedule A, line 10, but first see the instructions on Form 1098* |
| | Refund of overpaid interest (box 3) | Form 1040, line 21, but first see the instructions on Form 1098* |
| | Mortgage insurance premiums | See the instructions for Schedule A, line 13* |
| 1098-C | Contributions of motor vehicles, boats, and airplanes | Schedule A, line 17 |
| 1098-E | Student loan interest (box 1) | See the instructions for Form 1040, line 33* |
| 1098-MA | Homeowner mortgage payments (box 3) | Schedule A, but first see the instructions on Form 1098-MA |
| 1098-T | Qualified tuition and related expenses (box 1) | See the instructions for Form 1040, line 34, or Form 1040, line 49; but first see the instructions on Form 1098-T* |
| 1099-A | Acquisition or abandonment of secured property | See Pub. 4681 |
| 1099-B | Sales price of stocks, bonds, etc. (box 2a), cost or other basis (box 3), and wash sale loss disallowed (box 5) | Form 8949, but first see the Instructions for Form 8949 |
| | Bartering (box 7) | See Pub. 525 |
| | Aggregate profit or (loss) on contracts (box 12) | Form 6781, line 1 |
| 1099-C | Canceled debt (box 2) | See Pub. 4681 |
| 1099-DIV | Total ordinary dividends (box 1a) | Form 1040, line 9a |
| | Qualified dividends (box 1b) | See the instructions for Form 1040, line 9b |
| | Total capital gain distributions (box 2a) | Form 1040, line 13, or, if required, Schedule D, line 13 |
| | Unrecaptured section 1250 gain (box 2b) | See the instructions for Schedule D, line 19 |
| | Section 1202 gain (box 2c) | See *Exclusion of Gain on Qualified Small Business (QSB) Stock* in the instructions for Schedule D |
| | Collectibles (28%) gain (box 2d) | See the instructions for Schedule D, line 18 |
| | Nondividend distributions (box 3) | See the instructions for Form 1040, line 9a |
| | Investment expenses (box 5) | Schedule A, line 23 |
| | Foreign tax paid (box 6) | Form 1040, line 47, or Schedule A, line 8; but first see the instructions for line 47 |
| | Exempt-interest dividends (box 10) | Form 1040, line 8b |
| | Specified private activity bond interest dividends (box 11) | Form 6251, line 12 |

**If the item relates to an activity for which you are required to file Schedule C, C-EZ, E, or F or Form 4835, report the taxable or deductible amount allocable to the activity on that schedule or form instead.*

| Form | Item and Box in Which It Should Appear | Where To Report |
|---|---|---|
| 1099-G | Unemployment compensation (box 1) | See the instructions for Form 1040, line 19 |
| | State or local income tax refunds, credits, or offsets (box 2) | See the instructions for Form 1040, line 10, and if box 8 on Form 1099-G is checked, see the box 8 instructions |
| | ATAA/RTAA payments (box 5) | Form 1040, line 21 |
| | Taxable grants (box 6) | Form 1040, line 21* |
| | Agriculture payments (box 7) | See the Instructions for Schedule F or Pub. 225* |
| | Market gain (box 9) | See the Instructions for Schedule F |
| 1099-INT | Interest income (box 1) | See the instructions for Form 1040, line 8a |
| | Early withdrawal penalty (box 2) | Form 1040, line 30 |
| | Interest on U.S. savings bonds and Treasury obligations (box 3) | See the instructions for Form 1040, line 8a |
| | Investment expenses (box 5) | Schedule A, line 23 |
| | Foreign tax paid (box 6) | Form 1040, line 47, or Schedule A, line 8; but first see the instructions for line 47 |
| | Tax-exempt interest (box 8) | Form 1040, line 8b |
| | Specified private activity bond interest (box 9) | Form 6251, line 12 |
| 1099-K | Payment card and third party network transactions | Schedule C, C-EZ, E, or F |
| 1099-LTC | Long-term care and accelerated death benefits | See Pub. 525 and the Instructions for Form 8853 |
| 1099-MISC | Rents (box 1) | See the Instructions for Schedule E* |
| | Royalties (box 2) | See the Instructions for Schedule E* (for timber, coal, and iron ore royalties, see Pub. 544)* |
| | Other income (box 3) | Form 1040, line 21* |
| | Nonemployee compensation (box 7) | Schedule C, C-EZ, or F; but if you were not self-employed, see the instructions on Form 1099-MISC |
| | Excess golden parachute payments (box 13) | See the instructions for Form 1040, line 60 |
| | Other (boxes 5, 6, 8, 9, 10, 14, and 15b) | See the instructions on Form 1099-MISC |
| 1099-OID | Original issue discount (box 1)<br>Other periodic interest (box 2) | See the instructions on Form 1099-OID |
| | Early withdrawal penalty (box 3) | Form 1040, line 30 |
| | Original issue discount on U.S. Treasury obligations (box 6) | See the instructions on Form 1099-OID |
| | Investment expenses (box 7) | Schedule A, line 23 |
| 1099-PATR | Patronage dividends and other distributions from a cooperative (boxes 1, 2, 3, and 5) | Schedule C, C-EZ, or F or Form 4835; but first see the instructions on Form 1099-PATR |
| | Domestic production activities deduction (box 6) | Form 8903, line 23 |
| | Credits and other deductions (boxes 7, 8, and 10) | See the instructions on Form 1099-PATR |
| | Patron's AMT adjustment (box 9) | Form 6251, line 27 |
| 1099-Q | Qualified education program payments | See the instructions for Form 1040, line 21 |
| 1099-R | Distributions from IRAs** | See the instructions for Form 1040, lines 15a and 15b |
| | Distributions from pensions, annuities, etc. | See the instructions for Form 1040, lines 16a and 16b |
| | Capital gain (box 3) | See the instructions on Form 1099-R |
| 1099-S | Gross proceeds from real estate transactions (box 2) | Form 4797, Form 6252, Form 8824, or Form 8949 |
| | Buyer's part of real estate tax (box 5) | See the instructions for Schedule A, line 6* |
| 1099-SA | Distributions from health savings accounts (HSAs) | Form 8889, line 14a |
| | Distributions from MSAs*** | Form 8853 |

**If the item relates to an activity for which you are required to file Schedule C, C-EZ, E, or F or Form 4835, report the taxable or deductible amount allocable to the activity on that schedule or form instead.*

***This includes distributions from Roth, SEP, and SIMPLE IRAs.*

****This includes distributions from Archer and Medicare Advantage MSAs.*

# Line Instructions for Form 1040

IRS *e-file* takes the guesswork out of preparing your return. You may also be eligible to use Free File to file your federal income tax return. Visit *www.irs.gov/efile* for details.

Section references are to the Internal Revenue Code.

## Name and Address

Print or type the information in the spaces provided. If you are married filing a separate return, enter your spouse's name on line 3 instead of below your name.

TIP *If you filed a joint return for 2011 and you are filing a joint return for 2012 with the same spouse, be sure to enter your names and SSNs in the same order as on your 2011 return.*

### Name Change

If you changed your name because of marriage, divorce, etc., be sure to report the change to the Social Security Administration (SSA) before filing your return. This prevents delays in processing your return and issuing refunds. It also safeguards your future social security benefits.

### Address Change

If you plan to move after filing your return, use Form 8822 to notify the IRS of your new address.

### P.O. Box

Enter your box number only if your post office does not deliver mail to your home.

### Foreign Address

If you have a foreign address, enter the city name on the appropriate line. Do not enter any other information on that line, but also complete the spaces below that line. Do not abbreviate the country name. Follow the country's practice for entering the postal code and the name of the province, county, or state.

### Death of a Taxpayer

See *Death of a Taxpayer* under *General Information,* later.

## Social Security Number (SSN)

An incorrect or missing SSN can increase your tax, reduce your refund, or delay your refund. To apply for an SSN, fill in Form SS-5 and return it, along with the appropriate evidence documents, to the Social Security Administration (SSA). You can get Form SS-5 online at *www.socialsecurity.gov*, from your local SSA office, or by calling the SSA at 1-800-772-1213. It usually takes about 2 weeks to get an SSN once the SSA has all the evidence and information it needs.

Check that both the name and SSN on your Forms 1040, W-2, and 1099 agree with your social security card. If they do not, certain deductions and credits on your Form 1040 may be reduced or disallowed and you may not receive credit for your social security earnings. If your Form W-2 shows an incorrect SSN or name, notify your employer or the form-issuing agent as soon as possible to make sure your earnings are credited to your social security record. If the name or SSN on your social security card is incorrect, call the SSA.

### IRS Individual Taxpayer Identification Numbers (ITINs) for Aliens

If you are a nonresident or resident alien and you do not have and are not eligible to get an SSN, you must apply for an ITIN. For details on how to do so, see Form W-7 and its instructions. It takes 6 to 10 weeks to get an ITIN.

If you already have an ITIN, enter it wherever your SSN is requested on your tax return.

**Note.** An ITIN is for tax use only. It does not entitle you to social security benefits or change your employment or immigration status under U.S. law.

### Nonresident Alien Spouse

If your spouse is a nonresident alien, he or she must have either an SSN or an ITIN if:

- You file a joint return,
- You file a separate return and claim an exemption for your spouse, or
- Your spouse is filing a separate return.

## Presidential Election Campaign Fund

This fund helps pay for Presidential election campaigns. The fund reduces candidates' dependence on large contributions from individuals and groups and places candidates on an equal financial footing in the general election. If you want $3 to go to this fund, check the box. If you are filing a joint return, your spouse can also have $3 go to the fund. If you check a box, your tax or refund will not change.

## Filing Status

Check only the filing status that applies to you. The ones that will usually give you the lowest tax are listed last.

- Married filing separately.
- Single.
- Head of household.
- Married filing jointly or qualifying widow(er) with dependent child.

TIP *More than one filing status can apply to you. You can choose the one that will give you the lowest tax.*

# Line 1

## Single

You can check the box on line 1 if any of the following was true on December 31, 2012.

- You were never married.
- You were legally separated according to your state law under a decree of divorce or separate maintenance. But if, at the end of 2012, your divorce was not final (an interlocutory decree), you are considered married and cannot check the box on line 1.
- You were widowed before January 1, 2012, and did not remarry before the end of 2012. But if you have a dependent child, you may be able to use the qualifying widow(er) filing status. See the instructions for line 5.

# Line 2

## Married Filing Jointly

You can check the box on line 2 if any of the following apply.

- You were married at the end of 2012, even if you did not live with your spouse at the end of 2012.
- Your spouse died in 2012 and you did not remarry in 2012.
- You were married at the end of 2012, and your spouse died in 2013 before filing a 2012 return.

For federal tax purposes, a marriage means only a legal union between a man and a woman as husband and wife, and the word "spouse" means a person of the opposite sex who is a husband or a wife. A husband and wife filing jointly report their combined income and deduct their combined allowable expenses on one return. They can file a joint return even if only one had income or if they did not live together all year. However, both persons must sign the return. Once you file a joint return, you cannot choose to file separate returns for that year after the due date of the return.

**Joint and several tax liability.** If you file a joint return, both you and your spouse are generally responsible for the tax and interest or penalties due on the return. This means that if one spouse does not pay the tax due, the other may have to. Or, if one spouse does not report the correct tax, both spouses may be responsible for any additional taxes assessed by the IRS. You may want to file separately if:

- You believe your spouse is not reporting all of his or her income, or
- You do not want to be responsible for any taxes due if your spouse does not have enough tax withheld or does not pay enough estimated tax.

See the instructions for line 3. Also see *Innocent Spouse Relief* under *General Information,* later.

**Nonresident aliens and dual-status aliens.** Generally, a husband and wife cannot file a joint return if either spouse is a nonresident alien at any time during the year. However, if you were a nonresident alien or a dual-status alien and were married to a U.S. citizen or resident alien at the end of 2012, you can elect to be treated as a resident alien and file a joint return. See Pub. 519 for details.

# Line 3

## Married Filing Separately

If you are married and file a separate return, you generally report only your own income, exemptions, deductions, and credits. Generally, you are responsible only for the tax on your own income. Different rules apply to people in community property states; see Pub. 555.

However, you will usually pay more tax than if you use another filing status for which you qualify. Also, if you file a separate return, you cannot take the student loan interest deduction, the tuition and fees deduction, the education credits, or the earned income credit. You also cannot take the standard deduction if your spouse itemizes deductions.

Be sure to enter your spouse's SSN or ITIN on Form 1040. If your spouse does not have and is not required to have an SSN or ITIN, enter "NRA."

**TIP** *You may be able to file as head of household if you had a child living with you and you lived apart from your spouse during the last 6 months of 2012. See* Married persons who live apart.

# Line 4

## Head of Household

This filing status is for unmarried individuals who provide a home for certain other persons. You are considered unmarried for this purpose if any of the following applies.

- You were legally separated according to your state law under a decree of divorce or separate maintenance at the end of 2012. But if, at the end of 2012, your divorce was not final (an interlocutory decree), you are considered married.
- You are married but lived apart from your spouse for the last 6 months of 2012 and you meet the other rules under *Married persons who live apart*.
- You are married to a nonresident alien at any time during the year and you do not choose to treat him or her as a resident alien.

Check the box on line 4 only if you are unmarried (or considered unmarried) and either *Test 1* or *Test 2* applies.

**Test 1.** You paid over half the cost of keeping up a home that was the main home for all of 2012 of your parent whom you can claim as a dependent, except under a multiple support agreement (see the line 6c instructions). Your parent did not have to live with you.

**Test 2.** You paid over half the cost of keeping up a home in which you lived and in which one of the following also lived for more than half of the year (if half or less, see *Exception to time lived with you*).

1. Any person whom you can claim as a dependent. But do not include:

a. Your child whom you claim as your dependent because of the rule for *Children of divorced or separated parents* in the line 6c instructions,

b. Any person who is your dependent only because he or she lived with you for all of 2012, or

c. Any person you claimed as a dependent under a multiple support agreement. See the line 6c instructions.

2. Your unmarried qualifying child who is not your dependent.

3. Your married qualifying child who is not your dependent only because

you can be claimed as a dependent on someone else's 2012 return.

4. Your qualifying child who, even though you are the custodial parent, is not your dependent because of the rule for *Children of divorced or separated parents* in the line 6c instructions.

If the child is not your dependent, enter the child's name on line 4. If you do not enter the name, it will take us longer to process your return.

**Qualifying child.** To find out if someone is your qualifying child, see Step 1 of the line 6c instructions.

**Dependent.** To find out if someone is your dependent, see the instructions for line 6c.

**Exception to time lived with you.** Temporary absences by you or the other person for special circumstances, such as school, vacation, business, medical care, military service, or detention in a juvenile facility, count as time lived in the home. Also see *Kidnapped child* in the line 6c instructions, if applicable.

If the person for whom you kept up a home was born or died in 2012, you can still file as head of household as long as the home was that person's main home for more than half of the part of the year he or she was alive.

**Keeping up a home.** To find out what is included in the cost of keeping up a home, see Pub. 501.

If you used payments you received under Temporary Assistance for Needy Families (TANF) or other public assistance programs to pay part of the cost of keeping up your home, you cannot count them as money you paid. However, you must include them in the total cost of keeping up your home to figure if you paid over half the cost.

**Married persons who live apart.** Even if you were not divorced or legally separated at the end of 2012, you are considered unmarried if all of the following apply.

- You lived apart from your spouse for the last 6 months of 2012. Temporary absences for special circumstances, such as for business, medical care, school, or military service, count as time lived in the home.
- You file a separate return from your spouse.
- You paid over half the cost of keeping up your home for 2012.
- Your home was the main home of your child, stepchild, or foster child for more than half of 2012 (if half or less, see *Exception to time lived with you*, earlier).
- You can claim this child as your dependent or could claim the child except that the child's other parent can claim him or her under the rule for *Children of divorced or separated parents* in the line 6c instructions.

***Adopted child.*** An adopted child is always treated as your own child. An adopted child includes a child lawfully placed with you for legal adoption.

***Foster child.*** A foster child is any child placed with you by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.

## Line 5

### Qualifying Widow(er) With Dependent Child

You can check the box on line 5 and use joint return tax rates for 2012 if all of the following apply.

- Your spouse died in 2010 or 2011 and you did not remarry before the end of 2012.
- You have a child or stepchild whom you claim as a dependent. This does not include a foster child.
- This child lived in your home for all of 2012. If the child did not live with you for the required time, see *Exception to time lived with you*, later.
- You paid over half the cost of keeping up your home.
- You could have filed a joint return with your spouse the year he or she died, even if you did not actually do so.

If your spouse died in 2012, you cannot file as qualifying widow(er) with dependent child. Instead, see the instructions for line 2.

**Adopted child.** An adopted child is always treated as your own child. An adopted child includes a child lawfully placed with you for legal adoption.

**Dependent.** To find out if someone is your dependent, see the instructions for line 6c.

**Exception to time lived with you.** Temporary absences by you or the child for special circumstances, such as school, vacation, business, medical care, military service, or detention in a juvenile facility, count as time lived in the home. Also see *Kidnapped child* in the line 6c instructions, if applicable.

A child is considered to have lived with you for all of 2012 if the child was born or died in 2012 and your home was the child's home for the entire time he or she was alive.

**Keeping up a home.** To find out what is included in the cost of keeping up a home, see Pub. 501.

If you used payments you received under Temporary Assistance for Needy Families (TANF) or other public assistance programs to pay part of the cost of keeping up your home, you cannot count them as money you paid. However, you must include them in the total cost of keeping up your home to figure if you paid over half the cost.

# Exemptions

You can deduct $3,800 on line 42 for each exemption you can take.

## Line 6b

### Spouse

Check the box on line 6b if either of the following applies.

1. Your filing status is married filing jointly and your spouse cannot be claimed as a dependent on another person's return.

2. You were married at the end of 2012, your filing status is married filing separately or head of household, and both of the following apply.

a. Your spouse had no income and is not filing a return.

b. Your spouse cannot be claimed as a dependent on another person's return.

If your filing status is head of household and you check the box on line 6b, enter the name of your spouse on the dotted line next to line 6b. Also, enter your spouse's social security number in the space provided at the top of your return. If you became divorced or legally

separated during 2012, you cannot take an exemption for your former spouse.

**Death of your spouse.** If your spouse died in 2012 and you did not remarry by the end of 2012, check the box on line 6b if you could have taken an exemption for your spouse on the date of death. For other filing instructions, see *Death of a Taxpayer* under *General Information,* later.

# Line 6c—Dependents

## Dependents and Qualifying Child for Child Tax Credit

Follow the steps below to find out if a person qualifies as your dependent, qualifies you to take the child tax credit, or both. If you have more than four dependents, check the box to the left of line 6c and include a statement showing the information required in columns (1) through (4).

## Step 1 Do You Have a Qualifying Child?

**A qualifying child is a child who is your...**

Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, half brother, half sister, or a descendant of any of them (for example, your grandchild, niece, or nephew)

**AND**

**was ...**

Under age 19 at the end of 2012 and younger than you (or your spouse, if filing jointly)

or

Under age 24 at the end of 2012, a student (defined later), and younger than you (or your spouse, if filing jointly)

or

Any age and permanently and totally disabled (defined later)

**AND**

Who did not provide over half of his or her own support for 2012 (see Pub. 501)

**AND**

Who is not filing a joint return for 2012 or is filing a joint return for 2012 only to claim a refund of withheld income tax or estimated tax paid (see Pub. 501 for details and examples)

**AND**

Who lived with you for more than half of 2012. If the child did not live with you for the required time, see *Exception to time lived with you,* later.

**CAUTION** *If the child meets the conditions to be a qualifying child of any other person (other than your spouse if filing jointly) for 2012, see* Qualifying child of more than one person, *later.*

1. Do you have a child who meets the conditions to be your qualifying child?

   ☐ **Yes.** Go to Step 2. ☐ **No.** Go to Step 4.

## Step 2 Is Your Qualifying Child Your Dependent?

1. Was the child a U.S. citizen, U.S. national, U.S. resident alien, or a resident of Canada or Mexico? (See Pub. 519 for the definition of a U.S. national or U.S. resident alien. If the child was adopted, see *Exception to citizen test,* later.)

   ☐ **Yes.** Continue ☐ **No.** STOP You cannot claim this child as a dependent. Go to Form 1040, line 7.

2. Was the child married?

   ☐ **Yes.** See *Married person,* later. ☐ **No.** Continue

3. Could you, or your spouse if filing jointly, be claimed as a dependent on someone else's 2012 tax return? See Steps 1, 2, and 4.

   ☐ **Yes.** You cannot claim any dependents. Go to Form 1040, line 7. ☐ **No.** You can claim this child as a dependent. Complete Form 1040, line 6c, columns (1) through (3) for this child. Then, go to Step 3.

## Step 3 Does Your Qualifying Child Qualify You for the Child Tax Credit?

1. Was the child under age 17 at the end of 2012?

   ☐ **Yes.** Continue ☐ **No.** STOP This child is not a qualifying child for the child tax credit. Go to Form 1040, line 7.

2. Was the child a U.S. citizen, U.S. national, or U.S. resident alien? (See Pub. 519 for the definition of a U.S. national or U.S. resident alien. If the child was adopted, see *Exception to citizen test,* later.)

   ☐ **Yes.** This child is a qualifying child for the child tax credit. Check the box on Form 1040, line 6c, column (4). ☐ **No.** STOP This child is not a qualifying child for the child tax credit. Go to Form 1040, line 7.

## Step 4 Is Your Qualifying Relative Your Dependent?

**A qualifying relative is a person who is your...**

Son, daughter, stepchild, foster child, or a descendant of any of them (for example, your grandchild)

or

Brother, sister, half brother, half sister, or a son or daughter of any of them (for example, your niece or nephew)

or

Father, mother, or an ancestor or sibling of either of them (for example, your grandmother, grandfather, aunt, or uncle)

or

Stepbrother, stepsister, stepfather, stepmother, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, or sister-in-law

or

Any other person (other than your spouse) who lived with you all year as a member of your household if your relationship did not violate local law. If the person did not live with you for the required time, see *Exception to time lived with you*, later

**AND**

Who was not a qualifying child (see Step 1) of any taxpayer for 2012. For this purpose, a person is not a taxpayer if he or she is not required to file a U.S. income tax return **and** either does not file such a return or files only to get a refund of withheld income tax or estimated tax paid. See Pub. 501 for details and examples

**AND**

Who had gross income of less than $3,800 in 2012. If the person was permanently and totally disabled, see *Exception to gross income test*, later

**AND**

For whom you provided over half of his or her support in 2012. But see *Children of divorced or separated parents*, *Multiple support agreements*, and *Kidnapped child*, later.

1. Does any person meet the conditions to be your qualifying relative?

   ☐ **Yes.** Continue ☐ **No.** STOP Go to Form 1040, line 7.

2. Was your qualifying relative a U.S. citizen, U.S. national, U.S. resident alien, or a resident of Canada or Mexico? (See Pub. 519 for the definition of a U.S. national or U.S. resident alien. If your qualifying relative was adopted, see *Exception to citizen test*, later.)

   ☐ **Yes.** Continue ☐ **No.** STOP You cannot claim this person as a dependent. Go to Form 1040, line 7.

3. Was your qualifying relative married?

   ☐ **Yes.** See *Married person*, later. ☐ **No.** Continue

4. Could you, or your spouse if filing jointly, be claimed as a dependent on someone else's 2012 tax return? See Steps 1, 2, and 4.

   ☐ **Yes.** STOP You cannot claim any dependents. Go to Form 1040, line 7.

   ☐ **No.** You can claim this person as a dependent. Complete Form 1040, line 6c, columns (1) through (3). Do not check the box on Form 1040, line 6c, column (4).

## Definitions and Special Rules

**Adopted child.** An adopted child is always treated as your own child. An adopted child includes a child lawfully placed with you for legal adoption.

**Adoption taxpayer identification numbers (ATINs).** If you have a dependent who was placed with you for legal adoption and you do not know his or her SSN, you must get an ATIN for the dependent from the IRS. See Form W-7A for details. If the dependent is not a U.S. citizen or resident alien, apply for an ITIN instead, using Form W-7.

**Children of divorced or separated parents.** A child will be treated as the qualifying child or qualifying relative of his or her noncustodial parent (defined later) if all of the following conditions apply.

1. The parents are divorced, legally separated, separated under a written separation agreement, or lived apart at all times during the last 6 months of 2012 (whether or not they are or were married).

2. The child received over half of his or her support for 2012 from the parents (and the rules on *Multiple support agreements*, later, do not apply). Support of a child received from a parent's spouse is treated as provided by the parent.

3. The child is in custody of one or both of the parents for more than half of 2012.

4. Either of the following applies.

a. The custodial parent signs Form 8332 or a substantially similar statement that he or she will not claim the child as a dependent for 2012, and the noncustodial parent includes a copy of the form or statement with his or her return. If the divorce decree or separation agreement went into effect after 1984 and before 2009, the noncustodial parent may be able to include certain pages from the decree or agreement instead of Form 8332. See *Post-1984 and pre-2009 decree or agreement* and *Post-2008 decree or agreement*.

b. A pre-1985 decree of divorce or separate maintenance or written separation agreement between the parents provides that the noncustodial parent can claim the child as a dependent, and the noncustodial parent provides at least $600 for support of the child during 2012.

If conditions (1) through (4) apply, only the noncustodial parent can claim the child for purposes of the dependency exemption (line 6c) and the child tax credits (lines 51 and 65). However, this special rule does not apply to head of household filing status, the credit for child and dependent care expenses, the exclusion for dependent care benefits, the earned income credit, or the health coverage tax credit. See Pub. 501 for details.

***Custodial and noncustodial parents.*** The custodial parent is the parent with whom the child lived for the greater number of nights in 2012. The noncustodial parent is the other parent. If the child was with each parent for an equal number of nights, the custodial parent is the parent with the higher adjusted gross income. See Pub. 501 for an exception for a parent who works at night, rules for a child who is emancipated under state law, and other details.

***Post-1984 and pre-2009 decree or agreement.*** The decree or agreement must state all three of the following.

1. The noncustodial parent can claim the child as a dependent without regard to any condition, such as payment of support.
2. The other parent will not claim the child as a dependent.
3. The years for which the claim is released.

The noncustodial parent must include all of the following pages from the decree or agreement.

- Cover page (include the other parent's SSN on that page).
- The pages that include all the information identified in (1) through (3) above.
- Signature page with the other parent's signature and date of agreement.

CAUTION *You must include the required information even if you filed it with your return in an earlier year.*

***Post-2008 decree or agreement.*** If the divorce decree or separation agreement went into effect after 2008, the noncustodial parent cannot include pages from the decree or agreement instead of Form 8332. The custodial parent must sign either Form 8332 or a substantially similar statement the only purpose of which is to release the custodial parent's claim to an exemption for a child, and the noncustodial parent must include a copy with his or her return. The form or statement must release the custodial parent's claim to the child without any conditions. For example, the release must not depend on the noncustodial parent paying support.

***Release of exemption revoked.*** A custodial parent who has revoked his or her previous release of a claim to exemption for a child must include a copy of the revocation with his or her return. For details, see Form 8332.

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**Exception to citizen test.** If you are a U.S. citizen or U.S. national and your adopted child lived with you all year as a member of your household, that child meets the requirement to be a U.S. citizen in Step 2, question 1; Step 3, question 2; and Step 4, question 2.

**Exception to gross income test.** If your relative (including a person who lived with you all year as a member of your household) is permanently and totally disabled (defined later), certain income for services performed at a sheltered workshop may be excluded for this test. For details, see Pub. 501.

**Exception to time lived with you.** Temporary absences by you or the other person for special circumstances, such as school, vacation, business, medical care, military service, or detention in a juvenile facility, count as time the person lived with you. Also see *Children of divorced or separated parents*, earlier, or *Kidnapped child*, later.

A person is considered to have lived with you for all of 2012 if the person was born or died in 2012 and your home was this person's home for the entire time he or she was alive in 2012.

If the person meets all other requirements to be your qualifying child but was born or died in 2012, the person is considered to have lived with you for more than half of 2012 if your home was this person's home for more than half the time he or she was alive in 2012.

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**Foster child.** A foster child is any child placed with you by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.

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**Kidnapped child.** If your child is presumed by law enforcement authorities to have been kidnapped by someone who is not a family member, you may be able to take the child into account in determining your eligibility for head of household or qualifying widow(er) filing status, the dependency exemption, the child tax credit, and the earned income credit (EIC). For details, see Pub. 501 (Pub. 596 for the EIC).

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**Married person.** If the person is married and files a joint return, you cannot claim that person as your dependent. Go to Form 1040, line 7. However, if the person is married but does not file a joint return or files a joint return only to claim a refund of withheld income tax or estimated tax paid, you may be able to claim him or her as a dependent. (See Pub. 501 for details and examples.) Go to Step 2, question 3 (for a qualifying child) or Step 4, question 4 (for a qualifying relative).

**Multiple support agreements.** If no one person contributed over half of the support of your relative (or a person who lived with you all year as a member of your household) but you and another person(s) provided more than half of your relative's support, special rules may apply that would treat you as having provided over half of the support. For details, see Pub. 501.

**Permanently and totally disabled.** A person is permanently and totally disabled if, at any time in 2012, the person cannot engage in any substantial gainful activity because of a physical or mental condition and a doctor has determined that this condition has lasted or can be expected to last continuously for at least a year or can be expected to lead to death.

**Qualifying child of more than one person.** Even if a child meets the conditions to be the qualifying child of more than one person, only one person can claim the child as a qualifying child for all of the following tax benefits, unless the special rule for *Children of divorced or separated parents,* described earlier, applies.

1. Dependency exemption (line 6c).
2. Child tax credits (lines 51 and 65).
3. Head of household filing status (line 4).
4. Credit for child and dependent care expenses (line 48).
5. Exclusion for dependent care benefits (Form 2441, Part III).
6. Earned income credit (lines 64a and 64b).

No other person can take any of the six tax benefits listed above unless he or she has a different qualifying child. If you and any other person can claim the child as a qualifying child, the following rules apply.

- If only one of the persons is the child's parent, the child is treated as the qualifying child of the parent.
- If the parents do not file a joint return together but both parents claim the child as a qualifying child, the IRS will treat the child as the qualifying child of the parent with whom the child lived for the longer period of time in 2012. If the child lived with each parent for the same amount of time, the IRS will treat the child as the qualifying child of the parent who had the higher adjusted gross income (AGI) for 2012.
- If no parent can claim the child as a qualifying child, the child is treated as the qualifying child of the person who had the highest AGI for 2012.
- If a parent can claim the child as a qualifying child but no parent does so claim the child, the child is treated as the qualifying child of the person who had the highest AGI for 2012, but only if that person's AGI is higher than the highest AGI of any parent of the child who can claim the child.

***Example.*** Your daughter meets the conditions to be a qualifying child for both you and your mother. Your daughter does not meet the conditions to be a qualifying child of any other person, including her other parent. Under the rules just described, you can claim your daughter as a qualifying child for all of the six tax benefits just listed for which you otherwise qualify. Your mother cannot claim any of those six tax benefits unless she has a different qualifying child. However, if your mother's AGI is higher than yours and you do not claim your daughter as a qualifying child, your daughter is the qualifying child of your mother.

For more details and examples, see Pub. 501.

If you will be claiming the child as a qualifying child, go to Step 2. Otherwise, stop; you cannot claim any benefits based on this child. Go to Form 1040, line 7.

**Social security number.** You must enter each dependent's social security number (SSN). Be sure the name and SSN entered agree with the dependent's social security card. Otherwise, at the time we process your return, we may disallow the exemption claimed for the dependent and reduce or disallow any other tax benefits (such as the child tax credit) based on that dependent. If the name or SSN on the dependent's social security card is not correct or you need to get an SSN for your dependent, contact the Social Security Administration. See *Social Security Number (SSN)*, earlier. If your dependent will not have a number by the date your return is due, see *What if You Cannot File on Time?* earlier.

If your dependent child was born and died in 2012 and you do not have an SSN for the child, enter “Died” in column (2) and include a copy of the child's birth certificate, death certificate, or hospital records. The document must show the child was born alive.

**Student.** A student is a child who during any part of 5 calendar months of 2012 was enrolled as a full-time student at a school, or took a full-time, on-farm training course given by a school or a state, county, or local government agency. A school includes a technical, trade, or mechanical school. It does not include an on-the-job training course, correspondence school, or school offering courses only through the Internet.

# Income

Generally, you must report all income except income that is exempt from tax by law. For details, see the following instructions, especially the instructions for lines 7 through 21. Also see Pub. 525.

## Foreign-Source Income

You must report unearned income, such as interest, dividends, and pensions, from sources outside the United States unless exempt by law or a tax treaty. You must also report earned income, such as wages and tips, from sources outside the United States.

If you worked abroad, you may be able to exclude part or all of your foreign earned income. For details, see Pub. 54 and Form 2555 or 2555-EZ.

**Foreign retirement plans.** If you were a beneficiary of a foreign retirement plan, you may have to report the undistributed income earned in your plan. However, if you were the beneficiary of a Canadian registered retirement plan, see Form 8891 to find out if you can elect to defer tax on the undistributed income.

Report distributions from foreign pension plans on lines 16a and 16b.

**Foreign accounts and trusts.** You must complete Part III of Schedule B if you:

- Had a foreign account, or
- Received a distribution from, or were a grantor of, or a transferor to, a foreign trust.

If you had foreign financial assets in 2012, you may have to file Form 8938. See Form 8938 and its instructions.

## Chapter 11 Bankruptcy Cases

If you are a debtor in a chapter 11 bankruptcy case, income taxable to the bankruptcy estate and reported on the estate's income tax return includes:

- Earnings from services you performed after the beginning of the case (both wages and self-employment income), and
- Income from property described in section 541 of title 11 of the U.S. Code that you either owned when the case began or that you acquired after the case began and before the case was closed, dismissed, or converted to a case under a different chapter.

Because this income is taxable to the estate, do not include this income on your own individual income tax return. The only exception is for purposes of figuring your self-employment tax. For that purpose, you must take into account all your self-employment income for the year from services performed both before and after the beginning of the case. Also, you (or the trustee, if one is appointed) must allocate between you and the bankruptcy estate the wages, salary, or other compensation and withheld income tax reported to you on Form W-2. A similar allocation is required for income and withheld income tax reported to you on Forms 1099. You must also include a statement that indicates you filed a chapter 11 case and that explains how income and withheld income tax reported to you on Forms W-2 and 1099 are allocated between you and the estate. For more details, including acceptable allocation methods, see Notice 2006-83, 2006-40 I.R.B. 596, available at *www.irs.gov/irb/2006-40_IRB/ar12.html*.

## Community Property States

Community property states are Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin. If you and your spouse lived in a community property state, you must usually follow state law to determine what is community income and what is separate income. For details, see Form 8958 and Pub. 555.

**Nevada, Washington, and California domestic partners.** A registered domestic partner in Nevada, Washington, or California (or a person in California who is married to a person of the same sex) generally must report half the combined community income of the individual and his or her domestic partner (or California same-sex spouse). See Form 8958 and Pub. 555.

## Rounding Off to Whole Dollars

You can round off cents to whole dollars on your return and schedules. If you do round to whole dollars, you must round all amounts. To round, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar. For example, $1.39 becomes $1 and $2.50 becomes $3.

If you have to add two or more amounts to figure the amount to enter on a line, include cents when adding the amounts and round off only the total.

# Line 7

## Wages, Salaries, Tips, etc.

Enter the total of your wages, salaries, tips, etc. If a joint return, also include your spouse's income. For most people, the amount to enter on this line should be shown in box 1 of their Form(s) W-2. But the following types of income must also be included in the total on line 7.

- All wages received as a household employee for which you did not receive a Form W-2 because an employer paid you less than $1,800 in 2012. Also, enter "HSH" and the total amount not reported on Form(s) W-2 on the dotted line next to line 7.
- Tip income you did not report to your employer. This should include any allocated tips shown in box 8 on your Form(s) W-2 unless you can prove that your unreported tips are less than the amount in box 8. Allocated tips are not included as income in box 1. See Pub. 531 for more details. Also include the value of any noncash tips you received, such as tickets, passes, or other items of value. Although you do not report these noncash tips to your employer, you must report them on line 7.

*You may owe social security and Medicare or railroad retirement (RRTA) tax on unreported tips. See the instructions for line 57.*

- Dependent care benefits, which should be shown in box 10 of your Form(s) W-2. But first complete Form 2441 to see if you can exclude part or all of the benefits.
- Employer-provided adoption benefits, which should be shown in box 12 of your Form(s) W-2 with code T. But see the Instructions for Form 8839 to find out if you can exclude part or all of the benefits. You may also be able to exclude amounts if you adopted a child

with special needs and the adoption became final in 2012.

- Scholarship and fellowship grants not reported on Form W-2. Also, enter "SCH" and the amount on the dotted line next to line 7. However, if you were a degree candidate, include on line 7 only the amounts you used for expenses other than tuition and course-related expenses. For example, amounts used for room, board, and travel must be reported on line 7.
- Excess salary deferrals. The amount deferred should be shown in box 12 of your Form W-2, and the "Retirement plan" box in box 13 should be checked. If the total amount you (or your spouse if filing jointly) deferred for 2012 under all plans was more than $17,000 (excluding catch-up contributions as explained below), include the excess on line 7. This limit is (a) $11,500 if you only have SIMPLE plans, or (b) $20,000 for section 403(b) plans if you qualify for the 15-year rule in Pub. 571. Although designated Roth contributions are subject to this limit, do not include the excess attributable to such contributions on line 7. They are already included as income in box 1 of your Form W-2.

A higher limit may apply to participants in section 457(b) deferred compensation plans for the 3 years before retirement age. Contact your plan administrator for more information.

If you were age 50 or older at the end of 2012, your employer may have allowed an additional deferral (catch-up contributions) of up to $5,500 ($2,500 for section 401(k)(11) and SIMPLE plans). This additional deferral amount is not subject to the overall limit on elective deferrals.

CAUTION *You cannot deduct the amount deferred. It is not included as income in box 1 of your Form W-2.*

- Disability pensions shown on Form 1099-R if you have not reached the minimum retirement age set by your employer. But see *Insurance Premiums for Retired Public Safety Officers* in the instructions for lines 16a and 16b. Disability pensions received after you reach minimum retirement age and other payments shown on Form 1099-R (other than payments from an IRA*) are reported on lines 16a and 16b. Payments from an IRA are reported on lines 15a and 15b.
- Corrective distributions from a retirement plan shown on Form 1099-R of excess salary deferrals and excess contributions (plus earnings). But do not include distributions from an IRA* on line 7. Instead, report distributions from an IRA on lines 15a and 15b.
- Wages from Form 8919, line 6.

**This includes a Roth, SEP, or SIMPLE IRA.*

### Were You a Statutory Employee?

If you were, the "Statutory employee" box in box 13 of your Form W-2 should be checked. Statutory employees include full-time life insurance salespeople and certain agent or commission drivers, traveling salespeople, and homeworkers. If you have related business expenses to deduct, report the amount shown in box 1 of your Form W-2 on Schedule C or C-EZ along with your expenses.

### Missing or Incorrect Form W-2?

Your employer is required to provide or send Form W-2 to you no later than January 31, 2013. If you do not receive it by early February, use TeleTax topic 154 to find out what to do. Even if you do not get a Form W-2, you must still report your earnings on line 7. If you lose your Form W-2 or it is incorrect, ask your employer for a new one.

## Line 8a

### Taxable Interest

Each payer should send you a Form 1099-INT or Form 1099-OID. Enter your total taxable interest income on line 8a. But you must fill in and attach Schedule B if the total is over $1,500 or any of the other conditions listed at the beginning of the Schedule B instructions apply to you.

Interest credited in 2012 on deposits that you could not withdraw because of the bankruptcy or insolvency of the financial institution may not have to be included in your 2012 income. For details, see Pub. 550.

TIP *If you get a 2012 Form 1099-INT for U.S. savings bond interest that includes amounts you reported before 2012, see Pub. 550.*

## Line 8b

### Tax-Exempt Interest

If you received any tax-exempt interest, such as from municipal bonds, each payer should send you a Form 1099-INT. Your tax-exempt interest should be shown in box 8 of Form 1099-INT. Enter the total on line 8b. Also include on line 8b any exempt-interest dividends from a mutual fund or other regulated investment company. This amount should be shown in box 10 of Form 1099-DIV.

Do not include interest earned on your IRA, health savings account, Archer or Medicare Advantage MSA, or Coverdell education savings account.

## Line 9a

### Ordinary Dividends

Each payer should send you a Form 1099-DIV. Enter your total ordinary dividends on line 9a. This amount should be shown in box 1a of Form(s) 1099-DIV.

You must fill in and attach Schedule B if the total is over $1,500 or you received, as a nominee, ordinary dividends that actually belong to someone else.

### Nondividend Distributions

Some distributions are a return of your cost (or other basis). They will not be taxed until you recover your cost (or other basis). You must reduce your cost (or other basis) by these distributions. After you get back all of your cost (or other basis), you must report these distributions as capital gains on Form 8949. For details, see Pub. 550.

*Dividends on insurance policies are a partial return of the premiums you paid. Do not report them as dividends. Include them in income on line 21 only if they exceed the total of all net premiums you paid for the contract.*

## Line 9b

### Qualified Dividends

Enter your total qualified dividends on line 9b. Qualified dividends are also included in the ordinary dividend total required to be shown on line 9a. Qualified dividends are eligible for a lower tax rate than other ordinary income. Generally, these dividends are shown in box 1b of Form(s) 1099-DIV. See Pub. 550 for the definition of qualified dividends if you received dividends not reported on Form 1099-DIV.

**Exception.** Some dividends may be reported as qualified dividends in box 1b of Form 1099-DIV but are not qualified dividends. These include:

- Dividends you received as a nominee. See the Schedule B instructions.
- Dividends you received on any share of stock that you held for less than 61 days during the 121-day period that began 60 days before the ex-dividend date. The ex-dividend date is the first date following the declaration of a dividend on which the purchaser of a stock is not entitled to receive the next dividend payment. When counting the number of days you held the stock, include the day you disposed of the stock but not the day you acquired it. See the examples that follow. Also, when counting the number of days you held the stock, you cannot count certain days during which your risk of loss was diminished. See Pub. 550 for more details.
- Dividends attributable to periods totaling more than 366 days that you received on any share of preferred stock held for less than 91 days during the 181-day period that began 90 days before the ex-dividend date. When counting the number of days you held the stock, you cannot count certain days during which your risk of loss was diminished. See Pub. 550 for more details. Preferred dividends attributable to periods totaling less than 367 days are subject to the 61-day holding period rule just described.
- Dividends on any share of stock to the extent that you are under an obligation (including a short sale) to make related payments with respect to positions in substantially similar or related property.
- Payments in lieu of dividends, but only if you know or have reason to know that the payments are not qualified dividends.

***Example 1.*** You bought 5,000 shares of XYZ Corp. common stock on July 8, 2012. XYZ Corp. paid a cash dividend of 10 cents per share. The ex-dividend date was July 16, 2012. Your Form 1099-DIV from XYZ Corp. shows $500 in box 1a (ordinary dividends) and in box 1b (qualified dividends). However, you sold the 5,000 shares on August 11, 2012. You held your shares of XYZ Corp. for only 34 days of the 121-day period (from July 9, 2012, through August 11, 2012). The 121-day period began on May 17, 2012 (60 days before the ex-dividend date), and ended on September 14, 2012. You have no qualified dividends from XYZ Corp. because you held the XYZ stock for less than 61 days.

***Example 2.*** Assume the same facts as in Example 1 except that you bought the stock on July 15, 2012 (the day before the ex-dividend date), and you sold the stock on September 16, 2012. You held the stock for 63 days (from July 16, 2012, through September 16, 2012). The $500 of qualified dividends shown in box 1b of Form 1099-DIV are all qualified dividends because you held the stock for 61 days of the 121-day period (from July 16, 2012, through September 14, 2012).

***Example 3.*** You bought 10,000 shares of ABC Mutual Fund common stock on July 8, 2012. ABC Mutual Fund paid a cash dividend of 10 cents a share. The ex-dividend date was July 16, 2012. The ABC Mutual Fund advises you that the portion of the dividend eligible to be treated as qualified dividends equals 2 cents per share. Your Form 1099-DIV from ABC Mutual Fund shows total ordinary dividends of $1,000 and qualified dividends of $200. However, you sold the 10,000 shares on August 11, 2012. You have no qualified dividends from ABC Mutual Fund because you held the ABC Mutual Fund stock for less than 61 days.

*Use the Qualified Dividends and Capital Gain Tax Worksheet or the Schedule D Tax Worksheet, whichever applies, to figure your tax. See the instructions for line 44 for details.*

## Line 10

### Taxable Refunds, Credits, or Offsets of State and Local Income Taxes

*None of your refund is taxable if, in the year you paid the tax, you either (a) did not itemize deductions, or (b) elected to deduct state and local general sales taxes instead of state and local income taxes.*

If you received a refund, credit, or offset of state or local income taxes in 2012, you may be required to report this amount. If you did not receive a Form 1099-G, check with the government agency that made the payments to you. Your 2012 Form 1099-G may have been made available to you only in an electronic format, and you will need to get instructions from the agency to retrieve this document. Report any taxable refund you received even if you did not receive Form 1099-G.

If you chose to apply part or all of the refund to your 2012 estimated state or local income tax, the amount applied is treated as received in 2012. If the refund was for a tax you paid in 2011 and you deducted state and local income taxes on line 5 of your 2011 Schedule A, use the State and Local Income Tax Refund Worksheet in these instructions to see if any of your refund is taxable.

**Exception.** See *Itemized Deduction Recoveries* in Pub. 525 instead of using the State and Local Income Tax Refund Worksheet in these instructions if any of the following applies.

1. You received a refund in 2012 that is for a tax year other than 2011.

2. You received a refund other than an income tax refund, such as a general sales tax or real property tax refund, in

2012 of an amount deducted or credit claimed in an earlier year.

3. The amount on your 2011 Form 1040, line 42, was more than the amount on your 2011 Form 1040, line 41.

4. You had taxable income on your 2011 Form 1040, line 43, but no tax on your Form 1040, line 44, because of the 0% tax rate on net capital gain and qualified dividends in certain situations.

5. Your 2011 state and local income tax refund is more than your 2011 state and local income tax deduction minus the amount you could have deducted as your 2011 state and local general sales taxes.

6. You made your last payment of 2011 estimated state or local income tax in 2012.

7. You owed alternative minimum tax in 2011.

8. You could not use the full amount of credits you were entitled to in 2011 because the total credits were more than the amount shown on your 2011 Form 1040, line 46.

9. You could be claimed as a dependent by someone else in 2011.

10. You received a refund because of a jointly filed state or local income tax return, but you are not filing a joint 2012 Form 1040 with the same person.

## Line 11

### Alimony Received

Enter amounts received as alimony or separate maintenance. You must let the person who made the payments know your social security number. If you do not, you may have to pay a penalty. For more details, see Pub. 504.

## Line 12

### Business Income or (Loss)

If you operated a business or practiced your profession as a sole proprietor, report your income and expenses on Schedule C or C-EZ.

## Line 13

### Capital Gain or (Loss)

If you sold a capital asset, such as a stock or bond, you must complete and attach Form 8949 and Schedule D.

**Exception 1.** You do not have to file Form 8949 or Schedule D if both of the following apply.

1. You have no capital losses, and your only capital gains are capital gain

### State and Local Income Tax Refund Worksheet—Line 10

*Keep for Your Records*

***Before you begin:*** √ Be sure you have read the **Exception** in the instructions for this line to see if you can use this worksheet instead of Pub. 525 to figure if any of your refund is taxable.

**1.** Enter the income tax refund from **Form(s) 1099-G** (or similar statement). But **do not** enter more than the amount of your state and local income taxes shown on your 2011 Schedule A, line 5 . . . . . **1.** _____

**2.** Enter your total itemized deductions from your 2011 Schedule A, line 29 . . . . . **2.** _____

**Note.** If the filing status on your 2011 Form 1040 was married filing separately and your spouse itemized deductions in 2011, skip lines 3 through 5, enter the amount from line 2 on line 6, and go to line 7.

**3.** Enter the amount shown below for the filing status claimed on your **2011** Form 1040.

- Single or married filing separately—$5,800
- Married filing jointly or qualifying widow(er)—$11,600
- Head of household—$8,500

**3.** _____

**4.** Did you fill in line 39a on your 2011 Form 1040?

☐ **No.** Enter -0-.

☐ **Yes.** Multiply the number in the box on line 39a of your 2011 Form 1040 by $1,150 ($1,450 if your 2011 filing status was single or head of household).

**4.** _____

**5.** Add lines 3 and 4 . . . . . **5.** _____

**6.** Is the amount on line 5 less than the amount on line 2?

☐ **No.** STOP None of your refund is taxable.

☐ **Yes.** Subtract line 5 from line 2 . . . . . **6.** _____

**7.** **Taxable part of your refund.** Enter the **smaller** of line 1 or line 6 here and on Form 1040, line 10 . . . . . **7.** _____

distributions from Form(s) 1099-DIV, box 2a (or substitute statements).

2. None of the Form(s) 1099-DIV (or substitute statements) have an amount in box 2b (unrecaptured section 1250 gain), box 2c (section 1202 gain), or box 2d (collectibles (28%) gain).

**Exception 2.** You must file Schedule D, but generally do not have to file Form 8949, if *Exception 1* does not apply and your only capital gains and losses are:

- Capital gain distributions,
- A capital loss carryover from 2011,
- A gain from Form 2439 or 6252 or Part I of Form 4797,
- A gain or loss from Form 4684, 6781, or 8824, or
- A gain or loss from a partnership, S corporation, estate, or trust.

If *Exception 1* applies, enter your total capital gain distributions (from box 2a of Form(s) 1099-DIV) on line 13 and check the box on that line. If you received capital gain distributions as a nominee (that is, they were paid to you but actually belong to someone else), report on line 13 only the amount that belongs to you. Include a statement showing the full amount you received and the amount you received as a nominee. See the Schedule B instructions for filing requirements for Forms 1099-DIV and 1096.

**TIP** *If you do not have to file Schedule D, use the Qualified Dividends and Capital Gain Tax Worksheet in the line 44 instructions to figure your tax.*

# Line 14

## Other Gains or (Losses)

If you sold or exchanged assets used in a trade or business, see the Instructions for Form 4797.

# Lines 15a and 15b

## IRA Distributions

You should receive a Form 1099-R showing the total amount of any distribution from your IRA before income tax or other deductions were withheld. This amount should be shown in box 1 of Form 1099-R. Unless otherwise noted in the line 15a and 15b instructions, an IRA includes a traditional IRA, Roth IRA, simplified employee pension (SEP) IRA, and a savings incentive match plan for employees (SIMPLE) IRA. Except as provided below, leave line 15a blank and enter the total distribution (from Form 1099-R, box 1) on line 15b.

If you converted part or all of an IRA to a Roth IRA in 2010 and did not elect to report the taxable amount on your 2010 return, you generally should have reported half of it on your 2011 return. Report the rest on your 2012 return. See *2010 Roth IRA conversions,* later.

**Exception 1.** Enter the total distribution on line 15a if you rolled over part or all of the distribution from one:

- IRA to another IRA of the same type (for example, from one traditional IRA to another traditional IRA),
- SEP or SIMPLE IRA to a traditional IRA, or
- IRA to a qualified plan other than an IRA.

Also, enter "Rollover" next to line 15b. If the total distribution was rolled over in a qualified rollover, enter -0- on line 15b. If the total distribution was not rolled over in a qualified rollover, enter the part not rolled over on line 15b unless *Exception 2* applies to the part not rolled over. Generally, a qualified rollover must be made within 60 days after the day you received the distribution. For more details on rollovers, see Pub. 590.

If you rolled over the distribution into a qualified plan other than an IRA or you made the rollover in 2013, include a statement explaining what you did.

**Exception 2.** If any of the following apply, enter the total distribution on line 15a and see Form 8606 and its instructions to figure the amount to enter on line 15b.

1. You received a distribution from an IRA (other than a Roth IRA) and you made nondeductible contributions to any of your traditional or SEP IRAs for 2012 or an earlier year. If you made nondeductible contributions to these IRAs for 2012, also see Pub. 590.

2. You received a distribution from a Roth IRA. But if either (a) or (b) below applies, enter -0- on line 15b; you do not have to see Form 8606 or its instructions.

a. Distribution code T is shown in box 7 of Form 1099-R and you made a contribution (including a conversion) to a Roth IRA for 2007 or an earlier year.

b. Distribution code Q is shown in box 7 of Form 1099-R.

3. You converted part or all of a traditional, SEP, or SIMPLE IRA to a Roth IRA in 2012.

4. You had a 2011 or 2012 IRA contribution returned to you, with the related earnings or less any loss, by the due date (including extensions) of your tax return for that year.

5. You made excess contributions to your IRA for an earlier year and had them returned to you in 2012.

6. You recharacterized part or all of a contribution to a Roth IRA as a traditional IRA contribution, or vice versa.

**Exception 3.** If the distribution is a qualified charitable distribution (QCD), enter the total distribution on line 15a. If the total amount distributed is a QCD, enter -0- on line 15b. If only part of the distribution is a QCD, enter the part that is not a QCD on line 15b unless *Exception 2* applies to that part. Enter "QCD" next to line 15b.

A QCD is a distribution made directly by the trustee of your IRA (other than an ongoing SEP or SIMPLE IRA) to an organization eligible to receive tax-deductible contributions (with certain exceptions). You must have been at least age 70½ when the distribution was made. Your total QCDs for the year cannot be more than $100,000. (On a joint return, your spouse can also have a QCD of up to $100,000.) The amount of the QCD is limited to the amount that would otherwise be included in your income. If your IRA includes nondeductible contributions, the distribution is first considered to be paid out of otherwise taxable income. See Pub. 590 for details.

**CAUTION** *You cannot claim a charitable contribution deduction for any QCD not included in your income.*

*If a QCD is made in January 2013, you can elect to treat it as made in 2012. Also, a distribution made to you in December 2012 can be treated as a QCD if you transferred it to a charity in January 2013. See Pub. 590.*

**Exception 4.** If the distribution is a health savings account (HSA) funding distribution (HFD), enter the total distribution on line 15a. If the total amount distributed is an HFD and you elect to exclude it from income, enter -0- on line 15b. If only part of the distribution is an HFD and you elect to exclude that part from income, enter the part that is not an HFD on line 15b unless *Exception 2* applies to that part. Enter "HFD" next to line 15b.

An HFD is a distribution made directly by the trustee of your IRA (other than an ongoing SEP or SIMPLE IRA) to your HSA. If eligible, you generally can elect to exclude an HFD from your income once in your lifetime. You cannot exclude more than the limit on HSA contributions or more than the amount that would otherwise be included in your income. If your IRA includes nondeductible contributions, the HFD is first considered to be paid out of otherwise taxable income. See Pub. 969 for details.

*The amount of an HFD reduces the amount you can contribute to your HSA for the year. If you fail to maintain eligibility for an HSA for the 12 months following the month of the HFD, you may have to report the HFD as income and pay an additional tax. See Form 8889, Part III.*

**More than one exception applies.** If more than one exception applies, include a statement showing the amount of each exception, instead of making an entry next to line 15b. For example: "Line 15b – $1,000 Rollover and $500 HFD." But you do not need to attach a statement if only *Exception 2* and one other exception apply.

**2010 Roth IRA conversions.** If you converted part or all of an IRA to a Roth IRA in 2010 and did not elect to report the taxable amount on your 2010 return, include on line 15b the amount from your 2010 Form 8606, line 20b. However, you may have to include a different amount on line 15b if either of the following applies.

- You received a distribution from a Roth IRA in 2010 but not in 2011. See Pub. 590 to figure the amount to include on line 15b.
- You received a distribution from a Roth IRA in 2011. Include on line 15b the amount from your 2011 Form 8606, line 38.

**More than one distribution.** If you (or your spouse if filing jointly) received more than one distribution, figure the taxable amount of each distribution and enter the total of the taxable amounts on line 15b. Enter the total amount of those distributions on line 15a.

*You may have to pay an additional tax if (a) you received an early distribution from your IRA and the total was not rolled over, or (b) you were born before July 1, 1941, and received less than the minimum required distribution from your traditional, SEP, and SIMPLE IRAs. See the instructions for line 58 for details.*

**More information.** For more information about IRAs, see Pub. 590.

# Lines 16a and 16b

## Pensions and Annuities

You should receive a Form 1099-R showing the total amount of your pension and annuity payments before income tax or other deductions were withheld. This amount should be shown in box 1 of Form 1099-R. Pension and annuity payments include distributions from 401(k), 403(b), and governmental 457(b) plans. Rollovers and lump-sum distributions are explained later. Do not include the following payments on lines 16a and 16b. Instead, report them on line 7.

- Disability pensions received before you reach the minimum retirement age set by your employer.
- Corrective distributions (including any earnings) of excess salary deferrals or excess contributions to retirement plans. The plan must advise you of the year(s) the distributions are includible in income.

*Attach Form(s) 1099-R to Form 1040 if any federal income tax was withheld.*

If you rolled over part or all of a qualified retirement plan (other than a designated Roth account) to a Roth IRA in 2010 (or you rolled over part or all of a 401(k) or 403(b) plan to a designated Roth account in 2010) and did not elect to report the taxable amount on your 2010 return, you generally should have reported half of it on your 2011 return. Report the rest on your 2012 return. See *2010 Roth IRA rollovers*, or *2010 in-plan Roth rollovers*, whichever applies, later.

### Fully Taxable Pensions and Annuities

Your payments are fully taxable if (a) you did not contribute to the cost (see *Cost,* later) of your pension or annuity, or (b) you got your entire cost back tax free before 2012. But see *Insurance Premiums for Retired Public Safety Officers*, later. If your pension or annuity is fully taxable, enter the total pension or annuity payments (from Form(s) 1099-R, box 1) on line 16b; do not make an entry on line 16a.

Fully taxable pensions and annuities also include military retirement pay shown on Form 1099-R. For details on military disability pensions, see Pub. 525. If you received a Form RRB-1099-R, see Pub. 575 to find out how to report your benefits.

### Partially Taxable Pensions and Annuities

Enter the total pension or annuity payments (from Form 1099-R, box 1) on line 16a. If your Form 1099-R does not show the taxable amount, you must use the General Rule explained in Pub. 939 to figure the taxable part to enter on line 16b. But if your annuity starting date (defined later) was after July 1, 1986, see *Simplified Method*, later, to find out if you must use that method to figure the taxable part.

You can ask the IRS to figure the taxable part for you for a $1,000 fee. For details, see Pub. 939.

If your Form 1099-R shows a taxable amount, you can report that amount on

line 16b. But you may be able to report a lower taxable amount by using the General Rule or the Simplified Method or if the exclusion for retired public safety officers, discussed next, applies.

### Insurance Premiums for Retired Public Safety Officers

If you are an eligible retired public safety officer (law enforcement officer, firefighter, chaplain, or member of a rescue squad or ambulance crew), you can elect to exclude from income distributions made from your eligible retirement plan that are used to pay the premiums for coverage by an accident or health plan or a long-term care insurance contract. You can do this only if you retired because of disability or because you reached normal retirement age. The premiums can be for coverage for you, your spouse, or dependents. The distribution must be from a plan maintained by the employer from which you retired as a public safety officer. Also, the distribution must be made directly from the plan to the provider of the accident or health plan or long-term care insurance contract. You can exclude from income the smaller of the amount of the premiums or $3,000. You can only make this election for amounts that would otherwise be included in your income.

An eligible retirement plan is a governmental plan that is a qualified trust or a section 403(a), 403(b), or 457(b) plan.

If you make this election, reduce the otherwise taxable amount of your pension or annuity by the amount excluded. The amount shown in box 2a of Form 1099-R does not reflect the exclusion. Report your total distributions on line 16a and the taxable amount on line 16b. Enter “PSO” next to line 16b.

If you are retired on disability and reporting your disability pension on line 7, include only the taxable amount on that line and enter “PSO” and the amount excluded on the dotted line next to line 7.

### Simplified Method

You must use the Simplified Method if either of the following applies.

1. Your annuity starting date was after July 1, 1986, and you used this method last year to figure the taxable part.

2. Your annuity starting date was after November 18, 1996, and both of the following apply.

a. The payments are from a qualified employee plan, a qualified employee annuity, or a tax-sheltered annuity.

b. On your annuity starting date, either you were under age 75 or the number of years of guaranteed payments was fewer than five. See Pub. 575 for the definition of guaranteed payments.

If you must use the Simplified Method, complete the Simplified Method Worksheet in these instructions to figure the taxable part of your pension or annuity. For more details on the Simplified Method, see Pub. 575 or Pub. 721 for U.S. Civil Service retirement benefits.

CAUTION *If you received U.S. Civil Service retirement benefits and you chose the alternative annuity option, see Pub. 721 to figure the taxable part of your annuity. Do not use the Simplified Method Worksheet in these instructions.*

### Annuity Starting Date

Your annuity starting date is the later of the first day of the first period for which you received a payment or the date the plan's obligations became fixed.

### Age (or Combined Ages) at Annuity Starting Date

If you are the retiree, use your age on the annuity starting date. If you are the survivor of a retiree, use the retiree's age on his or her annuity starting date. But if your annuity starting date was after 1997 and the payments are for your life and that of your beneficiary, use your combined ages on the annuity starting date.

If you are the beneficiary of an employee who died, see Pub. 575. If there is more than one beneficiary, see Pub. 575 or Pub. 721 to figure each beneficiary's taxable amount.

### Cost

Your cost is generally your net investment in the plan as of the annuity starting date. It does not include pre-tax contributions. Your net investment should be shown in box 9b of Form 1099-R for the first year you received payments from the plan.

### Rollovers

Generally, a qualified rollover is a tax-free distribution of cash or other assets from one retirement plan that is contributed to another plan within 60 days of receiving the distribution. However, a qualified rollover to a Roth IRA or a designated Roth account is generally not a tax-free distribution. Use lines 16a and 16b to report a qualified rollover, including a direct rollover, from one qualified employer's plan to another or to an IRA or SEP.

Enter on line 16a the distribution from Form 1099-R, box 1. From this amount, subtract any contributions (usually shown in box 5) that were taxable to you when made. From that result, subtract the amount of the qualified rollover. Enter the remaining amount on line 16b. If the remaining amount is zero and you have no other distribution to report on line 16b, enter zero on line 16b. Also, enter "Rollover" next to line 16b.

See Pub. 575 for more details on rollovers, including special rules that apply to rollovers from designated Roth accounts, partial rollovers of property, and distributions under qualified domestic relations orders.

**2010 Roth IRA rollovers.** If you rolled over part or all of a qualified retirement plan (other than a designated Roth account) to a Roth IRA in 2010 and did not elect to report the taxable amount on your 2010 return, include on line 16b the amount from your 2010 Form 8606, line 25b. However, you may have to include a different amount on line 16b if either of the following applies.

- You received a distribution from a Roth IRA in 2010 but not in 2011. See Pub. 575 to figure the amount to include on line 16b.
- You received a distribution from a Roth IRA in 2011. Include on line 16b the amount from your 2011 Form 8606, line 38.

**2010 in-plan Roth rollovers.** If you rolled over part or all of a qualified retirement plan to a designated Roth account in 2010 and did not elect to report the taxable amount on your 2010 return, include on line 16b the amount from

## Simplified Method Worksheet—Lines 16a and 16b

*Keep for Your Records*

***Before you begin:*** √ If you are the beneficiary of a deceased employee or former employee who died **before** August 21, 1996, include any death benefit exclusion that you are entitled to (up to $5,000) in the amount entered on line 2 below.

**Note.** If you had more than one partially taxable pension or annuity, figure the taxable part of each separately. Enter the total of the taxable parts on Form 1040, line 16b. Enter the total pension or annuity payments received in 2012 on Form 1040, line 16a.

**1.** Enter the total pension or annuity payments from Form 1099-R, box 1. Also, enter this amount on Form 1040, line 16a . . . . . **1.** _____

**2.** Enter your cost in the plan at the annuity starting date . . . . . **2.** _____

**Note.** If you completed this worksheet last year, skip line 3 and enter the amount from line 4 of last year's worksheet on line 4 below (even if the amount of your pension or annuity has changed). Otherwise, go to line 3.

**3.** Enter the appropriate number from **Table 1** below. **But** if your annuity starting date was **after** 1997 **and** the payments are for your life and that of your beneficiary, enter the appropriate number from **Table 2** below . . . . . **3.** _____

**4.** Divide line 2 by the number on line 3 . . . . . **4.** _____

**5.** Multiply line 4 by the number of months for which this year's payments were made. If your annuity starting date was **before** 1987, skip lines 6 and 7 and enter this amount on line 8. Otherwise, go to line 6 . . . . . **5.** _____

**6.** Enter the amount, if any, recovered tax free in years after 1986. If you completed this worksheet last year, enter the amount from line 10 of last year's worksheet . . . . . **6.** _____

**7.** Subtract line 6 from line 2 . . . . . **7.** _____

**8.** Enter the **smaller** of line 5 or line 7 . . . . . **8.** _____

**9.** **Taxable amount.** Subtract line 8 from line 1. Enter the result, but not less than zero. Also, enter this amount on Form 1040, line 16b. If your Form 1099-R shows a larger amount, use the amount on this line instead of the amount from Form 1099-R. If you are a retired public safety officer, see *Insurance Premiums for Retired Public Safety Officers* before entering an amount on line 16b . . . . . **9.** _____

**10.** Was your annuity starting date before 1987?

☐ **Yes.** STOP Leave line 10 blank.

☐ **No.** Add lines 6 and 8. This is the **amount you have recovered tax free** through 2012. You will need this number when you fill out this worksheet next year . . . . . **10.** _____

**Table 1 for Line 3 Above**

| IF the age at annuity starting date was . . . | AND your annuity starting date was— **before** November 19, 1996, enter on line 3 . . . | **after** November 18, 1996, enter on line 3 . . . |
|---|---|---|
| 55 or under | 300 | 360 |
| 56–60 | 260 | 310 |
| 61–65 | 240 | 260 |
| 66–70 | 170 | 210 |
| 71 or older | 120 | 160 |

**Table 2 for Line 3 Above**

| IF the combined ages at annuity starting date were . . . | THEN enter on line 3 . . . |
|---|---|
| 110 or under | 410 |
| 111–120 | 360 |
| 121–130 | 310 |
| 131–140 | 260 |
| 141 or older | 210 |

your 2010 Form 8606, line 25b. However, you may have to include a different amount on line 16b if either of the following applies.

- You received a distribution from your designated Roth account allocable to an in-plan Roth rollover in 2010 but not in 2011. See Pub. 575 to figure the amount to include on line 16b.
- You received a distribution from your designated Roth account allocable to an in-plan Roth rollover in 2011. Include on line 16b the amount from your 2011 Form 8606, line 48.

### Lump-Sum Distributions

If you received a lump-sum distribution from a profit-sharing or retirement plan, your Form 1099-R should have the "Total distribution" box in box 2b checked. You may owe an additional tax if you received an early distribution from a qualified retirement plan and the total amount was not rolled over in a qualified rollover. For details, see the instructions for line 58.

Enter the total distribution on line 16a and the taxable part on line 16b. For details, see Pub 575.

**TIP** *If you or the plan participant was born before January 2, 1936, you could pay less tax on the distribution. See Form 4972.*

## Line 19

### Unemployment Compensation

You should receive a Form 1099-G showing in box 1 the total unemployment compensation paid to you in 2012. Report this amount on line 19. However, if you made contributions to a governmental unemployment compensation program or to a governmental paid family leave program and you are not itemizing deductions, reduce the amount you report on line 19 by those contributions.

If you received an overpayment of unemployment compensation in 2012 and you repaid any of it in 2012, subtract the amount you repaid from the total amount you received. Enter the result on line 19. Also, enter “Repaid” and the amount you repaid on the dotted line next to line 19. If, in 2012, you repaid unemployment compensation that you included in gross income in an earlier year, you can deduct the amount repaid on Schedule A, line 23. But if you repaid more than $3,000, see *Repayments* in Pub. 525 for details on how to report the repayment.

## Lines 20a and 20b

### Social Security Benefits

You should receive a Form SSA-1099 showing in box 3 the total social security benefits paid to you. Box 4 will show the amount of any benefits you repaid in 2012. If you received railroad retirement benefits treated as social security, you should receive a Form RRB-1099.

Use the Social Security Benefits Worksheet in these instructions to see if any of your benefits are taxable.

**Exception.** Do not use the Social Security Benefits Worksheet in these instructions if any of the following applies.

- You made contributions to a traditional IRA for 2012 and you or your spouse were covered by a retirement plan at work or through self-employment. Instead, use the worksheets in Pub. 590 to see if any of your social security benefits are taxable and to figure your IRA deduction.
- You repaid any benefits in 2012 and your total repayments (box 4) were more than your total benefits for 2012 (box 3). None of your benefits are taxable for 2012. Also, you may be able to take an itemized deduction or a credit for part of the excess repayments if they were for benefits you included in gross income in an earlier year. For more details, see Pub. 915.
- You file Form 2555, 2555-EZ, 4563, or 8815, or you exclude employer-provided adoption benefits or income from sources within Puerto Rico. Instead, use the worksheet in Pub. 915.

## Line 21

### Other Income

**CAUTION** *Do not report on this line any income from self-employment or fees received as a notary public. Instead, you must use Schedule C, C-EZ, or F, even if you do not have any business expenses. Also, do not report on line 21 any nonemployee compensation shown on Form 1099-MISC (unless it is not self-employment income, such as income from a hobby or a sporadic activity). Instead, see the instructions on Form 1099-MISC to find out where to report that income.*

**Taxable income.** Use line 21 to report any taxable income not reported elsewhere on your return or other schedules. List the type and amount of income. If necessary, include a statement showing the required information. For more details, see *Miscellaneous Income* in Pub. 525.

Examples of income to report on line 21 include the following.

- Most prizes and awards.
- Jury duty pay. Also, see the instructions for line 36.
- Alaska Permanent Fund dividends.
- Taxable distributions from a Coverdell education savings account (ESA) or a qualified tuition program (QTP). Distributions from these accounts may be taxable if (a) they are more than the qualified higher education expenses of the designated beneficiary in 2012, and (b) they were not included in a qualified rollover. See Pub. 970. Nontaxable distributions from these accounts, including rollovers, do not have to be reported on Form 1040.

**CAUTION** *You may have to pay an additional tax if you received a taxable distribution from a Coverdell ESA or a QTP. See the Instructions for Form 5329.*

- Taxable distributions from a health savings account (HSA) or an Archer MSA. Distributions from these accounts may be taxable if (a) they are more than the unreimbursed qualified medical expenses of the account beneficiary or account holder in 2012, and (b) they were not included in a qualified rollover. See Pub. 969.

**CAUTION** *You may have to pay an additional tax if you received a taxable distribution from an HSA or an Archer MSA. See the Instructions for Form 8889 for HSAs or the Instructions for Form 8853 for Archer MSAs.*

- Amounts deemed to be income from an HSA because you did not re-

## Social Security Benefits Worksheet—Lines 20a and 20b

*Keep for Your Records*

***Before you begin:***

- ✓ Complete Form 1040, lines 21 and 23 through 32, if they apply to you.
- ✓ Figure any write-in adjustments to be entered on the dotted line next to line 36 (see the instructions for line 36).
- ✓ If you are married filing separately and you lived apart from your spouse for all of 2012, enter "D" to the right of the word "benefits" on line 20a. If you do not, you may get a math error notice from the IRS.
- ✓ Be sure you have read the **Exception** in the line 20a and 20b instructions to see if you can use this worksheet instead of a publication to find out if any of your benefits are taxable.

**1.** Enter the total amount from **box 5** of **all** your **Forms SSA-1099** and **Forms RRB-1099.** Also, enter this amount on Form 1040, line 20a . . . . **1.** _____

**2.** Enter one-half of line 1 . . . . . **2.** _____

**3.** Combine the amounts from Form 1040, lines 7, 8a, 9a, 10 through 14, 15b, 16b, 17 through 19, and 21 . . . . . **3.** _____

**4.** Enter the amount, if any, from Form 1040, line 8b . . . . . **4.** _____

**5.** Combine lines 2, 3, and 4 . . . . . **5.** _____

**6.** Enter the total of the amounts from Form 1040, lines 23 through 32, plus any write-in adjustments you entered on the dotted line next to line 36 . . . . . **6.** _____

**7.** Is the amount on line 6 less than the amount on line 5?

☐ **No.** STOP None of your social security benefits are taxable. Enter -0- on Form 1040, line 20b.

☐ **Yes.** Subtract line 6 from line 5 . . . . . **7.** _____

**8.** If you are:

- Married filing jointly, enter $32,000
- Single, head of household, qualifying widow(er), or married filing separately and you **lived apart** from your spouse for all of 2012, enter $25,000
- Married filing separately and you lived with your spouse at any time in 2012, skip lines 8 through 15; multiply line 7 by 85% (.85) and enter the result on line 16. Then go to line 17

. . . . . **8.** _____

**9.** Is the amount on line 8 less than the amount on line 7?

☐ **No.** STOP None of your social security benefits are taxable. Enter -0- on Form 1040, line 20b. If you are married filing separately and you **lived apart** from your spouse for all of 2012, be sure you entered "D" to the right of the word "benefits" on line 20a.

☐ **Yes.** Subtract line 8 from line 7 . . . . . **9.** _____

**10.** Enter: $12,000 if married filing jointly; $9,000 if single, head of household, qualifying widow(er), or married filing separately and you **lived apart** from your spouse for all of 2012 . . . . . **10.** _____

**11.** Subtract line 10 from line 9. If zero or less, enter -0- . . . . . **11.** _____

**12.** Enter the **smaller** of line 9 or line 10 . . . . . **12.** _____

**13.** Enter one-half of line 12 . . . . . **13.** _____

**14.** Enter the **smaller** of line 2 or line 13 . . . . . **14.** _____

**15.** Multiply line 11 by 85% (.85). If line 11 is zero, enter -0- . . . . . **15.** _____

**16.** Add lines 14 and 15 . . . . . **16.** _____

**17.** Multiply line 1 by 85% (.85) . . . . . **17.** _____

**18.** **Taxable social security benefits.** Enter the **smaller** of line 16 or line 17. Also enter this amount on Form 1040, line 20b . . . . . **18.** _____

TIP *If any of your benefits are taxable for 2012* ***and*** *they include a lump-sum benefit payment that was for an earlier year, you may be able to reduce the taxable amount. See Pub. 915 for details.*

main an eligible individual during the testing period. See Form 8889, Part III.

- Gambling winnings, including lotteries, raffles, a lump-sum payment from the sale of a right to receive future lottery payments, etc. For details on gambling losses, see the instructions for Schedule A, line 28.

*Attach Form(s) W-2G to Form 1040 if any federal income tax was withheld.*

- Alternative trade adjustment assistance (ATAA) or reemployment trade adjustment assistance (RTAA) payments. These payments should be shown in box 5 of Form 1099-G.
- Reimbursements or other amounts received for items deducted in an earlier year, such as medical expenses, real estate taxes, general sales taxes, or home mortgage interest. See *Recoveries* in Pub. 525 for details on how to figure the amount to report.
- Income from the rental of personal property if you engaged in the rental for profit but were not in the business of renting such property. Also, see the instructions for line 36.
- Income from an activity not engaged in for profit. See Pub. 535.
- Loss on certain corrective distributions of excess deferrals. See *Retirement Plan Contributions* in Pub. 525.
- Dividends on insurance policies if they exceed the total of all net premiums you paid for the contract.
- Recapture of a charitable contribution deduction relating to the contribution of a fractional interest in tangible personal property. See *Fractional Interest in Tangible Personal Property* in Pub. 526. Interest and an additional 10% tax apply to the amount of the recapture. See the instructions for line 60.
- Recapture of a charitable contribution deduction if the charitable organization disposes of the donated property within 3 years of the contribution. See *Recapture if no exempt use* in Pub. 526.
- Canceled debts. These amounts may be shown in box 2 of Form 1099-C. However, part or all of your income from the cancellation of debt may be nontaxable. See Pub. 4681 or go to IRS.gov and enter "canceled debt" or "foreclosure" in the search box.
- Taxable part of disaster relief payments. See Pub. 525 to figure the taxable part, if any. If any of your disaster relief payment is taxable, attach a statement showing the total payment received and how you figured the taxable part.

**Nontaxable income.** Do not report any nontaxable income on line 21. Examples of nontaxable income include the following.

- Child support.
- Payments you received to help you pay your mortgage loan under the HFA Hardest Hit Fund or the Emergency Homeowners' Loan Program or similar state program.
- Any Pay-for-Performance Success Payments that reduce the principal balance of your home mortgage under the Home Affordable Modification Program.
- Life insurance proceeds received because of someone's death (other than from certain employer-owned life insurance contracts).
- Gifts and bequests. However, if you received a gift or bequest from a foreign person of more than $14,723, you may have to report information about it on Form 3520, Part IV. See the Instructions for Form 3520.

**Net operating loss (NOL) deduction.** Include on line 21 any NOL deduction from an earlier year. Subtract it from any income on line 21 and enter the result. If the result is less than zero, enter it in parentheses. On the dotted line next to line 21, enter "NOL" and show the amount of the deduction in parentheses. See Pub. 536 for details.

# Adjusted Gross Income

## Line 23

### Educator Expenses

If you were an eligible educator in 2012, you can deduct on line 23 up to $250 of qualified expenses you paid in 2012. If you and your spouse are filing jointly and both of you were eligible educators, the maximum deduction is $500. However, neither spouse can deduct more than $250 of his or her qualified expenses on line 23. You may be able to deduct expenses that are more than the $250 (or $500) limit on Schedule A, line 21. An eligible educator is a kindergarten through grade 12 teacher, instructor, counselor, principal, or aide who worked in a school for at least 900 hours during a school year.

Qualified expenses include ordinary and necessary expenses paid in connection with books, supplies, equipment (including computer equipment, software, and services), and other materials used in the classroom. An ordinary expense is one that is common and accepted in your educational field. A necessary expense is one that is helpful and appropriate for your profession as an educator. An expense does not have to be required to be considered necessary.

Qualified expenses do not include expenses for home schooling or for nonathletic supplies for courses in health or physical education.

You must reduce your qualified expenses by the following amounts.

- Excludable U.S. series EE and I savings bond interest from Form 8815.
- Nontaxable qualified tuition program earnings or distributions.
- Any nontaxable distribution of Coverdell education savings account earnings.
- Any reimbursements you received for these expenses that were not reported to you in box 1 of your Form W-2.

For more details, use Teletax topic 458 or see Pub. 529.

## Line 24

### Certain Business Expenses of Reservists, Performing Artists, and Fee-Basis Government Officials

Include the following deductions on line 24.

- Certain business expenses of National Guard and reserve members who traveled more than 100 miles from home to perform services as a National Guard or reserve member.
- Performing-arts-related expenses as a qualified performing artist.
- Business expenses of fee-basis state or local government officials.

For more details, see Form 2106 or 2106-EZ.

## Line 25

### Health Savings Account (HSA) Deduction

You may be able to take this deduction if contributions (other than employer contributions, rollovers, and qualified HSA funding distributions from an IRA) were made to your HSA for 2012. See Form 8889.

## Line 26

### Moving Expenses

If you moved in connection with your job or business or started a new job, you may be able to take this deduction. But your new workplace must be at least 50 miles farther from your old home than your old home was from your old workplace. If you had no former workplace, your new workplace must be at least 50 miles from your old home. Use TeleTax topic 455 or see Form 3903.

## Line 27

### Deductible Part of Self-Employment Tax

If you were self-employed and owe self-employment tax, fill in Schedule SE to figure the amount of your deduction. If you completed Section A of Schedule SE, the deductible part of your self-employment tax is on line 6. If you completed Section B of Schedule SE, it is on line 13.

## Line 28

### Self-Employed SEP, SIMPLE, and Qualified Plans

If you were self-employed or a partner, you may be able to take this deduction. See Pub. 560 or, if you were a minister, Pub. 517.

## Line 29

### Self-Employed Health Insurance Deduction

You may be able to deduct the amount you paid for health insurance for yourself, your spouse, and your dependents. The insurance can also cover your child who was under age 27 at the end of 2012, even if the child was not your dependent. A child includes your son, daughter, stepchild, adopted child, or foster child (defined in the line 6c instructions).

One of the following statements must be true.

- You were self-employed and had a net profit for the year.
- You were a partner with net earnings from self-employment.
- You used one of the optional methods to figure your net earnings from self-employment on Schedule SE.
- You received wages in 2012 from an S corporation in which you were a more-than-2% shareholder. Health in-

### Self-Employed Health Insurance Deduction Worksheet—Line 29

*Keep for Your Records*

***Before you begin:***

- ✓ If, during 2012, you were an eligible trade adjustment assistance (TAA) recipient, alternative TAA (ATAA) recipient, reemployment TAA (RTAA) recipient, or Pension Benefit Guaranty Corporation pension recipient, see the instructions for Form 8885 to figure the amount to enter on line 1 of this worksheet.
- ✓ Be sure you have read the **Exception** in the instructions for this line to see if you can use this worksheet instead of Pub. 535 to figure your deduction.

| | | |
|---|---|---|
| **1.** | Enter the total amount paid in 2012 for health insurance coverage established under your business (or the S corporation in which you were a more-than-2% shareholder) for 2012 for you, your spouse, and your dependents. Your insurance can also cover your child who was under age 27 at the end of 2012, even if the child was not your dependent. But do not include amounts for any month you were eligible to participate in an employer-sponsored health plan or amounts paid from retirement plan distributions that were nontaxable because you are a retired public safety officer | **1.** _____ |
| **2.** | Enter your net profit* and any other earned income** from the business under which the insurance plan is established, minus any deductions on Form 1040, lines 27 and 28. Do not include Conservation Reserve Program payments exempt from self-employment tax | **2.** _____ |
| **3.** | **Self-employed health insurance deduction.** Enter the **smaller** of line 1 or line 2 here and on Form 1040, line 29. **Do not** include this amount in figuring any medical expense deduction on Schedule A | **3.** _____ |

**If you used either optional method to figure your net earnings from self-employment, do not enter your net profit. Instead, enter the amount from Schedule SE, Section B, line 4b.*

*****Earned income** includes net earnings and gains from the sale, transfer, or licensing of property you created. However, it does not include capital gain income. If you were a more-than-2% shareholder in the S corporation under which the insurance plan is established, earned income is your Medicare wages (box 5 of Form W-2) from that corporation.*

surance premiums paid or reimbursed by the S corporation are shown as wages on Form W-2.

The insurance plan must be established under your business. Your personal services must have been a material income-producing factor in the business. If you are filing Schedule C, C-EZ, or F, the policy can be either in your name or in the name of the business.

If you are a partner, the policy can be either in your name or in the name of the partnership. You can either pay the premiums yourself or your partnership can pay them and report them as guaranteed payments. If the policy is in your name and you pay the premiums yourself, the partnership must reimburse you and report the premiums as guaranteed payments.

If you are a more-than-2% shareholder in an S corporation, the policy can be either in your name or in the name of the S corporation. You can either pay the premiums yourself or the S corporation can pay them and report them as wages. If the policy is in your name and you pay the premiums yourself, the S corporation must reimburse you. You can deduct the premiums only if the S corporation reports the premiums paid or reimbursed as wages in box 1 of your Form W-2 in 2012 and you also report the premium payments or reimbursements as wages on Form 1040, line 7.

But if you were also eligible to participate in any subsidized health plan maintained by your or your spouse's employer for any month or part of a month in 2012, amounts paid for health insurance coverage for that month cannot be used to figure the deduction. Also, if you were eligible for any month or part of a month to participate in any subsidized health plan maintained by the employer of either your dependent or your child who was under age 27 at the end of 2012, do not use amounts paid for coverage for that month to figure the deduction.

***Example.*** If you were eligible to participate in a subsidized health plan maintained by your spouse's employer from September 30 through December 31, you cannot use amounts paid for health insurance coverage for September through December to figure your deduction.

Medicare premiums you voluntarily pay to obtain insurance in your name that is similar to qualifying private health insurance can be used to figure the deduction. Amounts paid for health insurance coverage from retirement plan distributions that were nontaxable because you are a retired public safety officer cannot be used to figure the deduction.

For more details, see Pub. 535.

If you qualify to take the deduction, use the Self-Employed Health Insurance Deduction Worksheet to figure the amount you can deduct.

**Exception.** Use Pub. 535 instead of the Self-Employed Health Insurance Deduction Worksheet in these instructions to figure your deduction if any of the following applies.

- You had more than one source of income subject to self-employment tax.
- You file Form 2555 or 2555-EZ.
- You are using amounts paid for qualified long-term care insurance to figure the deduction.

## Line 30

### Penalty on Early Withdrawal of Savings

The Form 1099-INT or Form 1099-OID you received will show the amount of any penalty you were charged.

## Lines 31a and 31b

### Alimony Paid

If you made payments to or for your spouse or former spouse under a divorce or separation instrument, you may be able to take this deduction. Use TeleTax topic 452 or see Pub. 504.

## Line 32

### IRA Deduction

TIP *If you made any nondeductible contributions to a traditional individual retirement arrangement (IRA) for 2012, you must report them on Form 8606.*

If you made contributions to a traditional IRA for 2012, you may be able to take an IRA deduction. But you, or your spouse if filing a joint return, must have had earned income to do so. For IRA purposes, earned income includes alimony and separate maintenance payments reported on line 11. If you were a member of the U.S. Armed Forces, earned income includes any nontaxable combat pay you received. If you were self-employed, earned income is generally your net earnings from self-employment if your personal services were a material income-producing factor. For more details, see Pub. 590. A statement should be sent to you by May 31, 2013, that shows all contributions to your traditional IRA for 2012.

Use the IRA Deduction Worksheet to figure the amount, if any, of your IRA deduction. But read the following 10-item list before you fill in the worksheet.

1. If you were age 70½ or older at the end of 2012, you cannot deduct any contributions made to your traditional IRA for 2012 or treat them as nondeductible contributions.

2. You cannot deduct contributions to a Roth IRA. But you may be able to take the retirement savings contributions credit (saver's credit). See the instructions for line 50.

CAUTION *If you are filing a joint return and you or your spouse made contributions to both a traditional IRA and a Roth IRA for 2012, do not use the IRA Deduction Worksheet in these instructions. Instead, see Pub. 590 to figure the amount, if any, of your IRA deduction.*

3. You cannot deduct elective deferrals to a 401(k) plan, 403(b) plan, section 457 plan, SIMPLE plan, or the federal Thrift Savings Plan. These amounts are not included as income in box 1 of your Form W-2. But you may be able to take the retirement savings contributions credit. See the instructions for line 50.

4. If you made contributions to your IRA in 2012 that you deducted for 2011, do not include them in the worksheet.

5. If you received income from a nonqualified deferred compensation plan or nongovernmental section 457 plan that is included in box 1 of your Form W-2, or in box 7 of Form 1099-MISC, do not include that income on line 8 of the worksheet. The income should be shown in (a) box 11 of your

Form W-2, (b) box 12 of your Form W-2 with code Z, or (c) box 15b of Form 1099-MISC. If it is not, contact your employer or the payer for the amount of the income.

6. You must file a joint return to deduct contributions to your spouse's IRA. Enter the total IRA deduction for you and your spouse on line 32.

7. Do not include qualified rollover contributions in figuring your deduction. Instead, see the instructions for lines 15a and 15b.

8. Do not include trustees' fees that were billed separately and paid by you for your IRA. These fees can be deducted only as an itemized deduction on Schedule A.

9. Do not include any repayments of qualified reservist distributions. You cannot deduct them. For information on how to report these repayments, see *Qualified reservist repayments* in Pub. 590.

10. If the total of your IRA deduction on line 32 plus any nondeductible contribution to your traditional IRAs shown on Form 8606 is less than your total traditional IRA contributions for 2012, see Pub. 590 for special rules.

**TIP** *By April 1 of the year after the year in which you turn age 70½, you must start taking minimum required distributions from your traditional IRA. If you do not, you may have to pay a 50% additional tax on the amount that should have been distributed. For details, including how to figure the minimum required distribution, see Pub. 590.*

## Were You Covered by a Retirement Plan?

If you were covered by a retirement plan (qualified pension, profit-sharing (including 401(k)), annuity, SEP, SIMPLE, etc.) at work or through self-employment, your IRA deduction may be reduced or eliminated. But you can still make contributions to an IRA even if you cannot deduct them. In any case, the income earned on your IRA contributions is not taxed until it is paid to you.

The "Retirement plan" box in box 13 of your Form W-2 should be checked if you were covered by a plan at work even if you were not vested in the plan. You are also covered by a plan if you were self-employed and had a SEP, SIMPLE, or qualified retirement plan.

If you were covered by a retirement plan and you file Form 2555, 2555-EZ, or 8815, or you exclude employer-provided adoption benefits, see Pub. 590 to figure the amount, if any, of your IRA deduction.

**Married persons filing separately.** If you were not covered by a retirement plan but your spouse was, you are considered covered by a plan unless you lived apart from your spouse for all of 2012.

**TIP** *You may be able to take the retirement savings contributions credit. See the line 50 instructions.*

## IRA Deduction Worksheet—Line 32

*Keep for Your Records*

*If you were age 70½ or older at the end of 2012, you cannot deduct any contributions made to your traditional IRA or treat them as nondeductible contributions.* ***Do not*** *complete this worksheet for anyone age 70½ or older at the end of 2012. If you are married filing jointly and only one spouse was under age 70½ at the end of 2012, complete this worksheet only for that spouse.*

***Before you begin:***
- ✓ Be sure you have read the 10-item list in the instructions for this line. You may not be able to use this worksheet.
- ✓ Figure any write-in adjustments to be entered on the dotted line next to line 36 (see the instructions for line 36).
- ✓ If you are married filing separately and you lived apart from your spouse for all of 2012, enter "D" on the dotted line next to Form 1040, line 32. If you do not, you may get a math error notice from the IRS.

| | | | Your IRA | | Spouse's IRA |
|---|---|---|---|---|---|
| **1a.** | Were you covered by a retirement plan (see *Were You Covered by a Retirement Plan?*)? | **1a.** | ☐ Yes ☐ No | | |
| **b.** | If married filing jointly, was your spouse covered by a retirement plan? | **1b.** | ☐ Yes ☐ No | | |

**Next.** If you checked "No" on line 1a (and "No" on line 1b if married filing jointly), skip lines 2 through 6, enter the applicable amount below on line 7a (and line 7b if applicable), and go to line 8.
- $5,000, if under age 50 at the end of 2012.
- $6,000, if age 50 or older but under age 70½ at the end of 2012.

Otherwise, go to line 2.

| | | | | | |
|---|---|---|---|---|---|
| **2.** | Enter the amount shown below that applies to you.<br>• Single, head of household, or married filing separately and you **lived apart** from your spouse for all of 2012, enter $68,000<br>• Qualifying widow(er), enter $112,000<br>• Married filing jointly, enter $112,000 in both columns. But if you checked "No" on either line 1a or 1b, enter $183,000 for the person who was not covered by a plan<br>• Married filing separately and you lived with your spouse at any time in 2012, enter $10,000 | **2a.** | | **2b.** | |
| **3.** | Enter the amount from Form 1040, line 22 | **3.** | | | |
| **4.** | Enter the total of the amounts from Form 1040, lines 23 through 31a, plus any write-in adjustments you entered on the dotted line next to line 36 | **4.** | | | |
| **5.** | Subtract line 4 from line 3. If married filing jointly, enter the result in both columns | **5a.** | | **5b.** | |
| **6.** | Is the amount on line 5 less than the amount on line 2? | | | | |

☐ **No.** STOP None of your IRA contributions are deductible. For details on nondeductible IRA contributions, see Form 8606.

☐ **Yes.** Subtract line 5 from line 2 in each column. Follow the instruction below that applies to you.

| | | | | | |
|---|---|---|---|---|---|
| | • If single, head of household, or married filing separately, and the result is $10,000 or more, enter the applicable amount below on line 7 for that column and go to line 8.<br>**i.** $5,000, if under age 50 at the end of 2012.<br>**ii.** $6,000, if age 50 or older but under age 70½ at the end of 2012.<br>If the result is less than $10,000, go to line 7.<br>• If married filing jointly or qualifying widow(er), and the result is $20,000 or more ($10,000 or more in the column for the IRA of a person who was not covered by a retirement plan), enter the applicable amount below on line 7 for that column and go to line 8.<br>**i.** $5,000, if under age 50 at the end of 2012.<br>**ii.** $6,000 if age 50 or older but under age 70½ at the end of 2012.<br>Otherwise, go to line 7. | **6a.** | | **6b.** | |

## IRA Deduction Worksheet—*Continued*

| | | | Your IRA | | Spouse's IRA |
|---|---|---|---|---|---|
| **7.** | Multiply lines 6a and 6b by the percentage below that applies to you. If the result is not a multiple of $10, increase it to the next multiple of $10 (for example, increase $490.30 to $500). If the result is $200 or more, enter the result. But if it is less than $200, enter $200.<br>• Single, head of household, or married filing separately, multiply by 50% (.50) (or by 60% (.60) in the column for the IRA of a person who is age 50 or older at the end of 2012)<br>• Married filing jointly or qualifying widow(er), multiply by 25% (.25) (or by 30% (.30) in the column for the IRA of a person who is age 50 or older at the end of 2012). But if you checked "No" on either line 1a or 1b, then in the column for the IRA of the person who was not covered by a retirement plan, multiply by 50% (.50) (or by 60% (.60) if age 50 or older at the end of 2012) | **7a.** | _____ | **7b.** | _____ |
| **8.** | Enter the total of your (and your spouse's if filing jointly):<br>• Wages, salaries, tips, etc. Generally, this is the amount reported in box 1 of Form W-2. Exceptions are explained earlier in these instructions for line 32<br>• Alimony and separate maintenance payments reported on Form 1040, line 11<br>• Nontaxable combat pay. This amount should be reported in box 12 of Form W-2 with code Q | **8.** | _____ | | |
| **9.** | Enter the earned income you (and your spouse if filing jointly) received as a self-employed individual or a partner. Generally, this is your (and your spouse's if filing jointly) net earnings from self-employment if your personal services were a material income-producing factor, minus any deductions on Form 1040, lines 27 and 28. If zero or less, enter -0-. For more details, see Pub. 590 . . . . . | **9.** | _____ | | |
| **10.** | Add lines 8 and 9 . . . . . | **10.** | _____ | | |
| | CAUTION *If married filing jointly and line 10 is less than $10,000 ($11,000 if one spouse is age 50 or older at the end of 2012; $12,000 if both spouses are age 50 or older at the end of 2012),* ***stop here*** *and see Pub. 590 to figure your IRA deduction.* | | | | |
| **11.** | Enter traditional IRA contributions made, or that will be made by April 15, 2013, for 2012 to your IRA on line 11a and to your spouse's IRA on line 11b . . . . . | **11a.** | _____ | **11b.** | _____ |
| **12.** | On line 12a, enter the **smallest** of line 7a, 10, or 11a. On line 12b, enter the **smallest** of line 7b, 10, or 11b. This is the most you can deduct. Add the amounts on lines 12a and 12b and enter the total on Form 1040, line 32. Or, if you want, you can deduct a smaller amount and treat the rest as a nondeductible contribution (see Form 8606) . . . . . | **12a.** | _____ | **12b.** | _____ |

# Line 33

## Student Loan Interest Deduction

You can take this deduction only if all of the following apply.

- You paid interest in 2012 on a qualified student loan (defined later).
- Your filing status is any status except married filing separately.
- Your modified adjusted gross income (AGI) is less than: $75,000 if single, head of household, or qualifying widow(er); $155,000 if married filing jointly. Use lines 2 through 4 of the worksheet below to figure your modified AGI.
- You, or your spouse if filing jointly, are not claimed as a dependent on someone else's (such as your parent's) 2012 tax return.

Use the worksheet in these instructions to figure your student loan interest deduction.

**Exception.** Use Pub. 970 instead of the worksheet in these instructions to figure your student loan interest deduction if you file Form 2555, 2555-EZ, or 4563, or you exclude income from sources within Puerto Rico.

**Qualified student loan.** A qualified student loan is any loan you took out to pay the qualified higher education expenses for any of the following individuals who was an eligible student.

1. Yourself or your spouse.
2. Any person who was your dependent when the loan was taken out.

3. Any person you could have claimed as a dependent for the year the loan was taken out except that:

a. The person filed a joint return,

b. The person had gross income that was equal to or more than the exemption amount for that year ($3,800 for 2012), or

c. You, or your spouse if filing jointly, could be claimed as a dependent on someone else's return.

However, a loan is not a qualified student loan if (a) any of the proceeds were used for other purposes, or (b) the loan was from either a related person or a person who borrowed the proceeds under a qualified employer plan or a contract purchased under such a plan. For details, see Pub. 970.

**Qualified higher education expenses.** Qualified higher education expenses generally include tuition, fees, room and board, and related expenses such as books and supplies. The expenses must be for education in a degree, certificate, or similar program at an eligible educational institution. An eligible educational institution includes most colleges, universities, and certain vocational schools. For details, see Pub. 970.

## Student Loan Interest Deduction Worksheet—Line 33

*Keep for Your Records*

***Before you begin:***
- ✓ Figure any write-in adjustments to be entered on the dotted line next to line 36 (see the instructions for line 36).
- ✓ Be sure you have read the **Exception** above to see if you can use this worksheet instead of Pub. 970 to figure your deduction.

**1.** Enter the total interest you paid in 2012 on qualified student loans (see above). **Do not** enter more than $2,500 . . . . . **1.** _____

**2.** Enter the amount from Form 1040, line 22 . . . . . **2.** _____

**3.** Enter the total of the amounts from Form 1040, lines 23 through 32, plus any write-in adjustments you entered on the dotted line next to line 36 . . . . . **3.** _____

**4.** Subtract line 3 from line 2 . . . . . **4.** _____

**5.** Enter the amount shown below for your filing status.

- Single, head of household, or qualifying widow(er)—$60,000
- Married filing jointly—$125,000

} . . . . . **5.** _____

**6.** Is the amount on line 4 more than the amount on line 5?

☐ **No.** Skip lines 6 and 7, enter -0- on line 8, and go to line 9.

☐ **Yes.** Subtract line 5 from line 4 . . . . . **6.** _____

**7.** Divide line 6 by $15,000 ($30,000 if married filing jointly). Enter the result as a decimal (rounded to at least three places). If the result is 1.000 or more, enter 1.000 . . . . . **7.** ___.___

**8.** Multiply line 1 by line 7 . . . . . **8.** _____

**9.** **Student loan interest deduction.** Subtract line 8 from line 1. Enter the result here and on Form 1040, line 33. **Do not** include this amount in figuring any other deduction on your return (such as on Schedule A, C, E, etc.) . . . . . **9.** _____

## Line 34

### Tuition and Fees

If you paid qualified tuition and fees for yourself, your spouse, or your dependent(s), you may be able to take this deduction. See Form 8917.

**TIP** *You may be able to take a credit for your educational expenses instead of a deduction. See the instructions for lines 49 and 66 for details.*

## Line 35

### Domestic Production Activities Deduction

You may be able to deduct up to 9% of your qualified production activities income from the following activities.

1. Construction of real property performed in the United States.

2. Engineering or architectural services performed in the United States for construction of real property in the United States.

3. Any lease, rental, license, sale, exchange, or other disposition of:

a. Tangible personal property, computer software, and sound recordings that you manufactured, produced, grew, or extracted in whole or in significant part in the United States,

b. Any qualified film you produced, or

c. Electricity, natural gas, or potable water you produced in the United States.

In certain cases, the references above to the United States include Puerto Rico.

Your deduction may be reduced if you had oil-related qualified production activities income.

The deduction does not apply to income derived from:

- The sale of food and beverages you prepared at a retail establishment;
- Property you leased, licensed, or rented for use by any related person;
- The transmission or distribution of electricity, natural gas, or potable water; or
- The lease, rental, license, sale, exchange, or other disposition of land.

For details, see Form 8903 and its instructions.

## Line 36

Include in the total on line 36 any of the following write-in adjustments. To find out if you can take the deduction, see the form or publication indicated. On the dotted line next to line 36, enter the amount of your deduction and identify it as indicated.

- Archer MSA deduction (see Form 8853). Identify as "MSA."
- Jury duty pay if you gave the pay to your employer because your employer paid your salary while you served on the jury. Identify as "Jury Pay."
- Deductible expenses related to income reported on line 21 from the rental of personal property engaged in for profit. Identify as "PPR."
- Reforestation amortization and expenses (see Pub. 535). Identify as "RFST."
- Repayment of supplemental unemployment benefits under the Trade Act of 1974 (see Pub. 525). Identify as "Sub-Pay TRA."
- Contributions to section 501(c)(18)(D) pension plans (see Pub. 525). Identify as "501(c)(18)(D)."
- Contributions by certain chaplains to section 403(b) plans (see Pub. 517). Identify as "403(b)."
- Attorney fees and court costs for actions involving certain unlawful discrimination claims, but only to the extent of gross income from such actions (see Pub. 525). Identify as "UDC."
- Attorney fees and court costs you paid in connection with an award from the IRS for information you provided that helped the IRS detect tax law violations, up to the amount of the award includible in your gross income. Identify as "WBF."

## Line 37

If line 37 is less than zero, you may have a net operating loss that you can carry to another tax year. See the Instructions for Form 1045 for details.

# Tax and Credits

## Line 39a

If you were born before January 2, 1948, or were blind at the end of 2012, check the appropriate box(es) on line 39a. If you were married and checked the box on Form 1040, line 6b, and your spouse was born before January 2, 1948, or was blind at the end of 2012, also check the appropriate box(es) for your spouse. Be sure to enter the total number of boxes checked. Do not check any box(es) for your spouse if your filing status is head of household.

### Blindness

If you were not totally blind as of December 31, 2012, you must get a statement certified by your eye doctor (ophthalmologist or optometrist) that:

- You cannot see better than 20/200 in your better eye with glasses or contact lenses, or
- Your field of vision is 20 degrees or less.

If your eye condition is not likely to improve beyond the conditions listed above, you can get a statement certified by your eye doctor (ophthalmologist or optometrist) to this effect instead.

You must keep the statement for your records.

## Line 39b

If your filing status is married filing separately (box 3 is checked), and your spouse itemizes deductions on his or her return, check the box on line 39b. Also check that box if you were a dual-status alien. But if you were a dual-status alien and you file a joint return with your spouse who was a U.S. citizen or resident alien at the end of 2012 and you and your spouse agree to be taxed on your combined worldwide income, do not check the box.

## Line 40

### Itemized Deductions or Standard Deduction

In most cases, your federal income tax will be less if you take the larger of your

itemized deductions or standard deduction.

### Itemized Deductions

To figure your itemized deductions, fill in Schedule A.

### Standard Deduction

Most people can find their standard deduction by looking at the amounts listed under "All others" to the left of line 40.

**Exception 1 – dependent.** If you, or your spouse if filing jointly, can be claimed as a dependent on someone else's 2012 return, use the Standard Deduction Worksheet for Dependents to figure your standard deduction.

**Exception 2 – box on line 39a checked.** If you checked any box on line 39a, use the chart below the Standard Deduction Worksheet for Dependents to figure your standard deduction.

**Exception 3 – box on line 39b checked.** If you checked the box on line 39b, your standard deduction is zero, even if you were born before January 2, 1948, or were blind.

CAUTION *If you received a refund in 2012 of an amount (such as real estate taxes) that increased your standard deduction in an earlier year, you generally have to include the refund in your income. See* Recoveries *in Pub. 525.*

## Line 44

### Tax

Include in the total on line 44 all of the following taxes that apply.

- Tax on your taxable income. Figure the tax using one of the methods described here.
- Tax from Form 8814 (relating to the election to report child's interest or dividends). Check the appropriate box.
- Tax from Form 4972 (relating to lump-sum distributions). Check the appropriate box.
- Tax due to making a section 962 election (the election made by a domestic shareholder of a controlled foreign corporation to be taxed at corporate rates). See section 962 for details. Check the appropriate box and attach a statement showing how you figured the tax.
- Recapture of an education credit. You may owe this tax if you claimed an education credit in an earlier year, and either tax-free educational assistance or a refund of qualified expenses was received in 2012 for the student. See Form 8863 for more details. Enter the amount and "ECR" in the space next to line 44.

**Do you want the IRS to figure the tax on your taxable income for you?**

☐ **Yes.** See chapter 29 of Pub. 17 for details, including who is eligible and what to do. If you have paid too much, we will send you a refund. If you did not pay enough, we will send you a bill.

☐ **No.** Use one of the following methods to figure your tax.

**Tax Table or Tax Computation Worksheet.** If your taxable income is less than $100,000, you must use the Tax Table, later in these instructions, to figure your tax. Be sure you use the correct column. If your taxable income is $100,000 or more, use the Tax Computation Worksheet right after the Tax Table.

However, do not use the Tax Table or Tax Computation Worksheet to figure your tax if any of the following applies.

**Form 8615.** Form 8615 generally must be used to figure the tax for any child who had more than $1,900 of investment income, such as taxable interest, ordinary dividends, or capital gains (including capital gain distributions), and who either:

1. Was under age 18 at the end of 2012,
2. Was age 18 at the end of 2012 and did not have earned income that was more than half of the child's support, or
3. Was a full-time student over age 18 and under age 24 at the end of 2012 and did not have earned income that was more than half of the child's support.

But if the child files a joint return for 2012 or if neither of the child's parents was alive at the end of 2012, do not use Form 8615 to figure the child's tax.

A child born on January 1, 1995, is considered to be age 18 at the end of 2012; a child born on January 1, 1994, is considered to be age 19 at the end of 2012; a child born on January 1, 1989, is considered to be age 24 at the end of 2012.

**Schedule D Tax Worksheet.** If you have to file Schedule D, and line 18 or 19 of Schedule D is more than zero, use the Schedule D Tax Worksheet in the Instructions for Schedule D to figure the amount to enter on Form 1040, line 44. But if you are filing Form 2555 or 2555-EZ, you must use the Foreign Earned Income Tax Worksheet instead.

**Qualified Dividends and Capital Gain Tax Worksheet.** Use the Qualified Dividends and Capital Gain Tax Worksheet, later, to figure your tax if you do not have to use the Schedule D Tax Worksheet and if any of the following applies.

- You reported qualified dividends on Form 1040, line 9b.
- You do not have to file Schedule D and you reported capital gain distributions on Form 1040, line 13.
- You are filing Schedule D and Schedule D, lines 15 and 16, are both more than zero.

But if you are filing Form 2555 or 2555-EZ, you must use the Foreign Earned Income Tax Worksheet instead.

**Schedule J.** If you had income from farming or fishing (including certain amounts received in connection with the Exxon Valdez litigation), your tax may be less if you choose to figure it using income averaging on Schedule J.

**Foreign Earned Income Tax Worksheet.** If you claimed the foreign earned income exclusion, housing exclusion, or housing deduction on Form 2555 or 2555-EZ, you must figure your tax using the Foreign Earned Income Tax Worksheet.

## Standard Deduction Worksheet for Dependents—Line 40

*Keep for Your Records*

Use this worksheet **only** if someone can claim you, or your spouse if filing jointly, as a dependent.

**1.** Is your **earned income*** more than $650?

☐ **Yes.** Add $300 to your earned income. Enter the total

☐ **No.** Enter $950

. . . . . **1.** _____

**2.** Enter the amount shown below for your filing status.

- Single or married filing separately—$5,950
- Married filing jointly or qualifying widow(er)—$11,900
- Head of household—$8,700

. . . . . **2.** _____

**3. Standard deduction.**

**a.** Enter the **smaller** of line 1 or line 2. If born after January 1, 1948, and not blind, **stop here** and enter this amount on Form 1040, line 40. Otherwise, go to line 3b . . . . . **3a.** _____

**b.** If born before January 2, 1948, or blind, multiply the number on Form 1040, line 39a, by $1,150 ($1,450 if single or head of household) . . . . . **3b.** _____

**c.** Add lines 3a and 3b. Enter the total here and on Form 1040, line 40 . . . . . **3c.** _____

*** Earned income** includes wages, salaries, tips, professional fees, and other compensation received for personal services you performed. It also includes any amount received as a scholarship that you must include in your income. Generally, your earned income is the total of the amount(s) you reported on Form 1040, lines 7, 12, and 18, minus the amount, if any, on line 27.*

**Standard Deduction Chart for People Who Were Born Before January 2, 1948, or Were Blind**

**Do not** use this chart if someone can claim you, or your spouse if filing jointly, as a dependent. Instead, use the worksheet above.

Enter the number from the box on Form 1040, line 39a . . . . . ▶ ☐

CAUTION Do not use the number of exemptions from line 6d.

| IF your filing status is . . . | AND the number in the box above is . . . | THEN your standard deduction is . . . |
|---|---|---|
| Single | 1<br>2 | $7,400<br>8,850 |
| Married filing jointly<br>or<br>Qualifying widow(er) | 1<br>2<br>3<br>4 | $13,050<br>14,200<br>15,350<br>16,500 |
| Married filing separately | 1<br>2<br>3<br>4 | $7,100<br>8,250<br>9,400<br>10,550 |
| Head of household | 1<br>2 | $10,150<br>11,600 |

## Foreign Earned Income Tax Worksheet—Line 44

*Keep for Your Records*

CAUTION If Form 1040, line 43, is zero, do not complete this worksheet.

| | | |
|---|---|---|
| **1.** Enter the amount from Form 1040, line 43 | **1.** | _____ |
| **2.** Enter the amount from your (and your spouse's, if filing jointly) Form 2555, lines 45 and 50, or Form 2555-EZ, line 18 | **2.** | _____ |
| **3.** Add lines 1 and 2 | **3.** | _____ |
| **4. Tax on the amount on line 3**. Use the Tax Table, Tax Computation Worksheet, Qualified Dividends and Capital Gain Tax Worksheet*, Schedule D Tax Worksheet*, or Form 8615, whichever applies. See the instructions for line 44 to see which tax computation method applies. (Do not use a second Foreign Earned Income Tax Worksheet to figure the tax on this line) | **4.** | _____ |
| **5. Tax on the amount on line 2**. If the amount on line 2 is less than $100,000, use the Tax Table to figure this tax. If the amount on line 2 is $100,000 or more, use the Tax Computation Worksheet | **5.** | _____ |
| **6.** Subtract line 5 from line 4. Enter the result. If zero or less, enter -0-. Also include this amount on Form 1040, line 44 | **6.** | _____ |

**Enter the amount from line 3 above on line 1 of the Qualified Dividends and Capital Gain Tax Worksheet or Schedule D Tax Worksheet if you use either of those worksheets to figure the tax on line 4 above. Complete the rest of that worksheet through line 6 (line 10 if you use the Schedule D Tax Worksheet). Next, you must determine if you have a capital gain excess. To find out if you have a capital gain excess, subtract Form 1040, line 43, from line 6 of your Qualified Dividends and Capital Gain Tax Worksheet (line 10 of your Schedule D Tax Worksheet). If the result is more than zero, that amount is your capital gain excess.*

*If you do not have a capital gain excess, complete the rest of either of those worksheets according to the worksheet's instructions. Then complete lines 5 and 6 above.*

*If you have a capital gain excess, complete a second Qualified Dividends and Capital Gain Tax Worksheet or Schedule D Tax Worksheet (whichever applies) as instructed above but in its entirety and with the following additional modifications. Then complete lines 5 and 6 above. These modifications are to be made only for purposes of filling out the Foreign Earned Income Tax Worksheet above.*

*1. Reduce (but not below zero) the amount you would otherwise enter on line 3 of your Qualified Dividends and Capital Gain Tax Worksheet or line 9 of your Schedule D Tax Worksheet by your capital gain excess.*

*2. Reduce (but not below zero) the amount you would otherwise enter on line 2 of your Qualified Dividends and Capital Gain Tax Worksheet or line 6 of your Schedule D Tax Worksheet by any of your capital gain excess not used in (1) above.*

*3. Reduce (but not below zero) the amount on your Schedule D (Form 1040), line 18, by your capital gain excess.*

*4. Include your capital gain excess as a loss on line 16 of your Unrecaptured Section 1250 Gain Worksheet in the Instructions for Schedule D (Form 1040).*

## Qualified Dividends and Capital Gain Tax Worksheet—Line 44

*Keep for Your Records*

***Before you begin:***
- √ See the earlier instructions for line 44 to see if you can use this worksheet to figure your tax.
- √ Before completing this worksheet, complete Form 1040 through line 43.
- √ If you do not have to file Schedule D and you received capital gain distributions, be sure you checked the box on line 13 of Form 1040.

| | | | |
|---|---|---|---|
| **1.** | Enter the amount from Form 1040, line 43. However, if you are filing Form 2555 or 2555-EZ (relating to foreign earned income), enter the amount from line 3 of the Foreign Earned Income Tax Worksheet | **1.** | |
| **2.** | Enter the amount from Form 1040, line 9b* | **2.** | |
| **3.** | Are you filing Schedule D?*<br>☐ **Yes.** Enter the **smaller** of line 15 or 16 of Schedule D. If either line 15 or line 16 is blank or a loss, enter -0-<br>☐ **No.** Enter the amount from Form 1040, line 13 | **3.** | |
| **4.** | Add lines 2 and 3 | **4.** | |
| **5.** | If filing Form 4952 (used to figure investment interest expense deduction), enter any amount from line 4g of that form. Otherwise, enter -0- | **5.** | |
| **6.** | Subtract line 5 from line 4. If zero or less, enter -0- | **6.** | |
| **7.** | Subtract line 6 from line 1. If zero or less, enter -0- | **7.** | |
| **8.** | Enter:<br>$35,350 if single or married filing separately,<br>$70,700 if married filing jointly or qualifying widow(er),<br>$47,350 if head of household. | **8.** | |
| **9.** | Enter the smaller of line 1 or line 8 | **9.** | |
| **10.** | Enter the smaller of line 7 or line 9 | **10.** | |
| **11.** | Subtract line 10 from line 9. This amount is taxed at 0% | **11.** | |
| **12.** | Enter the smaller of line 1 or line 6 | **12.** | |
| **13.** | Enter the amount from line 11 | **13.** | |
| **14.** | Subtract line 13 from line 12 | **14.** | |
| **15.** | Multiply line 14 by 15% (.15) | **15.** | |
| **16.** | Figure the tax on the amount on line 7. If the amount on line 7 is less than $100,000, use the Tax Table to figure this tax. If the amount on line 7 is $100,000 or more, use the Tax Computation Worksheet | **16.** | |
| **17.** | Add lines 15 and 16 | **17.** | |
| **18.** | Figure the tax on the amount on line 1. If the amount on line 1 is less than $100,000, use the Tax Table to figure this tax. If the amount on line 1 is $100,000 or more, use the Tax Computation Worksheet | **18.** | |
| **19.** | **Tax on all taxable income.** Enter the **smaller** of line 17 or line 18. Also include this amount on Form 1040, line 44. If you are filing Form 2555 or 2555-EZ, do not enter this amount on Form 1040, line 44. Instead, enter it on line 4 of the Foreign Earned Income Tax Worksheet | **19.** | |

**If you are filing Form 2555 or 2555-EZ, see the footnote in the Foreign Earned Income Tax Worksheet before completing this line.*

## Line 45

### Alternative Minimum Tax

Use Form 6251 to figure the amount, if any, of your alternative minimum tax (AMT). Also see the Instructions for Form 6251 to see if you must file the form.

*An electronic "AMT Assistant" is available on* IRS.gov *to help you see if you should fill out Form 6251. Enter "AMT Assistant" in the search box.*

## Line 47

### Foreign Tax Credit

If you paid income tax to a foreign country, you may be able to take this credit. Generally, you must complete and attach Form 1116 to do so.

**Exception.** You do not have to complete Form 1116 to take this credit if all of the following apply.

1. All of your foreign source gross income was from interest and dividends and all of that income and the foreign tax paid on it were reported to you on Form 1099-INT, Form 1099-DIV, or Schedule K-1 (or substitute statement).

2. The total of your foreign taxes was not more than $300 (not more than $600 if married filing jointly).

3. You held the stock or bonds on which the dividends or interest were paid for at least 16 days and were not obligated to pay these amounts to someone else.

4. You are not filing Form 4563 or excluding income from sources within Puerto Rico.

5. All of your foreign taxes were:

a. Legally owed and not eligible for a refund or reduced tax rate under a tax treaty, and

b. Paid to countries that are recognized by the United States and do not support terrorism.

For more details on these requirements, see the Instructions for Form 1116.

**Do you meet all five requirements above?**

☐ **Yes.** Enter on line 47 the smaller of (a) your total foreign taxes, or (b) the amount on Form 1040, line 44.

☐ **No.** See Form 1116 to find out if you can take the credit and, if you can, if you have to file Form 1116.

## Line 48

### Credit for Child and Dependent Care Expenses

You may be able to take this credit if you paid someone to care for:

- Your qualifying child under age 13 whom you claim as your dependent,
- Your disabled spouse or any other disabled person who could not care for himself or herself, or
- Your child whom you could not claim as a dependent because of the rules for *Children of divorced or separated parents* in the instructions for line 6c.

For details, use TeleTax topic 602 or see Form 2441.

## Line 49

### Education Credits

If you (or your dependent) paid qualified expenses in 2012 for yourself, your spouse, or your dependent to enroll in or attend an eligible educational institution, you may be able to take an education credit. See Form 8863 for details. However, you cannot take an education credit if any of the following applies.

- You, or your spouse if filing jointly, are claimed as a dependent on someone else's (such as your parent's) 2012 tax return.
- Your filing status is married filing separately.
- The amount on Form 1040, line 38, is $90,000 or more ($180,000 or more if married filing jointly).
- You are taking a deduction for tuition and fees on Form 1040, line 34, for the same student.
- You, or your spouse, were a nonresident alien for any part of 2012 unless your filing status is married filing jointly.

## Line 50

### Retirement Savings Contributions Credit (Saver's Credit)

You may be able to take this credit if you, or your spouse if filing jointly, made (a) contributions, other than rollover contributions, to a traditional or Roth IRA; (b) elective deferrals to a 401(k) or 403(b) plan (including designated Roth contributions) or to a governmental 457, SEP, or SIMPLE plan; (c) voluntary employee contributions to a qualified retirement plan (including the federal Thrift Savings Plan); or (d) contributions to a 501(c)(18)(D) plan.

However, you cannot take the credit if either of the following applies.

1. The amount on Form 1040, line 38, is more than $28,750 ($43,125 if head of household; $57,500 if married filing jointly).

2. The person(s) who made the qualified contribution or elective deferral (a) was born after January 1, 1995, (b) is claimed as a dependent on someone else's 2012 tax return, or (c) was a student (defined next).

You were a student if during any part of 5 calendar months of 2012 you:

- Were enrolled as a full-time student at a school, or
- Took a full-time, on-farm training course given by a school or a state, county, or local government agency.

A school includes a technical, trade, or mechanical school. It does not include an on-the-job training course, correspondence school, or school offering courses only through the Internet.

For more details, use TeleTax topic 610 or see Form 8880.

## 2012 Child Tax Credit Worksheet—Line 51

*Keep for Your Records*

CAUTION

1. To be a qualifying child for the child tax credit, the child must be your dependent, **under age 17** at the end of 2012, and meet all the conditions in Steps 1 through 3 in the instructions for line 6c. Make sure you checked the box on Form 1040, line 6c, column (4), for each qualifying child.
2. If you do not have a qualifying child, you cannot claim the child tax credit.
3. If your qualifying child has an ITIN instead of an SSN, file Schedule 8812.
4. Do **not** use this worksheet, but use Pub. 972 instead, if:
   **a.** You are claiming the adoption credit, mortgage interest credit, District of Columbia first-time homebuyer credit, or residential energy efficient property credit,
   **b.** You are excluding income from Puerto Rico, or
   **c.** You are filing Form 2555, 2555-EZ, or 4563.

**Part 1**

**1.** Number of qualifying children: _____ × $1,000. Enter the result. | **1** |

**2.** Enter the amount from Form 1040, line 38. | **2** |

**3.** Enter the amount shown below for your filing status.

- Married filing jointly — $110,000
- Single, head of household, or qualifying widow(er) — $75,000
- Married filing separately — $55,000

| **3** |

**4.** Is the amount on line 2 more than the amount on line 3?

☐ **No.** Leave line 4 blank. Enter -0- on line 5, and go to line 6.

☐ **Yes.** Subtract line 3 from line 2. If the result is not a multiple of $1,000, increase it to the next multiple of $1,000. For example, increase $425 to $1,000, increase $1,025 to $2,000, etc. | **4** |

**5.** Multiply the amount on line 4 by 5% (.05). Enter the result. | **5** |

**6.** Is the amount on line 1 more than the amount on line 5?

☐ **No.** STOP
You cannot take the child tax credit on Form 1040, line 51. You also cannot take the additional child tax credit on Form 1040, line 65. Complete the rest of your Form 1040.

☐ **Yes.** Subtract line 5 from line 1. Enter the result. | **6** |
*Go to Part 2.*

## 2012 Child Tax Credit Worksheet—*Continued*

*Keep for Your Records*

***Before you begin Part 2:*** √ Figure the amount of any credits you are claiming on Form 5695, Part II; Form 8834, Part I; Form 8910; Form 8936; or Schedule R.

**Part 2**

**7.** Enter the amount from Form 1040, line 46. | **7** |

**8.** Add any amounts from:

Form 1040, line 47 _____

Form 1040, line 48 + _____

Form 1040, line 49 + _____

Form 1040, line 50 + _____

Form 5695, line 32 + _____

Form 8834, line 23 + _____

Form 8910, line 22 + _____

Form 8936, line 23 + _____

Schedule R, line 22 + _____

Enter the total. | **8** |

**9.** Are the amounts on lines 7 and 8 the same?

☐ **Yes.** STOP
You cannot take this credit because there is no tax to reduce. However, you may be able to take the **additional child tax credit.** See the **TIP** below.

☐ **No.** Subtract line 8 from line 7. | **9** |

**10.** Is the amount on line 6 more than the amount on line 9?

☐ **Yes.** Enter the amount from line 9. Also, you may be able to take the **additional child tax credit.** See the **TIP** below.

☐ **No.** Enter the amount from line 6.

} **This is your child tax credit.**

| **10** |

Enter this amount on Form 1040, line 51.

**TIP**

You may be able to take the **additional child tax credit** on Form 1040, line 65, if you answered "Yes" on line 9 **or** line 10 above.

- First, complete your Form 1040 through lines 64a and 64b.
- Then, use Schedule 8812 to figure any additional child tax credit.

## Line 52

### Residential Energy Credits

**Residential energy efficient property credit.** You may be able to take this credit by completing and attaching Form 5695 if you paid for any of the following during 2012.

- Qualified solar electric property for use in your home located in the United States.
- Qualified solar water heating property for use in your home located in the United States.
- Qualified fuel cell property installed on or in connection with your main home located in the United States.
- Qualified small wind energy property for use in connection with your home located in the United States.
- Qualified geothermal heat pump property installed on or in connection with your home located in the United States.

**Nonbusiness energy property credit.** You may be able to take this credit by completing and attaching Form 5695 for any of the following improvements to your main home located in the United States in 2012 if they are new and meet certain requirements for energy efficiency.

- Any insulation material or system primarily designed to reduce heat gain or loss in your home.
- Exterior windows (including skylights).
- Exterior doors.
- A metal roof or asphalt roof with pigmented coatings or cooling granules primarily designed to reduce the heat gain in your home.

You may also be able to take this credit for the cost of the following items if the items meet certain performance and quality standards.

- Certain electric heat pump water heaters, electric heat pumps, central air conditioners, and natural gas, propane, or oil water heaters.
- A qualified furnace or hot water boiler that uses natural gas, propane, or oil.
- A stove that burns biomass fuel to heat your home or to heat water for use in your home.
- An advanced main air circulating fan used in a natural gas, propane, or oil furnace.

**Condos and co-ops.** If you are a member of a condominium management association for a condominium you own or a tenant-stockholder in a cooperative housing corporation, you are treated as having paid your proportionate share of any costs of such association or corporation for purposes of these credits.

**More details.** For details, see Form 5695.

## Line 53

### Other Credits

Enter the total of the following credits on line 53 and check the appropriate box(es). Check all boxes that apply. If box c is checked, also enter the applicable form number. To find out if you can take the credit, see the form or publication indicated.

- General business credit. This credit consists of a number of credits that usually apply only to individuals who are partners, shareholders in an S corporation, self-employed, or who have rental property. See Form 3800 or Pub. 334.
- Credit for prior year minimum tax. If you paid alternative minimum tax in a prior year, see Form 8801.
- Mortgage interest credit. If a state or local government gave you a mortgage credit certificate, see Form 8396.
- Credit for the elderly or the disabled. See Schedule R.
- Adoption credit. You may be able to take this credit if you paid expenses to adopt a child or you adopted a child with special needs and the adoption became final in 2012. See the Instructions for Form 8839.
- District of Columbia first-time homebuyer credit. See Form 8859.
- Qualified plug-in electric drive motor vehicle credit. See Form 8936.
- Qualified electric vehicle credit. You cannot claim this credit for a vehicle placed in service after 2006. You can claim this credit only if you have an electric vehicle passive activity credit carried forward from a prior year. See Form 8834, Part II.
- Alternative motor vehicle credit. See Form 8910 if you placed a new fuel cell motor vehicle in service during 2012.
- Alternative fuel vehicle refueling property credit. See Form 8911.
- Credit to holders of tax credit bonds. See Form 8912.

# Other Taxes

## Line 57

### Unreported Social Security and Medicare Tax from Forms 4137 and 8919

Enter the total of any taxes from Form 4137 and Form 8919. Check the appropriate box(es).

**Form 4137.** If you received tips of $20 or more in any month and you did not report the full amount to your employer, you must pay the social security and Medicare or railroad retirement (RRTA) tax on the unreported tips.

Do not include the value of any noncash tips, such as tickets or passes. You do not pay social security and Medicare taxes or RRTA tax on these noncash tips.

To figure the social security and Medicare tax, use Form 4137. If you owe RRTA tax, contact your employer. Your employer will figure and collect the RRTA tax.

CAUTION *You may be charged a penalty equal to 50% of the social security and Medicare or RRTA tax due on tips you received but did not report to your employer.*

**Form 8919.** If you are an employee who received wages from an employer who did not withhold social security and Medicare tax from your wages, use Form 8919 to figure your share of the unreported tax. Include on line 57 the amount from line 13 of Form 8919. Include the amount from line 6 of Form 8919 on Form 1040, line 7.

## Line 58

### Additional Tax on IRAs, Other Qualified Retirement Plans, etc.

If any of the following apply, see Form 5329 and its instructions to find out if you owe this tax and if you must file Form 5329.

1. You received an early distribution from (a) an IRA or other qualified retirement plan, (b) an annuity, or (c) a modified endowment contract entered into after June 20, 1988, and the total distribution was not rolled over in a qualified rollover contribution.

2. Excess contributions were made to your IRAs, Coverdell education savings accounts (ESAs), Archer MSAs, or health savings accounts (HSAs).

3. You received taxable distributions from Coverdell ESAs or qualified tuition programs.

4. You were born before July 1, 1941, and did not take the minimum required distribution from your IRA or other qualified retirement plan.

**Exception.** If only item (1) applies and distribution code 1 is correctly shown in box 7 of Form 1099-R, you do not have to file Form 5329. Instead, multiply the taxable amount of the distribution by 10% (.10) and enter the result on line 58. The taxable amount of the distribution is the part of the distribution you reported on Form 1040, line 15b or line 16b, or on Form 4972. Also, enter "No" under the heading *Other Taxes* to the left of line 58 to indicate that you do not have to file Form 5329. But you must file Form 5329 if distribution code 1 is incorrectly shown in box 7 of Form 1099-R or you qualify for an exception, such as the exceptions for qualified medical expenses, qualified higher education expenses, qualified first-time homebuyer distributions, or a qualified reservist distribution.

## Line 59a

### Household Employment Taxes

Enter the household employment taxes you owe for having a household employee. If any of the following apply, see Schedule H and its instructions to find out if you owe these taxes.

1. You paid any one household employee (defined below) cash wages of $1,800 or more in 2012. Cash wages include wages paid by check, money order, etc. But do not count amounts paid to an employee who was under age 18 at any time in 2012 and was a student.

2. You withheld federal income tax during 2012 at the request of any household employee.

3. You paid total cash wages of $1,000 or more in any calendar quarter of 2011 or 2012 to household employees.

Any person who does household work is a household employee if you can control what will be done and how it will be done. Household work includes work done in or around your home by babysitters, nannies, health aides, maids, yard workers, and similar domestic workers.

## Line 59b

### First-time Homebuyer Credit Repayment

Enter the first-time homebuyer credit you have to repay if you:

- Disposed of the home within 36 months after buying it,
- Stopped using the home as your main home within 36 months after buying it, or
- Bought the home in 2008.

If you bought the home in 2008 and owned and used it as your main home for all of 2012, you can enter your 2012 repayment on this line without attaching Form 5405.

See the Form 5405 instructions for details and for exceptions to the repayment rule. Also see the Form 5405 instructions if the home you bought was destroyed, condemned, or disposed of under threat of condemnation and you did not buy a new home within 2 years.

## Line 60

### Other Taxes

Use line 60 to report any taxes not reported elsewhere on your return or other schedules. To find out if you owe the tax, see the form or publication indicated. In the space next to line 60, enter the amount of the tax and the code that identifies it. If you need more room, attach a statement listing the amount of each tax and the code. Enter on line 60 the total of all of the following taxes you owe.

1. Additional tax on health savings account (HSA) distributions (see Form 8889, Part II). Identify as "HSA."

2. Additional tax on an HSA because you did not remain an eligible individual during the testing period (see Form 8889, Part III). Identify as "HDHP."

3. Additional tax on Archer MSA distributions (see Form 8853). Identify as "MSA."

4. Additional tax on Medicare Advantage MSA distributions (see Form 8853). Identify as "Med MSA."

5. Recapture of the following credits.

a. Investment credit (see Form 4255). Identify as "ICR."

b. Low-income housing credit (see Form 8611). Identify as "LIHCR."

c. Qualified plug-in electric vehicle credit (see Form 8834, Part I). Identify as "8834R."

d. Indian employment credit (see Form 8845). Identify as "IECR."

e. New markets credit (see Form 8874). Identify as "NMCR."

f. Credit for employer-provided child care facilities (see Form 8882). Identify as "ECCFR."

g. Alternative motor vehicle credit (see Form 8910). Identify as "AMVCR."

h. Alternative fuel vehicle refueling property credit (see Form 8911). Identify as "ARPCR."

i. Qualified plug-in electric drive motor vehicle credit (see Form 8936). Identify as "8936R."

6. Recapture of federal mortgage subsidy. If you sold your home in 2012 and it was financed (in whole or in part) from the proceeds of any tax-exempt qualified mortgage bond or you claimed the mortgage interest credit, see Form 8828. Identify as "FMSR."

7. Recapture of COBRA premium assistance. If you received premium assistance under COBRA continuation coverage that covered you, your spouse, or any of your dependents, and your modified adjusted gross income is more than $125,000 ($250,000 if married filing jointly), see Pub. 502. Identify as "COBRA."

8. Section 72(m)(5) excess benefits tax (see Pub. 560). Identify as "Sec. 72(m)(5)."

9. Uncollected social security and Medicare or RRTA tax on tips or group-term life insurance. This tax should be shown in box 12 of Form W-2 with codes A and B or M and N. Identify as "UT."

10. Golden parachute payments. If you received an excess parachute payment (EPP), you must pay a 20% tax on it. This tax should be shown in box 12 of Form W-2 with code K. If you received a Form 1099-MISC, the tax is 20% of the EPP shown in box 13. Identify as "EPP."

11. Tax on accumulation distribution of trusts (see Form 4970). Identify as "ADT."

12. Excise tax on insider stock compensation from an expatriated corporation. See section 4985. Identify as "ISC."

13. Interest on the tax due on installment income from the sale of certain residential lots and timeshares. Identify as "453(l)(3)."

14. Interest on the deferred tax on gain from certain installment sales with a sales price over $150,000. Identify as "453A(c)."

15. Additional tax on recapture of a charitable contribution deduction relating to a fractional interest in tangible personal property. See Pub. 526. Identify as "FITPP."

16. Look-back interest under section 167(g) or 460(b). See Form 8697 or 8866. Identify as "From Form 8697" or "From Form 8866."

17. Any negative amount on Form 8885, line 5, because of advance payments of the health coverage tax credit you received for months you were not eligible. Enter this additional tax as a positive amount. Identify as "HCTC."

18. Additional tax on income you received from a nonqualified deferred compensation plan that fails to meet the requirements of section 409A. This income should be shown in box 12 of Form W-2 with code Z, or in box 15b of Form 1099-MISC. The tax is 20% of the amount required to be included in income plus an interest amount determined under section 409A(a)(1)(B)(ii). See section 409A(a)(1)(B) for details. Identify as "NQDC."

19. Additional tax on compensation you received from a nonqualified deferred compensation plan described in section 457A if the compensation would have been includible in your income in an earlier year except that the amount was not determinable until 2012. The tax is 20% of the amount required to be included in income plus an interest amount determined under section 457A(c)(2). See section 457A for details. Identify as "457A."

20. Tax on noneffectively connected income for any part of the year you were a nonresident alien (see the Instructions for Form 1040NR). Identify as "From Form 1040NR."

# Payments

## Line 62

### Federal Income Tax Withheld

Add the amounts shown as federal income tax withheld on your Forms W-2, W-2G, and 1099-R. Enter the total on line 62. The amount withheld should be shown in box 2 of Form W-2 or W-2G, and in box 4 of Form 1099-R. Attach Forms W-2G and 1099-R to the front of your return if federal income tax was withheld.

If you received a 2012 Form 1099 showing federal income tax withheld on dividends, taxable or tax-exempt interest income, unemployment compensation, social security benefits, or other income you received, include the amount withheld in the total on line 62. This should be shown in box 4 of Form 1099 or box 6 of Form SSA-1099.

Also include on line 62 any federal income tax withheld that is shown on a Schedule K-1.

## Line 63

### 2012 Estimated Tax Payments

Enter any estimated federal income tax payments you made for 2012. Include any overpayment that you applied to your 2012 estimated tax from:

- Your 2011 return, or
- An amended return (Form 1040X).

If you and your spouse paid joint estimated tax but are now filing separate income tax returns, you can divide the amount paid in any way you choose as long as you both agree. If you cannot agree, you must divide the payments in proportion to each spouse's individual tax as shown on your separate returns for 2012. For an example of how to do this, see Pub. 505. You may want to attach an explanation of how you and your spouse divided the payments. Be sure to show both social security numbers (SSNs) in the space provided on the separate returns. If you or your spouse paid separate estimated tax but you are now filing a joint return, add the amounts you each paid. Follow these instructions even if your spouse died in 2012 or in 2013 before filing a 2012 return.

**Divorced taxpayers.** If you got divorced in 2012 and you made joint estimated tax payments with your former spouse, enter your former spouse's SSN in the space provided on the front of Form 1040. If you were divorced and remarried in 2012, enter your present spouse's SSN in the space provided on the front of Form 1040. Also, under the heading *Payments* to the left of line 63, enter your former spouse's SSN, followed by "DIV."

**Name change.** If you changed your name because of marriage, divorce, etc., and you made estimated tax payments using your former name, attach a statement to the front of Form 1040. On the statement, explain all the payments you and your spouse made in 2012 and the name(s) and SSN(s) under which you made them.

# Lines 64a and 64b— Earned Income Credit (EIC)

## What Is the EIC?

The EIC is a credit for certain people who work. The credit may give you a refund even if you do not owe any tax.

## To Take the EIC:

- Follow the steps below.
- Complete the worksheet that applies to you or let the IRS figure the credit for you.
- If you have a qualifying child, complete and attach Schedule EIC.

For help in determining if you are eligible for the EIC, go to *www.irs.gov/eitc* and click on "EITC Assistant." This service is available in English and Spanish.

CAUTION *If you take the EIC even though you are not eligible and it is determined that your error is due to reckless or intentional disregard of the EIC rules, you will not be allowed to take the credit for 2 years even if you are otherwise eligible to do so. If you fraudulently take the EIC, you will not be allowed to take the credit for 10 years. See* Form 8862, who must file, *later. You may also have to pay penalties.*

## Step 1 All Filers

1. If, in 2012:
   - 3 or more children lived with you, is the amount on Form 1040, line 38, less than $45,060 ($50,270 if married filing jointly)?
   - 2 children lived with you, is the amount on Form 1040, line 38, less than $41,952 ($47,162 if married filing jointly)?
   - 1 child lived with you, is the amount on Form 1040, line 38, less than $36,920 ($42,130 if married filing jointly)?
   - No children lived with you, is the amount on Form 1040, line 38, less than $13,980 ($19,190 if married filing jointly)?

   ☐ **Yes.** Continue ☐ **No.** STOP You cannot take the credit.

2. Do you, and your spouse if filing a joint return, have a social security number that allows you to work or is valid for EIC purposes (explained later under *Definitions and Special Rules*)?

   ☐ **Yes.** Continue ☐ **No.** STOP You cannot take the credit. Enter "No" on the dotted line next to line 64a.

3. Is your filing status married filing separately?

   ☐ **Yes.** STOP You cannot take the credit. ☐ **No.** Continue

4. Are you filing Form 2555 or 2555-EZ (relating to foreign earned income)?

   ☐ **Yes.** STOP You cannot take the credit. ☐ **No.** Continue

5. Were you or your spouse a nonresident alien for any part of 2012?

   ☐ **Yes.** See *Nonresident aliens,* later, under *Definitions and Special Rules*. ☐ **No.** Go to Step 2.

## Step 2 Investment Income

1. Add the amounts from Form 1040:

| | | |
|---|---|---|
| Line 8a | | _____ |
| Line 8b | + | _____ |
| Line 9a | + | _____ |
| Line 13* | + | _____ |
| **Investment Income** | = | |

*If line 13 is a loss, enter -0-.

2. Is your investment income more than $3,200?

   ☐ **Yes.** Continue ☐ **No.** Skip question 3; go to question 4.

3. Are you filing Form 4797 (relating to sales of business property)?

   ☐ **Yes.** See *Form 4797 filers,* later, under *Definitions and Special Rules*. ☐ **No.** STOP You cannot take the credit.

4. Do any of the following apply for 2012?
   - You are filing Schedule E.
   - You are reporting income from the rental of personal property not used in a trade or business.
   - You are reporting income on Form 1040, line 21, from Form 8814 (relating to election to report child's interest and dividends).

   ☐ **Yes.** You must use Worksheet 1 in Pub. 596 to see if you can take the credit. ☐ **No.** Go to Step 3.

## Step 3 Qualifying Child

**A qualifying child for the EIC is a child who is your...**

Son, daughter, stepchild, foster child, brother, sister, stepbrother, stepsister, half brother, half sister, or a descendant of any of them (for example, your grandchild, niece, or nephew)

**AND**

**was ...**

Under age 19 at the end of 2012 and younger than you (or your spouse, if filing jointly)

or

Under age 24 at the end of 2012, a student (defined later), and younger than you (or your spouse, if filing jointly)

or

Any age and permanently and totally disabled (defined later)

**AND**

Who is not filing a joint return for 2012 or is filing a joint return for 2012 only to claim a refund of withheld income tax or estimated tax paid (see Pub. 596 for examples)

**AND**

Who lived with you in the United States for more than half of 2012. If the child did not live with you for the required time, see *Exception to time lived with you,* later.

CAUTION *If the child meets the conditions to be a qualifying child of any other person (other than your spouse if filing a joint return) for 2012, see* Qualifying child of more than one person, *later. If the child was married, see* Married child, *later.*

1. Do you have at least one child who meets the conditions to be your qualifying child?
   - ☐ **Yes.** The child must have a valid social security number (SSN) as defined later, unless the child was born and died in 2012. If at least one qualifying child has a valid SSN (or was born or died in 2012), go to question 2. Otherwise, you cannot take the credit.
   - ☐ **No.** Skip questions 2 and 3; go to Step 4.

2. Are you filing a joint return for 2012?
   - ☐ **Yes.** Skip question 3 and Step 4; go to Step 5.
   - ☐ **No.** Continue

3. Could you be a qualifying child of another person for 2012? (Check "No" if the other person is not required to file, and is not filing, a 2012 tax return or is filing a 2012 return only to claim a refund of withheld income tax or estimated tax paid (see Pub. 596 for examples).)
   - ☐ **Yes.** STOP You cannot take the credit. Enter "No" on the dotted line next to line 64a.
   - ☐ **No.** Skip Step 4; go to Step 5.

## Step 4 Filers Without a Qualifying Child

1. Is the amount on Form 1040, line 38, less than $13,980 ($19,190 if married filing jointly)?
   - ☐ **Yes.** Continue
   - ☐ **No.** STOP You cannot take the credit.

2. Were you, or your spouse if filing a joint return, at least age 25 but under age 65 at the end of 2012? (Check "Yes" if you, or your spouse if filing a joint return, were born after December 31, 1947, and before January 2, 1988.) If your spouse died in 2012, see Pub. 596 before you answer.
   - ☐ **Yes.** Continue
   - ☐ **No.** STOP You cannot take the credit.

3. Was your main home, and your spouse's if filing a joint return, in the United States for more than half of 2012? Members of the military stationed outside the United States, see *Members of the military,* later, before you answer.
   - ☐ **Yes.** Continue
   - ☐ **No.** STOP You cannot take the credit. Enter "No" on the dotted line next to line 64a.

4. Are you filing a joint return for 2012?
   - ☐ **Yes.** Skip questions 5 and 6; go to Step 5.
   - ☐ **No.** Continue

5. Could you be a qualifying child of another person for 2012? (Check "No" if the other person is not required to file, and is not filing, a 2012 tax return or is filing a 2012 return only to claim a refund of withheld income tax or estimated tax paid (see Pub. 596 for examples).)
   - ☐ **Yes.** STOP You cannot take the credit. Enter "No" on the dotted line next to line 64a.
   - ☐ **No.** Continue

6. Can you be claimed as a dependent on someone else's 2012 tax return?

☐ **Yes.** STOP You cannot take the credit.

☐ **No.** Go to Step 5.

## Step 5 Earned Income

1. Are you filing Schedule SE because you were a member of the clergy or you had church employee income of $108.28 or more?

☐ **Yes.** See *Clergy* or *Church employees,* whichever applies.

☐ **No.** Continue

2. Figure earned income:

Form 1040, line 7 _____

Subtract, if included on line 7, any:

- Taxable scholarship or fellowship grant not reported on a Form W-2.
- Amount received for work performed while an inmate in a penal institution (enter "PRI" and the amount subtracted on the dotted line next to Form 1040, line 7).
- Amount received as a pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan (enter "DFC" and the amount subtracted on the dotted line next to Form 1040, line 7). This amount may be shown in box 11 of Form W-2. If you received such an amount but box 11 is blank, contact your employer for the amount received as a pension or annuity.

– _____

Add all of your nontaxable combat pay if you elect to include it in earned income. Also enter this amount on Form 1040, line 64b. See *Combat pay, nontaxable* later. + _____

CAUTION *Electing to include nontaxable combat pay may increase or decrease your EIC. Figure the credit with and without your nontaxable combat pay before making the election.*

**Earned Income =** ☐

3. Were you self-employed at any time in 2012, or are you filing Schedule SE because you were a member of the clergy or you had church employee income, or are you filing Schedule C or C-EZ as a statutory employee?

☐ **Yes.** Skip question 4 and Step 6; go to Worksheet B.

☐ **No.** Continue

4. If you have:
   - 3 or more qualifying children, is your earned income less than $45,060 ($50,270 if married filing jointly)?
   - 2 qualifying children, is your earned income less than $41,952 ($47,162 if married filing jointly)?
   - 1 qualifying child, is your earned income less than $36,920 ($42,130 if married filing jointly)?
   - No qualifying children, is your earned income less than $13,980 ($19,190 if married filing jointly)?

☐ **Yes.** Go to Step 6.

☐ **No.** STOP You cannot take the credit.

## Step 6 How To Figure the Credit

1. Do you want the IRS to figure the credit for you?

☐ **Yes.** See *Credit figured by the IRS*, later.

☐ **No.** Go to Worksheet A.

### Definitions and Special Rules

**Adopted child.** An adopted child is always treated as your own child. An adopted child includes a child lawfully placed with you for legal adoption.

**Church employees.** Determine how much of the amount on Form 1040, line 7, was also reported on Schedule SE, Section B, line 5a. Subtract that amount from the amount on Form 1040, line 7, and enter the result in the first space of Step 5, line 2. Be sure to answer "Yes" to question 3 in Step 5.

**Clergy.** The following instructions apply to ministers, members of religious orders who have not taken a vow of poverty, and Christian Science practitioners. If you are filing Schedule SE and the amount on line 2 of that schedule includes an amount that was also reported on Form 1040, line 7:

1. Enter "Clergy" on the dotted line next to Form 1040, line 64a.
2. Determine how much of the amount on Form 1040, line 7, was also reported on Schedule SE, Section A, line 2, or Section B, line 2.
3. Subtract that amount from the amount on Form 1040, line 7. Enter the result in the first space of Step 5, line 2.
4. Be sure to answer "Yes" to question 3 in Step 5.

**Combat pay, nontaxable.** If you were a member of the U.S. Armed Forces who served in a combat zone, certain pay is excluded from your income. See *Combat Zone Exclusion* in Pub. 3. You can elect to include this pay in your earned income when figuring the EIC. The amount of your nontaxable combat pay should be shown in box 12 of Form(s) W-2 with code Q. If you

are filing a joint return and both you and your spouse received nontaxable combat pay, you can each make your own election.

**Credit figured by the IRS.** To have the IRS figure your EIC:

1. Enter "EIC" on the dotted line next to Form 1040, line 64a.

2. Be sure you enter the nontaxable combat pay you elect to include in earned income on Form 1040, line 64b. See *Combat pay, nontaxable*, above.

3. If you have a qualifying child, complete and attach Schedule EIC. If your EIC for a year after 1996 was reduced or disallowed, see *Form 8862, who must file*, later.

---

**Exception to time lived with you.** Temporary absences by you or the child for special circumstances, such as school, vacation, business, medical care, military service, or detention in a juvenile facility, count as time the child lived with you. Also see *Kidnapped child* in the instructions for line 6c or *Members of the military*, later. A child is considered to have lived with you for more than half of 2012 if the child was born or died in 2012 and your home was this child's home for more than half the time he or she was alive in 2012.

---

**Form 4797 filers.** If the amount on Form 1040, line 13, includes an amount from Form 4797, you must use Worksheet 1 in Pub. 596 to see if you can take the EIC. Otherwise, stop; you cannot take the EIC.

**Form 8862, who must file.** You must file Form 8862 if your EIC for a year after 1996 was reduced or disallowed for any reason other than a math or clerical error. But do not file Form 8862 if either of the following applies.

- You filed Form 8862 for another year, the EIC was allowed for that year, and your EIC has not been reduced or disallowed again for any reason other than a math or clerical error.
- You are taking the EIC without a qualifying child and the only reason your EIC was reduced or disallowed in the other year was because it was determined that a child listed on Schedule EIC was not your qualifying child.

Also, do not file Form 8862 or take the credit for the:

- 2 years after the most recent tax year for which there was a final determination that your EIC claim was due to reckless or intentional disregard of the EIC rules, or
- 10 years after the most recent tax year for which there was a final determination that your EIC claim was due to fraud.

**Foster child.** A foster child is any child placed with you by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction. For more details on authorized placement agencies, see Pub. 596.

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**Married child.** A child who was married at the end of 2012 is a qualifying child only if (a) you can claim him or her as your dependent on Form 1040, line 6c, or (b) you could have claimed him or her as your dependent except for the special rule for *Children of divorced or separated parents* in the instructions for line 6c.

**Members of the military.** If you were on extended active duty outside the United States, your main home is considered to be in the United States during that duty period. Extended active duty is military duty ordered for an indefinite period or for a period of more than 90 days. Once you begin serving extended active duty, you are considered to be on extended active duty even if you do not serve more than 90 days.

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**Nonresident aliens.** If your filing status is married filing jointly, go to Step 2. Otherwise, stop; you cannot take the EIC. Enter "No" on the dotted line next to line 64a.

---

**Permanently and totally disabled.** A person is permanently and totally disabled if, at any time in 2012, the person could not engage in any substantial gainful activity because of a physical or mental condition and a doctor has determined that this condition (a) has lasted or can be expected to last continuously for at least a year, or (b) can be expected to lead to death.

---

**Qualifying child of more than one person.** Even if a child meets the conditions to be the qualifying child of more than one person, only one person can claim the child as a qualifying child for all of the following tax benefits, unless the special rule for *Children of divorced or separated parents* in the instructions for line 6c applies.

1. Dependency exemption (line 6c).
2. Child tax credits (lines 51 and 65).
3. Head of household filing status (line 4).
4. Credit for child and dependent care expenses (line 48).
5. Exclusion for dependent care benefits (Form 2441, Part III).
6. Earned income credit (lines 64a and 64b).

No other person can take any of the six tax benefits just listed unless he or she has a different qualifying child. If you and any other person can claim the child as a qualifying child, the following rules apply.

- If only one of the persons is the child's parent, the child is treated as the qualifying child of the parent.
- If the parents do not file a joint return together but both parents claim the child as a qualifying child, the IRS will treat the child as the qualifying child of the parent with whom the child lived for the longer period of time in 2012. If the child lived with each parent for the same amount of time, the IRS will treat the child as the qualifying child of the parent who had the higher adjusted gross income (AGI) for 2012.
- If no parent can claim the child as a qualifying child, the child is treated as the qualifying child of the person who had the highest AGI for 2012.
- If a parent can claim the child as a qualifying child but no parent does so claim the child, the child is treated as the qualifying child of the person who had the highest AGI for 2012, but only if that person's AGI is higher than the highest AGI of any parent of the child who can claim the child.

***Example.*** Your daughter meets the conditions to be a qualifying child for both you and your mother. Your daughter does not meet the conditions to be a qualifying child of any other person, including her other parent. Under the rules above, you can claim your daughter as a qualifying child for all of the six tax benefits listed here for which you otherwise qualify. Your mother cannot claim any of the six tax benefits listed here unless she has a different qualifying child. However, if your

mother's AGI is higher than yours and you do not claim your daughter as a qualifying child, your daughter is the qualifying child of your mother.

For more details and examples, see Pub. 596.

If you will not be taking the EIC with a qualifying child, enter "No" on the dotted line next to line 64a. Otherwise, go to Step 3, question 1.

---

**Social security number (SSN).** For the EIC, a valid SSN is a number issued by the Social Security Administration unless "Not Valid for Employment" is printed on the social security card and the number was issued solely to allow the recipient of the SSN to apply for or receive a federally funded benefit. However, if "Valid for Work Only With DHS Authorization" is printed on your social security card, your SSN is valid for EIC purposes only as long as the DHS authorization is still valid.

To find out how to get an SSN, see *Social Security Number (SSN)* near the beginning of these instructions. If you will not have an SSN by the date your return is due, see *What if You Cannot File on Time?*

**Student.** A student is a child who during any part of 5 calendar months of 2012 was enrolled as a full-time student at a school, or took a full-time, on-farm training course given by a school or a state, county, or local government agency. A school includes a technical, trade, or mechanical school. It does not include an on-the-job training course, correspondence school, or school offering courses only through the Internet.

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**Welfare benefits, effect of credit on.** Any refund you receive as a result of taking the EIC cannot be counted as income when determining if you or anyone else is eligible for benefits or assistance, or how much you or anyone else can receive, under any federal program or under any state or local program financed in whole or in part with federal funds. These programs include Temporary Assistance for Needy Families (TANF), Medicaid, Supplemental Security Income (SSI), and Supplemental Nutrition Assistance Program (food stamps). In addition, when determining eligibility, the refund cannot be counted as a resource for at least 12 months after you receive it. Check with your local benefit coordinator to find out if your refund will affect your benefits.

## Worksheet A—2012 EIC—Lines 64a and 64b

*Keep for Your Records*

***Before you begin:*** √ Be sure you are using the correct worksheet. Use this worksheet only if you answered "No" to Step 5, question 3. Otherwise, use Worksheet B.

**Part 1**

**All Filers Using Worksheet A**

**1.** Enter your earned income from Step 5. | 1 | |

**2.** Look up the amount on line 1 above in the EIC Table (right after Worksheet B) to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. | 2 | |

If line 2 is zero, STOP You cannot take the credit.
Enter "No" on the dotted line next to line 64a.

**3.** Enter the amount from Form 1040, line 38. | 3 | |

**4.** Are the amounts on lines 3 and 1 the same?

☐ **Yes.** Skip line 5; enter the amount from line 2 on line 6.

☐ **No.** Go to line 5.

**Part 2**

**Filers Who Answered "No" on Line 4**

**5.** If you have:

- No qualifying children, is the amount on line 3 less than $7,800 ($13,000 if married filing jointly)?
- 1 or more qualifying children, is the amount on line 3 less than $17,100 ($22,300 if married filing jointly)?

☐ **Yes.** Leave line 5 blank; enter the amount from line 2 on line 6.

☐ **No.** Look up the amount on line 3 in the EIC Table to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. | 5 | |

Look at the amounts on lines 5 and 2.
Then, enter the **smaller** amount on line 6.

**Part 3**

**Your Earned Income Credit**

**6. This is your earned income credit.** | 6 | |

Enter this amount on Form 1040, line 64a.

**Reminder—**

√ If you have a qualifying child, complete and attach Schedule EIC.

CAUTION *If your EIC for a year after 1996 was reduced or disallowed, see* Form 8862, who must file*, earlier, to find out if you must file Form 8862 to take the credit for 2012.*

## Worksheet B—2012 EIC—Lines 64a and 64b

*Keep for Your Records*

**Use this worksheet if you answered "Yes" to Step 5, question 3.**

√ Complete the parts below (Parts 1 through 3) that apply to you. Then, continue to Part 4.

√ If you are married filing a joint return, include your spouse's amounts, if any, with yours to figure the amounts to enter in Parts 1 through 3.

### Part 1

**Self-Employed, Members of the Clergy, and People With Church Employee Income Filing Schedule SE**

| | | | |
|---|---|---|---|
| **1a.** | Enter the amount from Schedule SE, Section A, line 3, or Section B, line 3, whichever applies. | | 1a |
| **b.** | Enter any amount from Schedule SE, Section B, line 4b, and line 5a. | + | 1b |
| **c.** | Combine lines 1a and 1b. | = | 1c |
| **d.** | Enter the amount from Schedule SE, Section A, line 6, or Section B, line 13, whichever applies. | − | 1d |
| **e.** | Subtract line 1d from 1c. | = | 1e |

### Part 2

**Self-Employed NOT Required To File Schedule SE**

For example, your net earnings from self-employment were less than $400.

**2.** Do not include on these lines any statutory employee income, any net profit from services performed as a notary public, any amount exempt from self-employment tax as the result of the filing and approval of Form 4029 or Form 4361, or any other amounts exempt from self-employment tax.

| | | | |
|---|---|---|---|
| **a.** | Enter any net farm profit or (loss) from Schedule F, line 34, and from farm partnerships, Schedule K-1 (Form 1065), box 14, code A*. | | 2a |
| **b.** | Enter any net profit or (loss) from Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (Form 1065), box 14, code A (other than farming); and Schedule K-1 (Form 1065-B), box 9, code J1*. | + | 2b |
| **c.** | Combine lines 2a and 2b. | = | 2c |

**If you have any Schedule K-1 amounts, complete the appropriate line(s) of Schedule SE, Section A. Reduce the Schedule K-1 amounts as described in the Partner's Instructions for Schedule K-1. Enter your name and social security number on Schedule SE and attach it to your return.*

### Part 3

**Statutory Employees Filing Schedule C or C-EZ**

**3.** Enter the amount from Schedule C, line 1, or Schedule C-EZ, line 1, that you are filing as a statutory employee. **3**

### Part 4

**All Filers Using Worksheet B**

**Note.** If line 4b includes income on which you should have paid self-employment tax but did not, we may reduce your credit by the amount of self-employment tax not paid.

**4a.** Enter your earned income from Step 5. **4a**

**b.** Combine lines 1e, 2c, 3, and 4a. **This is your total earned income.** **4b**

If line 4b is zero or less, STOP You cannot take the credit. Enter "No" on the dotted line next to line 64a.

**5.** If you have:

- 3 or more qualifying children, is line 4b less than $45,060 ($50,270 if married filing jointly)?
- 2 qualifying children, is line 4b less than $41,952 ($47,162 if married filing jointly)?
- 1 qualifying child, is line 4b less than $36,920 ($42,130 if married filing jointly)?
- No qualifying children, is line 4b less than $13,980 ($19,190 if married filing jointly)?

☐ **Yes.** If you want the IRS to figure your credit, see *Credit figured by the IRS*, earlier. If you want to figure the credit yourself, enter the amount from line 4b on line 6 of this worksheet.

☐ **No.** STOP You cannot take the credit. Enter "No" on the dotted line next to line 64a.

## Worksheet B—2012 EIC—Lines 64a and 64b—*Continued*

*Keep for Your Records*

**Part 5**

**All Filers Using Worksheet B**

**6.** Enter your total earned income from Part 4, line 4b. | **6** |

**7.** Look up the amount on line 6 above in the EIC Table to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. | **7** |

If line 7 is zero, STOP You cannot take the credit. Enter "No" on the dotted line next to line 64a.

**8.** Enter the amount from Form 1040, line 38. | **8** |

**9.** Are the amounts on lines 8 and 6 the same?

☐ **Yes.** Skip line 10; enter the amount from line 7 on line 11.

☐ **No.** Go to line 10.

**Part 6**

**Filers Who Answered "No" on Line 9**

**10.** If you have:

- No qualifying children, is the amount on line 8 less than $7,800 ($13,000 if married filing jointly)?
- 1 or more qualifying children, is the amount on line 8 less than $17,100 ($22,300 if married filing jointly)?

☐ **Yes.** Leave line 10 blank; enter the amount from line 7 on line 11.

☐ **No.** Look up the amount on line 8 in the EIC Table to find the credit. Be sure you use the correct column for your filing status and the number of children you have. Enter the credit here. | **10** |

Look at the amounts on lines 10 and 7. Then, enter the **smaller** amount on line 11.

**Part 7**

**Your Earned Income Credit**

**11. This is your earned income credit.** | **11** |

Enter this amount on Form 1040, line 64a.

**Reminder—**

√ If you have a qualifying child, complete and attach Schedule EIC.

CAUTION *If your EIC for a year after 1996 was reduced or disallowed, see* Form 8862, who must file, *earlier, to find out if you must file Form 8862 to take the credit for 2012.*

# 2012 Earned Income Credit (EIC) Table

## **Caution.** This is **not** a tax table.

**1.** To find your credit, read down the "At least - But less than" columns and find the line that includes the amount you were told to look up from your EIC Worksheet.

**2.** Then, go to the column that includes your filing status and the number of qualifying children you have. Enter the credit from that column on your EIC Worksheet.

**Example.** If your filing status is single, you have one qualifying child, and the amount you are looking up from your EIC Worksheet is $2,455, you would enter $842.

| If the amount you are looking up from the worksheet is— | | And your filing status is— Single, head of household, or qualifying widow(er) and you have— | | | |
|---|---|---|---|---|---|
| | | No children | One child | Two children | Three children |
| At least | But less than | Your credit is— | | | |
| 2,400 | 2,450 | 186 | 825 | 970 | 1,091 |
| 2,450 | 2,500 | 189 | 842 | 990 | 1,114 |

| If the amount you are looking up from the worksheet is– | | And your filing status is– Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **$1** | **$50** | $2 | $9 | $10 | $11 | $2 | $9 | $10 | $11 |
| **50** | **100** | 6 | 26 | 30 | 34 | 6 | 26 | 30 | 34 |
| **100** | **150** | 10 | 43 | 50 | 56 | 10 | 43 | 50 | 56 |
| **150** | **200** | 13 | 60 | 70 | 79 | 13 | 60 | 70 | 79 |
| **200** | **250** | 17 | 77 | 90 | 101 | 17 | 77 | 90 | 101 |
| **250** | **300** | 21 | 94 | 110 | 124 | 21 | 94 | 110 | 124 |
| **300** | **350** | 25 | 111 | 130 | 146 | 25 | 111 | 130 | 146 |
| **350** | **400** | 29 | 128 | 150 | 169 | 29 | 128 | 150 | 169 |
| **400** | **450** | 33 | 145 | 170 | 191 | 33 | 145 | 170 | 191 |
| **450** | **500** | 36 | 162 | 190 | 214 | 36 | 162 | 190 | 214 |
| **500** | **550** | 40 | 179 | 210 | 236 | 40 | 179 | 210 | 236 |
| **550** | **600** | 44 | 196 | 230 | 259 | 44 | 196 | 230 | 259 |
| **600** | **650** | 48 | 213 | 250 | 281 | 48 | 213 | 250 | 281 |
| **650** | **700** | 52 | 230 | 270 | 304 | 52 | 230 | 270 | 304 |
| **700** | **750** | 55 | 247 | 290 | 326 | 55 | 247 | 290 | 326 |
| **750** | **800** | 59 | 264 | 310 | 349 | 59 | 264 | 310 | 349 |
| **800** | **850** | 63 | 281 | 330 | 371 | 63 | 281 | 330 | 371 |
| **850** | **900** | 67 | 298 | 350 | 394 | 67 | 298 | 350 | 394 |
| **900** | **950** | 71 | 315 | 370 | 416 | 71 | 315 | 370 | 416 |
| **950** | **1,000** | 75 | 332 | 390 | 439 | 75 | 332 | 390 | 439 |
| **1,000** | **1,050** | 78 | 349 | 410 | 461 | 78 | 349 | 410 | 461 |
| **1,050** | **1,100** | 82 | 366 | 430 | 484 | 82 | 366 | 430 | 484 |
| **1,100** | **1,150** | 86 | 383 | 450 | 506 | 86 | 383 | 450 | 506 |
| **1,150** | **1,200** | 90 | 400 | 470 | 529 | 90 | 400 | 470 | 529 |
| **1,200** | **1,250** | 94 | 417 | 490 | 551 | 94 | 417 | 490 | 551 |
| **1,250** | **1,300** | 98 | 434 | 510 | 574 | 98 | 434 | 510 | 574 |
| **1,300** | **1,350** | 101 | 451 | 530 | 596 | 101 | 451 | 530 | 596 |
| **1,350** | **1,400** | 105 | 468 | 550 | 619 | 105 | 468 | 550 | 619 |
| **1,400** | **1,450** | 109 | 485 | 570 | 641 | 109 | 485 | 570 | 641 |
| **1,450** | **1,500** | 113 | 502 | 590 | 664 | 113 | 502 | 590 | 664 |
| **1,500** | **1,550** | 117 | 519 | 610 | 686 | 117 | 519 | 610 | 686 |
| **1,550** | **1,600** | 120 | 536 | 630 | 709 | 120 | 536 | 630 | 709 |
| **1,600** | **1,650** | 124 | 553 | 650 | 731 | 124 | 553 | 650 | 731 |
| **1,650** | **1,700** | 128 | 570 | 670 | 754 | 128 | 570 | 670 | 754 |
| **1,700** | **1,750** | 132 | 587 | 690 | 776 | 132 | 587 | 690 | 776 |
| **1,750** | **1,800** | 136 | 604 | 710 | 799 | 136 | 604 | 710 | 799 |
| **1,800** | **1,850** | 140 | 621 | 730 | 821 | 140 | 621 | 730 | 821 |
| **1,850** | **1,900** | 143 | 638 | 750 | 844 | 143 | 638 | 750 | 844 |
| **1,900** | **1,950** | 147 | 655 | 770 | 866 | 147 | 655 | 770 | 866 |
| **1,950** | **2,000** | 151 | 672 | 790 | 889 | 151 | 672 | 790 | 889 |
| **2,000** | **2,050** | 155 | 689 | 810 | 911 | 155 | 689 | 810 | 911 |
| **2,050** | **2,100** | 159 | 706 | 830 | 934 | 159 | 706 | 830 | 934 |
| **2,100** | **2,150** | 163 | 723 | 850 | 956 | 163 | 723 | 850 | 956 |
| **2,150** | **2,200** | 166 | 740 | 870 | 979 | 166 | 740 | 870 | 979 |
| **2,200** | **2,250** | 170 | 757 | 890 | 1,001 | 170 | 757 | 890 | 1,001 |
| **2,250** | **2,300** | 174 | 774 | 910 | 1,024 | 174 | 774 | 910 | 1,024 |
| **2,300** | **2,350** | 178 | 791 | 930 | 1,046 | 178 | 791 | 930 | 1,046 |
| **2,350** | **2,400** | 182 | 808 | 950 | 1,069 | 182 | 808 | 950 | 1,069 |
| **2,400** | **2,450** | 186 | 825 | 970 | 1,091 | 186 | 825 | 970 | 1,091 |
| **2,450** | **2,500** | 189 | 842 | 990 | 1,114 | 189 | 842 | 990 | 1,114 |

*(Continued)*

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **2,500** | **2,550** | 193 | 859 | 1,010 | 1,136 | 193 | 859 | 1,010 | 1,136 |
| **2,550** | **2,600** | 197 | 876 | 1,030 | 1,159 | 197 | 876 | 1,030 | 1,159 |
| **2,600** | **2,650** | 201 | 893 | 1,050 | 1,181 | 201 | 893 | 1,050 | 1,181 |
| **2,650** | **2,700** | 205 | 910 | 1,070 | 1,204 | 205 | 910 | 1,070 | 1,204 |
| **2,700** | **2,750** | 208 | 927 | 1,090 | 1,226 | 208 | 927 | 1,090 | 1,226 |
| **2,750** | **2,800** | 212 | 944 | 1,110 | 1,249 | 212 | 944 | 1,110 | 1,249 |
| **2,800** | **2,850** | 216 | 961 | 1,130 | 1,271 | 216 | 961 | 1,130 | 1,271 |
| **2,850** | **2,900** | 220 | 978 | 1,150 | 1,294 | 220 | 978 | 1,150 | 1,294 |
| **2,900** | **2,950** | 224 | 995 | 1,170 | 1,316 | 224 | 995 | 1,170 | 1,316 |
| **2,950** | **3,000** | 228 | 1,012 | 1,190 | 1,339 | 228 | 1,012 | 1,190 | 1,339 |
| **3,000** | **3,050** | 231 | 1,029 | 1,210 | 1,361 | 231 | 1,029 | 1,210 | 1,361 |
| **3,050** | **3,100** | 235 | 1,046 | 1,230 | 1,384 | 235 | 1,046 | 1,230 | 1,384 |
| **3,100** | **3,150** | 239 | 1,063 | 1,250 | 1,406 | 239 | 1,063 | 1,250 | 1,406 |
| **3,150** | **3,200** | 243 | 1,080 | 1,270 | 1,429 | 243 | 1,080 | 1,270 | 1,429 |
| **3,200** | **3,250** | 247 | 1,097 | 1,290 | 1,451 | 247 | 1,097 | 1,290 | 1,451 |
| **3,250** | **3,300** | 251 | 1,114 | 1,310 | 1,474 | 251 | 1,114 | 1,310 | 1,474 |
| **3,300** | **3,350** | 254 | 1,131 | 1,330 | 1,496 | 254 | 1,131 | 1,330 | 1,496 |
| **3,350** | **3,400** | 258 | 1,148 | 1,350 | 1,519 | 258 | 1,148 | 1,350 | 1,519 |
| **3,400** | **3,450** | 262 | 1,165 | 1,370 | 1,541 | 262 | 1,165 | 1,370 | 1,541 |
| **3,450** | **3,500** | 266 | 1,182 | 1,390 | 1,564 | 266 | 1,182 | 1,390 | 1,564 |
| **3,500** | **3,550** | 270 | 1,199 | 1,410 | 1,586 | 270 | 1,199 | 1,410 | 1,586 |
| **3,550** | **3,600** | 273 | 1,216 | 1,430 | 1,609 | 273 | 1,216 | 1,430 | 1,609 |
| **3,600** | **3,650** | 277 | 1,233 | 1,450 | 1,631 | 277 | 1,233 | 1,450 | 1,631 |
| **3,650** | **3,700** | 281 | 1,250 | 1,470 | 1,654 | 281 | 1,250 | 1,470 | 1,654 |
| **3,700** | **3,750** | 285 | 1,267 | 1,490 | 1,676 | 285 | 1,267 | 1,490 | 1,676 |
| **3,750** | **3,800** | 289 | 1,284 | 1,510 | 1,699 | 289 | 1,284 | 1,510 | 1,699 |
| **3,800** | **3,850** | 293 | 1,301 | 1,530 | 1,721 | 293 | 1,301 | 1,530 | 1,721 |
| **3,850** | **3,900** | 296 | 1,318 | 1,550 | 1,744 | 296 | 1,318 | 1,550 | 1,744 |
| **3,900** | **3,950** | 300 | 1,335 | 1,570 | 1,766 | 300 | 1,335 | 1,570 | 1,766 |
| **3,950** | **4,000** | 304 | 1,352 | 1,590 | 1,789 | 304 | 1,352 | 1,590 | 1,789 |
| **4,000** | **4,050** | 308 | 1,369 | 1,610 | 1,811 | 308 | 1,369 | 1,610 | 1,811 |
| **4,050** | **4,100** | 312 | 1,386 | 1,630 | 1,834 | 312 | 1,386 | 1,630 | 1,834 |
| **4,100** | **4,150** | 316 | 1,403 | 1,650 | 1,856 | 316 | 1,403 | 1,650 | 1,856 |
| **4,150** | **4,200** | 319 | 1,420 | 1,670 | 1,879 | 319 | 1,420 | 1,670 | 1,879 |
| **4,200** | **4,250** | 323 | 1,437 | 1,690 | 1,901 | 323 | 1,437 | 1,690 | 1,901 |
| **4,250** | **4,300** | 327 | 1,454 | 1,710 | 1,924 | 327 | 1,454 | 1,710 | 1,924 |
| **4,300** | **4,350** | 331 | 1,471 | 1,730 | 1,946 | 331 | 1,471 | 1,730 | 1,946 |
| **4,350** | **4,400** | 335 | 1,488 | 1,750 | 1,969 | 335 | 1,488 | 1,750 | 1,969 |
| **4,400** | **4,450** | 339 | 1,505 | 1,770 | 1,991 | 339 | 1,505 | 1,770 | 1,991 |
| **4,450** | **4,500** | 342 | 1,522 | 1,790 | 2,014 | 342 | 1,522 | 1,790 | 2,014 |
| **4,500** | **4,550** | 346 | 1,539 | 1,810 | 2,036 | 346 | 1,539 | 1,810 | 2,036 |
| **4,550** | **4,600** | 350 | 1,556 | 1,830 | 2,059 | 350 | 1,556 | 1,830 | 2,059 |
| **4,600** | **4,650** | 354 | 1,573 | 1,850 | 2,081 | 354 | 1,573 | 1,850 | 2,081 |
| **4,650** | **4,700** | 358 | 1,590 | 1,870 | 2,104 | 358 | 1,590 | 1,870 | 2,104 |
| **4,700** | **4,750** | 361 | 1,607 | 1,890 | 2,126 | 361 | 1,607 | 1,890 | 2,126 |
| **4,750** | **4,800** | 365 | 1,624 | 1,910 | 2,149 | 365 | 1,624 | 1,910 | 2,149 |
| **4,800** | **4,850** | 369 | 1,641 | 1,930 | 2,171 | 369 | 1,641 | 1,930 | 2,171 |
| **4,850** | **4,900** | 373 | 1,658 | 1,950 | 2,194 | 373 | 1,658 | 1,950 | 2,194 |
| **4,900** | **4,950** | 377 | 1,675 | 1,970 | 2,216 | 377 | 1,675 | 1,970 | 2,216 |
| **4,950** | **5,000** | 381 | 1,692 | 1,990 | 2,239 | 381 | 1,692 | 1,990 | 2,239 |
| **5,000** | **5,050** | 384 | 1,709 | 2,010 | 2,261 | 384 | 1,709 | 2,010 | 2,261 |
| **5,050** | **5,100** | 388 | 1,726 | 2,030 | 2,284 | 388 | 1,726 | 2,030 | 2,284 |
| **5,100** | **5,150** | 392 | 1,743 | 2,050 | 2,306 | 392 | 1,743 | 2,050 | 2,306 |
| **5,150** | **5,200** | 396 | 1,760 | 2,070 | 2,329 | 396 | 1,760 | 2,070 | 2,329 |
| **5,200** | **5,250** | 400 | 1,777 | 2,090 | 2,351 | 400 | 1,777 | 2,090 | 2,351 |
| **5,250** | **5,300** | 404 | 1,794 | 2,110 | 2,374 | 404 | 1,794 | 2,110 | 2,374 |
| **5,300** | **5,350** | 407 | 1,811 | 2,130 | 2,396 | 407 | 1,811 | 2,130 | 2,396 |
| **5,350** | **5,400** | 411 | 1,828 | 2,150 | 2,419 | 411 | 1,828 | 2,150 | 2,419 |
| **5,400** | **5,450** | 415 | 1,845 | 2,170 | 2,441 | 415 | 1,845 | 2,170 | 2,441 |
| **5,450** | **5,500** | 419 | 1,862 | 2,190 | 2,464 | 419 | 1,862 | 2,190 | 2,464 |

*(Continued)*

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **5,500** | **5,550** | 423 | 1,879 | 2,210 | 2,486 | 423 | 1,879 | 2,210 | 2,486 |
| **5,550** | **5,600** | 426 | 1,896 | 2,230 | 2,509 | 426 | 1,896 | 2,230 | 2,509 |
| **5,600** | **5,650** | 430 | 1,913 | 2,250 | 2,531 | 430 | 1,913 | 2,250 | 2,531 |
| **5,650** | **5,700** | 434 | 1,930 | 2,270 | 2,554 | 434 | 1,930 | 2,270 | 2,554 |
| **5,700** | **5,750** | 438 | 1,947 | 2,290 | 2,576 | 438 | 1,947 | 2,290 | 2,576 |
| **5,750** | **5,800** | 442 | 1,964 | 2,310 | 2,599 | 442 | 1,964 | 2,310 | 2,599 |
| **5,800** | **5,850** | 446 | 1,981 | 2,330 | 2,621 | 446 | 1,981 | 2,330 | 2,621 |
| **5,850** | **5,900** | 449 | 1,998 | 2,350 | 2,644 | 449 | 1,998 | 2,350 | 2,644 |
| **5,900** | **5,950** | 453 | 2,015 | 2,370 | 2,666 | 453 | 2,015 | 2,370 | 2,666 |
| **5,950** | **6,000** | 457 | 2,032 | 2,390 | 2,689 | 457 | 2,032 | 2,390 | 2,689 |
| **6,000** | **6,050** | 461 | 2,049 | 2,410 | 2,711 | 461 | 2,049 | 2,410 | 2,711 |
| **6,050** | **6,100** | 465 | 2,066 | 2,430 | 2,734 | 465 | 2,066 | 2,430 | 2,734 |
| **6,100** | **6,150** | 469 | 2,083 | 2,450 | 2,756 | 469 | 2,083 | 2,450 | 2,756 |
| **6,150** | **6,200** | 472 | 2,100 | 2,470 | 2,779 | 472 | 2,100 | 2,470 | 2,779 |
| **6,200** | **6,250** | 475 | 2,117 | 2,490 | 2,801 | 475 | 2,117 | 2,490 | 2,801 |
| **6,250** | **6,300** | 475 | 2,134 | 2,510 | 2,824 | 475 | 2,134 | 2,510 | 2,824 |
| **6,300** | **6,350** | 475 | 2,151 | 2,530 | 2,846 | 475 | 2,151 | 2,530 | 2,846 |
| **6,350** | **6,400** | 475 | 2,168 | 2,550 | 2,869 | 475 | 2,168 | 2,550 | 2,869 |
| **6,400** | **6,450** | 475 | 2,185 | 2,570 | 2,891 | 475 | 2,185 | 2,570 | 2,891 |
| **6,450** | **6,500** | 475 | 2,202 | 2,590 | 2,914 | 475 | 2,202 | 2,590 | 2,914 |
| **6,500** | **6,550** | 475 | 2,219 | 2,610 | 2,936 | 475 | 2,219 | 2,610 | 2,936 |
| **6,550** | **6,600** | 475 | 2,236 | 2,630 | 2,959 | 475 | 2,236 | 2,630 | 2,959 |
| **6,600** | **6,650** | 475 | 2,253 | 2,650 | 2,981 | 475 | 2,253 | 2,650 | 2,981 |
| **6,650** | **6,700** | 475 | 2,270 | 2,670 | 3,004 | 475 | 2,270 | 2,670 | 3,004 |
| **6,700** | **6,750** | 475 | 2,287 | 2,690 | 3,026 | 475 | 2,287 | 2,690 | 3,026 |
| **6,750** | **6,800** | 475 | 2,304 | 2,710 | 3,049 | 475 | 2,304 | 2,710 | 3,049 |
| **6,800** | **6,850** | 475 | 2,321 | 2,730 | 3,071 | 475 | 2,321 | 2,730 | 3,071 |
| **6,850** | **6,900** | 475 | 2,338 | 2,750 | 3,094 | 475 | 2,338 | 2,750 | 3,094 |
| **6,900** | **6,950** | 475 | 2,355 | 2,770 | 3,116 | 475 | 2,355 | 2,770 | 3,116 |
| **6,950** | **7,000** | 475 | 2,372 | 2,790 | 3,139 | 475 | 2,372 | 2,790 | 3,139 |
| **7,000** | **7,050** | 475 | 2,389 | 2,810 | 3,161 | 475 | 2,389 | 2,810 | 3,161 |
| **7,050** | **7,100** | 475 | 2,406 | 2,830 | 3,184 | 475 | 2,406 | 2,830 | 3,184 |
| **7,100** | **7,150** | 475 | 2,423 | 2,850 | 3,206 | 475 | 2,423 | 2,850 | 3,206 |
| **7,150** | **7,200** | 475 | 2,440 | 2,870 | 3,229 | 475 | 2,440 | 2,870 | 3,229 |
| **7,200** | **7,250** | 475 | 2,457 | 2,890 | 3,251 | 475 | 2,457 | 2,890 | 3,251 |
| **7,250** | **7,300** | 475 | 2,474 | 2,910 | 3,274 | 475 | 2,474 | 2,910 | 3,274 |
| **7,300** | **7,350** | 475 | 2,491 | 2,930 | 3,296 | 475 | 2,491 | 2,930 | 3,296 |
| **7,350** | **7,400** | 475 | 2,508 | 2,950 | 3,319 | 475 | 2,508 | 2,950 | 3,319 |
| **7,400** | **7,450** | 475 | 2,525 | 2,970 | 3,341 | 475 | 2,525 | 2,970 | 3,341 |
| **7,450** | **7,500** | 475 | 2,542 | 2,990 | 3,364 | 475 | 2,542 | 2,990 | 3,364 |
| **7,500** | **7,550** | 475 | 2,559 | 3,010 | 3,386 | 475 | 2,559 | 3,010 | 3,386 |
| **7,550** | **7,600** | 475 | 2,576 | 3,030 | 3,409 | 475 | 2,576 | 3,030 | 3,409 |
| **7,600** | **7,650** | 475 | 2,593 | 3,050 | 3,431 | 475 | 2,593 | 3,050 | 3,431 |
| **7,650** | **7,700** | 475 | 2,610 | 3,070 | 3,454 | 475 | 2,610 | 3,070 | 3,454 |
| **7,700** | **7,750** | 475 | 2,627 | 3,090 | 3,476 | 475 | 2,627 | 3,090 | 3,476 |
| **7,750** | **7,800** | 475 | 2,644 | 3,110 | 3,499 | 475 | 2,644 | 3,110 | 3,499 |
| **7,800** | **7,850** | 471 | 2,661 | 3,130 | 3,521 | 475 | 2,661 | 3,130 | 3,521 |
| **7,850** | **7,900** | 467 | 2,678 | 3,150 | 3,544 | 475 | 2,678 | 3,150 | 3,544 |
| **7,900** | **7,950** | 463 | 2,695 | 3,170 | 3,566 | 475 | 2,695 | 3,170 | 3,566 |
| **7,950** | **8,000** | 459 | 2,712 | 3,190 | 3,589 | 475 | 2,712 | 3,190 | 3,589 |
| **8,000** | **8,050** | 456 | 2,729 | 3,210 | 3,611 | 475 | 2,729 | 3,210 | 3,611 |
| **8,050** | **8,100** | 452 | 2,746 | 3,230 | 3,634 | 475 | 2,746 | 3,230 | 3,634 |
| **8,100** | **8,150** | 448 | 2,763 | 3,250 | 3,656 | 475 | 2,763 | 3,250 | 3,656 |
| **8,150** | **8,200** | 444 | 2,780 | 3,270 | 3,679 | 475 | 2,780 | 3,270 | 3,679 |
| **8,200** | **8,250** | 440 | 2,797 | 3,290 | 3,701 | 475 | 2,797 | 3,290 | 3,701 |
| **8,250** | **8,300** | 436 | 2,814 | 3,310 | 3,724 | 475 | 2,814 | 3,310 | 3,724 |
| **8,300** | **8,350** | 433 | 2,831 | 3,330 | 3,746 | 475 | 2,831 | 3,330 | 3,746 |
| **8,350** | **8,400** | 429 | 2,848 | 3,350 | 3,769 | 475 | 2,848 | 3,350 | 3,769 |
| **8,400** | **8,450** | 425 | 2,865 | 3,370 | 3,791 | 475 | 2,865 | 3,370 | 3,791 |
| **8,450** | **8,500** | 421 | 2,882 | 3,390 | 3,814 | 475 | 2,882 | 3,390 | 3,814 |

*(Continued)*

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **8,500** | **8,550** | 417 | 2,899 | 3,410 | 3,836 | 475 | 2,899 | 3,410 | 3,836 |
| **8,550** | **8,600** | 413 | 2,916 | 3,430 | 3,859 | 475 | 2,916 | 3,430 | 3,859 |
| **8,600** | **8,650** | 410 | 2,933 | 3,450 | 3,881 | 475 | 2,933 | 3,450 | 3,881 |
| **8,650** | **8,700** | 406 | 2,950 | 3,470 | 3,904 | 475 | 2,950 | 3,470 | 3,904 |
| **8,700** | **8,750** | 402 | 2,967 | 3,490 | 3,926 | 475 | 2,967 | 3,490 | 3,926 |
| **8,750** | **8,800** | 398 | 2,984 | 3,510 | 3,949 | 475 | 2,984 | 3,510 | 3,949 |
| **8,800** | **8,850** | 394 | 3,001 | 3,530 | 3,971 | 475 | 3,001 | 3,530 | 3,971 |
| **8,850** | **8,900** | 391 | 3,018 | 3,550 | 3,994 | 475 | 3,018 | 3,550 | 3,994 |
| **8,900** | **8,950** | 387 | 3,035 | 3,570 | 4,016 | 475 | 3,035 | 3,570 | 4,016 |
| **8,950** | **9,000** | 383 | 3,052 | 3,590 | 4,039 | 475 | 3,052 | 3,590 | 4,039 |
| **9,000** | **9,050** | 379 | 3,069 | 3,610 | 4,061 | 475 | 3,069 | 3,610 | 4,061 |
| **9,050** | **9,100** | 375 | 3,086 | 3,630 | 4,084 | 475 | 3,086 | 3,630 | 4,084 |
| **9,100** | **9,150** | 371 | 3,103 | 3,650 | 4,106 | 475 | 3,103 | 3,650 | 4,106 |
| **9,150** | **9,200** | 368 | 3,120 | 3,670 | 4,129 | 475 | 3,120 | 3,670 | 4,129 |
| **9,200** | **9,250** | 364 | 3,137 | 3,690 | 4,151 | 475 | 3,137 | 3,690 | 4,151 |
| **9,250** | **9,300** | 360 | 3,154 | 3,710 | 4,174 | 475 | 3,154 | 3,710 | 4,174 |
| **9,300** | **9,350** | 356 | 3,169 | 3,730 | 4,196 | 475 | 3,169 | 3,730 | 4,196 |
| **9,350** | **9,400** | 352 | 3,169 | 3,750 | 4,219 | 475 | 3,169 | 3,750 | 4,219 |
| **9,400** | **9,450** | 348 | 3,169 | 3,770 | 4,241 | 475 | 3,169 | 3,770 | 4,241 |
| **9,450** | **9,500** | 345 | 3,169 | 3,790 | 4,264 | 475 | 3,169 | 3,790 | 4,264 |
| **9,500** | **9,550** | 341 | 3,169 | 3,810 | 4,286 | 475 | 3,169 | 3,810 | 4,286 |
| **9,550** | **9,600** | 337 | 3,169 | 3,830 | 4,309 | 475 | 3,169 | 3,830 | 4,309 |
| **9,600** | **9,650** | 333 | 3,169 | 3,850 | 4,331 | 475 | 3,169 | 3,850 | 4,331 |
| **9,650** | **9,700** | 329 | 3,169 | 3,870 | 4,354 | 475 | 3,169 | 3,870 | 4,354 |
| **9,700** | **9,750** | 326 | 3,169 | 3,890 | 4,376 | 475 | 3,169 | 3,890 | 4,376 |
| **9,750** | **9,800** | 322 | 3,169 | 3,910 | 4,399 | 475 | 3,169 | 3,910 | 4,399 |
| **9,800** | **9,850** | 318 | 3,169 | 3,930 | 4,421 | 475 | 3,169 | 3,930 | 4,421 |
| **9,850** | **9,900** | 314 | 3,169 | 3,950 | 4,444 | 475 | 3,169 | 3,950 | 4,444 |
| **9,900** | **9,950** | 310 | 3,169 | 3,970 | 4,466 | 475 | 3,169 | 3,970 | 4,466 |
| **9,950** | **10,000** | 306 | 3,169 | 3,990 | 4,489 | 475 | 3,169 | 3,990 | 4,489 |
| **10,000** | **10,050** | 303 | 3,169 | 4,010 | 4,511 | 475 | 3,169 | 4,010 | 4,511 |
| **10,050** | **10,100** | 299 | 3,169 | 4,030 | 4,534 | 475 | 3,169 | 4,030 | 4,534 |
| **10,100** | **10,150** | 295 | 3,169 | 4,050 | 4,556 | 475 | 3,169 | 4,050 | 4,556 |
| **10,150** | **10,200** | 291 | 3,169 | 4,070 | 4,579 | 475 | 3,169 | 4,070 | 4,579 |
| **10,200** | **10,250** | 287 | 3,169 | 4,090 | 4,601 | 475 | 3,169 | 4,090 | 4,601 |
| **10,250** | **10,300** | 283 | 3,169 | 4,110 | 4,624 | 475 | 3,169 | 4,110 | 4,624 |
| **10,300** | **10,350** | 280 | 3,169 | 4,130 | 4,646 | 475 | 3,169 | 4,130 | 4,646 |
| **10,350** | **10,400** | 276 | 3,169 | 4,150 | 4,669 | 475 | 3,169 | 4,150 | 4,669 |
| **10,400** | **10,450** | 272 | 3,169 | 4,170 | 4,691 | 475 | 3,169 | 4,170 | 4,691 |
| **10,450** | **10,500** | 268 | 3,169 | 4,190 | 4,714 | 475 | 3,169 | 4,190 | 4,714 |
| **10,500** | **10,550** | 264 | 3,169 | 4,210 | 4,736 | 475 | 3,169 | 4,210 | 4,736 |
| **10,550** | **10,600** | 260 | 3,169 | 4,230 | 4,759 | 475 | 3,169 | 4,230 | 4,759 |
| **10,600** | **10,650** | 257 | 3,169 | 4,250 | 4,781 | 475 | 3,169 | 4,250 | 4,781 |
| **10,650** | **10,700** | 253 | 3,169 | 4,270 | 4,804 | 475 | 3,169 | 4,270 | 4,804 |
| **10,700** | **10,750** | 249 | 3,169 | 4,290 | 4,826 | 475 | 3,169 | 4,290 | 4,826 |
| **10,750** | **10,800** | 245 | 3,169 | 4,310 | 4,849 | 475 | 3,169 | 4,310 | 4,849 |
| **10,800** | **10,850** | 241 | 3,169 | 4,330 | 4,871 | 475 | 3,169 | 4,330 | 4,871 |
| **10,850** | **10,900** | 238 | 3,169 | 4,350 | 4,894 | 475 | 3,169 | 4,350 | 4,894 |
| **10,900** | **10,950** | 234 | 3,169 | 4,370 | 4,916 | 475 | 3,169 | 4,370 | 4,916 |
| **10,950** | **11,000** | 230 | 3,169 | 4,390 | 4,939 | 475 | 3,169 | 4,390 | 4,939 |
| **11,000** | **11,050** | 226 | 3,169 | 4,410 | 4,961 | 475 | 3,169 | 4,410 | 4,961 |
| **11,050** | **11,100** | 222 | 3,169 | 4,430 | 4,984 | 475 | 3,169 | 4,430 | 4,984 |
| **11,100** | **11,150** | 218 | 3,169 | 4,450 | 5,006 | 475 | 3,169 | 4,450 | 5,006 |
| **11,150** | **11,200** | 215 | 3,169 | 4,470 | 5,029 | 475 | 3,169 | 4,470 | 5,029 |
| **11,200** | **11,250** | 211 | 3,169 | 4,490 | 5,051 | 475 | 3,169 | 4,490 | 5,051 |
| **11,250** | **11,300** | 207 | 3,169 | 4,510 | 5,074 | 475 | 3,169 | 4,510 | 5,074 |
| **11,300** | **11,350** | 203 | 3,169 | 4,530 | 5,096 | 475 | 3,169 | 4,530 | 5,096 |
| **11,350** | **11,400** | 199 | 3,169 | 4,550 | 5,119 | 475 | 3,169 | 4,550 | 5,119 |
| **11,400** | **11,450** | 195 | 3,169 | 4,570 | 5,141 | 475 | 3,169 | 4,570 | 5,141 |
| **11,450** | **11,500** | 192 | 3,169 | 4,590 | 5,164 | 475 | 3,169 | 4,590 | 5,164 |

*(Continued)*

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **11,500** | **11,550** | 188 | 3,169 | 4,610 | 5,186 | 475 | 3,169 | 4,610 | 5,186 |
| **11,550** | **11,600** | 184 | 3,169 | 4,630 | 5,209 | 475 | 3,169 | 4,630 | 5,209 |
| **11,600** | **11,650** | 180 | 3,169 | 4,650 | 5,231 | 475 | 3,169 | 4,650 | 5,231 |
| **11,650** | **11,700** | 176 | 3,169 | 4,670 | 5,254 | 475 | 3,169 | 4,670 | 5,254 |
| **11,700** | **11,750** | 173 | 3,169 | 4,690 | 5,276 | 475 | 3,169 | 4,690 | 5,276 |
| **11,750** | **11,800** | 169 | 3,169 | 4,710 | 5,299 | 475 | 3,169 | 4,710 | 5,299 |
| **11,800** | **11,850** | 165 | 3,169 | 4,730 | 5,321 | 475 | 3,169 | 4,730 | 5,321 |
| **11,850** | **11,900** | 161 | 3,169 | 4,750 | 5,344 | 475 | 3,169 | 4,750 | 5,344 |
| **11,900** | **11,950** | 157 | 3,169 | 4,770 | 5,366 | 475 | 3,169 | 4,770 | 5,366 |
| **11,950** | **12,000** | 153 | 3,169 | 4,790 | 5,389 | 475 | 3,169 | 4,790 | 5,389 |
| **12,000** | **12,050** | 150 | 3,169 | 4,810 | 5,411 | 475 | 3,169 | 4,810 | 5,411 |
| **12,050** | **12,100** | 146 | 3,169 | 4,830 | 5,434 | 475 | 3,169 | 4,830 | 5,434 |
| **12,100** | **12,150** | 142 | 3,169 | 4,850 | 5,456 | 475 | 3,169 | 4,850 | 5,456 |
| **12,150** | **12,200** | 138 | 3,169 | 4,870 | 5,479 | 475 | 3,169 | 4,870 | 5,479 |
| **12,200** | **12,250** | 134 | 3,169 | 4,890 | 5,501 | 475 | 3,169 | 4,890 | 5,501 |
| **12,250** | **12,300** | 130 | 3,169 | 4,910 | 5,524 | 475 | 3,169 | 4,910 | 5,524 |
| **12,300** | **12,350** | 127 | 3,169 | 4,930 | 5,546 | 475 | 3,169 | 4,930 | 5,546 |
| **12,350** | **12,400** | 123 | 3,169 | 4,950 | 5,569 | 475 | 3,169 | 4,950 | 5,569 |
| **12,400** | **12,450** | 119 | 3,169 | 4,970 | 5,591 | 475 | 3,169 | 4,970 | 5,591 |
| **12,450** | **12,500** | 115 | 3,169 | 4,990 | 5,614 | 475 | 3,169 | 4,990 | 5,614 |
| **12,500** | **12,550** | 111 | 3,169 | 5,010 | 5,636 | 475 | 3,169 | 5,010 | 5,636 |
| **12,550** | **12,600** | 107 | 3,169 | 5,030 | 5,659 | 475 | 3,169 | 5,030 | 5,659 |
| **12,600** | **12,650** | 104 | 3,169 | 5,050 | 5,681 | 475 | 3,169 | 5,050 | 5,681 |
| **12,650** | **12,700** | 100 | 3,169 | 5,070 | 5,704 | 475 | 3,169 | 5,070 | 5,704 |
| **12,700** | **12,750** | 96 | 3,169 | 5,090 | 5,726 | 475 | 3,169 | 5,090 | 5,726 |
| **12,750** | **12,800** | 92 | 3,169 | 5,110 | 5,749 | 475 | 3,169 | 5,110 | 5,749 |
| **12,800** | **12,850** | 88 | 3,169 | 5,130 | 5,771 | 475 | 3,169 | 5,130 | 5,771 |
| **12,850** | **12,900** | 85 | 3,169 | 5,150 | 5,794 | 475 | 3,169 | 5,150 | 5,794 |
| **12,900** | **12,950** | 81 | 3,169 | 5,170 | 5,816 | 475 | 3,169 | 5,170 | 5,816 |
| **12,950** | **13,000** | 77 | 3,169 | 5,190 | 5,839 | 475 | 3,169 | 5,190 | 5,839 |
| **13,000** | **13,050** | 73 | 3,169 | 5,210 | 5,861 | 472 | 3,169 | 5,210 | 5,861 |
| **13,050** | **13,100** | 69 | 3,169 | 5,236 | 5,891 | 468 | 3,169 | 5,236 | 5,891 |
| **13,100** | **13,150** | 65 | 3,169 | 5,236 | 5,891 | 464 | 3,169 | 5,236 | 5,891 |
| **13,150** | **13,200** | 62 | 3,169 | 5,236 | 5,891 | 460 | 3,169 | 5,236 | 5,891 |
| **13,200** | **13,250** | 58 | 3,169 | 5,236 | 5,891 | 456 | 3,169 | 5,236 | 5,891 |
| **13,250** | **13,300** | 54 | 3,169 | 5,236 | 5,891 | 452 | 3,169 | 5,236 | 5,891 |
| **13,300** | **13,350** | 50 | 3,169 | 5,236 | 5,891 | 449 | 3,169 | 5,236 | 5,891 |
| **13,350** | **13,400** | 46 | 3,169 | 5,236 | 5,891 | 445 | 3,169 | 5,236 | 5,891 |
| **13,400** | **13,450** | 42 | 3,169 | 5,236 | 5,891 | 441 | 3,169 | 5,236 | 5,891 |
| **13,450** | **13,500** | 39 | 3,169 | 5,236 | 5,891 | 437 | 3,169 | 5,236 | 5,891 |
| **13,500** | **13,550** | 35 | 3,169 | 5,236 | 5,891 | 433 | 3,169 | 5,236 | 5,891 |
| **13,550** | **13,600** | 31 | 3,169 | 5,236 | 5,891 | 430 | 3,169 | 5,236 | 5,891 |
| **13,600** | **13,650** | 27 | 3,169 | 5,236 | 5,891 | 426 | 3,169 | 5,236 | 5,891 |
| **13,650** | **13,700** | 23 | 3,169 | 5,236 | 5,891 | 422 | 3,169 | 5,236 | 5,891 |
| **13,700** | **13,750** | 20 | 3,169 | 5,236 | 5,891 | 418 | 3,169 | 5,236 | 5,891 |
| **13,750** | **13,800** | 16 | 3,169 | 5,236 | 5,891 | 414 | 3,169 | 5,236 | 5,891 |
| **13,800** | **13,850** | 12 | 3,169 | 5,236 | 5,891 | 410 | 3,169 | 5,236 | 5,891 |
| **13,850** | **13,900** | 8 | 3,169 | 5,236 | 5,891 | 407 | 3,169 | 5,236 | 5,891 |
| **13,900** | **13,950** | 4 | 3,169 | 5,236 | 5,891 | 403 | 3,169 | 5,236 | 5,891 |
| **13,950** | **14,000** | * | 3,169 | 5,236 | 5,891 | 399 | 3,169 | 5,236 | 5,891 |
| **14,000** | **14,050** | 0 | 3,169 | 5,236 | 5,891 | 395 | 3,169 | 5,236 | 5,891 |
| **14,050** | **14,100** | 0 | 3,169 | 5,236 | 5,891 | 391 | 3,169 | 5,236 | 5,891 |
| **14,100** | **14,150** | 0 | 3,169 | 5,236 | 5,891 | 387 | 3,169 | 5,236 | 5,891 |
| **14,150** | **14,200** | 0 | 3,169 | 5,236 | 5,891 | 384 | 3,169 | 5,236 | 5,891 |
| **14,200** | **14,250** | 0 | 3,169 | 5,236 | 5,891 | 380 | 3,169 | 5,236 | 5,891 |
| **14,250** | **14,300** | 0 | 3,169 | 5,236 | 5,891 | 376 | 3,169 | 5,236 | 5,891 |
| **14,300** | **14,350** | 0 | 3,169 | 5,236 | 5,891 | 372 | 3,169 | 5,236 | 5,891 |
| **14,350** | **14,400** | 0 | 3,169 | 5,236 | 5,891 | 368 | 3,169 | 5,236 | 5,891 |
| **14,400** | **14,450** | 0 | 3,169 | 5,236 | 5,891 | 365 | 3,169 | 5,236 | 5,891 |
| **14,450** | **14,500** | 0 | 3,169 | 5,236 | 5,891 | 361 | 3,169 | 5,236 | 5,891 |

*(Continued)*

* If the amount you are looking up from the worksheet is at least $13,950 but less than $13,980, and you have no qualifying children, your credit is $1. Otherwise, you cannot take the credit.

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **14,500** | **14,550** | 0 | 3,169 | 5,236 | 5,891 | 357 | 3,169 | 5,236 | 5,891 |
| **14,550** | **14,600** | 0 | 3,169 | 5,236 | 5,891 | 353 | 3,169 | 5,236 | 5,891 |
| **14,600** | **14,650** | 0 | 3,169 | 5,236 | 5,891 | 349 | 3,169 | 5,236 | 5,891 |
| **14,650** | **14,700** | 0 | 3,169 | 5,236 | 5,891 | 345 | 3,169 | 5,236 | 5,891 |
| **14,700** | **14,750** | 0 | 3,169 | 5,236 | 5,891 | 342 | 3,169 | 5,236 | 5,891 |
| **14,750** | **14,800** | 0 | 3,169 | 5,236 | 5,891 | 338 | 3,169 | 5,236 | 5,891 |
| **14,800** | **14,850** | 0 | 3,169 | 5,236 | 5,891 | 334 | 3,169 | 5,236 | 5,891 |
| **14,850** | **14,900** | 0 | 3,169 | 5,236 | 5,891 | 330 | 3,169 | 5,236 | 5,891 |
| **14,900** | **14,950** | 0 | 3,169 | 5,236 | 5,891 | 326 | 3,169 | 5,236 | 5,891 |
| **14,950** | **15,000** | 0 | 3,169 | 5,236 | 5,891 | 322 | 3,169 | 5,236 | 5,891 |
| **15,000** | **15,050** | 0 | 3,169 | 5,236 | 5,891 | 319 | 3,169 | 5,236 | 5,891 |
| **15,050** | **15,100** | 0 | 3,169 | 5,236 | 5,891 | 315 | 3,169 | 5,236 | 5,891 |
| **15,100** | **15,150** | 0 | 3,169 | 5,236 | 5,891 | 311 | 3,169 | 5,236 | 5,891 |
| **15,150** | **15,200** | 0 | 3,169 | 5,236 | 5,891 | 307 | 3,169 | 5,236 | 5,891 |
| **15,200** | **15,250** | 0 | 3,169 | 5,236 | 5,891 | 303 | 3,169 | 5,236 | 5,891 |
| **15,250** | **15,300** | 0 | 3,169 | 5,236 | 5,891 | 299 | 3,169 | 5,236 | 5,891 |
| **15,300** | **15,350** | 0 | 3,169 | 5,236 | 5,891 | 296 | 3,169 | 5,236 | 5,891 |
| **15,350** | **15,400** | 0 | 3,169 | 5,236 | 5,891 | 292 | 3,169 | 5,236 | 5,891 |
| **15,400** | **15,450** | 0 | 3,169 | 5,236 | 5,891 | 288 | 3,169 | 5,236 | 5,891 |
| **15,450** | **15,500** | 0 | 3,169 | 5,236 | 5,891 | 284 | 3,169 | 5,236 | 5,891 |
| **15,500** | **15,550** | 0 | 3,169 | 5,236 | 5,891 | 280 | 3,169 | 5,236 | 5,891 |
| **15,550** | **15,600** | 0 | 3,169 | 5,236 | 5,891 | 277 | 3,169 | 5,236 | 5,891 |
| **15,600** | **15,650** | 0 | 3,169 | 5,236 | 5,891 | 273 | 3,169 | 5,236 | 5,891 |
| **15,650** | **15,700** | 0 | 3,169 | 5,236 | 5,891 | 269 | 3,169 | 5,236 | 5,891 |
| **15,700** | **15,750** | 0 | 3,169 | 5,236 | 5,891 | 265 | 3,169 | 5,236 | 5,891 |
| **15,750** | **15,800** | 0 | 3,169 | 5,236 | 5,891 | 261 | 3,169 | 5,236 | 5,891 |
| **15,800** | **15,850** | 0 | 3,169 | 5,236 | 5,891 | 257 | 3,169 | 5,236 | 5,891 |
| **15,850** | **15,900** | 0 | 3,169 | 5,236 | 5,891 | 254 | 3,169 | 5,236 | 5,891 |
| **15,900** | **15,950** | 0 | 3,169 | 5,236 | 5,891 | 250 | 3,169 | 5,236 | 5,891 |
| **15,950** | **16,000** | 0 | 3,169 | 5,236 | 5,891 | 246 | 3,169 | 5,236 | 5,891 |
| **16,000** | **16,050** | 0 | 3,169 | 5,236 | 5,891 | 242 | 3,169 | 5,236 | 5,891 |
| **16,050** | **16,100** | 0 | 3,169 | 5,236 | 5,891 | 238 | 3,169 | 5,236 | 5,891 |
| **16,100** | **16,150** | 0 | 3,169 | 5,236 | 5,891 | 234 | 3,169 | 5,236 | 5,891 |
| **16,150** | **16,200** | 0 | 3,169 | 5,236 | 5,891 | 231 | 3,169 | 5,236 | 5,891 |
| **16,200** | **16,250** | 0 | 3,169 | 5,236 | 5,891 | 227 | 3,169 | 5,236 | 5,891 |
| **16,250** | **16,300** | 0 | 3,169 | 5,236 | 5,891 | 223 | 3,169 | 5,236 | 5,891 |
| **16,300** | **16,350** | 0 | 3,169 | 5,236 | 5,891 | 219 | 3,169 | 5,236 | 5,891 |
| **16,350** | **16,400** | 0 | 3,169 | 5,236 | 5,891 | 215 | 3,169 | 5,236 | 5,891 |
| **16,400** | **16,450** | 0 | 3,169 | 5,236 | 5,891 | 212 | 3,169 | 5,236 | 5,891 |
| **16,450** | **16,500** | 0 | 3,169 | 5,236 | 5,891 | 208 | 3,169 | 5,236 | 5,891 |
| **16,500** | **16,550** | 0 | 3,169 | 5,236 | 5,891 | 204 | 3,169 | 5,236 | 5,891 |
| **16,550** | **16,600** | 0 | 3,169 | 5,236 | 5,891 | 200 | 3,169 | 5,236 | 5,891 |
| **16,600** | **16,650** | 0 | 3,169 | 5,236 | 5,891 | 196 | 3,169 | 5,236 | 5,891 |
| **16,650** | **16,700** | 0 | 3,169 | 5,236 | 5,891 | 192 | 3,169 | 5,236 | 5,891 |
| **16,700** | **16,750** | 0 | 3,169 | 5,236 | 5,891 | 189 | 3,169 | 5,236 | 5,891 |
| **16,750** | **16,800** | 0 | 3,169 | 5,236 | 5,891 | 185 | 3,169 | 5,236 | 5,891 |
| **16,800** | **16,850** | 0 | 3,169 | 5,236 | 5,891 | 181 | 3,169 | 5,236 | 5,891 |
| **16,850** | **16,900** | 0 | 3,169 | 5,236 | 5,891 | 177 | 3,169 | 5,236 | 5,891 |
| **16,900** | **16,950** | 0 | 3,169 | 5,236 | 5,891 | 173 | 3,169 | 5,236 | 5,891 |
| **16,950** | **17,000** | 0 | 3,169 | 5,236 | 5,891 | 169 | 3,169 | 5,236 | 5,891 |
| **17,000** | **17,050** | 0 | 3,169 | 5,236 | 5,891 | 166 | 3,169 | 5,236 | 5,891 |
| **17,050** | **17,100** | 0 | 3,169 | 5,236 | 5,891 | 162 | 3,169 | 5,236 | 5,891 |
| **17,100** | **17,150** | 0 | 3,163 | 5,229 | 5,883 | 158 | 3,169 | 5,236 | 5,891 |
| **17,150** | **17,200** | 0 | 3,155 | 5,218 | 5,873 | 154 | 3,169 | 5,236 | 5,891 |
| **17,200** | **17,250** | 0 | 3,147 | 5,208 | 5,862 | 150 | 3,169 | 5,236 | 5,891 |
| **17,250** | **17,300** | 0 | 3,139 | 5,197 | 5,852 | 146 | 3,169 | 5,236 | 5,891 |
| **17,300** | **17,350** | 0 | 3,131 | 5,187 | 5,841 | 143 | 3,169 | 5,236 | 5,891 |
| **17,350** | **17,400** | 0 | 3,123 | 5,176 | 5,830 | 139 | 3,169 | 5,236 | 5,891 |
| **17,400** | **17,450** | 0 | 3,115 | 5,165 | 5,820 | 135 | 3,169 | 5,236 | 5,891 |
| **17,450** | **17,500** | 0 | 3,107 | 5,155 | 5,809 | 131 | 3,169 | 5,236 | 5,891 |

*(Continued)*

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **17,500** | **17,550** | 0 | 3,099 | 5,144 | 5,799 | 127 | 3,169 | 5,236 | 5,891 |
| **17,550** | **17,600** | 0 | 3,091 | 5,134 | 5,788 | 124 | 3,169 | 5,236 | 5,891 |
| **17,600** | **17,650** | 0 | 3,083 | 5,123 | 5,778 | 120 | 3,169 | 5,236 | 5,891 |
| **17,650** | **17,700** | 0 | 3,075 | 5,113 | 5,767 | 116 | 3,169 | 5,236 | 5,891 |
| **17,700** | **17,750** | 0 | 3,067 | 5,102 | 5,757 | 112 | 3,169 | 5,236 | 5,891 |
| **17,750** | **17,800** | 0 | 3,059 | 5,092 | 5,746 | 108 | 3,169 | 5,236 | 5,891 |
| **17,800** | **17,850** | 0 | 3,051 | 5,081 | 5,736 | 104 | 3,169 | 5,236 | 5,891 |
| **17,850** | **17,900** | 0 | 3,043 | 5,071 | 5,725 | 101 | 3,169 | 5,236 | 5,891 |
| **17,900** | **17,950** | 0 | 3,035 | 5,060 | 5,715 | 97 | 3,169 | 5,236 | 5,891 |
| **17,950** | **18,000** | 0 | 3,027 | 5,050 | 5,704 | 93 | 3,169 | 5,236 | 5,891 |
| **18,000** | **18,050** | 0 | 3,019 | 5,039 | 5,694 | 89 | 3,169 | 5,236 | 5,891 |
| **18,050** | **18,100** | 0 | 3,011 | 5,029 | 5,683 | 85 | 3,169 | 5,236 | 5,891 |
| **18,100** | **18,150** | 0 | 3,003 | 5,018 | 5,673 | 81 | 3,169 | 5,236 | 5,891 |
| **18,150** | **18,200** | 0 | 2,995 | 5,007 | 5,662 | 78 | 3,169 | 5,236 | 5,891 |
| **18,200** | **18,250** | 0 | 2,987 | 4,997 | 5,651 | 74 | 3,169 | 5,236 | 5,891 |
| **18,250** | **18,300** | 0 | 2,979 | 4,986 | 5,641 | 70 | 3,169 | 5,236 | 5,891 |
| **18,300** | **18,350** | 0 | 2,971 | 4,976 | 5,630 | 66 | 3,169 | 5,236 | 5,891 |
| **18,350** | **18,400** | 0 | 2,963 | 4,965 | 5,620 | 62 | 3,169 | 5,236 | 5,891 |
| **18,400** | **18,450** | 0 | 2,955 | 4,955 | 5,609 | 59 | 3,169 | 5,236 | 5,891 |
| **18,450** | **18,500** | 0 | 2,947 | 4,944 | 5,599 | 55 | 3,169 | 5,236 | 5,891 |
| **18,500** | **18,550** | 0 | 2,939 | 4,934 | 5,588 | 51 | 3,169 | 5,236 | 5,891 |
| **18,550** | **18,600** | 0 | 2,931 | 4,923 | 5,578 | 47 | 3,169 | 5,236 | 5,891 |
| **18,600** | **18,650** | 0 | 2,924 | 4,913 | 5,567 | 43 | 3,169 | 5,236 | 5,891 |
| **18,650** | **18,700** | 0 | 2,916 | 4,902 | 5,557 | 39 | 3,169 | 5,236 | 5,891 |
| **18,700** | **18,750** | 0 | 2,908 | 4,892 | 5,546 | 36 | 3,169 | 5,236 | 5,891 |
| **18,750** | **18,800** | 0 | 2,900 | 4,881 | 5,536 | 32 | 3,169 | 5,236 | 5,891 |
| **18,800** | **18,850** | 0 | 2,892 | 4,871 | 5,525 | 28 | 3,169 | 5,236 | 5,891 |
| **18,850** | **18,900** | 0 | 2,884 | 4,860 | 5,515 | 24 | 3,169 | 5,236 | 5,891 |
| **18,900** | **18,950** | 0 | 2,876 | 4,850 | 5,504 | 20 | 3,169 | 5,236 | 5,891 |
| **18,950** | **19,000** | 0 | 2,868 | 4,839 | 5,494 | 16 | 3,169 | 5,236 | 5,891 |
| **19,000** | **19,050** | 0 | 2,860 | 4,828 | 5,483 | 13 | 3,169 | 5,236 | 5,891 |
| **19,050** | **19,100** | 0 | 2,852 | 4,818 | 5,472 | 9 | 3,169 | 5,236 | 5,891 |
| **19,100** | **19,150** | 0 | 2,844 | 4,807 | 5,462 | 5 | 3,169 | 5,236 | 5,891 |
| **19,150** | **19,200** | 0 | 2,836 | 4,797 | 5,451 | * | 3,169 | 5,236 | 5,891 |
| **19,200** | **19,250** | 0 | 2,828 | 4,786 | 5,441 | 0 | 3,169 | 5,236 | 5,891 |
| **19,250** | **19,300** | 0 | 2,820 | 4,776 | 5,430 | 0 | 3,169 | 5,236 | 5,891 |
| **19,300** | **19,350** | 0 | 2,812 | 4,765 | 5,420 | 0 | 3,169 | 5,236 | 5,891 |
| **19,350** | **19,400** | 0 | 2,804 | 4,755 | 5,409 | 0 | 3,169 | 5,236 | 5,891 |
| **19,400** | **19,450** | 0 | 2,796 | 4,744 | 5,399 | 0 | 3,169 | 5,236 | 5,891 |
| **19,450** | **19,500** | 0 | 2,788 | 4,734 | 5,388 | 0 | 3,169 | 5,236 | 5,891 |
| **19,500** | **19,550** | 0 | 2,780 | 4,723 | 5,378 | 0 | 3,169 | 5,236 | 5,891 |
| **19,550** | **19,600** | 0 | 2,772 | 4,713 | 5,367 | 0 | 3,169 | 5,236 | 5,891 |
| **19,600** | **19,650** | 0 | 2,764 | 4,702 | 5,357 | 0 | 3,169 | 5,236 | 5,891 |
| **19,650** | **19,700** | 0 | 2,756 | 4,692 | 5,346 | 0 | 3,169 | 5,236 | 5,891 |
| **19,700** | **19,750** | 0 | 2,748 | 4,681 | 5,336 | 0 | 3,169 | 5,236 | 5,891 |
| **19,750** | **19,800** | 0 | 2,740 | 4,671 | 5,325 | 0 | 3,169 | 5,236 | 5,891 |
| **19,800** | **19,850** | 0 | 2,732 | 4,660 | 5,315 | 0 | 3,169 | 5,236 | 5,891 |
| **19,850** | **19,900** | 0 | 2,724 | 4,649 | 5,304 | 0 | 3,169 | 5,236 | 5,891 |
| **19,900** | **19,950** | 0 | 2,716 | 4,639 | 5,293 | 0 | 3,169 | 5,236 | 5,891 |
| **19,950** | **20,000** | 0 | 2,708 | 4,628 | 5,283 | 0 | 3,169 | 5,236 | 5,891 |
| **20,000** | **20,050** | 0 | 2,700 | 4,618 | 5,272 | 0 | 3,169 | 5,236 | 5,891 |
| **20,050** | **20,100** | 0 | 2,692 | 4,607 | 5,262 | 0 | 3,169 | 5,236 | 5,891 |
| **20,100** | **20,150** | 0 | 2,684 | 4,597 | 5,251 | 0 | 3,169 | 5,236 | 5,891 |
| **20,150** | **20,200** | 0 | 2,676 | 4,586 | 5,241 | 0 | 3,169 | 5,236 | 5,891 |
| **20,200** | **20,250** | 0 | 2,668 | 4,576 | 5,230 | 0 | 3,169 | 5,236 | 5,891 |
| **20,250** | **20,300** | 0 | 2,660 | 4,565 | 5,220 | 0 | 3,169 | 5,236 | 5,891 |
| **20,300** | **20,350** | 0 | 2,652 | 4,555 | 5,209 | 0 | 3,169 | 5,236 | 5,891 |
| **20,350** | **20,400** | 0 | 2,644 | 4,544 | 5,199 | 0 | 3,169 | 5,236 | 5,891 |
| **20,400** | **20,450** | 0 | 2,636 | 4,534 | 5,188 | 0 | 3,169 | 5,236 | 5,891 |
| **20,450** | **20,500** | 0 | 2,628 | 4,523 | 5,178 | 0 | 3,169 | 5,236 | 5,891 |

*(Continued)*

* If the amount you are looking up from the worksheet is at least $19,150 but less than $19,190, and you have no qualifying children, your credit is $2. Otherwise, you cannot take the credit.

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **20,500** | **20,550** | 0 | 2,620 | 4,513 | 5,167 | 0 | 3,169 | 5,236 | 5,891 |
| **20,550** | **20,600** | 0 | 2,612 | 4,502 | 5,157 | 0 | 3,169 | 5,236 | 5,891 |
| **20,600** | **20,650** | 0 | 2,604 | 4,492 | 5,146 | 0 | 3,169 | 5,236 | 5,891 |
| **20,650** | **20,700** | 0 | 2,596 | 4,481 | 5,135 | 0 | 3,169 | 5,236 | 5,891 |
| **20,700** | **20,750** | 0 | 2,588 | 4,470 | 5,125 | 0 | 3,169 | 5,236 | 5,891 |
| **20,750** | **20,800** | 0 | 2,580 | 4,460 | 5,114 | 0 | 3,169 | 5,236 | 5,891 |
| **20,800** | **20,850** | 0 | 2,572 | 4,449 | 5,104 | 0 | 3,169 | 5,236 | 5,891 |
| **20,850** | **20,900** | 0 | 2,564 | 4,439 | 5,093 | 0 | 3,169 | 5,236 | 5,891 |
| **20,900** | **20,950** | 0 | 2,556 | 4,428 | 5,083 | 0 | 3,169 | 5,236 | 5,891 |
| **20,950** | **21,000** | 0 | 2,548 | 4,418 | 5,072 | 0 | 3,169 | 5,236 | 5,891 |
| **21,000** | **21,050** | 0 | 2,540 | 4,407 | 5,062 | 0 | 3,169 | 5,236 | 5,891 |
| **21,050** | **21,100** | 0 | 2,532 | 4,397 | 5,051 | 0 | 3,169 | 5,236 | 5,891 |
| **21,100** | **21,150** | 0 | 2,524 | 4,386 | 5,041 | 0 | 3,169 | 5,236 | 5,891 |
| **21,150** | **21,200** | 0 | 2,516 | 4,376 | 5,030 | 0 | 3,169 | 5,236 | 5,891 |
| **21,200** | **21,250** | 0 | 2,508 | 4,365 | 5,020 | 0 | 3,169 | 5,236 | 5,891 |
| **21,250** | **21,300** | 0 | 2,500 | 4,355 | 5,009 | 0 | 3,169 | 5,236 | 5,891 |
| **21,300** | **21,350** | 0 | 2,492 | 4,344 | 4,999 | 0 | 3,169 | 5,236 | 5,891 |
| **21,350** | **21,400** | 0 | 2,484 | 4,334 | 4,988 | 0 | 3,169 | 5,236 | 5,891 |
| **21,400** | **21,450** | 0 | 2,476 | 4,323 | 4,978 | 0 | 3,169 | 5,236 | 5,891 |
| **21,450** | **21,500** | 0 | 2,468 | 4,313 | 4,967 | 0 | 3,169 | 5,236 | 5,891 |
| **21,500** | **21,550** | 0 | 2,460 | 4,302 | 4,956 | 0 | 3,169 | 5,236 | 5,891 |
| **21,550** | **21,600** | 0 | 2,452 | 4,291 | 4,946 | 0 | 3,169 | 5,236 | 5,891 |
| **21,600** | **21,650** | 0 | 2,444 | 4,281 | 4,935 | 0 | 3,169 | 5,236 | 5,891 |
| **21,650** | **21,700** | 0 | 2,436 | 4,270 | 4,925 | 0 | 3,169 | 5,236 | 5,891 |
| **21,700** | **21,750** | 0 | 2,428 | 4,260 | 4,914 | 0 | 3,169 | 5,236 | 5,891 |
| **21,750** | **21,800** | 0 | 2,420 | 4,249 | 4,904 | 0 | 3,169 | 5,236 | 5,891 |
| **21,800** | **21,850** | 0 | 2,412 | 4,239 | 4,893 | 0 | 3,169 | 5,236 | 5,891 |
| **21,850** | **21,900** | 0 | 2,404 | 4,228 | 4,883 | 0 | 3,169 | 5,236 | 5,891 |
| **21,900** | **21,950** | 0 | 2,396 | 4,218 | 4,872 | 0 | 3,169 | 5,236 | 5,891 |
| **21,950** | **22,000** | 0 | 2,388 | 4,207 | 4,862 | 0 | 3,169 | 5,236 | 5,891 |
| **22,000** | **22,050** | 0 | 2,380 | 4,197 | 4,851 | 0 | 3,169 | 5,236 | 5,891 |
| **22,050** | **22,100** | 0 | 2,372 | 4,186 | 4,841 | 0 | 3,169 | 5,236 | 5,891 |
| **22,100** | **22,150** | 0 | 2,364 | 4,176 | 4,830 | 0 | 3,169 | 5,236 | 5,891 |
| **22,150** | **22,200** | 0 | 2,356 | 4,165 | 4,820 | 0 | 3,169 | 5,236 | 5,891 |
| **22,200** | **22,250** | 0 | 2,348 | 4,155 | 4,809 | 0 | 3,169 | 5,236 | 5,891 |
| **22,250** | **22,300** | 0 | 2,340 | 4,144 | 4,799 | 0 | 3,169 | 5,236 | 5,891 |
| **22,300** | **22,350** | 0 | 2,332 | 4,134 | 4,788 | 0 | 3,165 | 5,231 | 5,885 |
| **22,350** | **22,400** | 0 | 2,324 | 4,123 | 4,777 | 0 | 3,157 | 5,220 | 5,875 |
| **22,400** | **22,450** | 0 | 2,316 | 4,112 | 4,767 | 0 | 3,149 | 5,210 | 5,864 |
| **22,450** | **22,500** | 0 | 2,308 | 4,102 | 4,756 | 0 | 3,141 | 5,199 | 5,854 |
| **22,500** | **22,550** | 0 | 2,300 | 4,091 | 4,746 | 0 | 3,133 | 5,189 | 5,843 |
| **22,550** | **22,600** | 0 | 2,292 | 4,081 | 4,735 | 0 | 3,125 | 5,178 | 5,833 |
| **22,600** | **22,650** | 0 | 2,284 | 4,070 | 4,725 | 0 | 3,117 | 5,168 | 5,822 |
| **22,650** | **22,700** | 0 | 2,276 | 4,060 | 4,714 | 0 | 3,109 | 5,157 | 5,812 |
| **22,700** | **22,750** | 0 | 2,268 | 4,049 | 4,704 | 0 | 3,101 | 5,146 | 5,801 |
| **22,750** | **22,800** | 0 | 2,260 | 4,039 | 4,693 | 0 | 3,093 | 5,136 | 5,790 |
| **22,800** | **22,850** | 0 | 2,252 | 4,028 | 4,683 | 0 | 3,085 | 5,125 | 5,780 |
| **22,850** | **22,900** | 0 | 2,244 | 4,018 | 4,672 | 0 | 3,077 | 5,115 | 5,769 |
| **22,900** | **22,950** | 0 | 2,236 | 4,007 | 4,662 | 0 | 3,069 | 5,104 | 5,759 |
| **22,950** | **23,000** | 0 | 2,228 | 3,997 | 4,651 | 0 | 3,061 | 5,094 | 5,748 |
| **23,000** | **23,050** | 0 | 2,220 | 3,986 | 4,641 | 0 | 3,053 | 5,083 | 5,738 |
| **23,050** | **23,100** | 0 | 2,212 | 3,976 | 4,630 | 0 | 3,045 | 5,073 | 5,727 |
| **23,100** | **23,150** | 0 | 2,204 | 3,965 | 4,620 | 0 | 3,037 | 5,062 | 5,717 |
| **23,150** | **23,200** | 0 | 2,196 | 3,954 | 4,609 | 0 | 3,029 | 5,052 | 5,706 |
| **23,200** | **23,250** | 0 | 2,188 | 3,944 | 4,598 | 0 | 3,021 | 5,041 | 5,696 |
| **23,250** | **23,300** | 0 | 2,180 | 3,933 | 4,588 | 0 | 3,013 | 5,031 | 5,685 |
| **23,300** | **23,350** | 0 | 2,172 | 3,923 | 4,577 | 0 | 3,005 | 5,020 | 5,675 |
| **23,350** | **23,400** | 0 | 2,164 | 3,912 | 4,567 | 0 | 2,997 | 5,010 | 5,664 |
| **23,400** | **23,450** | 0 | 2,156 | 3,902 | 4,556 | 0 | 2,989 | 4,999 | 5,654 |
| **23,450** | **23,500** | 0 | 2,148 | 3,891 | 4,546 | 0 | 2,981 | 4,989 | 5,643 |

*(Continued)*

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **23,500** | **23,550** | 0 | 2,140 | 3,881 | 4,535 | 0 | 2,973 | 4,978 | 5,633 |
| **23,550** | **23,600** | 0 | 2,132 | 3,870 | 4,525 | 0 | 2,965 | 4,967 | 5,622 |
| **23,600** | **23,650** | 0 | 2,125 | 3,860 | 4,514 | 0 | 2,957 | 4,957 | 5,611 |
| **23,650** | **23,700** | 0 | 2,117 | 3,849 | 4,504 | 0 | 2,949 | 4,946 | 5,601 |
| **23,700** | **23,750** | 0 | 2,109 | 3,839 | 4,493 | 0 | 2,941 | 4,936 | 5,590 |
| **23,750** | **23,800** | 0 | 2,101 | 3,828 | 4,483 | 0 | 2,933 | 4,925 | 5,580 |
| **23,800** | **23,850** | 0 | 2,093 | 3,818 | 4,472 | 0 | 2,925 | 4,915 | 5,569 |
| **23,850** | **23,900** | 0 | 2,085 | 3,807 | 4,462 | 0 | 2,917 | 4,904 | 5,559 |
| **23,900** | **23,950** | 0 | 2,077 | 3,797 | 4,451 | 0 | 2,909 | 4,894 | 5,548 |
| **23,950** | **24,000** | 0 | 2,069 | 3,786 | 4,441 | 0 | 2,901 | 4,883 | 5,538 |
| **24,000** | **24,050** | 0 | 2,061 | 3,775 | 4,430 | 0 | 2,893 | 4,873 | 5,527 |
| **24,050** | **24,100** | 0 | 2,053 | 3,765 | 4,419 | 0 | 2,885 | 4,862 | 5,517 |
| **24,100** | **24,150** | 0 | 2,045 | 3,754 | 4,409 | 0 | 2,877 | 4,852 | 5,506 |
| **24,150** | **24,200** | 0 | 2,037 | 3,744 | 4,398 | 0 | 2,869 | 4,841 | 5,496 |
| **24,200** | **24,250** | 0 | 2,029 | 3,733 | 4,388 | 0 | 2,861 | 4,831 | 5,485 |
| **24,250** | **24,300** | 0 | 2,021 | 3,723 | 4,377 | 0 | 2,853 | 4,820 | 5,475 |
| **24,300** | **24,350** | 0 | 2,013 | 3,712 | 4,367 | 0 | 2,845 | 4,810 | 5,464 |
| **24,350** | **24,400** | 0 | 2,005 | 3,702 | 4,356 | 0 | 2,837 | 4,799 | 5,454 |
| **24,400** | **24,450** | 0 | 1,997 | 3,691 | 4,346 | 0 | 2,829 | 4,788 | 5,443 |
| **24,450** | **24,500** | 0 | 1,989 | 3,681 | 4,335 | 0 | 2,821 | 4,778 | 5,432 |
| **24,500** | **24,550** | 0 | 1,981 | 3,670 | 4,325 | 0 | 2,813 | 4,767 | 5,422 |
| **24,550** | **24,600** | 0 | 1,973 | 3,660 | 4,314 | 0 | 2,805 | 4,757 | 5,411 |
| **24,600** | **24,650** | 0 | 1,965 | 3,649 | 4,304 | 0 | 2,797 | 4,746 | 5,401 |
| **24,650** | **24,700** | 0 | 1,957 | 3,639 | 4,293 | 0 | 2,789 | 4,736 | 5,390 |
| **24,700** | **24,750** | 0 | 1,949 | 3,628 | 4,283 | 0 | 2,781 | 4,725 | 5,380 |
| **24,750** | **24,800** | 0 | 1,941 | 3,618 | 4,272 | 0 | 2,773 | 4,715 | 5,369 |
| **24,800** | **24,850** | 0 | 1,933 | 3,607 | 4,262 | 0 | 2,765 | 4,704 | 5,359 |
| **24,850** | **24,900** | 0 | 1,925 | 3,596 | 4,251 | 0 | 2,757 | 4,694 | 5,348 |
| **24,900** | **24,950** | 0 | 1,917 | 3,586 | 4,240 | 0 | 2,749 | 4,683 | 5,338 |
| **24,950** | **25,000** | 0 | 1,909 | 3,575 | 4,230 | 0 | 2,741 | 4,673 | 5,327 |
| **25,000** | **25,050** | 0 | 1,901 | 3,565 | 4,219 | 0 | 2,733 | 4,662 | 5,317 |
| **25,050** | **25,100** | 0 | 1,893 | 3,554 | 4,209 | 0 | 2,725 | 4,652 | 5,306 |
| **25,100** | **25,150** | 0 | 1,885 | 3,544 | 4,198 | 0 | 2,717 | 4,641 | 5,296 |
| **25,150** | **25,200** | 0 | 1,877 | 3,533 | 4,188 | 0 | 2,709 | 4,631 | 5,285 |
| **25,200** | **25,250** | 0 | 1,869 | 3,523 | 4,177 | 0 | 2,701 | 4,620 | 5,274 |
| **25,250** | **25,300** | 0 | 1,861 | 3,512 | 4,167 | 0 | 2,693 | 4,609 | 5,264 |
| **25,300** | **25,350** | 0 | 1,853 | 3,502 | 4,156 | 0 | 2,685 | 4,599 | 5,253 |
| **25,350** | **25,400** | 0 | 1,845 | 3,491 | 4,146 | 0 | 2,677 | 4,588 | 5,243 |
| **25,400** | **25,450** | 0 | 1,837 | 3,481 | 4,135 | 0 | 2,669 | 4,578 | 5,232 |
| **25,450** | **25,500** | 0 | 1,829 | 3,470 | 4,125 | 0 | 2,661 | 4,567 | 5,222 |
| **25,500** | **25,550** | 0 | 1,821 | 3,460 | 4,114 | 0 | 2,653 | 4,557 | 5,211 |
| **25,550** | **25,600** | 0 | 1,813 | 3,449 | 4,104 | 0 | 2,645 | 4,546 | 5,201 |
| **25,600** | **25,650** | 0 | 1,805 | 3,439 | 4,093 | 0 | 2,637 | 4,536 | 5,190 |
| **25,650** | **25,700** | 0 | 1,797 | 3,428 | 4,082 | 0 | 2,629 | 4,525 | 5,180 |
| **25,700** | **25,750** | 0 | 1,789 | 3,417 | 4,072 | 0 | 2,621 | 4,515 | 5,169 |
| **25,750** | **25,800** | 0 | 1,781 | 3,407 | 4,061 | 0 | 2,613 | 4,504 | 5,159 |
| **25,800** | **25,850** | 0 | 1,773 | 3,396 | 4,051 | 0 | 2,606 | 4,494 | 5,148 |
| **25,850** | **25,900** | 0 | 1,765 | 3,386 | 4,040 | 0 | 2,598 | 4,483 | 5,138 |
| **25,900** | **25,950** | 0 | 1,757 | 3,375 | 4,030 | 0 | 2,590 | 4,473 | 5,127 |
| **25,950** | **26,000** | 0 | 1,749 | 3,365 | 4,019 | 0 | 2,582 | 4,462 | 5,117 |
| **26,000** | **26,050** | 0 | 1,741 | 3,354 | 4,009 | 0 | 2,574 | 4,452 | 5,106 |
| **26,050** | **26,100** | 0 | 1,733 | 3,344 | 3,998 | 0 | 2,566 | 4,441 | 5,095 |
| **26,100** | **26,150** | 0 | 1,725 | 3,333 | 3,988 | 0 | 2,558 | 4,430 | 5,085 |
| **26,150** | **26,200** | 0 | 1,717 | 3,323 | 3,977 | 0 | 2,550 | 4,420 | 5,074 |
| **26,200** | **26,250** | 0 | 1,709 | 3,312 | 3,967 | 0 | 2,542 | 4,409 | 5,064 |
| **26,250** | **26,300** | 0 | 1,701 | 3,302 | 3,956 | 0 | 2,534 | 4,399 | 5,053 |
| **26,300** | **26,350** | 0 | 1,693 | 3,291 | 3,946 | 0 | 2,526 | 4,388 | 5,043 |
| **26,350** | **26,400** | 0 | 1,685 | 3,281 | 3,935 | 0 | 2,518 | 4,378 | 5,032 |
| **26,400** | **26,450** | 0 | 1,677 | 3,270 | 3,925 | 0 | 2,510 | 4,367 | 5,022 |
| **26,450** | **26,500** | 0 | 1,669 | 3,260 | 3,914 | 0 | 2,502 | 4,357 | 5,011 |

*(Continued)*

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **26,500** | **26,550** | 0 | 1,661 | 3,249 | 3,903 | 0 | 2,494 | 4,346 | 5,001 |
| **26,550** | **26,600** | 0 | 1,653 | 3,238 | 3,893 | 0 | 2,486 | 4,336 | 4,990 |
| **26,600** | **26,650** | 0 | 1,645 | 3,228 | 3,882 | 0 | 2,478 | 4,325 | 4,980 |
| **26,650** | **26,700** | 0 | 1,637 | 3,217 | 3,872 | 0 | 2,470 | 4,315 | 4,969 |
| **26,700** | **26,750** | 0 | 1,629 | 3,207 | 3,861 | 0 | 2,462 | 4,304 | 4,959 |
| **26,750** | **26,800** | 0 | 1,621 | 3,196 | 3,851 | 0 | 2,454 | 4,294 | 4,948 |
| **26,800** | **26,850** | 0 | 1,613 | 3,186 | 3,840 | 0 | 2,446 | 4,283 | 4,938 |
| **26,850** | **26,900** | 0 | 1,605 | 3,175 | 3,830 | 0 | 2,438 | 4,273 | 4,927 |
| **26,900** | **26,950** | 0 | 1,597 | 3,165 | 3,819 | 0 | 2,430 | 4,262 | 4,916 |
| **26,950** | **27,000** | 0 | 1,589 | 3,154 | 3,809 | 0 | 2,422 | 4,251 | 4,906 |
| **27,000** | **27,050** | 0 | 1,581 | 3,144 | 3,798 | 0 | 2,414 | 4,241 | 4,895 |
| **27,050** | **27,100** | 0 | 1,573 | 3,133 | 3,788 | 0 | 2,406 | 4,230 | 4,885 |
| **27,100** | **27,150** | 0 | 1,565 | 3,123 | 3,777 | 0 | 2,398 | 4,220 | 4,874 |
| **27,150** | **27,200** | 0 | 1,557 | 3,112 | 3,767 | 0 | 2,390 | 4,209 | 4,864 |
| **27,200** | **27,250** | 0 | 1,549 | 3,102 | 3,756 | 0 | 2,382 | 4,199 | 4,853 |
| **27,250** | **27,300** | 0 | 1,541 | 3,091 | 3,746 | 0 | 2,374 | 4,188 | 4,843 |
| **27,300** | **27,350** | 0 | 1,533 | 3,081 | 3,735 | 0 | 2,366 | 4,178 | 4,832 |
| **27,350** | **27,400** | 0 | 1,525 | 3,070 | 3,724 | 0 | 2,358 | 4,167 | 4,822 |
| **27,400** | **27,450** | 0 | 1,517 | 3,059 | 3,714 | 0 | 2,350 | 4,157 | 4,811 |
| **27,450** | **27,500** | 0 | 1,509 | 3,049 | 3,703 | 0 | 2,342 | 4,146 | 4,801 |
| **27,500** | **27,550** | 0 | 1,501 | 3,038 | 3,693 | 0 | 2,334 | 4,136 | 4,790 |
| **27,550** | **27,600** | 0 | 1,493 | 3,028 | 3,682 | 0 | 2,326 | 4,125 | 4,780 |
| **27,600** | **27,650** | 0 | 1,485 | 3,017 | 3,672 | 0 | 2,318 | 4,115 | 4,769 |
| **27,650** | **27,700** | 0 | 1,477 | 3,007 | 3,661 | 0 | 2,310 | 4,104 | 4,759 |
| **27,700** | **27,750** | 0 | 1,469 | 2,996 | 3,651 | 0 | 2,302 | 4,093 | 4,748 |
| **27,750** | **27,800** | 0 | 1,461 | 2,986 | 3,640 | 0 | 2,294 | 4,083 | 4,737 |
| **27,800** | **27,850** | 0 | 1,453 | 2,975 | 3,630 | 0 | 2,286 | 4,072 | 4,727 |
| **27,850** | **27,900** | 0 | 1,445 | 2,965 | 3,619 | 0 | 2,278 | 4,062 | 4,716 |
| **27,900** | **27,950** | 0 | 1,437 | 2,954 | 3,609 | 0 | 2,270 | 4,051 | 4,706 |
| **27,950** | **28,000** | 0 | 1,429 | 2,944 | 3,598 | 0 | 2,262 | 4,041 | 4,695 |
| **28,000** | **28,050** | 0 | 1,421 | 2,933 | 3,588 | 0 | 2,254 | 4,030 | 4,685 |
| **28,050** | **28,100** | 0 | 1,413 | 2,923 | 3,577 | 0 | 2,246 | 4,020 | 4,674 |
| **28,100** | **28,150** | 0 | 1,405 | 2,912 | 3,567 | 0 | 2,238 | 4,009 | 4,664 |
| **28,150** | **28,200** | 0 | 1,397 | 2,901 | 3,556 | 0 | 2,230 | 3,999 | 4,653 |
| **28,200** | **28,250** | 0 | 1,389 | 2,891 | 3,545 | 0 | 2,222 | 3,988 | 4,643 |
| **28,250** | **28,300** | 0 | 1,381 | 2,880 | 3,535 | 0 | 2,214 | 3,978 | 4,632 |
| **28,300** | **28,350** | 0 | 1,373 | 2,870 | 3,524 | 0 | 2,206 | 3,967 | 4,622 |
| **28,350** | **28,400** | 0 | 1,365 | 2,859 | 3,514 | 0 | 2,198 | 3,957 | 4,611 |
| **28,400** | **28,450** | 0 | 1,357 | 2,849 | 3,503 | 0 | 2,190 | 3,946 | 4,601 |
| **28,450** | **28,500** | 0 | 1,349 | 2,838 | 3,493 | 0 | 2,182 | 3,936 | 4,590 |
| **28,500** | **28,550** | 0 | 1,341 | 2,828 | 3,482 | 0 | 2,174 | 3,925 | 4,580 |
| **28,550** | **28,600** | 0 | 1,333 | 2,817 | 3,472 | 0 | 2,166 | 3,914 | 4,569 |
| **28,600** | **28,650** | 0 | 1,326 | 2,807 | 3,461 | 0 | 2,158 | 3,904 | 4,558 |
| **28,650** | **28,700** | 0 | 1,318 | 2,796 | 3,451 | 0 | 2,150 | 3,893 | 4,548 |
| **28,700** | **28,750** | 0 | 1,310 | 2,786 | 3,440 | 0 | 2,142 | 3,883 | 4,537 |
| **28,750** | **28,800** | 0 | 1,302 | 2,775 | 3,430 | 0 | 2,134 | 3,872 | 4,527 |
| **28,800** | **28,850** | 0 | 1,294 | 2,765 | 3,419 | 0 | 2,126 | 3,862 | 4,516 |
| **28,850** | **28,900** | 0 | 1,286 | 2,754 | 3,409 | 0 | 2,118 | 3,851 | 4,506 |
| **28,900** | **28,950** | 0 | 1,278 | 2,744 | 3,398 | 0 | 2,110 | 3,841 | 4,495 |
| **28,950** | **29,000** | 0 | 1,270 | 2,733 | 3,388 | 0 | 2,102 | 3,830 | 4,485 |
| **29,000** | **29,050** | 0 | 1,262 | 2,722 | 3,377 | 0 | 2,094 | 3,820 | 4,474 |
| **29,050** | **29,100** | 0 | 1,254 | 2,712 | 3,366 | 0 | 2,086 | 3,809 | 4,464 |
| **29,100** | **29,150** | 0 | 1,246 | 2,701 | 3,356 | 0 | 2,078 | 3,799 | 4,453 |
| **29,150** | **29,200** | 0 | 1,238 | 2,691 | 3,345 | 0 | 2,070 | 3,788 | 4,443 |
| **29,200** | **29,250** | 0 | 1,230 | 2,680 | 3,335 | 0 | 2,062 | 3,778 | 4,432 |
| **29,250** | **29,300** | 0 | 1,222 | 2,670 | 3,324 | 0 | 2,054 | 3,767 | 4,422 |
| **29,300** | **29,350** | 0 | 1,214 | 2,659 | 3,314 | 0 | 2,046 | 3,757 | 4,411 |
| **29,350** | **29,400** | 0 | 1,206 | 2,649 | 3,303 | 0 | 2,038 | 3,746 | 4,401 |
| **29,400** | **29,450** | 0 | 1,198 | 2,638 | 3,293 | 0 | 2,030 | 3,735 | 4,390 |
| **29,450** | **29,500** | 0 | 1,190 | 2,628 | 3,282 | 0 | 2,022 | 3,725 | 4,379 |

*(Continued)*

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **29,500** | **29,550** | 0 | 1,182 | 2,617 | 3,272 | 0 | 2,014 | 3,714 | 4,369 |
| **29,550** | **29,600** | 0 | 1,174 | 2,607 | 3,261 | 0 | 2,006 | 3,704 | 4,358 |
| **29,600** | **29,650** | 0 | 1,166 | 2,596 | 3,251 | 0 | 1,998 | 3,693 | 4,348 |
| **29,650** | **29,700** | 0 | 1,158 | 2,586 | 3,240 | 0 | 1,990 | 3,683 | 4,337 |
| **29,700** | **29,750** | 0 | 1,150 | 2,575 | 3,230 | 0 | 1,982 | 3,672 | 4,327 |
| **29,750** | **29,800** | 0 | 1,142 | 2,565 | 3,219 | 0 | 1,974 | 3,662 | 4,316 |
| **29,800** | **29,850** | 0 | 1,134 | 2,554 | 3,209 | 0 | 1,966 | 3,651 | 4,306 |
| **29,850** | **29,900** | 0 | 1,126 | 2,543 | 3,198 | 0 | 1,958 | 3,641 | 4,295 |
| **29,900** | **29,950** | 0 | 1,118 | 2,533 | 3,187 | 0 | 1,950 | 3,630 | 4,285 |
| **29,950** | **30,000** | 0 | 1,110 | 2,522 | 3,177 | 0 | 1,942 | 3,620 | 4,274 |
| **30,000** | **30,050** | 0 | 1,102 | 2,512 | 3,166 | 0 | 1,934 | 3,609 | 4,264 |
| **30,050** | **30,100** | 0 | 1,094 | 2,501 | 3,156 | 0 | 1,926 | 3,599 | 4,253 |
| **30,100** | **30,150** | 0 | 1,086 | 2,491 | 3,145 | 0 | 1,918 | 3,588 | 4,243 |
| **30,150** | **30,200** | 0 | 1,078 | 2,480 | 3,135 | 0 | 1,910 | 3,578 | 4,232 |
| **30,200** | **30,250** | 0 | 1,070 | 2,470 | 3,124 | 0 | 1,902 | 3,567 | 4,221 |
| **30,250** | **30,300** | 0 | 1,062 | 2,459 | 3,114 | 0 | 1,894 | 3,556 | 4,211 |
| **30,300** | **30,350** | 0 | 1,054 | 2,449 | 3,103 | 0 | 1,886 | 3,546 | 4,200 |
| **30,350** | **30,400** | 0 | 1,046 | 2,438 | 3,093 | 0 | 1,878 | 3,535 | 4,190 |
| **30,400** | **30,450** | 0 | 1,038 | 2,428 | 3,082 | 0 | 1,870 | 3,525 | 4,179 |
| **30,450** | **30,500** | 0 | 1,030 | 2,417 | 3,072 | 0 | 1,862 | 3,514 | 4,169 |
| **30,500** | **30,550** | 0 | 1,022 | 2,407 | 3,061 | 0 | 1,854 | 3,504 | 4,158 |
| **30,550** | **30,600** | 0 | 1,014 | 2,396 | 3,051 | 0 | 1,846 | 3,493 | 4,148 |
| **30,600** | **30,650** | 0 | 1,006 | 2,386 | 3,040 | 0 | 1,838 | 3,483 | 4,137 |
| **30,650** | **30,700** | 0 | 998 | 2,375 | 3,029 | 0 | 1,830 | 3,472 | 4,127 |
| **30,700** | **30,750** | 0 | 990 | 2,364 | 3,019 | 0 | 1,822 | 3,462 | 4,116 |
| **30,750** | **30,800** | 0 | 982 | 2,354 | 3,008 | 0 | 1,814 | 3,451 | 4,106 |
| **30,800** | **30,850** | 0 | 974 | 2,343 | 2,998 | 0 | 1,807 | 3,441 | 4,095 |
| **30,850** | **30,900** | 0 | 966 | 2,333 | 2,987 | 0 | 1,799 | 3,430 | 4,085 |
| **30,900** | **30,950** | 0 | 958 | 2,322 | 2,977 | 0 | 1,791 | 3,420 | 4,074 |
| **30,950** | **31,000** | 0 | 950 | 2,312 | 2,966 | 0 | 1,783 | 3,409 | 4,064 |
| **31,000** | **31,050** | 0 | 942 | 2,301 | 2,956 | 0 | 1,775 | 3,399 | 4,053 |
| **31,050** | **31,100** | 0 | 934 | 2,291 | 2,945 | 0 | 1,767 | 3,388 | 4,042 |
| **31,100** | **31,150** | 0 | 926 | 2,280 | 2,935 | 0 | 1,759 | 3,377 | 4,032 |
| **31,150** | **31,200** | 0 | 918 | 2,270 | 2,924 | 0 | 1,751 | 3,367 | 4,021 |
| **31,200** | **31,250** | 0 | 910 | 2,259 | 2,914 | 0 | 1,743 | 3,356 | 4,011 |
| **31,250** | **31,300** | 0 | 902 | 2,249 | 2,903 | 0 | 1,735 | 3,346 | 4,000 |
| **31,300** | **31,350** | 0 | 894 | 2,238 | 2,893 | 0 | 1,727 | 3,335 | 3,990 |
| **31,350** | **31,400** | 0 | 886 | 2,228 | 2,882 | 0 | 1,719 | 3,325 | 3,979 |
| **31,400** | **31,450** | 0 | 878 | 2,217 | 2,872 | 0 | 1,711 | 3,314 | 3,969 |
| **31,450** | **31,500** | 0 | 870 | 2,207 | 2,861 | 0 | 1,703 | 3,304 | 3,958 |
| **31,500** | **31,550** | 0 | 862 | 2,196 | 2,850 | 0 | 1,695 | 3,293 | 3,948 |
| **31,550** | **31,600** | 0 | 854 | 2,185 | 2,840 | 0 | 1,687 | 3,283 | 3,937 |
| **31,600** | **31,650** | 0 | 846 | 2,175 | 2,829 | 0 | 1,679 | 3,272 | 3,927 |
| **31,650** | **31,700** | 0 | 838 | 2,164 | 2,819 | 0 | 1,671 | 3,262 | 3,916 |
| **31,700** | **31,750** | 0 | 830 | 2,154 | 2,808 | 0 | 1,663 | 3,251 | 3,906 |
| **31,750** | **31,800** | 0 | 822 | 2,143 | 2,798 | 0 | 1,655 | 3,241 | 3,895 |
| **31,800** | **31,850** | 0 | 814 | 2,133 | 2,787 | 0 | 1,647 | 3,230 | 3,885 |
| **31,850** | **31,900** | 0 | 806 | 2,122 | 2,777 | 0 | 1,639 | 3,220 | 3,874 |
| **31,900** | **31,950** | 0 | 798 | 2,112 | 2,766 | 0 | 1,631 | 3,209 | 3,863 |
| **31,950** | **32,000** | 0 | 790 | 2,101 | 2,756 | 0 | 1,623 | 3,198 | 3,853 |
| **32,000** | **32,050** | 0 | 782 | 2,091 | 2,745 | 0 | 1,615 | 3,188 | 3,842 |
| **32,050** | **32,100** | 0 | 774 | 2,080 | 2,735 | 0 | 1,607 | 3,177 | 3,832 |
| **32,100** | **32,150** | 0 | 766 | 2,070 | 2,724 | 0 | 1,599 | 3,167 | 3,821 |
| **32,150** | **32,200** | 0 | 758 | 2,059 | 2,714 | 0 | 1,591 | 3,156 | 3,811 |
| **32,200** | **32,250** | 0 | 750 | 2,049 | 2,703 | 0 | 1,583 | 3,146 | 3,800 |
| **32,250** | **32,300** | 0 | 742 | 2,038 | 2,693 | 0 | 1,575 | 3,135 | 3,790 |
| **32,300** | **32,350** | 0 | 734 | 2,028 | 2,682 | 0 | 1,567 | 3,125 | 3,779 |
| **32,350** | **32,400** | 0 | 726 | 2,017 | 2,671 | 0 | 1,559 | 3,114 | 3,769 |
| **32,400** | **32,450** | 0 | 718 | 2,006 | 2,661 | 0 | 1,551 | 3,104 | 3,758 |
| **32,450** | **32,500** | 0 | 710 | 1,996 | 2,650 | 0 | 1,543 | 3,093 | 3,748 |

*(Continued)*

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **32,500** | **32,550** | 0 | 702 | 1,985 | 2,640 | 0 | 1,535 | 3,083 | 3,737 |
| **32,550** | **32,600** | 0 | 694 | 1,975 | 2,629 | 0 | 1,527 | 3,072 | 3,727 |
| **32,600** | **32,650** | 0 | 686 | 1,964 | 2,619 | 0 | 1,519 | 3,062 | 3,716 |
| **32,650** | **32,700** | 0 | 678 | 1,954 | 2,608 | 0 | 1,511 | 3,051 | 3,706 |
| **32,700** | **32,750** | 0 | 670 | 1,943 | 2,598 | 0 | 1,503 | 3,040 | 3,695 |
| **32,750** | **32,800** | 0 | 662 | 1,933 | 2,587 | 0 | 1,495 | 3,030 | 3,684 |
| **32,800** | **32,850** | 0 | 654 | 1,922 | 2,577 | 0 | 1,487 | 3,019 | 3,674 |
| **32,850** | **32,900** | 0 | 646 | 1,912 | 2,566 | 0 | 1,479 | 3,009 | 3,663 |
| **32,900** | **32,950** | 0 | 638 | 1,901 | 2,556 | 0 | 1,471 | 2,998 | 3,653 |
| **32,950** | **33,000** | 0 | 630 | 1,891 | 2,545 | 0 | 1,463 | 2,988 | 3,642 |
| **33,000** | **33,050** | 0 | 622 | 1,880 | 2,535 | 0 | 1,455 | 2,977 | 3,632 |
| **33,050** | **33,100** | 0 | 614 | 1,870 | 2,524 | 0 | 1,447 | 2,967 | 3,621 |
| **33,100** | **33,150** | 0 | 606 | 1,859 | 2,514 | 0 | 1,439 | 2,956 | 3,611 |
| **33,150** | **33,200** | 0 | 598 | 1,848 | 2,503 | 0 | 1,431 | 2,946 | 3,600 |
| **33,200** | **33,250** | 0 | 590 | 1,838 | 2,492 | 0 | 1,423 | 2,935 | 3,590 |
| **33,250** | **33,300** | 0 | 582 | 1,827 | 2,482 | 0 | 1,415 | 2,925 | 3,579 |
| **33,300** | **33,350** | 0 | 574 | 1,817 | 2,471 | 0 | 1,407 | 2,914 | 3,569 |
| **33,350** | **33,400** | 0 | 566 | 1,806 | 2,461 | 0 | 1,399 | 2,904 | 3,558 |
| **33,400** | **33,450** | 0 | 558 | 1,796 | 2,450 | 0 | 1,391 | 2,893 | 3,548 |
| **33,450** | **33,500** | 0 | 550 | 1,785 | 2,440 | 0 | 1,383 | 2,883 | 3,537 |
| **33,500** | **33,550** | 0 | 542 | 1,775 | 2,429 | 0 | 1,375 | 2,872 | 3,527 |
| **33,550** | **33,600** | 0 | 534 | 1,764 | 2,419 | 0 | 1,367 | 2,861 | 3,516 |
| **33,600** | **33,650** | 0 | 527 | 1,754 | 2,408 | 0 | 1,359 | 2,851 | 3,505 |
| **33,650** | **33,700** | 0 | 519 | 1,743 | 2,398 | 0 | 1,351 | 2,840 | 3,495 |
| **33,700** | **33,750** | 0 | 511 | 1,733 | 2,387 | 0 | 1,343 | 2,830 | 3,484 |
| **33,750** | **33,800** | 0 | 503 | 1,722 | 2,377 | 0 | 1,335 | 2,819 | 3,474 |
| **33,800** | **33,850** | 0 | 495 | 1,712 | 2,366 | 0 | 1,327 | 2,809 | 3,463 |
| **33,850** | **33,900** | 0 | 487 | 1,701 | 2,356 | 0 | 1,319 | 2,798 | 3,453 |
| **33,900** | **33,950** | 0 | 479 | 1,691 | 2,345 | 0 | 1,311 | 2,788 | 3,442 |
| **33,950** | **34,000** | 0 | 471 | 1,680 | 2,335 | 0 | 1,303 | 2,777 | 3,432 |
| **34,000** | **34,050** | 0 | 463 | 1,669 | 2,324 | 0 | 1,295 | 2,767 | 3,421 |
| **34,050** | **34,100** | 0 | 455 | 1,659 | 2,313 | 0 | 1,287 | 2,756 | 3,411 |
| **34,100** | **34,150** | 0 | 447 | 1,648 | 2,303 | 0 | 1,279 | 2,746 | 3,400 |
| **34,150** | **34,200** | 0 | 439 | 1,638 | 2,292 | 0 | 1,271 | 2,735 | 3,390 |
| **34,200** | **34,250** | 0 | 431 | 1,627 | 2,282 | 0 | 1,263 | 2,725 | 3,379 |
| **34,250** | **34,300** | 0 | 423 | 1,617 | 2,271 | 0 | 1,255 | 2,714 | 3,369 |
| **34,300** | **34,350** | 0 | 415 | 1,606 | 2,261 | 0 | 1,247 | 2,704 | 3,358 |
| **34,350** | **34,400** | 0 | 407 | 1,596 | 2,250 | 0 | 1,239 | 2,693 | 3,348 |
| **34,400** | **34,450** | 0 | 399 | 1,585 | 2,240 | 0 | 1,231 | 2,682 | 3,337 |
| **34,450** | **34,500** | 0 | 391 | 1,575 | 2,229 | 0 | 1,223 | 2,672 | 3,326 |
| **34,500** | **34,550** | 0 | 383 | 1,564 | 2,219 | 0 | 1,215 | 2,661 | 3,316 |
| **34,550** | **34,600** | 0 | 375 | 1,554 | 2,208 | 0 | 1,207 | 2,651 | 3,305 |
| **34,600** | **34,650** | 0 | 367 | 1,543 | 2,198 | 0 | 1,199 | 2,640 | 3,295 |
| **34,650** | **34,700** | 0 | 359 | 1,533 | 2,187 | 0 | 1,191 | 2,630 | 3,284 |
| **34,700** | **34,750** | 0 | 351 | 1,522 | 2,177 | 0 | 1,183 | 2,619 | 3,274 |
| **34,750** | **34,800** | 0 | 343 | 1,512 | 2,166 | 0 | 1,175 | 2,609 | 3,263 |
| **34,800** | **34,850** | 0 | 335 | 1,501 | 2,156 | 0 | 1,167 | 2,598 | 3,253 |
| **34,850** | **34,900** | 0 | 327 | 1,490 | 2,145 | 0 | 1,159 | 2,588 | 3,242 |
| **34,900** | **34,950** | 0 | 319 | 1,480 | 2,134 | 0 | 1,151 | 2,577 | 3,232 |
| **34,950** | **35,000** | 0 | 311 | 1,469 | 2,124 | 0 | 1,143 | 2,567 | 3,221 |
| **35,000** | **35,050** | 0 | 303 | 1,459 | 2,113 | 0 | 1,135 | 2,556 | 3,211 |
| **35,050** | **35,100** | 0 | 295 | 1,448 | 2,103 | 0 | 1,127 | 2,546 | 3,200 |
| **35,100** | **35,150** | 0 | 287 | 1,438 | 2,092 | 0 | 1,119 | 2,535 | 3,190 |
| **35,150** | **35,200** | 0 | 279 | 1,427 | 2,082 | 0 | 1,111 | 2,525 | 3,179 |
| **35,200** | **35,250** | 0 | 271 | 1,417 | 2,071 | 0 | 1,103 | 2,514 | 3,168 |
| **35,250** | **35,300** | 0 | 263 | 1,406 | 2,061 | 0 | 1,095 | 2,503 | 3,158 |
| **35,300** | **35,350** | 0 | 255 | 1,396 | 2,050 | 0 | 1,087 | 2,493 | 3,147 |
| **35,350** | **35,400** | 0 | 247 | 1,385 | 2,040 | 0 | 1,079 | 2,482 | 3,137 |
| **35,400** | **35,450** | 0 | 239 | 1,375 | 2,029 | 0 | 1,071 | 2,472 | 3,126 |
| **35,450** | **35,500** | 0 | 231 | 1,364 | 2,019 | 0 | 1,063 | 2,461 | 3,116 |

*(Continued)*

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **35,500** | **35,550** | 0 | 223 | 1,354 | 2,008 | 0 | 1,055 | 2,451 | 3,105 |
| **35,550** | **35,600** | 0 | 215 | 1,343 | 1,998 | 0 | 1,047 | 2,440 | 3,095 |
| **35,600** | **35,650** | 0 | 207 | 1,333 | 1,987 | 0 | 1,039 | 2,430 | 3,084 |
| **35,650** | **35,700** | 0 | 199 | 1,322 | 1,976 | 0 | 1,031 | 2,419 | 3,074 |
| **35,700** | **35,750** | 0 | 191 | 1,311 | 1,966 | 0 | 1,023 | 2,409 | 3,063 |
| **35,750** | **35,800** | 0 | 183 | 1,301 | 1,955 | 0 | 1,015 | 2,398 | 3,053 |
| **35,800** | **35,850** | 0 | 175 | 1,290 | 1,945 | 0 | 1,008 | 2,388 | 3,042 |
| **35,850** | **35,900** | 0 | 167 | 1,280 | 1,934 | 0 | 1,000 | 2,377 | 3,032 |
| **35,900** | **35,950** | 0 | 159 | 1,269 | 1,924 | 0 | 992 | 2,367 | 3,021 |
| **35,950** | **36,000** | 0 | 151 | 1,259 | 1,913 | 0 | 984 | 2,356 | 3,011 |
| **36,000** | **36,050** | 0 | 143 | 1,248 | 1,903 | 0 | 976 | 2,346 | 3,000 |
| **36,050** | **36,100** | 0 | 135 | 1,238 | 1,892 | 0 | 968 | 2,335 | 2,989 |
| **36,100** | **36,150** | 0 | 127 | 1,227 | 1,882 | 0 | 960 | 2,324 | 2,979 |
| **36,150** | **36,200** | 0 | 119 | 1,217 | 1,871 | 0 | 952 | 2,314 | 2,968 |
| **36,200** | **36,250** | 0 | 111 | 1,206 | 1,861 | 0 | 944 | 2,303 | 2,958 |
| **36,250** | **36,300** | 0 | 103 | 1,196 | 1,850 | 0 | 936 | 2,293 | 2,947 |
| **36,300** | **36,350** | 0 | 95 | 1,185 | 1,840 | 0 | 928 | 2,282 | 2,937 |
| **36,350** | **36,400** | 0 | 87 | 1,175 | 1,829 | 0 | 920 | 2,272 | 2,926 |
| **36,400** | **36,450** | 0 | 79 | 1,164 | 1,819 | 0 | 912 | 2,261 | 2,916 |
| **36,450** | **36,500** | 0 | 71 | 1,154 | 1,808 | 0 | 904 | 2,251 | 2,905 |
| **36,500** | **36,550** | 0 | 63 | 1,143 | 1,797 | 0 | 896 | 2,240 | 2,895 |
| **36,550** | **36,600** | 0 | 55 | 1,132 | 1,787 | 0 | 888 | 2,230 | 2,884 |
| **36,600** | **36,650** | 0 | 47 | 1,122 | 1,776 | 0 | 880 | 2,219 | 2,874 |
| **36,650** | **36,700** | 0 | 39 | 1,111 | 1,766 | 0 | 872 | 2,209 | 2,863 |
| **36,700** | **36,750** | 0 | 31 | 1,101 | 1,755 | 0 | 864 | 2,198 | 2,853 |
| **36,750** | **36,800** | 0 | 23 | 1,090 | 1,745 | 0 | 856 | 2,188 | 2,842 |
| **36,800** | **36,850** | 0 | 15 | 1,080 | 1,734 | 0 | 848 | 2,177 | 2,832 |
| **36,850** | **36,900** | 0 | 7 | 1,069 | 1,724 | 0 | 840 | 2,167 | 2,821 |
| **36,900** | **36,950** | 0 | * | 1,059 | 1,713 | 0 | 832 | 2,156 | 2,810 |
| **36,950** | **37,000** | 0 | 0 | 1,048 | 1,703 | 0 | 824 | 2,145 | 2,800 |
| **37,000** | **37,050** | 0 | 0 | 1,038 | 1,692 | 0 | 816 | 2,135 | 2,789 |
| **37,050** | **37,100** | 0 | 0 | 1,027 | 1,682 | 0 | 808 | 2,124 | 2,779 |
| **37,100** | **37,150** | 0 | 0 | 1,017 | 1,671 | 0 | 800 | 2,114 | 2,768 |
| **37,150** | **37,200** | 0 | 0 | 1,006 | 1,661 | 0 | 792 | 2,103 | 2,758 |
| **37,200** | **37,250** | 0 | 0 | 996 | 1,650 | 0 | 784 | 2,093 | 2,747 |
| **37,250** | **37,300** | 0 | 0 | 985 | 1,640 | 0 | 776 | 2,082 | 2,737 |
| **37,300** | **37,350** | 0 | 0 | 975 | 1,629 | 0 | 768 | 2,072 | 2,726 |
| **37,350** | **37,400** | 0 | 0 | 964 | 1,618 | 0 | 760 | 2,061 | 2,716 |
| **37,400** | **37,450** | 0 | 0 | 953 | 1,608 | 0 | 752 | 2,051 | 2,705 |
| **37,450** | **37,500** | 0 | 0 | 943 | 1,597 | 0 | 744 | 2,040 | 2,695 |
| **37,500** | **37,550** | 0 | 0 | 932 | 1,587 | 0 | 736 | 2,030 | 2,684 |
| **37,550** | **37,600** | 0 | 0 | 922 | 1,576 | 0 | 728 | 2,019 | 2,674 |
| **37,600** | **37,650** | 0 | 0 | 911 | 1,566 | 0 | 720 | 2,009 | 2,663 |
| **37,650** | **37,700** | 0 | 0 | 901 | 1,555 | 0 | 712 | 1,998 | 2,653 |
| **37,700** | **37,750** | 0 | 0 | 890 | 1,545 | 0 | 704 | 1,987 | 2,642 |
| **37,750** | **37,800** | 0 | 0 | 880 | 1,534 | 0 | 696 | 1,977 | 2,631 |
| **37,800** | **37,850** | 0 | 0 | 869 | 1,524 | 0 | 688 | 1,966 | 2,621 |
| **37,850** | **37,900** | 0 | 0 | 859 | 1,513 | 0 | 680 | 1,956 | 2,610 |
| **37,900** | **37,950** | 0 | 0 | 848 | 1,503 | 0 | 672 | 1,945 | 2,600 |
| **37,950** | **38,000** | 0 | 0 | 838 | 1,492 | 0 | 664 | 1,935 | 2,589 |
| **38,000** | **38,050** | 0 | 0 | 827 | 1,482 | 0 | 656 | 1,924 | 2,579 |
| **38,050** | **38,100** | 0 | 0 | 817 | 1,471 | 0 | 648 | 1,914 | 2,568 |
| **38,100** | **38,150** | 0 | 0 | 806 | 1,461 | 0 | 640 | 1,903 | 2,558 |
| **38,150** | **38,200** | 0 | 0 | 795 | 1,450 | 0 | 632 | 1,893 | 2,547 |
| **38,200** | **38,250** | 0 | 0 | 785 | 1,439 | 0 | 624 | 1,882 | 2,537 |
| **38,250** | **38,300** | 0 | 0 | 774 | 1,429 | 0 | 616 | 1,872 | 2,526 |
| **38,300** | **38,350** | 0 | 0 | 764 | 1,418 | 0 | 608 | 1,861 | 2,516 |
| **38,350** | **38,400** | 0 | 0 | 753 | 1,408 | 0 | 600 | 1,851 | 2,505 |
| **38,400** | **38,450** | 0 | 0 | 743 | 1,397 | 0 | 592 | 1,840 | 2,495 |
| **38,450** | **38,500** | 0 | 0 | 732 | 1,387 | 0 | 584 | 1,830 | 2,484 |

*(Continued)*

* If the amount you are looking up from the worksheet is at least $36,900 but less than $36,920, and you have one qualifying child, your credit is $2. Otherwise, you cannot take the credit.

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **38,500** | **38,550** | 0 | 0 | 722 | 1,376 | 0 | 576 | 1,819 | 2,474 |
| **38,550** | **38,600** | 0 | 0 | 711 | 1,366 | 0 | 568 | 1,808 | 2,463 |
| **38,600** | **38,650** | 0 | 0 | 701 | 1,355 | 0 | 560 | 1,798 | 2,452 |
| **38,650** | **38,700** | 0 | 0 | 690 | 1,345 | 0 | 552 | 1,787 | 2,442 |
| **38,700** | **38,750** | 0 | 0 | 680 | 1,334 | 0 | 544 | 1,777 | 2,431 |
| **38,750** | **38,800** | 0 | 0 | 669 | 1,324 | 0 | 536 | 1,766 | 2,421 |
| **38,800** | **38,850** | 0 | 0 | 659 | 1,313 | 0 | 528 | 1,756 | 2,410 |
| **38,850** | **38,900** | 0 | 0 | 648 | 1,303 | 0 | 520 | 1,745 | 2,400 |
| **38,900** | **38,950** | 0 | 0 | 638 | 1,292 | 0 | 512 | 1,735 | 2,389 |
| **38,950** | **39,000** | 0 | 0 | 627 | 1,282 | 0 | 504 | 1,724 | 2,379 |
| **39,000** | **39,050** | 0 | 0 | 616 | 1,271 | 0 | 496 | 1,714 | 2,368 |
| **39,050** | **39,100** | 0 | 0 | 606 | 1,260 | 0 | 488 | 1,703 | 2,358 |
| **39,100** | **39,150** | 0 | 0 | 595 | 1,250 | 0 | 480 | 1,693 | 2,347 |
| **39,150** | **39,200** | 0 | 0 | 585 | 1,239 | 0 | 472 | 1,682 | 2,337 |
| **39,200** | **39,250** | 0 | 0 | 574 | 1,229 | 0 | 464 | 1,672 | 2,326 |
| **39,250** | **39,300** | 0 | 0 | 564 | 1,218 | 0 | 456 | 1,661 | 2,316 |
| **39,300** | **39,350** | 0 | 0 | 553 | 1,208 | 0 | 448 | 1,651 | 2,305 |
| **39,350** | **39,400** | 0 | 0 | 543 | 1,197 | 0 | 440 | 1,640 | 2,295 |
| **39,400** | **39,450** | 0 | 0 | 532 | 1,187 | 0 | 432 | 1,629 | 2,284 |
| **39,450** | **39,500** | 0 | 0 | 522 | 1,176 | 0 | 424 | 1,619 | 2,273 |
| **39,500** | **39,550** | 0 | 0 | 511 | 1,166 | 0 | 416 | 1,608 | 2,263 |
| **39,550** | **39,600** | 0 | 0 | 501 | 1,155 | 0 | 408 | 1,598 | 2,252 |
| **39,600** | **39,650** | 0 | 0 | 490 | 1,145 | 0 | 400 | 1,587 | 2,242 |
| **39,650** | **39,700** | 0 | 0 | 480 | 1,134 | 0 | 392 | 1,577 | 2,231 |
| **39,700** | **39,750** | 0 | 0 | 469 | 1,124 | 0 | 384 | 1,566 | 2,221 |
| **39,750** | **39,800** | 0 | 0 | 459 | 1,113 | 0 | 376 | 1,556 | 2,210 |
| **39,800** | **39,850** | 0 | 0 | 448 | 1,103 | 0 | 368 | 1,545 | 2,200 |
| **39,850** | **39,900** | 0 | 0 | 437 | 1,092 | 0 | 360 | 1,535 | 2,189 |
| **39,900** | **39,950** | 0 | 0 | 427 | 1,081 | 0 | 352 | 1,524 | 2,179 |
| **39,950** | **40,000** | 0 | 0 | 416 | 1,071 | 0 | 344 | 1,514 | 2,168 |
| **40,000** | **40,050** | 0 | 0 | 406 | 1,060 | 0 | 336 | 1,503 | 2,158 |
| **40,050** | **40,100** | 0 | 0 | 395 | 1,050 | 0 | 328 | 1,493 | 2,147 |
| **40,100** | **40,150** | 0 | 0 | 385 | 1,039 | 0 | 320 | 1,482 | 2,137 |
| **40,150** | **40,200** | 0 | 0 | 374 | 1,029 | 0 | 312 | 1,472 | 2,126 |
| **40,200** | **40,250** | 0 | 0 | 364 | 1,018 | 0 | 304 | 1,461 | 2,115 |
| **40,250** | **40,300** | 0 | 0 | 353 | 1,008 | 0 | 296 | 1,450 | 2,105 |
| **40,300** | **40,350** | 0 | 0 | 343 | 997 | 0 | 288 | 1,440 | 2,094 |
| **40,350** | **40,400** | 0 | 0 | 332 | 987 | 0 | 280 | 1,429 | 2,084 |
| **40,400** | **40,450** | 0 | 0 | 322 | 976 | 0 | 272 | 1,419 | 2,073 |
| **40,450** | **40,500** | 0 | 0 | 311 | 966 | 0 | 264 | 1,408 | 2,063 |
| **40,500** | **40,550** | 0 | 0 | 301 | 955 | 0 | 256 | 1,398 | 2,052 |
| **40,550** | **40,600** | 0 | 0 | 290 | 945 | 0 | 248 | 1,387 | 2,042 |
| **40,600** | **40,650** | 0 | 0 | 280 | 934 | 0 | 240 | 1,377 | 2,031 |
| **40,650** | **40,700** | 0 | 0 | 269 | 923 | 0 | 232 | 1,366 | 2,021 |
| **40,700** | **40,750** | 0 | 0 | 258 | 913 | 0 | 224 | 1,356 | 2,010 |
| **40,750** | **40,800** | 0 | 0 | 248 | 902 | 0 | 216 | 1,345 | 2,000 |
| **40,800** | **40,850** | 0 | 0 | 237 | 892 | 0 | 209 | 1,335 | 1,989 |
| **40,850** | **40,900** | 0 | 0 | 227 | 881 | 0 | 201 | 1,324 | 1,979 |
| **40,900** | **40,950** | 0 | 0 | 216 | 871 | 0 | 193 | 1,314 | 1,968 |
| **40,950** | **41,000** | 0 | 0 | 206 | 860 | 0 | 185 | 1,303 | 1,958 |
| **41,000** | **41,050** | 0 | 0 | 195 | 850 | 0 | 177 | 1,293 | 1,947 |
| **41,050** | **41,100** | 0 | 0 | 185 | 839 | 0 | 169 | 1,282 | 1,936 |
| **41,100** | **41,150** | 0 | 0 | 174 | 829 | 0 | 161 | 1,271 | 1,926 |
| **41,150** | **41,200** | 0 | 0 | 164 | 818 | 0 | 153 | 1,261 | 1,915 |
| **41,200** | **41,250** | 0 | 0 | 153 | 808 | 0 | 145 | 1,250 | 1,905 |
| **41,250** | **41,300** | 0 | 0 | 143 | 797 | 0 | 137 | 1,240 | 1,894 |
| **41,300** | **41,350** | 0 | 0 | 132 | 787 | 0 | 129 | 1,229 | 1,884 |
| **41,350** | **41,400** | 0 | 0 | 122 | 776 | 0 | 121 | 1,219 | 1,873 |
| **41,400** | **41,450** | 0 | 0 | 111 | 766 | 0 | 113 | 1,208 | 1,863 |
| **41,450** | **41,500** | 0 | 0 | 101 | 755 | 0 | 105 | 1,198 | 1,852 |

*(Continued)*

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **41,500** | **41,550** | 0 | 0 | 90 | 744 | 0 | 97 | 1,187 | 1,842 |
| **41,550** | **41,600** | 0 | 0 | 79 | 734 | 0 | 89 | 1,177 | 1,831 |
| **41,600** | **41,650** | 0 | 0 | 69 | 723 | 0 | 81 | 1,166 | 1,821 |
| **41,650** | **41,700** | 0 | 0 | 58 | 713 | 0 | 73 | 1,156 | 1,810 |
| **41,700** | **41,750** | 0 | 0 | 48 | 702 | 0 | 65 | 1,145 | 1,800 |
| **41,750** | **41,800** | 0 | 0 | 37 | 692 | 0 | 57 | 1,135 | 1,789 |
| **41,800** | **41,850** | 0 | 0 | 27 | 681 | 0 | 49 | 1,124 | 1,779 |
| **41,850** | **41,900** | 0 | 0 | 16 | 671 | 0 | 41 | 1,114 | 1,768 |
| **41,900** | **41,950** | 0 | 0 | 6 | 660 | 0 | 33 | 1,103 | 1,757 |
| **41,950** | **42,000** | 0 | 0 | 0 | 650 | 0 | 25 | 1,092 | 1,747 |
| **42,000** | **42,050** | 0 | 0 | 0 | 639 | 0 | 17 | 1,082 | 1,736 |
| **42,050** | **42,100** | 0 | 0 | 0 | 629 | 0 | 9 | 1,071 | 1,726 |
| **42,100** | **42,150** | 0 | 0 | 0 | 618 | 0 | * | 1,061 | 1,715 |
| **42,150** | **42,200** | 0 | 0 | 0 | 608 | 0 | 0 | 1,050 | 1,705 |
| **42,200** | **42,250** | 0 | 0 | 0 | 597 | 0 | 0 | 1,040 | 1,694 |
| **42,250** | **42,300** | 0 | 0 | 0 | 587 | 0 | 0 | 1,029 | 1,684 |
| **42,300** | **42,350** | 0 | 0 | 0 | 576 | 0 | 0 | 1,019 | 1,673 |
| **42,350** | **42,400** | 0 | 0 | 0 | 565 | 0 | 0 | 1,008 | 1,663 |
| **42,400** | **42,450** | 0 | 0 | 0 | 555 | 0 | 0 | 998 | 1,652 |
| **42,450** | **42,500** | 0 | 0 | 0 | 544 | 0 | 0 | 987 | 1,642 |
| **42,500** | **42,550** | 0 | 0 | 0 | 534 | 0 | 0 | 977 | 1,631 |
| **42,550** | **42,600** | 0 | 0 | 0 | 523 | 0 | 0 | 966 | 1,621 |
| **42,600** | **42,650** | 0 | 0 | 0 | 513 | 0 | 0 | 956 | 1,610 |
| **42,650** | **42,700** | 0 | 0 | 0 | 502 | 0 | 0 | 945 | 1,600 |
| **42,700** | **42,750** | 0 | 0 | 0 | 492 | 0 | 0 | 934 | 1,589 |
| **42,750** | **42,800** | 0 | 0 | 0 | 481 | 0 | 0 | 924 | 1,578 |
| **42,800** | **42,850** | 0 | 0 | 0 | 471 | 0 | 0 | 913 | 1,568 |
| **42,850** | **42,900** | 0 | 0 | 0 | 460 | 0 | 0 | 903 | 1,557 |
| **42,900** | **42,950** | 0 | 0 | 0 | 450 | 0 | 0 | 892 | 1,547 |
| **42,950** | **43,000** | 0 | 0 | 0 | 439 | 0 | 0 | 882 | 1,536 |
| **43,000** | **43,050** | 0 | 0 | 0 | 429 | 0 | 0 | 871 | 1,526 |
| **43,050** | **43,100** | 0 | 0 | 0 | 418 | 0 | 0 | 861 | 1,515 |
| **43,100** | **43,150** | 0 | 0 | 0 | 408 | 0 | 0 | 850 | 1,505 |
| **43,150** | **43,200** | 0 | 0 | 0 | 397 | 0 | 0 | 840 | 1,494 |
| **43,200** | **43,250** | 0 | 0 | 0 | 386 | 0 | 0 | 829 | 1,484 |
| **43,250** | **43,300** | 0 | 0 | 0 | 376 | 0 | 0 | 819 | 1,473 |
| **43,300** | **43,350** | 0 | 0 | 0 | 365 | 0 | 0 | 808 | 1,463 |
| **43,350** | **43,400** | 0 | 0 | 0 | 355 | 0 | 0 | 798 | 1,452 |
| **43,400** | **43,450** | 0 | 0 | 0 | 344 | 0 | 0 | 787 | 1,442 |
| **43,450** | **43,500** | 0 | 0 | 0 | 334 | 0 | 0 | 777 | 1,431 |
| **43,500** | **43,550** | 0 | 0 | 0 | 323 | 0 | 0 | 766 | 1,421 |
| **43,550** | **43,600** | 0 | 0 | 0 | 313 | 0 | 0 | 755 | 1,410 |
| **43,600** | **43,650** | 0 | 0 | 0 | 302 | 0 | 0 | 745 | 1,399 |
| **43,650** | **43,700** | 0 | 0 | 0 | 292 | 0 | 0 | 734 | 1,389 |
| **43,700** | **43,750** | 0 | 0 | 0 | 281 | 0 | 0 | 724 | 1,378 |
| **43,750** | **43,800** | 0 | 0 | 0 | 271 | 0 | 0 | 713 | 1,368 |
| **43,800** | **43,850** | 0 | 0 | 0 | 260 | 0 | 0 | 703 | 1,357 |
| **43,850** | **43,900** | 0 | 0 | 0 | 250 | 0 | 0 | 692 | 1,347 |
| **43,900** | **43,950** | 0 | 0 | 0 | 239 | 0 | 0 | 682 | 1,336 |
| **43,950** | **44,000** | 0 | 0 | 0 | 229 | 0 | 0 | 671 | 1,326 |
| **44,000** | **44,050** | 0 | 0 | 0 | 218 | 0 | 0 | 661 | 1,315 |
| **44,050** | **44,100** | 0 | 0 | 0 | 207 | 0 | 0 | 650 | 1,305 |
| **44,100** | **44,150** | 0 | 0 | 0 | 197 | 0 | 0 | 640 | 1,294 |
| **44,150** | **44,200** | 0 | 0 | 0 | 186 | 0 | 0 | 629 | 1,284 |
| **44,200** | **44,250** | 0 | 0 | 0 | 176 | 0 | 0 | 619 | 1,273 |
| **44,250** | **44,300** | 0 | 0 | 0 | 165 | 0 | 0 | 608 | 1,263 |
| **44,300** | **44,350** | 0 | 0 | 0 | 155 | 0 | 0 | 598 | 1,252 |
| **44,350** | **44,400** | 0 | 0 | 0 | 144 | 0 | 0 | 587 | 1,242 |
| **44,400** | **44,450** | 0 | 0 | 0 | 134 | 0 | 0 | 576 | 1,231 |
| **44,450** | **44,500** | 0 | 0 | 0 | 123 | 0 | 0 | 566 | 1,220 |

*(Continued)*

* If the amount you are looking up from the worksheet is at least $42,100 but less than $42,130, and you have one qualifying child, your credit is $2. Otherwise, you cannot take the credit.

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **44,500** | **44,550** | 0 | 0 | 0 | 113 | 0 | 0 | 555 | 1,210 |
| **44,550** | **44,600** | 0 | 0 | 0 | 102 | 0 | 0 | 545 | 1,199 |
| **44,600** | **44,650** | 0 | 0 | 0 | 92 | 0 | 0 | 534 | 1,189 |
| **44,650** | **44,700** | 0 | 0 | 0 | 81 | 0 | 0 | 524 | 1,178 |
| **44,700** | **44,750** | 0 | 0 | 0 | 71 | 0 | 0 | 513 | 1,168 |
| **44,750** | **44,800** | 0 | 0 | 0 | 60 | 0 | 0 | 503 | 1,157 |
| **44,800** | **44,850** | 0 | 0 | 0 | 50 | 0 | 0 | 492 | 1,147 |
| **44,850** | **44,900** | 0 | 0 | 0 | 39 | 0 | 0 | 482 | 1,136 |
| **44,900** | **44,950** | 0 | 0 | 0 | 28 | 0 | 0 | 471 | 1,126 |
| **44,950** | **45,000** | 0 | 0 | 0 | 18 | 0 | 0 | 461 | 1,115 |
| **45,000** | **45,050** | 0 | 0 | 0 | 7 | 0 | 0 | 450 | 1,105 |
| **45,050** | **45,100** | 0 | 0 | 0 | * | 0 | 0 | 440 | 1,094 |
| **45,100** | **45,150** | 0 | 0 | 0 | 0 | 0 | 0 | 429 | 1,084 |
| **45,150** | **45,200** | 0 | 0 | 0 | 0 | 0 | 0 | 419 | 1,073 |
| **45,200** | **45,250** | 0 | 0 | 0 | 0 | 0 | 0 | 408 | 1,062 |
| **45,250** | **45,300** | 0 | 0 | 0 | 0 | 0 | 0 | 397 | 1,052 |
| **45,300** | **45,350** | 0 | 0 | 0 | 0 | 0 | 0 | 387 | 1,041 |
| **45,350** | **45,400** | 0 | 0 | 0 | 0 | 0 | 0 | 376 | 1,031 |
| **45,400** | **45,450** | 0 | 0 | 0 | 0 | 0 | 0 | 366 | 1,020 |
| **45,450** | **45,500** | 0 | 0 | 0 | 0 | 0 | 0 | 355 | 1,010 |
| **45,500** | **45,550** | 0 | 0 | 0 | 0 | 0 | 0 | 345 | 999 |
| **45,550** | **45,600** | 0 | 0 | 0 | 0 | 0 | 0 | 334 | 989 |
| **45,600** | **45,650** | 0 | 0 | 0 | 0 | 0 | 0 | 324 | 978 |
| **45,650** | **45,700** | 0 | 0 | 0 | 0 | 0 | 0 | 313 | 968 |
| **45,700** | **45,750** | 0 | 0 | 0 | 0 | 0 | 0 | 303 | 957 |
| **45,750** | **45,800** | 0 | 0 | 0 | 0 | 0 | 0 | 292 | 947 |
| **45,800** | **45,850** | 0 | 0 | 0 | 0 | 0 | 0 | 282 | 936 |
| **45,850** | **45,900** | 0 | 0 | 0 | 0 | 0 | 0 | 271 | 926 |
| **45,900** | **45,950** | 0 | 0 | 0 | 0 | 0 | 0 | 261 | 915 |
| **45,950** | **46,000** | 0 | 0 | 0 | 0 | 0 | 0 | 250 | 905 |
| **46,000** | **46,050** | 0 | 0 | 0 | 0 | 0 | 0 | 240 | 894 |
| **46,050** | **46,100** | 0 | 0 | 0 | 0 | 0 | 0 | 229 | 883 |
| **46,100** | **46,150** | 0 | 0 | 0 | 0 | 0 | 0 | 218 | 873 |
| **46,150** | **46,200** | 0 | 0 | 0 | 0 | 0 | 0 | 208 | 862 |
| **46,200** | **46,250** | 0 | 0 | 0 | 0 | 0 | 0 | 197 | 852 |
| **46,250** | **46,300** | 0 | 0 | 0 | 0 | 0 | 0 | 187 | 841 |
| **46,300** | **46,350** | 0 | 0 | 0 | 0 | 0 | 0 | 176 | 831 |
| **46,350** | **46,400** | 0 | 0 | 0 | 0 | 0 | 0 | 166 | 820 |
| **46,400** | **46,450** | 0 | 0 | 0 | 0 | 0 | 0 | 155 | 810 |
| **46,450** | **46,500** | 0 | 0 | 0 | 0 | 0 | 0 | 145 | 799 |
| **46,500** | **46,550** | 0 | 0 | 0 | 0 | 0 | 0 | 134 | 789 |
| **46,550** | **46,600** | 0 | 0 | 0 | 0 | 0 | 0 | 124 | 778 |
| **46,600** | **46,650** | 0 | 0 | 0 | 0 | 0 | 0 | 113 | 768 |
| **46,650** | **46,700** | 0 | 0 | 0 | 0 | 0 | 0 | 103 | 757 |
| **46,700** | **46,750** | 0 | 0 | 0 | 0 | 0 | 0 | 92 | 747 |
| **46,750** | **46,800** | 0 | 0 | 0 | 0 | 0 | 0 | 82 | 736 |
| **46,800** | **46,850** | 0 | 0 | 0 | 0 | 0 | 0 | 71 | 726 |
| **46,850** | **46,900** | 0 | 0 | 0 | 0 | 0 | 0 | 61 | 715 |
| **46,900** | **46,950** | 0 | 0 | 0 | 0 | 0 | 0 | 50 | 704 |
| **46,950** | **47,000** | 0 | 0 | 0 | 0 | 0 | 0 | 39 | 694 |
| **47,000** | **47,050** | 0 | 0 | 0 | 0 | 0 | 0 | 29 | 683 |
| **47,050** | **47,100** | 0 | 0 | 0 | 0 | 0 | 0 | 18 | 673 |
| **47,100** | **47,150** | 0 | 0 | 0 | 0 | 0 | 0 | 8 | 662 |
| **47,150** | **47,200** | 0 | 0 | 0 | 0 | 0 | 0 | ** | 652 |
| **47,200** | **47,250** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 641 |
| **47,250** | **47,300** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 631 |
| **47,300** | **47,350** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 620 |
| **47,350** | **47,400** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 610 |
| **47,400** | **47,450** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 599 |
| **47,450** | **47,500** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 589 |

*(Continued)*

* If the amount you are looking up from the worksheet is at least $45,050 but less than $45,060, and you have three qualifying children, your credit is $1. Otherwise, you cannot take the credit.
** If the amount you are looking up from the worksheet is at least $47,150 but less than $47,162, and you have two qualifying children, your credit is $1. Otherwise, you cannot take the credit.

**Earned Income Credit (EIC) Table** - *Continued* (**Caution.** This is **not** a tax table.).

| If the amount you are looking up from the worksheet is– | | And your filing status is– | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | Single, head of household, or qualifying widow(er) and you have– | | | | Married filing jointly and you have– | | | |
| | | No Children | One Child | Two Children | Three Children | No Children | One Child | Two Children | Three Children |
| At least | But less than | Your credit is– | | | | Your credit is– | | | |
| **47,500** | **47,550** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 578 |
| **47,550** | **47,600** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 568 |
| **47,600** | **47,650** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 557 |
| **47,650** | **47,700** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 547 |
| **47,700** | **47,750** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 536 |
| **47,750** | **47,800** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 525 |
| **47,800** | **47,850** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 515 |
| **47,850** | **47,900** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 504 |
| **47,900** | **47,950** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 494 |
| **47,950** | **48,000** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 483 |
| **48,000** | **48,050** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 473 |
| **48,050** | **48,100** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 462 |
| **48,100** | **48,150** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 452 |
| **48,150** | **48,200** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 441 |
| **48,200** | **48,250** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 431 |
| **48,250** | **48,300** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 420 |
| **48,300** | **48,350** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 410 |
| **48,350** | **48,400** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 399 |
| **48,400** | **48,450** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 389 |
| **48,450** | **48,500** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 378 |
| **48,500** | **48,550** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 368 |
| **48,550** | **48,600** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 357 |
| **48,600** | **48,650** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 346 |
| **48,650** | **48,700** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 336 |
| **48,700** | **48,750** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 325 |
| **48,750** | **48,800** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 315 |
| **48,800** | **48,850** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 304 |
| **48,850** | **48,900** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 294 |
| **48,900** | **48,950** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 283 |
| **48,950** | **49,000** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 273 |
| **49,000** | **49,050** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 262 |
| **49,050** | **49,100** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 252 |
| **49,100** | **49,150** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 241 |
| **49,150** | **49,200** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 231 |
| **49,200** | **49,250** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 220 |
| **49,250** | **49,300** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 210 |
| **49,300** | **49,350** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 199 |
| **49,350** | **49,400** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 189 |
| **49,400** | **49,450** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 178 |
| **49,450** | **49,500** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 167 |
| **49,500** | **49,550** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 157 |
| **49,550** | **49,600** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 146 |
| **49,600** | **49,650** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 136 |
| **49,650** | **49,700** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 125 |
| **49,700** | **49,750** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 115 |
| **49,750** | **49,800** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 104 |
| **49,800** | **49,850** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 94 |
| **49,850** | **49,900** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 83 |
| **49,900** | **49,950** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 73 |
| **49,950** | **50,000** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 62 |
| **50,000** | **50,050** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 52 |
| **50,050** | **50,100** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 41 |
| **50,100** | **50,150** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 31 |
| **50,150** | **50,200** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 20 |
| **50,200** | **50,250** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 9 |
| **50,250** | **50,270** | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 2 |

## Line 65

### Additional Child Tax Credit

#### What Is the Additional Child Tax Credit?

This credit is for certain people who have at least one qualifying child as defined in the instructions for line 6c. The additional child tax credit may give you a refund even if you do not owe any tax.

#### Two Steps To Take the Additional Child Tax Credit!

**Step 1.** Be sure you figured the amount, if any, of your child tax credit. See the instructions for line 51.

**Step 2.** Read the TIP at the end of your Child Tax Credit Worksheet. Use Schedule 8812 to see if you can take the additional child tax credit, but only if you meet the condition given in that TIP.

## Line 66

### American Opportunity Credit

If you meet the requirements to claim an education credit (see the instructions for line 49), enter on line 66 the amount, if any, from Form 8863, line 8.

## Line 67

### Reserved

This line has been reserved for future use.

## Line 68

### Amount Paid With Request for Extension To File

If you got an automatic extension of time to file Form 1040 by filing Form 4868 or by making a payment, enter the amount of the payment or any amount you paid with Form 4868. If you paid by credit or debit card, do not include on line 68 the convenience fee you were charged. Also, include any amounts paid with Form 2350.

TIP *You may be able to deduct any credit or debit card convenience fees on your 2013 Schedule A.*

## Line 69

### Excess Social Security and Tier 1 RRTA Tax Withheld

If you, or your spouse if filing a joint return, had more than one employer for 2012 and total wages of more than $110,100, too much social security or tier 1 railroad retirement (RRTA) tax may have been withheld. You can take a credit on this line for the amount withheld in excess of $4,624.20. But if any one employer withheld more than $4,624.20, you cannot claim the excess on your return. The employer should adjust the tax for you. If the employer does not adjust the overcollection, you can file a claim for refund using Form 843. Figure this amount separately for you and your spouse.

You cannot claim a refund for excess tier 2 RRTA tax on Form 1040. Instead, use Form 843.

For more details, see Pub. 505.

## Line 70

### Credit for Federal Tax on Fuels

Enter any credit for federal excise taxes paid on fuels that are ultimately used for a nontaxable purpose (for example, an off-highway business use). Attach Form 4136.

## Line 71

Check the box(es) on line 71 to report any credit from Form 2439, 8801 (line 27), or 8885. If you claim more than one of these credits, enter the total on line 71.

If you are claiming a credit for repayment of amounts you included in your income in an earlier year because it appeared you had a right to the income, include the credit on line 71 and enter "I.R.C. 1341" to the right of line 71. See Pub. 525 for details about this credit.

CAUTION *The adoption credit previously claimed on line 71, box b, is no longer refundable. It now must be claimed on line 53. Line 71, box b, is now shown as "Reserved" for future use.*

# Refund

## Line 73

### Amount Overpaid

If line 73 is under $1, we will send a refund only on written request.

TIP *If the amount you overpaid is large, you may want to decrease the amount of income tax withheld from your pay by filing a new Form W-4. See* Income Tax Withholding and Estimated Tax Payments for 2013 *under* General Information, *later.*

#### Refund Offset

If you owe past-due federal tax, state income tax, state unemployment compensation debts, child support, spousal support, or certain federal nontax debts, such as student loans, all or part of the overpayment on line 73 may be used (offset) to pay the past-due amount. Offsets for federal taxes are made by the IRS. All other offsets are made by the Treasury Department's Financial Management Service (FMS). For federal tax offsets, you will receive a notice from the IRS. For all other offsets, you will receive a notice from FMS. To find out if you may have an offset or if you have any questions about it, contact the agency to which you owe the debt.

#### Injured Spouse

If you file a joint return and your spouse has not paid past-due federal tax, state income tax, state unemployment compensation debts, child support, spousal support, or a federal nontax debt, such as a student loan, part or all of the overpayment on line 73 may be used (offset) to pay the past-due amount. But your part of the overpayment may be refunded to you if certain conditions apply and you complete Form 8379. For details, use TeleTax topic 203 or see Form 8379.

# Lines 74a Through 74d

## Amount Refunded to You

If you want to check the status of your refund, see *Refund Information,* later. Just use the IRS2Go phone app or go to IRS.gov and click on *Where's My Refund*. Information about your return will generally be available within 24 hours after the IRS receives your e-filed return, or 4 weeks after you mail your paper return. If you filed Form 8379 with your return, wait 14 weeks (11 weeks if you filed electronically). Have your 2012 tax return handy so you can provide your social security number, your filing status, and the exact whole dollar amount of your refund.

*Where's My Refund?* has a new look this year! The tool will include a tracker that displays progress through three stages: (1) return received, (2) refund approved, and (3) refund sent. *Where's My Refund?* will provide an actual personalized refund date as soon as the IRS processes your tax return and approves your refund. So in a change from previous filing seasons, you won't get an estimated refund date right away.

**Effect of refund on benefits.** Any refund you receive cannot be counted as income when determining if you or anyone else is eligible for benefits or assistance, or how much you or anyone else can receive, under any federal program or under any state or local program financed in whole or in part with federal funds. These programs include Temporary Assistance for Needy Families (TANF), Medicaid, Supplemental Security Income (SSI), and Supplemental Nutrition Assistance Program (food stamps). In addition, when determining eligibility, the refund cannot be counted as a resource for at least 12 months after you receive it. Check with your local benefit coordinator to find out if your refund will affect your benefits.

**DIRECT DEPOSIT**

*Simple. Safe. Secure.*

**Fast Refunds!** Choose direct deposit—a fast, simple, safe, secure way to have your refund deposited automatically to your checking or savings account, including an individual retirement arrangement (IRA). See the information about IRAs later.

If you want us to directly deposit the amount shown on line 74a to your checking or savings account, including an IRA, at a bank or other financial institution (such as a mutual fund, brokerage firm, or credit union) in the United States:

- Complete lines 74b through 74d (if you want your refund deposited to only one account), or
- Check the box on line 74a and attach Form 8888 if you want to split the direct deposit of your refund into more than one account or use all or part of your refund to buy paper series I savings bonds.

If you do not want your refund directly deposited to your account, do not check the box on line 74a. Draw a line through the boxes on lines 74b and 74d. We will send you a check instead.

Do not request a deposit of any part of your refund to an account that is not in your name, such as your tax preparer's account.

### Why Use Direct Deposit?

- You get your refund faster by direct deposit than you do by check.
- Payment is more secure. There is no check that can get lost or stolen.
- It is more convenient. You do not have to make a trip to the bank to deposit your check.
- It saves tax dollars. It costs the government less to refund by direct deposit.

**CAUTION** *If you file a joint return and check the box on line 74a and attach Form 8888 or fill in lines 74b through 74d, your spouse may get at least part of the refund.*

**IRA.** You can have your refund (or part of it) directly deposited to a traditional IRA, Roth IRA, or SEP-IRA, but not a SIMPLE IRA. You must establish the IRA at a bank or other financial institution before you request direct deposit. Make sure your direct deposit will be accepted. You must also notify the trustee or custodian of your account of the year to which the deposit is to be applied (unless the trustee or custodian will not accept a deposit for 2012). If you do not, the trustee or custodian can assume the deposit is for the year during which you are filing the return. For example, if you file your 2012 return during 2013 and do not notify the trustee or custodian in advance, the trustee or custodian can assume the deposit to your IRA is for 2013. If you designate your deposit to be for 2012, you must verify that the deposit was actually made to the account by the due date of the return (without regard to extensions). If the deposit is not made by that date, the deposit is not an IRA contribution for 2012. In that case, you must file an amended 2012 return and reduce any IRA deduction and any retirement savings contributions credit you claimed.

**CAUTION** *You and your spouse, if filing jointly, each may be able to contribute up to $5,000 ($6,000 if age 50 or older at the end of 2012) to a traditional IRA or Roth IRA for 2012. The limit for 2013 is $5,500 ($6,500 if age 50 or older at the end of 2013). You may owe a penalty if your contributions exceed these limits.*

For more information on IRAs, see Pub. 590.

**TreasuryDirect®.** You can request a deposit of your refund (or part of it) to a TreasuryDirect® online account to buy U.S. Treasury marketable securities and savings bonds. For more information, go to *www.treasurydirect.gov*.

**Form 8888.** You can have your refund directly deposited into more than one account or use it to buy up to $5,000 in paper series I savings bonds. You do not need a TreasuryDirect® account to do this. For more information, see the Form 8888 instructions.

### Line 74a

You cannot file Form 8888 to split your refund into more than one account or buy paper series I savings bonds if Form 8379 is filed with your return.

### Line 74b

The routing number must be nine digits. The first two digits must be 01 through 12 or 21 through 32. On the sample check below, the routing number is 250250025. Tony and Jennifer Maple would use that routing number unless their financial institution instructed them to use a different routing number for direct deposits.

Ask your financial institution for the correct routing number to enter on line 74b if:

- The routing number on a deposit slip is different from the routing number on your checks,
- Your deposit is to a savings account that does not allow you to write checks, or
- Your checks state they are payable through a financial institution different from the one at which you have your checking account.

### Line 74c

Check the appropriate box for the type of account. Do not check more than one box. If the deposit is to an account such as an IRA, health savings account, brokerage account, or other similar account, ask your financial institution whether you should check the "Checking" or "Savings" box. You must check the correct box to ensure your deposit is accepted. For a TreasuryDirect® online account, check the "Savings" box.

### Line 74d

The account number can be up to 17 characters (both numbers and letters). Include hyphens but omit spaces and special symbols. Enter the number from left to right and leave any unused boxes blank. On the sample check below, the account number is 20202086. Do not include the check number.

If the direct deposit to your account(s) is different from the amount you expected, you will receive an explanation in the mail about 2 weeks after your refund is deposited.

### Reasons Your Direct Deposit Request May Be Rejected

If any of the following apply, your direct deposit request will be rejected and a check will be sent instead.

- Any numbers or letters on lines 74b through 74d are crossed out or whited out.
- Your financial institution(s) will not allow a joint refund to be deposited to an individual account. The IRS is not responsible if a financial institution rejects a direct deposit.
- You file your 2012 return after December 31, 2013.

CAUTION *The IRS is not responsible for a lost refund if you enter the wrong account information. Check with your financial institution to get the correct routing and account numbers and to make sure your direct deposit will be accepted.*

## Line 75

### Applied to Your 2013 Estimated Tax

Enter on line 75 the amount, if any, of the overpayment on line 73 you want applied to your 2013 estimated tax. We will apply this amount to your account unless you include a statement requesting us to apply it to your spouse's account. Include your spouse's social security number in the statement.

CAUTION *This election to apply part or all of the amount overpaid to your 2013 estimated tax cannot be changed later.*

## Amount You Owe

IRS e-file IRS *e-file* offers two electronic payment options. With Electronic Funds Withdrawal, you can pay your current year balance due and also make up to four estimated tax payments. If you file early, you can schedule your payment for withdrawal from your account on a future date, up to and including the due date of the return. Or you can pay using a credit or debit card. Visit *www.irs.gov/e-pay* for details on both options.

## Line 76

### Amount You Owe

TIP *To save interest and penalties, pay your taxes in full by April 15, 2013. You do not have to pay if line 76 is under $1.*

Include any estimated tax penalty from line 77 in the amount you enter on line 76.

You can pay online, by phone, or by check or money order. Do not include any estimated tax payment for 2013 in this payment. Instead, make the estimated tax payment separately.

**Bad check or payment.** The penalty for writing a bad check to the IRS is $25

**Sample Check—Lines 74b Through 74d**

CAUTION *The routing and account numbers may be in different places on your check.*

or 2% of the check, whichever is more. However, if the amount of the check is less than $25, the penalty equals the amount of the check. This penalty also applies to other forms of payment if the IRS does not receive the funds. Use TeleTax topic 206.

### Pay Online

Paying online is convenient and secure and helps make sure we get your payments on time. You can pay using either of the following electronic payment methods.

- Direct transfer from your bank account.
- Credit or debit card.

To pay your taxes online or for more information, go to *www.irs.gov/e-pay*. Also see *Amount You Owe*, earlier, for information about the Electronic Funds Withdrawal payment option offered when e-filing your return.

### Pay by Phone

Paying by phone is another safe and secure method of paying electronically. Use one of the following methods.

- Direct transfer from your bank account.
- Credit or debit card.

To pay by direct transfer from your bank account, call 1-800-555-4477 (English) or 1-800-244-4829 (Espanol). People who are deaf, hard of hearing, or have a speech disability and who have access to TTY/TDD equipment can call 1-800-733-4829.

To pay using a credit or debit card, you can call one of the following service providers. There is a convenience fee charged by these providers that varies by provider, card type, and payment amount.

Official Payments Corporation
1-888-UPAY-TAX™
(1-888-872-9829)
*www.officialpayments.com*

Link2Gov Corporation
1-888-PAY-1040™
(1-888-729-1040)
*www.PAY1040.com*

WorldPay
1-888-9-PAY-TAX™
(1-888-972-9829)
*www.payUSAtax.com*

For the latest details on how to pay by phone, go to *www.irs.gov/e-pay*.

### Pay by Check or Money Order

Make your check or money order payable to "United States Treasury" for the full amount due. Do not send cash. Do not attach the payment to your return. Write "2012 Form 1040" and your name, address, daytime phone number, and social security number (SSN) on your payment. If you are filing a joint return, enter the SSN shown first on your tax return.

To help us process your payment, enter the amount on the right side of the check like this: $ XXX.XX. Do not use dashes or lines (for example, do not enter "$ XXX–" or "$ XXX$^{xx}/_{100}$").

Then, complete Form 1040-V following the instructions on that form and enclose it in the envelope with your tax return and payment.

**TIP** *You may need to (a) increase the amount of income tax withheld from your pay by filing a new Form W-4, (b) increase the tax withheld from other income by filing Form W-4P or W-4V, or (c) make estimated tax payments for 2013. See* Income Tax Withholding and Estimated Tax Payments for 2013 *under* General Information, *later.*

### What If You Cannot Pay?

If you cannot pay the full amount shown on line 76 when you file, you can ask for:

- An installment agreement, or
- An extension of time to pay.

**Installment agreement.** Under an installment agreement, you can pay all or part of the tax you owe in monthly installments. However, even if your request to pay in installments is granted, you will be charged interest and may be charged a late payment penalty on the tax not paid by April 15, 2013. You must also pay a fee. To limit the interest and penalty charges, pay as much of the tax as possible when you file. But before requesting an installment agreement, you should consider other less costly alternatives, such as a bank loan or credit card payment.

To ask for an installment agreement, you can apply online or use Form 9465. To apply online, go to IRS.gov and click on "Tools" and then "Online Payment Agreement."

**Extension of time to pay.** If paying the tax when it is due would cause you an undue hardship, you can ask for an extension of time to pay by filing Form 1127 by April 15, 2013. An extension generally will not be granted for more than 6 months. If you pay after April 15, 2013, you will be charged interest on the tax not paid by April 15, 2013. You must pay the tax before the extension runs out. If you do not, penalties may be imposed.

## Line 77

### Estimated Tax Penalty

You may owe this penalty if:

- Line 76 is at least $1,000 and it is more than 10% of the tax shown on your return, or
- You did not pay enough estimated tax by any of the due dates. This is true even if you are due a refund.

For most people, the "tax shown on your return" is the amount on your 2012 Form 1040, line 61, minus the total of any amounts shown on lines 64a, 65, 66, and 70 and Forms 8828, 4137, 5329 (Parts III through VIII only), 8801 (line 27 only), 8885, and 8919. Also subtract from line 61 any tax on an excess parachute payment, any excise tax on insider stock compensation of an expatriated corporation, any uncollected social security and Medicare or RRTA tax on tips or group-term life insurance, any look-back interest due under section 167(g) or 460(b), and any write-in tax included on line 60 from Form 8885. When figuring the amount on line 61, include household employment taxes only if line 62 is more than zero or you would owe the penalty even if you did not include those taxes.

**Exception.** You will not owe the penalty if your 2011 tax return was for a tax year of 12 full months and either of the following applies.

1. You had no tax shown on your 2011 return and you were a U.S. citizen or resident for all of 2011.

2. The total of lines 62, 63, and 69 on your 2012 return is at least 100% of the tax shown on your 2011 return (110% of that amount if you are not a farmer or fisherman, and your adjusted gross income (AGI) shown on your 2011 return was more than $150,000 (more than $75,000 if married filing separately for 2012)). Your estimated tax payments for 2012 must have been made on time and for the required amount.

For most people, the "tax shown on your 2011 return" is the amount on your 2011 Form 1040, line 61, minus the total of any amounts shown on lines 64a, 65, 66, 67, and 70 and Forms 8828, 4137, 5329 (Parts III through VIII only), 8801 (line 27 only), 8839, 8885, and 8919. Also subtract from line 61 any tax on an excess parachute payment, any excise tax on insider stock compensation of an expatriated corporation, any uncollected social security and Medicare or RRTA tax on tips or group-term life insurance, any look-back interest due under section 167(g) or 460(b), and any write-in tax included on line 60 from Form 8885. When figuring the amount on line 61, include household employment taxes only if line 62 is more than zero or you would have owed the estimated tax penalty for 2011 even if you did not include those taxes.

### Figuring the Penalty

If the *Exception* just described does not apply and you choose to figure the penalty yourself, use Form 2210 (or 2210-F for farmers and fishermen).

Enter any penalty on line 77. Add the penalty to any tax due and enter the total on line 76.

However, if you have an overpayment on line 73, subtract the penalty from the amount you would otherwise enter on line 74a or line 75. Lines 74a, 75, and 77 must equal line 73.

If the penalty is more than the overpayment on line 73, enter -0- on lines 74a and 75. Then subtract line 73 from line 77 and enter the result on line 76.

Do not file Form 2210 with your return unless Form 2210 indicates that you must do so. Instead, keep it for your records.

**TIP** *Because Form 2210 is complicated, you can leave line 77 blank and the IRS will figure the penalty and send you a bill. We will not charge you interest on the penalty if you pay by the date specified on the bill. If your income varied during the year, the annualized income installment method may reduce the amount of your penalty. But you must file Form 2210 because the IRS cannot figure your penalty under this method. See the Instructions for Form 2210 for other situations in which you may be able to lower your penalty by filing Form 2210.*

## Third Party Designee

If you want to allow your preparer, a friend, a family member, or any other person you choose to discuss your 2012 tax return with the IRS, check the "Yes" box in the "Third Party Designee" area of your return. Also, enter the designee's name, phone number, and any five digits the designee chooses as his or her personal identification number (PIN).

If you check the "Yes" box, you, and your spouse if filing a joint return, are authorizing the IRS to call the designee to answer any questions that may arise during the processing of your return. You are also authorizing the designee to:

- Give the IRS any information that is missing from your return,
- Call the IRS for information about the processing of your return or the status of your refund or payment(s),
- Receive copies of notices or transcripts related to your return, upon request, and
- Respond to certain IRS notices about math errors, offsets, and return preparation.

You are not authorizing the designee to receive any refund check, bind you to anything (including any additional tax liability), or otherwise represent you before the IRS. If you want to expand the designee's authorization, see Pub. 947.

The authorization will automatically end no later than the due date (without regard to extensions) for filing your 2013 tax return. This is April 15, 2014, for most people.

## Sign Your Return

Form 1040 is not considered a valid return unless you sign it. If you are filing a joint return, your spouse must also sign. If your spouse cannot sign the return, see Pub. 501. Be sure to date your return and enter your occupation(s). If you have someone prepare your return, you are still responsible for the correctness of the return. If your return is signed by a representative for you, you must have a power of attorney attached that specifically authorizes the representative to sign your return. To do this, you can use Form 2848. If you are filing a joint return as a surviving spouse, see *Death of a Taxpayer,* later.

### Court-Appointed Conservator, Guardian, or Other Fiduciary

If you are a court-appointed conservator, guardian, or other fiduciary for a mentally or physically incompetent individual who has to file Form 1040, sign your name for the individual and file Form 56.

### Child's Return

If your child cannot sign the return, either parent can sign the child's name in the space provided. Then, enter "By (your signature), parent for minor child."

### Daytime Phone Number

Providing your daytime phone number may help speed the processing of your return. We may have questions about items on your return, such as the earned income credit, credit for child and dependent care expenses, etc. If you answer our questions over the phone, we may be able to continue processing your return without mailing you a letter. If you are filing a joint return, you can enter either your or your spouse's daytime phone number.

## Electronic Return Signatures!

To file your return electronically, you must sign the return electronically using a personal identification number (PIN). If you are filing online using software, you must use a Self-Select PIN. If you are filing electronically using a tax practitioner, you can use a Self-Select PIN or a Practitioner PIN.

**Self-Select PIN.** The Self-Select PIN method allows you to create your own PIN. If you are married filing jointly, you and your spouse will each need to create a PIN and enter these PINs as your electronic signatures.

A PIN is any combination of five digits you choose except five zeros. If you use a PIN, there is nothing to sign and nothing to mail—not even your Forms W-2.

To verify your identity, you will be prompted to enter your adjusted gross income (AGI) from your originally filed 2011 federal income tax return, if applicable. Do not use your AGI from an amended return (Form 1040X) or a math error correction made by IRS. AGI is the amount shown on your 2011 Form 1040, line 38; Form 1040A, line 22; or Form 1040EZ, line 4. If you do not have your 2011 income tax return, call the IRS at 1-800-908-9946 to get a free transcript of your return or visit IRS.gov and click on "Order a Return or Account Transcript." (If you filed electronically last year, you may use your prior year PIN to verify your identity instead of your prior year AGI. The prior year PIN is the five digit PIN you used to electronically sign your 2011 return.) You will also be prompted to enter your date of birth (DOB).

CAUTION *You cannot use the Self-Select PIN method if you are a first-time filer under age 16 at the end of 2012.*

TIP *If you cannot locate your prior year AGI or prior year PIN, use the* Electronic Filing PIN Request*. This can be found at* IRS.gov. *Click on "Request an Electronic Filing PIN." Or you can call 1-866-704-7388.*

**Practitioner PIN.** The Practitioner PIN method allows you to authorize your tax practitioner to enter or generate your PIN. The practitioner can provide you with details.

**Form 8453.** You must send in a paper Form 8453 if you have to attach certain forms or other documents that cannot be electronically filed. For details, see Form 8453.

# Identity Protection PIN

For 2012, if you received an IRS notice providing you with an Identity Protection Personal Identification Number (IP PIN), enter it in the IP PIN spaces provided below your daytime phone number. You must enter your IP PIN exactly as it is shown on the Notice CP01A you received. If you did not receive a notice containing an IP PIN, leave these spaces blank.

CAUTION *New IP PINs are issued every year. An IP PIN should be used only for the tax year it was issued. IP PINs for 2012 tax returns generally were sent in December 2012.*

If you are filing a joint return and both taxpayers receive an IP PIN, only the taxpayer whose social security number (SSN) appears first on the tax return should enter his or her IP PIN.

If you received an IP PIN but misplaced it, call 1-800-908-4490, extension 245. If you need more information or answers to frequently asked questions on how to use the IP PIN, go to *www.irs.gov/Individuals/Understanding-Your-CP01A-Notice*.

# Paid Preparer Must Sign Your Return

Generally, anyone you pay to prepare your return must sign it and include their Preparer Tax Identification Number (PTIN) in the space provided. The preparer must give you a copy of the return for your records. Someone who prepares your return but does not charge you should not sign your return.

# Assemble Your Return

Assemble any schedules and forms behind Form 1040 in order of the "Attachment Sequence No." shown in the upper right corner of the schedule or form. If you have supporting statements, arrange them in the same order as the schedules or forms they support and attach them last. Do not attach correspondence or other items unless required to do so. Attach a copy of Forms W-2 and 2439 to the front of Form 1040. If you received a Form W-2c (a corrected Form W-2), attach a copy of your original Forms W-2 and any Forms W-2c. Also attach Forms W-2G and 1099-R to the front of Form 1040 if tax was withheld.

# 2012 Tax Table

*See the instructions for line 44 to see if you must use the Tax Table below to figure your tax.*

**Example.** Mr. and Mrs. Brown are filing a joint return. Their taxable income on Form 1040, line 43, is $25,300. First, they find the $25,300–25,350 taxable income line. Next, they find the column for married filing jointly and read down the column. The amount shown where the taxable income line and filing status column meet is $2,929. This is the tax amount they should enter on Form 1040, line 44.

## Sample Table

| At Least | But Less Than | Single | Married filing jointly * | Married filing separately | Head of a household |
|---|---|---|---|---|---|
| | | Your tax is— | | | |
| 25,200 | 25,250 | 3,349 | 2,914 | 3,349 | 3,164 |
| 25,250 | 25,300 | 3,356 | 2,921 | 3,356 | 3,171 |
| 25,300 | 25,350 | 3,364 | 2,929 | 3,364 | 3,179 |
| 25,350 | 25,400 | 3,371 | 2,936 | 3,371 | 3,186 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| 0 | 5 | 0 | 0 | 0 | 0 |
| 5 | 15 | 1 | 1 | 1 | 1 |
| 15 | 25 | 2 | 2 | 2 | 2 |
| 25 | 50 | 4 | 4 | 4 | 4 |
| 50 | 75 | 6 | 6 | 6 | 6 |
| 75 | 100 | 9 | 9 | 9 | 9 |
| 100 | 125 | 11 | 11 | 11 | 11 |
| 125 | 150 | 14 | 14 | 14 | 14 |
| 150 | 175 | 16 | 16 | 16 | 16 |
| 175 | 200 | 19 | 19 | 19 | 19 |
| 200 | 225 | 21 | 21 | 21 | 21 |
| 225 | 250 | 24 | 24 | 24 | 24 |
| 250 | 275 | 26 | 26 | 26 | 26 |
| 275 | 300 | 29 | 29 | 29 | 29 |
| 300 | 325 | 31 | 31 | 31 | 31 |
| 325 | 350 | 34 | 34 | 34 | 34 |
| 350 | 375 | 36 | 36 | 36 | 36 |
| 375 | 400 | 39 | 39 | 39 | 39 |
| 400 | 425 | 41 | 41 | 41 | 41 |
| 425 | 450 | 44 | 44 | 44 | 44 |
| 450 | 475 | 46 | 46 | 46 | 46 |
| 475 | 500 | 49 | 49 | 49 | 49 |
| 500 | 525 | 51 | 51 | 51 | 51 |
| 525 | 550 | 54 | 54 | 54 | 54 |
| 550 | 575 | 56 | 56 | 56 | 56 |
| 575 | 600 | 59 | 59 | 59 | 59 |
| 600 | 625 | 61 | 61 | 61 | 61 |
| 625 | 650 | 64 | 64 | 64 | 64 |
| 650 | 675 | 66 | 66 | 66 | 66 |
| 675 | 700 | 69 | 69 | 69 | 69 |
| 700 | 725 | 71 | 71 | 71 | 71 |
| 725 | 750 | 74 | 74 | 74 | 74 |
| 750 | 775 | 76 | 76 | 76 | 76 |
| 775 | 800 | 79 | 79 | 79 | 79 |
| 800 | 825 | 81 | 81 | 81 | 81 |
| 825 | 850 | 84 | 84 | 84 | 84 |
| 850 | 875 | 86 | 86 | 86 | 86 |
| 875 | 900 | 89 | 89 | 89 | 89 |
| 900 | 925 | 91 | 91 | 91 | 91 |
| 925 | 950 | 94 | 94 | 94 | 94 |
| 950 | 975 | 96 | 96 | 96 | 96 |
| 975 | 1,000 | 99 | 99 | 99 | 99 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **1,000** | | | | | |
| 1,000 | 1,025 | 101 | 101 | 101 | 101 |
| 1,025 | 1,050 | 104 | 104 | 104 | 104 |
| 1,050 | 1,075 | 106 | 106 | 106 | 106 |
| 1,075 | 1,100 | 109 | 109 | 109 | 109 |
| 1,100 | 1,125 | 111 | 111 | 111 | 111 |
| 1,125 | 1,150 | 114 | 114 | 114 | 114 |
| 1,150 | 1,175 | 116 | 116 | 116 | 116 |
| 1,175 | 1,200 | 119 | 119 | 119 | 119 |
| 1,200 | 1,225 | 121 | 121 | 121 | 121 |
| 1,225 | 1,250 | 124 | 124 | 124 | 124 |
| 1,250 | 1,275 | 126 | 126 | 126 | 126 |
| 1,275 | 1,300 | 129 | 129 | 129 | 129 |
| 1,300 | 1,325 | 131 | 131 | 131 | 131 |
| 1,325 | 1,350 | 134 | 134 | 134 | 134 |
| 1,350 | 1,375 | 136 | 136 | 136 | 136 |
| 1,375 | 1,400 | 139 | 139 | 139 | 139 |
| 1,400 | 1,425 | 141 | 141 | 141 | 141 |
| 1,425 | 1,450 | 144 | 144 | 144 | 144 |
| 1,450 | 1,475 | 146 | 146 | 146 | 146 |
| 1,475 | 1,500 | 149 | 149 | 149 | 149 |
| 1,500 | 1,525 | 151 | 151 | 151 | 151 |
| 1,525 | 1,550 | 154 | 154 | 154 | 154 |
| 1,550 | 1,575 | 156 | 156 | 156 | 156 |
| 1,575 | 1,600 | 159 | 159 | 159 | 159 |
| 1,600 | 1,625 | 161 | 161 | 161 | 161 |
| 1,625 | 1,650 | 164 | 164 | 164 | 164 |
| 1,650 | 1,675 | 166 | 166 | 166 | 166 |
| 1,675 | 1,700 | 169 | 169 | 169 | 169 |
| 1,700 | 1,725 | 171 | 171 | 171 | 171 |
| 1,725 | 1,750 | 174 | 174 | 174 | 174 |
| 1,750 | 1,775 | 176 | 176 | 176 | 176 |
| 1,775 | 1,800 | 179 | 179 | 179 | 179 |
| 1,800 | 1,825 | 181 | 181 | 181 | 181 |
| 1,825 | 1,850 | 184 | 184 | 184 | 184 |
| 1,850 | 1,875 | 186 | 186 | 186 | 186 |
| 1,875 | 1,900 | 189 | 189 | 189 | 189 |
| 1,900 | 1,925 | 191 | 191 | 191 | 191 |
| 1,925 | 1,950 | 194 | 194 | 194 | 194 |
| 1,950 | 1,975 | 196 | 196 | 196 | 196 |
| 1,975 | 2,000 | 199 | 199 | 199 | 199 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **2,000** | | | | | |
| 2,000 | 2,025 | 201 | 201 | 201 | 201 |
| 2,025 | 2,050 | 204 | 204 | 204 | 204 |
| 2,050 | 2,075 | 206 | 206 | 206 | 206 |
| 2,075 | 2,100 | 209 | 209 | 209 | 209 |
| 2,100 | 2,125 | 211 | 211 | 211 | 211 |
| 2,125 | 2,150 | 214 | 214 | 214 | 214 |
| 2,150 | 2,175 | 216 | 216 | 216 | 216 |
| 2,175 | 2,200 | 219 | 219 | 219 | 219 |
| 2,200 | 2,225 | 221 | 221 | 221 | 221 |
| 2,225 | 2,250 | 224 | 224 | 224 | 224 |
| 2,250 | 2,275 | 226 | 226 | 226 | 226 |
| 2,275 | 2,300 | 229 | 229 | 229 | 229 |
| 2,300 | 2,325 | 231 | 231 | 231 | 231 |
| 2,325 | 2,350 | 234 | 234 | 234 | 234 |
| 2,350 | 2,375 | 236 | 236 | 236 | 236 |
| 2,375 | 2,400 | 239 | 239 | 239 | 239 |
| 2,400 | 2,425 | 241 | 241 | 241 | 241 |
| 2,425 | 2,450 | 244 | 244 | 244 | 244 |
| 2,450 | 2,475 | 246 | 246 | 246 | 246 |
| 2,475 | 2,500 | 249 | 249 | 249 | 249 |
| 2,500 | 2,525 | 251 | 251 | 251 | 251 |
| 2,525 | 2,550 | 254 | 254 | 254 | 254 |
| 2,550 | 2,575 | 256 | 256 | 256 | 256 |
| 2,575 | 2,600 | 259 | 259 | 259 | 259 |
| 2,600 | 2,625 | 261 | 261 | 261 | 261 |
| 2,625 | 2,650 | 264 | 264 | 264 | 264 |
| 2,650 | 2,675 | 266 | 266 | 266 | 266 |
| 2,675 | 2,700 | 269 | 269 | 269 | 269 |
| 2,700 | 2,725 | 271 | 271 | 271 | 271 |
| 2,725 | 2,750 | 274 | 274 | 274 | 274 |
| 2,750 | 2,775 | 276 | 276 | 276 | 276 |
| 2,775 | 2,800 | 279 | 279 | 279 | 279 |
| 2,800 | 2,825 | 281 | 281 | 281 | 281 |
| 2,825 | 2,850 | 284 | 284 | 284 | 284 |
| 2,850 | 2,875 | 286 | 286 | 286 | 286 |
| 2,875 | 2,900 | 289 | 289 | 289 | 289 |
| 2,900 | 2,925 | 291 | 291 | 291 | 291 |
| 2,925 | 2,950 | 294 | 294 | 294 | 294 |
| 2,950 | 2,975 | 296 | 296 | 296 | 296 |
| 2,975 | 3,000 | 299 | 299 | 299 | 299 |

*(Continued)*

*This column must also be used by a qualifying widow(er).

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **3,000** | | | | | |
| 3,000 | 3,050 | 303 | 303 | 303 | 303 |
| 3,050 | 3,100 | 308 | 308 | 308 | 308 |
| 3,100 | 3,150 | 313 | 313 | 313 | 313 |
| 3,150 | 3,200 | 318 | 318 | 318 | 318 |
| 3,200 | 3,250 | 323 | 323 | 323 | 323 |
| 3,250 | 3,300 | 328 | 328 | 328 | 328 |
| 3,300 | 3,350 | 333 | 333 | 333 | 333 |
| 3,350 | 3,400 | 338 | 338 | 338 | 338 |
| 3,400 | 3,450 | 343 | 343 | 343 | 343 |
| 3,450 | 3,500 | 348 | 348 | 348 | 348 |
| 3,500 | 3,550 | 353 | 353 | 353 | 353 |
| 3,550 | 3,600 | 358 | 358 | 358 | 358 |
| 3,600 | 3,650 | 363 | 363 | 363 | 363 |
| 3,650 | 3,700 | 368 | 368 | 368 | 368 |
| 3,700 | 3,750 | 373 | 373 | 373 | 373 |
| 3,750 | 3,800 | 378 | 378 | 378 | 378 |
| 3,800 | 3,850 | 383 | 383 | 383 | 383 |
| 3,850 | 3,900 | 388 | 388 | 388 | 388 |
| 3,900 | 3,950 | 393 | 393 | 393 | 393 |
| 3,950 | 4,000 | 398 | 398 | 398 | 398 |
| **4,000** | | | | | |
| 4,000 | 4,050 | 403 | 403 | 403 | 403 |
| 4,050 | 4,100 | 408 | 408 | 408 | 408 |
| 4,100 | 4,150 | 413 | 413 | 413 | 413 |
| 4,150 | 4,200 | 418 | 418 | 418 | 418 |
| 4,200 | 4,250 | 423 | 423 | 423 | 423 |
| 4,250 | 4,300 | 428 | 428 | 428 | 428 |
| 4,300 | 4,350 | 433 | 433 | 433 | 433 |
| 4,350 | 4,400 | 438 | 438 | 438 | 438 |
| 4,400 | 4,450 | 443 | 443 | 443 | 443 |
| 4,450 | 4,500 | 448 | 448 | 448 | 448 |
| 4,500 | 4,550 | 453 | 453 | 453 | 453 |
| 4,550 | 4,600 | 458 | 458 | 458 | 458 |
| 4,600 | 4,650 | 463 | 463 | 463 | 463 |
| 4,650 | 4,700 | 468 | 468 | 468 | 468 |
| 4,700 | 4,750 | 473 | 473 | 473 | 473 |
| 4,750 | 4,800 | 478 | 478 | 478 | 478 |
| 4,800 | 4,850 | 483 | 483 | 483 | 483 |
| 4,850 | 4,900 | 488 | 488 | 488 | 488 |
| 4,900 | 4,950 | 493 | 493 | 493 | 493 |
| 4,950 | 5,000 | 498 | 498 | 498 | 498 |
| **5,000** | | | | | |
| 5,000 | 5,050 | 503 | 503 | 503 | 503 |
| 5,050 | 5,100 | 508 | 508 | 508 | 508 |
| 5,100 | 5,150 | 513 | 513 | 513 | 513 |
| 5,150 | 5,200 | 518 | 518 | 518 | 518 |
| 5,200 | 5,250 | 523 | 523 | 523 | 523 |
| 5,250 | 5,300 | 528 | 528 | 528 | 528 |
| 5,300 | 5,350 | 533 | 533 | 533 | 533 |
| 5,350 | 5,400 | 538 | 538 | 538 | 538 |
| 5,400 | 5,450 | 543 | 543 | 543 | 543 |
| 5,450 | 5,500 | 548 | 548 | 548 | 548 |
| 5,500 | 5,550 | 553 | 553 | 553 | 553 |
| 5,550 | 5,600 | 558 | 558 | 558 | 558 |
| 5,600 | 5,650 | 563 | 563 | 563 | 563 |
| 5,650 | 5,700 | 568 | 568 | 568 | 568 |
| 5,700 | 5,750 | 573 | 573 | 573 | 573 |
| 5,750 | 5,800 | 578 | 578 | 578 | 578 |
| 5,800 | 5,850 | 583 | 583 | 583 | 583 |
| 5,850 | 5,900 | 588 | 588 | 588 | 588 |
| 5,900 | 5,950 | 593 | 593 | 593 | 593 |
| 5,950 | 6,000 | 598 | 598 | 598 | 598 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **6,000** | | | | | |
| 6,000 | 6,050 | 603 | 603 | 603 | 603 |
| 6,050 | 6,100 | 608 | 608 | 608 | 608 |
| 6,100 | 6,150 | 613 | 613 | 613 | 613 |
| 6,150 | 6,200 | 618 | 618 | 618 | 618 |
| 6,200 | 6,250 | 623 | 623 | 623 | 623 |
| 6,250 | 6,300 | 628 | 628 | 628 | 628 |
| 6,300 | 6,350 | 633 | 633 | 633 | 633 |
| 6,350 | 6,400 | 638 | 638 | 638 | 638 |
| 6,400 | 6,450 | 643 | 643 | 643 | 643 |
| 6,450 | 6,500 | 648 | 648 | 648 | 648 |
| 6,500 | 6,550 | 653 | 653 | 653 | 653 |
| 6,550 | 6,600 | 658 | 658 | 658 | 658 |
| 6,600 | 6,650 | 663 | 663 | 663 | 663 |
| 6,650 | 6,700 | 668 | 668 | 668 | 668 |
| 6,700 | 6,750 | 673 | 673 | 673 | 673 |
| 6,750 | 6,800 | 678 | 678 | 678 | 678 |
| 6,800 | 6,850 | 683 | 683 | 683 | 683 |
| 6,850 | 6,900 | 688 | 688 | 688 | 688 |
| 6,900 | 6,950 | 693 | 693 | 693 | 693 |
| 6,950 | 7,000 | 698 | 698 | 698 | 698 |
| **7,000** | | | | | |
| 7,000 | 7,050 | 703 | 703 | 703 | 703 |
| 7,050 | 7,100 | 708 | 708 | 708 | 708 |
| 7,100 | 7,150 | 713 | 713 | 713 | 713 |
| 7,150 | 7,200 | 718 | 718 | 718 | 718 |
| 7,200 | 7,250 | 723 | 723 | 723 | 723 |
| 7,250 | 7,300 | 728 | 728 | 728 | 728 |
| 7,300 | 7,350 | 733 | 733 | 733 | 733 |
| 7,350 | 7,400 | 738 | 738 | 738 | 738 |
| 7,400 | 7,450 | 743 | 743 | 743 | 743 |
| 7,450 | 7,500 | 748 | 748 | 748 | 748 |
| 7,500 | 7,550 | 753 | 753 | 753 | 753 |
| 7,550 | 7,600 | 758 | 758 | 758 | 758 |
| 7,600 | 7,650 | 763 | 763 | 763 | 763 |
| 7,650 | 7,700 | 768 | 768 | 768 | 768 |
| 7,700 | 7,750 | 773 | 773 | 773 | 773 |
| 7,750 | 7,800 | 778 | 778 | 778 | 778 |
| 7,800 | 7,850 | 783 | 783 | 783 | 783 |
| 7,850 | 7,900 | 788 | 788 | 788 | 788 |
| 7,900 | 7,950 | 793 | 793 | 793 | 793 |
| 7,950 | 8,000 | 798 | 798 | 798 | 798 |
| **8,000** | | | | | |
| 8,000 | 8,050 | 803 | 803 | 803 | 803 |
| 8,050 | 8,100 | 808 | 808 | 808 | 808 |
| 8,100 | 8,150 | 813 | 813 | 813 | 813 |
| 8,150 | 8,200 | 818 | 818 | 818 | 818 |
| 8,200 | 8,250 | 823 | 823 | 823 | 823 |
| 8,250 | 8,300 | 828 | 828 | 828 | 828 |
| 8,300 | 8,350 | 833 | 833 | 833 | 833 |
| 8,350 | 8,400 | 838 | 838 | 838 | 838 |
| 8,400 | 8,450 | 843 | 843 | 843 | 843 |
| 8,450 | 8,500 | 848 | 848 | 848 | 848 |
| 8,500 | 8,550 | 853 | 853 | 853 | 853 |
| 8,550 | 8,600 | 858 | 858 | 858 | 858 |
| 8,600 | 8,650 | 863 | 863 | 863 | 863 |
| 8,650 | 8,700 | 868 | 868 | 868 | 868 |
| 8,700 | 8,750 | 874 | 873 | 874 | 873 |
| 8,750 | 8,800 | 881 | 878 | 881 | 878 |
| 8,800 | 8,850 | 889 | 883 | 889 | 883 |
| 8,850 | 8,900 | 896 | 888 | 896 | 888 |
| 8,900 | 8,950 | 904 | 893 | 904 | 893 |
| 8,950 | 9,000 | 911 | 898 | 911 | 898 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **9,000** | | | | | |
| 9,000 | 9,050 | 919 | 903 | 919 | 903 |
| 9,050 | 9,100 | 926 | 908 | 926 | 908 |
| 9,100 | 9,150 | 934 | 913 | 934 | 913 |
| 9,150 | 9,200 | 941 | 918 | 941 | 918 |
| 9,200 | 9,250 | 949 | 923 | 949 | 923 |
| 9,250 | 9,300 | 956 | 928 | 956 | 928 |
| 9,300 | 9,350 | 964 | 933 | 964 | 933 |
| 9,350 | 9,400 | 971 | 938 | 971 | 938 |
| 9,400 | 9,450 | 979 | 943 | 979 | 943 |
| 9,450 | 9,500 | 986 | 948 | 986 | 948 |
| 9,500 | 9,550 | 994 | 953 | 994 | 953 |
| 9,550 | 9,600 | 1,001 | 958 | 1,001 | 958 |
| 9,600 | 9,650 | 1,009 | 963 | 1,009 | 963 |
| 9,650 | 9,700 | 1,016 | 968 | 1,016 | 968 |
| 9,700 | 9,750 | 1,024 | 973 | 1,024 | 973 |
| 9,750 | 9,800 | 1,031 | 978 | 1,031 | 978 |
| 9,800 | 9,850 | 1,039 | 983 | 1,039 | 983 |
| 9,850 | 9,900 | 1,046 | 988 | 1,046 | 988 |
| 9,900 | 9,950 | 1,054 | 993 | 1,054 | 993 |
| 9,950 | 10,000 | 1,061 | 998 | 1,061 | 998 |
| **10,000** | | | | | |
| 10,000 | 10,050 | 1,069 | 1,003 | 1,069 | 1,003 |
| 10,050 | 10,100 | 1,076 | 1,008 | 1,076 | 1,008 |
| 10,100 | 10,150 | 1,084 | 1,013 | 1,084 | 1,013 |
| 10,150 | 10,200 | 1,091 | 1,018 | 1,091 | 1,018 |
| 10,200 | 10,250 | 1,099 | 1,023 | 1,099 | 1,023 |
| 10,250 | 10,300 | 1,106 | 1,028 | 1,106 | 1,028 |
| 10,300 | 10,350 | 1,114 | 1,033 | 1,114 | 1,033 |
| 10,350 | 10,400 | 1,121 | 1,038 | 1,121 | 1,038 |
| 10,400 | 10,450 | 1,129 | 1,043 | 1,129 | 1,043 |
| 10,450 | 10,500 | 1,136 | 1,048 | 1,136 | 1,048 |
| 10,500 | 10,550 | 1,144 | 1,053 | 1,144 | 1,053 |
| 10,550 | 10,600 | 1,151 | 1,058 | 1,151 | 1,058 |
| 10,600 | 10,650 | 1,159 | 1,063 | 1,159 | 1,063 |
| 10,650 | 10,700 | 1,166 | 1,068 | 1,166 | 1,068 |
| 10,700 | 10,750 | 1,174 | 1,073 | 1,174 | 1,073 |
| 10,750 | 10,800 | 1,181 | 1,078 | 1,181 | 1,078 |
| 10,800 | 10,850 | 1,189 | 1,083 | 1,189 | 1,083 |
| 10,850 | 10,900 | 1,196 | 1,088 | 1,196 | 1,088 |
| 10,900 | 10,950 | 1,204 | 1,093 | 1,204 | 1,093 |
| 10,950 | 11,000 | 1,211 | 1,098 | 1,211 | 1,098 |
| **11,000** | | | | | |
| 11,000 | 11,050 | 1,219 | 1,103 | 1,219 | 1,103 |
| 11,050 | 11,100 | 1,226 | 1,108 | 1,226 | 1,108 |
| 11,100 | 11,150 | 1,234 | 1,113 | 1,234 | 1,113 |
| 11,150 | 11,200 | 1,241 | 1,118 | 1,241 | 1,118 |
| 11,200 | 11,250 | 1,249 | 1,123 | 1,249 | 1,123 |
| 11,250 | 11,300 | 1,256 | 1,128 | 1,256 | 1,128 |
| 11,300 | 11,350 | 1,264 | 1,133 | 1,264 | 1,133 |
| 11,350 | 11,400 | 1,271 | 1,138 | 1,271 | 1,138 |
| 11,400 | 11,450 | 1,279 | 1,143 | 1,279 | 1,143 |
| 11,450 | 11,500 | 1,286 | 1,148 | 1,286 | 1,148 |
| 11,500 | 11,550 | 1,294 | 1,153 | 1,294 | 1,153 |
| 11,550 | 11,600 | 1,301 | 1,158 | 1,301 | 1,158 |
| 11,600 | 11,650 | 1,309 | 1,163 | 1,309 | 1,163 |
| 11,650 | 11,700 | 1,316 | 1,168 | 1,316 | 1,168 |
| 11,700 | 11,750 | 1,324 | 1,173 | 1,324 | 1,173 |
| 11,750 | 11,800 | 1,331 | 1,178 | 1,331 | 1,178 |
| 11,800 | 11,850 | 1,339 | 1,183 | 1,339 | 1,183 |
| 11,850 | 11,900 | 1,346 | 1,188 | 1,346 | 1,188 |
| 11,900 | 11,950 | 1,354 | 1,193 | 1,354 | 1,193 |
| 11,950 | 12,000 | 1,361 | 1,198 | 1,361 | 1,198 |

*(Continued)*

***This column must also be used by a qualifying widow(er).**

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **12,000** | | | | | |
| **12,000** | **12,050** | 1,369 | 1,203 | 1,369 | 1,203 |
| **12,050** | **12,100** | 1,376 | 1,208 | 1,376 | 1,208 |
| **12,100** | **12,150** | 1,384 | 1,213 | 1,384 | 1,213 |
| **12,150** | **12,200** | 1,391 | 1,218 | 1,391 | 1,218 |
| **12,200** | **12,250** | 1,399 | 1,223 | 1,399 | 1,223 |
| **12,250** | **12,300** | 1,406 | 1,228 | 1,406 | 1,228 |
| **12,300** | **12,350** | 1,414 | 1,233 | 1,414 | 1,233 |
| **12,350** | **12,400** | 1,421 | 1,238 | 1,421 | 1,238 |
| **12,400** | **12,450** | 1,429 | 1,243 | 1,429 | 1,244 |
| **12,450** | **12,500** | 1,436 | 1,248 | 1,436 | 1,251 |
| **12,500** | **12,550** | 1,444 | 1,253 | 1,444 | 1,259 |
| **12,550** | **12,600** | 1,451 | 1,258 | 1,451 | 1,266 |
| **12,600** | **12,650** | 1,459 | 1,263 | 1,459 | 1,274 |
| **12,650** | **12,700** | 1,466 | 1,268 | 1,466 | 1,281 |
| **12,700** | **12,750** | 1,474 | 1,273 | 1,474 | 1,289 |
| **12,750** | **12,800** | 1,481 | 1,278 | 1,481 | 1,296 |
| **12,800** | **12,850** | 1,489 | 1,283 | 1,489 | 1,304 |
| **12,850** | **12,900** | 1,496 | 1,288 | 1,496 | 1,311 |
| **12,900** | **12,950** | 1,504 | 1,293 | 1,504 | 1,319 |
| **12,950** | **13,000** | 1,511 | 1,298 | 1,511 | 1,326 |
| **13,000** | | | | | |
| **13,000** | **13,050** | 1,519 | 1,303 | 1,519 | 1,334 |
| **13,050** | **13,100** | 1,526 | 1,308 | 1,526 | 1,341 |
| **13,100** | **13,150** | 1,534 | 1,313 | 1,534 | 1,349 |
| **13,150** | **13,200** | 1,541 | 1,318 | 1,541 | 1,356 |
| **13,200** | **13,250** | 1,549 | 1,323 | 1,549 | 1,364 |
| **13,250** | **13,300** | 1,556 | 1,328 | 1,556 | 1,371 |
| **13,300** | **13,350** | 1,564 | 1,333 | 1,564 | 1,379 |
| **13,350** | **13,400** | 1,571 | 1,338 | 1,571 | 1,386 |
| **13,400** | **13,450** | 1,579 | 1,343 | 1,579 | 1,394 |
| **13,450** | **13,500** | 1,586 | 1,348 | 1,586 | 1,401 |
| **13,500** | **13,550** | 1,594 | 1,353 | 1,594 | 1,409 |
| **13,550** | **13,600** | 1,601 | 1,358 | 1,601 | 1,416 |
| **13,600** | **13,650** | 1,609 | 1,363 | 1,609 | 1,424 |
| **13,650** | **13,700** | 1,616 | 1,368 | 1,616 | 1,431 |
| **13,700** | **13,750** | 1,624 | 1,373 | 1,624 | 1,439 |
| **13,750** | **13,800** | 1,631 | 1,378 | 1,631 | 1,446 |
| **13,800** | **13,850** | 1,639 | 1,383 | 1,639 | 1,454 |
| **13,850** | **13,900** | 1,646 | 1,388 | 1,646 | 1,461 |
| **13,900** | **13,950** | 1,654 | 1,393 | 1,654 | 1,469 |
| **13,950** | **14,000** | 1,661 | 1,398 | 1,661 | 1,476 |
| **14,000** | | | | | |
| **14,000** | **14,050** | 1,669 | 1,403 | 1,669 | 1,484 |
| **14,050** | **14,100** | 1,676 | 1,408 | 1,676 | 1,491 |
| **14,100** | **14,150** | 1,684 | 1,413 | 1,684 | 1,499 |
| **14,150** | **14,200** | 1,691 | 1,418 | 1,691 | 1,506 |
| **14,200** | **14,250** | 1,699 | 1,423 | 1,699 | 1,514 |
| **14,250** | **14,300** | 1,706 | 1,428 | 1,706 | 1,521 |
| **14,300** | **14,350** | 1,714 | 1,433 | 1,714 | 1,529 |
| **14,350** | **14,400** | 1,721 | 1,438 | 1,721 | 1,536 |
| **14,400** | **14,450** | 1,729 | 1,443 | 1,729 | 1,544 |
| **14,450** | **14,500** | 1,736 | 1,448 | 1,736 | 1,551 |
| **14,500** | **14,550** | 1,744 | 1,453 | 1,744 | 1,559 |
| **14,550** | **14,600** | 1,751 | 1,458 | 1,751 | 1,566 |
| **14,600** | **14,650** | 1,759 | 1,463 | 1,759 | 1,574 |
| **14,650** | **14,700** | 1,766 | 1,468 | 1,766 | 1,581 |
| **14,700** | **14,750** | 1,774 | 1,473 | 1,774 | 1,589 |
| **14,750** | **14,800** | 1,781 | 1,478 | 1,781 | 1,596 |
| **14,800** | **14,850** | 1,789 | 1,483 | 1,789 | 1,604 |
| **14,850** | **14,900** | 1,796 | 1,488 | 1,796 | 1,611 |
| **14,900** | **14,950** | 1,804 | 1,493 | 1,804 | 1,619 |
| **14,950** | **15,000** | 1,811 | 1,498 | 1,811 | 1,626 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **15,000** | | | | | |
| **15,000** | **15,050** | 1,819 | 1,503 | 1,819 | 1,634 |
| **15,050** | **15,100** | 1,826 | 1,508 | 1,826 | 1,641 |
| **15,100** | **15,150** | 1,834 | 1,513 | 1,834 | 1,649 |
| **15,150** | **15,200** | 1,841 | 1,518 | 1,841 | 1,656 |
| **15,200** | **15,250** | 1,849 | 1,523 | 1,849 | 1,664 |
| **15,250** | **15,300** | 1,856 | 1,528 | 1,856 | 1,671 |
| **15,300** | **15,350** | 1,864 | 1,533 | 1,864 | 1,679 |
| **15,350** | **15,400** | 1,871 | 1,538 | 1,871 | 1,686 |
| **15,400** | **15,450** | 1,879 | 1,543 | 1,879 | 1,694 |
| **15,450** | **15,500** | 1,886 | 1,548 | 1,886 | 1,701 |
| **15,500** | **15,550** | 1,894 | 1,553 | 1,894 | 1,709 |
| **15,550** | **15,600** | 1,901 | 1,558 | 1,901 | 1,716 |
| **15,600** | **15,650** | 1,909 | 1,563 | 1,909 | 1,724 |
| **15,650** | **15,700** | 1,916 | 1,568 | 1,916 | 1,731 |
| **15,700** | **15,750** | 1,924 | 1,573 | 1,924 | 1,739 |
| **15,750** | **15,800** | 1,931 | 1,578 | 1,931 | 1,746 |
| **15,800** | **15,850** | 1,939 | 1,583 | 1,939 | 1,754 |
| **15,850** | **15,900** | 1,946 | 1,588 | 1,946 | 1,761 |
| **15,900** | **15,950** | 1,954 | 1,593 | 1,954 | 1,769 |
| **15,950** | **16,000** | 1,961 | 1,598 | 1,961 | 1,776 |
| **16,000** | | | | | |
| **16,000** | **16,050** | 1,969 | 1,603 | 1,969 | 1,784 |
| **16,050** | **16,100** | 1,976 | 1,608 | 1,976 | 1,791 |
| **16,100** | **16,150** | 1,984 | 1,613 | 1,984 | 1,799 |
| **16,150** | **16,200** | 1,991 | 1,618 | 1,991 | 1,806 |
| **16,200** | **16,250** | 1,999 | 1,623 | 1,999 | 1,814 |
| **16,250** | **16,300** | 2,006 | 1,628 | 2,006 | 1,821 |
| **16,300** | **16,350** | 2,014 | 1,633 | 2,014 | 1,829 |
| **16,350** | **16,400** | 2,021 | 1,638 | 2,021 | 1,836 |
| **16,400** | **16,450** | 2,029 | 1,643 | 2,029 | 1,844 |
| **16,450** | **16,500** | 2,036 | 1,648 | 2,036 | 1,851 |
| **16,500** | **16,550** | 2,044 | 1,653 | 2,044 | 1,859 |
| **16,550** | **16,600** | 2,051 | 1,658 | 2,051 | 1,866 |
| **16,600** | **16,650** | 2,059 | 1,663 | 2,059 | 1,874 |
| **16,650** | **16,700** | 2,066 | 1,668 | 2,066 | 1,881 |
| **16,700** | **16,750** | 2,074 | 1,673 | 2,074 | 1,889 |
| **16,750** | **16,800** | 2,081 | 1,678 | 2,081 | 1,896 |
| **16,800** | **16,850** | 2,089 | 1,683 | 2,089 | 1,904 |
| **16,850** | **16,900** | 2,096 | 1,688 | 2,096 | 1,911 |
| **16,900** | **16,950** | 2,104 | 1,693 | 2,104 | 1,919 |
| **16,950** | **17,000** | 2,111 | 1,698 | 2,111 | 1,926 |
| **17,000** | | | | | |
| **17,000** | **17,050** | 2,119 | 1,703 | 2,119 | 1,934 |
| **17,050** | **17,100** | 2,126 | 1,708 | 2,126 | 1,941 |
| **17,100** | **17,150** | 2,134 | 1,713 | 2,134 | 1,949 |
| **17,150** | **17,200** | 2,141 | 1,718 | 2,141 | 1,956 |
| **17,200** | **17,250** | 2,149 | 1,723 | 2,149 | 1,964 |
| **17,250** | **17,300** | 2,156 | 1,728 | 2,156 | 1,971 |
| **17,300** | **17,350** | 2,164 | 1,733 | 2,164 | 1,979 |
| **17,350** | **17,400** | 2,171 | 1,738 | 2,171 | 1,986 |
| **17,400** | **17,450** | 2,179 | 1,744 | 2,179 | 1,994 |
| **17,450** | **17,500** | 2,186 | 1,751 | 2,186 | 2,001 |
| **17,500** | **17,550** | 2,194 | 1,759 | 2,194 | 2,009 |
| **17,550** | **17,600** | 2,201 | 1,766 | 2,201 | 2,016 |
| **17,600** | **17,650** | 2,209 | 1,774 | 2,209 | 2,024 |
| **17,650** | **17,700** | 2,216 | 1,781 | 2,216 | 2,031 |
| **17,700** | **17,750** | 2,224 | 1,789 | 2,224 | 2,039 |
| **17,750** | **17,800** | 2,231 | 1,796 | 2,231 | 2,046 |
| **17,800** | **17,850** | 2,239 | 1,804 | 2,239 | 2,054 |
| **17,850** | **17,900** | 2,246 | 1,811 | 2,246 | 2,061 |
| **17,900** | **17,950** | 2,254 | 1,819 | 2,254 | 2,069 |
| **17,950** | **18,000** | 2,261 | 1,826 | 2,261 | 2,076 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **18,000** | | | | | |
| **18,000** | **18,050** | 2,269 | 1,834 | 2,269 | 2,084 |
| **18,050** | **18,100** | 2,276 | 1,841 | 2,276 | 2,091 |
| **18,100** | **18,150** | 2,284 | 1,849 | 2,284 | 2,099 |
| **18,150** | **18,200** | 2,291 | 1,856 | 2,291 | 2,106 |
| **18,200** | **18,250** | 2,299 | 1,864 | 2,299 | 2,114 |
| **18,250** | **18,300** | 2,306 | 1,871 | 2,306 | 2,121 |
| **18,300** | **18,350** | 2,314 | 1,879 | 2,314 | 2,129 |
| **18,350** | **18,400** | 2,321 | 1,886 | 2,321 | 2,136 |
| **18,400** | **18,450** | 2,329 | 1,894 | 2,329 | 2,144 |
| **18,450** | **18,500** | 2,336 | 1,901 | 2,336 | 2,151 |
| **18,500** | **18,550** | 2,344 | 1,909 | 2,344 | 2,159 |
| **18,550** | **18,600** | 2,351 | 1,916 | 2,351 | 2,166 |
| **18,600** | **18,650** | 2,359 | 1,924 | 2,359 | 2,174 |
| **18,650** | **18,700** | 2,366 | 1,931 | 2,366 | 2,181 |
| **18,700** | **18,750** | 2,374 | 1,939 | 2,374 | 2,189 |
| **18,750** | **18,800** | 2,381 | 1,946 | 2,381 | 2,196 |
| **18,800** | **18,850** | 2,389 | 1,954 | 2,389 | 2,204 |
| **18,850** | **18,900** | 2,396 | 1,961 | 2,396 | 2,211 |
| **18,900** | **18,950** | 2,404 | 1,969 | 2,404 | 2,219 |
| **18,950** | **19,000** | 2,411 | 1,976 | 2,411 | 2,226 |
| **19,000** | | | | | |
| **19,000** | **19,050** | 2,419 | 1,984 | 2,419 | 2,234 |
| **19,050** | **19,100** | 2,426 | 1,991 | 2,426 | 2,241 |
| **19,100** | **19,150** | 2,434 | 1,999 | 2,434 | 2,249 |
| **19,150** | **19,200** | 2,441 | 2,006 | 2,441 | 2,256 |
| **19,200** | **19,250** | 2,449 | 2,014 | 2,449 | 2,264 |
| **19,250** | **19,300** | 2,456 | 2,021 | 2,456 | 2,271 |
| **19,300** | **19,350** | 2,464 | 2,029 | 2,464 | 2,279 |
| **19,350** | **19,400** | 2,471 | 2,036 | 2,471 | 2,286 |
| **19,400** | **19,450** | 2,479 | 2,044 | 2,479 | 2,294 |
| **19,450** | **19,500** | 2,486 | 2,051 | 2,486 | 2,301 |
| **19,500** | **19,550** | 2,494 | 2,059 | 2,494 | 2,309 |
| **19,550** | **19,600** | 2,501 | 2,066 | 2,501 | 2,316 |
| **19,600** | **19,650** | 2,509 | 2,074 | 2,509 | 2,324 |
| **19,650** | **19,700** | 2,516 | 2,081 | 2,516 | 2,331 |
| **19,700** | **19,750** | 2,524 | 2,089 | 2,524 | 2,339 |
| **19,750** | **19,800** | 2,531 | 2,096 | 2,531 | 2,346 |
| **19,800** | **19,850** | 2,539 | 2,104 | 2,539 | 2,354 |
| **19,850** | **19,900** | 2,546 | 2,111 | 2,546 | 2,361 |
| **19,900** | **19,950** | 2,554 | 2,119 | 2,554 | 2,369 |
| **19,950** | **20,000** | 2,561 | 2,126 | 2,561 | 2,376 |
| **20,000** | | | | | |
| **20,000** | **20,050** | 2,569 | 2,134 | 2,569 | 2,384 |
| **20,050** | **20,100** | 2,576 | 2,141 | 2,576 | 2,391 |
| **20,100** | **20,150** | 2,584 | 2,149 | 2,584 | 2,399 |
| **20,150** | **20,200** | 2,591 | 2,156 | 2,591 | 2,406 |
| **20,200** | **20,250** | 2,599 | 2,164 | 2,599 | 2,414 |
| **20,250** | **20,300** | 2,606 | 2,171 | 2,606 | 2,421 |
| **20,300** | **20,350** | 2,614 | 2,179 | 2,614 | 2,429 |
| **20,350** | **20,400** | 2,621 | 2,186 | 2,621 | 2,436 |
| **20,400** | **20,450** | 2,629 | 2,194 | 2,629 | 2,444 |
| **20,450** | **20,500** | 2,636 | 2,201 | 2,636 | 2,451 |
| **20,500** | **20,550** | 2,644 | 2,209 | 2,644 | 2,459 |
| **20,550** | **20,600** | 2,651 | 2,216 | 2,651 | 2,466 |
| **20,600** | **20,650** | 2,659 | 2,224 | 2,659 | 2,474 |
| **20,650** | **20,700** | 2,666 | 2,231 | 2,666 | 2,481 |
| **20,700** | **20,750** | 2,674 | 2,239 | 2,674 | 2,489 |
| **20,750** | **20,800** | 2,681 | 2,246 | 2,681 | 2,496 |
| **20,800** | **20,850** | 2,689 | 2,254 | 2,689 | 2,504 |
| **20,850** | **20,900** | 2,696 | 2,261 | 2,696 | 2,511 |
| **20,900** | **20,950** | 2,704 | 2,269 | 2,704 | 2,519 |
| **20,950** | **21,000** | 2,711 | 2,276 | 2,711 | 2,526 |

*(Continued)*

***This column must also be used by a qualifying widow(er).**

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **21,000** | | | | | |
| **21,000** | **21,050** | 2,719 | 2,284 | 2,719 | 2,534 |
| **21,050** | **21,100** | 2,726 | 2,291 | 2,726 | 2,541 |
| **21,100** | **21,150** | 2,734 | 2,299 | 2,734 | 2,549 |
| **21,150** | **21,200** | 2,741 | 2,306 | 2,741 | 2,556 |
| **21,200** | **21,250** | 2,749 | 2,314 | 2,749 | 2,564 |
| **21,250** | **21,300** | 2,756 | 2,321 | 2,756 | 2,571 |
| **21,300** | **21,350** | 2,764 | 2,329 | 2,764 | 2,579 |
| **21,350** | **21,400** | 2,771 | 2,336 | 2,771 | 2,586 |
| **21,400** | **21,450** | 2,779 | 2,344 | 2,779 | 2,594 |
| **21,450** | **21,500** | 2,786 | 2,351 | 2,786 | 2,601 |
| **21,500** | **21,550** | 2,794 | 2,359 | 2,794 | 2,609 |
| **21,550** | **21,600** | 2,801 | 2,366 | 2,801 | 2,616 |
| **21,600** | **21,650** | 2,809 | 2,374 | 2,809 | 2,624 |
| **21,650** | **21,700** | 2,816 | 2,381 | 2,816 | 2,631 |
| **21,700** | **21,750** | 2,824 | 2,389 | 2,824 | 2,639 |
| **21,750** | **21,800** | 2,831 | 2,396 | 2,831 | 2,646 |
| **21,800** | **21,850** | 2,839 | 2,404 | 2,839 | 2,654 |
| **21,850** | **21,900** | 2,846 | 2,411 | 2,846 | 2,661 |
| **21,900** | **21,950** | 2,854 | 2,419 | 2,854 | 2,669 |
| **21,950** | **22,000** | 2,861 | 2,426 | 2,861 | 2,676 |
| **22,000** | | | | | |
| **22,000** | **22,050** | 2,869 | 2,434 | 2,869 | 2,684 |
| **22,050** | **22,100** | 2,876 | 2,441 | 2,876 | 2,691 |
| **22,100** | **22,150** | 2,884 | 2,449 | 2,884 | 2,699 |
| **22,150** | **22,200** | 2,891 | 2,456 | 2,891 | 2,706 |
| **22,200** | **22,250** | 2,899 | 2,464 | 2,899 | 2,714 |
| **22,250** | **22,300** | 2,906 | 2,471 | 2,906 | 2,721 |
| **22,300** | **22,350** | 2,914 | 2,479 | 2,914 | 2,729 |
| **22,350** | **22,400** | 2,921 | 2,486 | 2,921 | 2,736 |
| **22,400** | **22,450** | 2,929 | 2,494 | 2,929 | 2,744 |
| **22,450** | **22,500** | 2,936 | 2,501 | 2,936 | 2,751 |
| **22,500** | **22,550** | 2,944 | 2,509 | 2,944 | 2,759 |
| **22,550** | **22,600** | 2,951 | 2,516 | 2,951 | 2,766 |
| **22,600** | **22,650** | 2,959 | 2,524 | 2,959 | 2,774 |
| **22,650** | **22,700** | 2,966 | 2,531 | 2,966 | 2,781 |
| **22,700** | **22,750** | 2,974 | 2,539 | 2,974 | 2,789 |
| **22,750** | **22,800** | 2,981 | 2,546 | 2,981 | 2,796 |
| **22,800** | **22,850** | 2,989 | 2,554 | 2,989 | 2,804 |
| **22,850** | **22,900** | 2,996 | 2,561 | 2,996 | 2,811 |
| **22,900** | **22,950** | 3,004 | 2,569 | 3,004 | 2,819 |
| **22,950** | **23,000** | 3,011 | 2,576 | 3,011 | 2,826 |
| **23,000** | | | | | |
| **23,000** | **23,050** | 3,019 | 2,584 | 3,019 | 2,834 |
| **23,050** | **23,100** | 3,026 | 2,591 | 3,026 | 2,841 |
| **23,100** | **23,150** | 3,034 | 2,599 | 3,034 | 2,849 |
| **23,150** | **23,200** | 3,041 | 2,606 | 3,041 | 2,856 |
| **23,200** | **23,250** | 3,049 | 2,614 | 3,049 | 2,864 |
| **23,250** | **23,300** | 3,056 | 2,621 | 3,056 | 2,871 |
| **23,300** | **23,350** | 3,064 | 2,629 | 3,064 | 2,879 |
| **23,350** | **23,400** | 3,071 | 2,636 | 3,071 | 2,886 |
| **23,400** | **23,450** | 3,079 | 2,644 | 3,079 | 2,894 |
| **23,450** | **23,500** | 3,086 | 2,651 | 3,086 | 2,901 |
| **23,500** | **23,550** | 3,094 | 2,659 | 3,094 | 2,909 |
| **23,550** | **23,600** | 3,101 | 2,666 | 3,101 | 2,916 |
| **23,600** | **23,650** | 3,109 | 2,674 | 3,109 | 2,924 |
| **23,650** | **23,700** | 3,116 | 2,681 | 3,116 | 2,931 |
| **23,700** | **23,750** | 3,124 | 2,689 | 3,124 | 2,939 |
| **23,750** | **23,800** | 3,131 | 2,696 | 3,131 | 2,946 |
| **23,800** | **23,850** | 3,139 | 2,704 | 3,139 | 2,954 |
| **23,850** | **23,900** | 3,146 | 2,711 | 3,146 | 2,961 |
| **23,900** | **23,950** | 3,154 | 2,719 | 3,154 | 2,969 |
| **23,950** | **24,000** | 3,161 | 2,726 | 3,161 | 2,976 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **24,000** | | | | | |
| **24,000** | **24,050** | 3,169 | 2,734 | 3,169 | 2,984 |
| **24,050** | **24,100** | 3,176 | 2,741 | 3,176 | 2,991 |
| **24,100** | **24,150** | 3,184 | 2,749 | 3,184 | 2,999 |
| **24,150** | **24,200** | 3,191 | 2,756 | 3,191 | 3,006 |
| **24,200** | **24,250** | 3,199 | 2,764 | 3,199 | 3,014 |
| **24,250** | **24,300** | 3,206 | 2,771 | 3,206 | 3,021 |
| **24,300** | **24,350** | 3,214 | 2,779 | 3,214 | 3,029 |
| **24,350** | **24,400** | 3,221 | 2,786 | 3,221 | 3,036 |
| **24,400** | **24,450** | 3,229 | 2,794 | 3,229 | 3,044 |
| **24,450** | **24,500** | 3,236 | 2,801 | 3,236 | 3,051 |
| **24,500** | **24,550** | 3,244 | 2,809 | 3,244 | 3,059 |
| **24,550** | **24,600** | 3,251 | 2,816 | 3,251 | 3,066 |
| **24,600** | **24,650** | 3,259 | 2,824 | 3,259 | 3,074 |
| **24,650** | **24,700** | 3,266 | 2,831 | 3,266 | 3,081 |
| **24,700** | **24,750** | 3,274 | 2,839 | 3,274 | 3,089 |
| **24,750** | **24,800** | 3,281 | 2,846 | 3,281 | 3,096 |
| **24,800** | **24,850** | 3,289 | 2,854 | 3,289 | 3,104 |
| **24,850** | **24,900** | 3,296 | 2,861 | 3,296 | 3,111 |
| **24,900** | **24,950** | 3,304 | 2,869 | 3,304 | 3,119 |
| **24,950** | **25,000** | 3,311 | 2,876 | 3,311 | 3,126 |
| **25,000** | | | | | |
| **25,000** | **25,050** | 3,319 | 2,884 | 3,319 | 3,134 |
| **25,050** | **25,100** | 3,326 | 2,891 | 3,326 | 3,141 |
| **25,100** | **25,150** | 3,334 | 2,899 | 3,334 | 3,149 |
| **25,150** | **25,200** | 3,341 | 2,906 | 3,341 | 3,156 |
| **25,200** | **25,250** | 3,349 | 2,914 | 3,349 | 3,164 |
| **25,250** | **25,300** | 3,356 | 2,921 | 3,356 | 3,171 |
| **25,300** | **25,350** | 3,364 | 2,929 | 3,364 | 3,179 |
| **25,350** | **25,400** | 3,371 | 2,936 | 3,371 | 3,186 |
| **25,400** | **25,450** | 3,379 | 2,944 | 3,379 | 3,194 |
| **25,450** | **25,500** | 3,386 | 2,951 | 3,386 | 3,201 |
| **25,500** | **25,550** | 3,394 | 2,959 | 3,394 | 3,209 |
| **25,550** | **25,600** | 3,401 | 2,966 | 3,401 | 3,216 |
| **25,600** | **25,650** | 3,409 | 2,974 | 3,409 | 3,224 |
| **25,650** | **25,700** | 3,416 | 2,981 | 3,416 | 3,231 |
| **25,700** | **25,750** | 3,424 | 2,989 | 3,424 | 3,239 |
| **25,750** | **25,800** | 3,431 | 2,996 | 3,431 | 3,246 |
| **25,800** | **25,850** | 3,439 | 3,004 | 3,439 | 3,254 |
| **25,850** | **25,900** | 3,446 | 3,011 | 3,446 | 3,261 |
| **25,900** | **25,950** | 3,454 | 3,019 | 3,454 | 3,269 |
| **25,950** | **26,000** | 3,461 | 3,026 | 3,461 | 3,276 |
| **26,000** | | | | | |
| **26,000** | **26,050** | 3,469 | 3,034 | 3,469 | 3,284 |
| **26,050** | **26,100** | 3,476 | 3,041 | 3,476 | 3,291 |
| **26,100** | **26,150** | 3,484 | 3,049 | 3,484 | 3,299 |
| **26,150** | **26,200** | 3,491 | 3,056 | 3,491 | 3,306 |
| **26,200** | **26,250** | 3,499 | 3,064 | 3,499 | 3,314 |
| **26,250** | **26,300** | 3,506 | 3,071 | 3,506 | 3,321 |
| **26,300** | **26,350** | 3,514 | 3,079 | 3,514 | 3,329 |
| **26,350** | **26,400** | 3,521 | 3,086 | 3,521 | 3,336 |
| **26,400** | **26,450** | 3,529 | 3,094 | 3,529 | 3,344 |
| **26,450** | **26,500** | 3,536 | 3,101 | 3,536 | 3,351 |
| **26,500** | **26,550** | 3,544 | 3,109 | 3,544 | 3,359 |
| **26,550** | **26,600** | 3,551 | 3,116 | 3,551 | 3,366 |
| **26,600** | **26,650** | 3,559 | 3,124 | 3,559 | 3,374 |
| **26,650** | **26,700** | 3,566 | 3,131 | 3,566 | 3,381 |
| **26,700** | **26,750** | 3,574 | 3,139 | 3,574 | 3,389 |
| **26,750** | **26,800** | 3,581 | 3,146 | 3,581 | 3,396 |
| **26,800** | **26,850** | 3,589 | 3,154 | 3,589 | 3,404 |
| **26,850** | **26,900** | 3,596 | 3,161 | 3,596 | 3,411 |
| **26,900** | **26,950** | 3,604 | 3,169 | 3,604 | 3,419 |
| **26,950** | **27,000** | 3,611 | 3,176 | 3,611 | 3,426 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **27,000** | | | | | |
| **27,000** | **27,050** | 3,619 | 3,184 | 3,619 | 3,434 |
| **27,050** | **27,100** | 3,626 | 3,191 | 3,626 | 3,441 |
| **27,100** | **27,150** | 3,634 | 3,199 | 3,634 | 3,449 |
| **27,150** | **27,200** | 3,641 | 3,206 | 3,641 | 3,456 |
| **27,200** | **27,250** | 3,649 | 3,214 | 3,649 | 3,464 |
| **27,250** | **27,300** | 3,656 | 3,221 | 3,656 | 3,471 |
| **27,300** | **27,350** | 3,664 | 3,229 | 3,664 | 3,479 |
| **27,350** | **27,400** | 3,671 | 3,236 | 3,671 | 3,486 |
| **27,400** | **27,450** | 3,679 | 3,244 | 3,679 | 3,494 |
| **27,450** | **27,500** | 3,686 | 3,251 | 3,686 | 3,501 |
| **27,500** | **27,550** | 3,694 | 3,259 | 3,694 | 3,509 |
| **27,550** | **27,600** | 3,701 | 3,266 | 3,701 | 3,516 |
| **27,600** | **27,650** | 3,709 | 3,274 | 3,709 | 3,524 |
| **27,650** | **27,700** | 3,716 | 3,281 | 3,716 | 3,531 |
| **27,700** | **27,750** | 3,724 | 3,289 | 3,724 | 3,539 |
| **27,750** | **27,800** | 3,731 | 3,296 | 3,731 | 3,546 |
| **27,800** | **27,850** | 3,739 | 3,304 | 3,739 | 3,554 |
| **27,850** | **27,900** | 3,746 | 3,311 | 3,746 | 3,561 |
| **27,900** | **27,950** | 3,754 | 3,319 | 3,754 | 3,569 |
| **27,950** | **28,000** | 3,761 | 3,326 | 3,761 | 3,576 |
| **28,000** | | | | | |
| **28,000** | **28,050** | 3,769 | 3,334 | 3,769 | 3,584 |
| **28,050** | **28,100** | 3,776 | 3,341 | 3,776 | 3,591 |
| **28,100** | **28,150** | 3,784 | 3,349 | 3,784 | 3,599 |
| **28,150** | **28,200** | 3,791 | 3,356 | 3,791 | 3,606 |
| **28,200** | **28,250** | 3,799 | 3,364 | 3,799 | 3,614 |
| **28,250** | **28,300** | 3,806 | 3,371 | 3,806 | 3,621 |
| **28,300** | **28,350** | 3,814 | 3,379 | 3,814 | 3,629 |
| **28,350** | **28,400** | 3,821 | 3,386 | 3,821 | 3,636 |
| **28,400** | **28,450** | 3,829 | 3,394 | 3,829 | 3,644 |
| **28,450** | **28,500** | 3,836 | 3,401 | 3,836 | 3,651 |
| **28,500** | **28,550** | 3,844 | 3,409 | 3,844 | 3,659 |
| **28,550** | **28,600** | 3,851 | 3,416 | 3,851 | 3,666 |
| **28,600** | **28,650** | 3,859 | 3,424 | 3,859 | 3,674 |
| **28,650** | **28,700** | 3,866 | 3,431 | 3,866 | 3,681 |
| **28,700** | **28,750** | 3,874 | 3,439 | 3,874 | 3,689 |
| **28,750** | **28,800** | 3,881 | 3,446 | 3,881 | 3,696 |
| **28,800** | **28,850** | 3,889 | 3,454 | 3,889 | 3,704 |
| **28,850** | **28,900** | 3,896 | 3,461 | 3,896 | 3,711 |
| **28,900** | **28,950** | 3,904 | 3,469 | 3,904 | 3,719 |
| **28,950** | **29,000** | 3,911 | 3,476 | 3,911 | 3,726 |
| **29,000** | | | | | |
| **29,000** | **29,050** | 3,919 | 3,484 | 3,919 | 3,734 |
| **29,050** | **29,100** | 3,926 | 3,491 | 3,926 | 3,741 |
| **29,100** | **29,150** | 3,934 | 3,499 | 3,934 | 3,749 |
| **29,150** | **29,200** | 3,941 | 3,506 | 3,941 | 3,756 |
| **29,200** | **29,250** | 3,949 | 3,514 | 3,949 | 3,764 |
| **29,250** | **29,300** | 3,956 | 3,521 | 3,956 | 3,771 |
| **29,300** | **29,350** | 3,964 | 3,529 | 3,964 | 3,779 |
| **29,350** | **29,400** | 3,971 | 3,536 | 3,971 | 3,786 |
| **29,400** | **29,450** | 3,979 | 3,544 | 3,979 | 3,794 |
| **29,450** | **29,500** | 3,986 | 3,551 | 3,986 | 3,801 |
| **29,500** | **29,550** | 3,994 | 3,559 | 3,994 | 3,809 |
| **29,550** | **29,600** | 4,001 | 3,566 | 4,001 | 3,816 |
| **29,600** | **29,650** | 4,009 | 3,574 | 4,009 | 3,824 |
| **29,650** | **29,700** | 4,016 | 3,581 | 4,016 | 3,831 |
| **29,700** | **29,750** | 4,024 | 3,589 | 4,024 | 3,839 |
| **29,750** | **29,800** | 4,031 | 3,596 | 4,031 | 3,846 |
| **29,800** | **29,850** | 4,039 | 3,604 | 4,039 | 3,854 |
| **29,850** | **29,900** | 4,046 | 3,611 | 4,046 | 3,861 |
| **29,900** | **29,950** | 4,054 | 3,619 | 4,054 | 3,869 |
| **29,950** | **30,000** | 4,061 | 3,626 | 4,061 | 3,876 |

*(Continued)*

***This column must also be used by a qualifying widow(er).**

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **30,000** | | | | | |
| **30,000** | **30,050** | 4,069 | 3,634 | 4,069 | 3,884 |
| **30,050** | **30,100** | 4,076 | 3,641 | 4,076 | 3,891 |
| **30,100** | **30,150** | 4,084 | 3,649 | 4,084 | 3,899 |
| **30,150** | **30,200** | 4,091 | 3,656 | 4,091 | 3,906 |
| **30,200** | **30,250** | 4,099 | 3,664 | 4,099 | 3,914 |
| **30,250** | **30,300** | 4,106 | 3,671 | 4,106 | 3,921 |
| **30,300** | **30,350** | 4,114 | 3,679 | 4,114 | 3,929 |
| **30,350** | **30,400** | 4,121 | 3,686 | 4,121 | 3,936 |
| **30,400** | **30,450** | 4,129 | 3,694 | 4,129 | 3,944 |
| **30,450** | **30,500** | 4,136 | 3,701 | 4,136 | 3,951 |
| **30,500** | **30,550** | 4,144 | 3,709 | 4,144 | 3,959 |
| **30,550** | **30,600** | 4,151 | 3,716 | 4,151 | 3,966 |
| **30,600** | **30,650** | 4,159 | 3,724 | 4,159 | 3,974 |
| **30,650** | **30,700** | 4,166 | 3,731 | 4,166 | 3,981 |
| **30,700** | **30,750** | 4,174 | 3,739 | 4,174 | 3,989 |
| **30,750** | **30,800** | 4,181 | 3,746 | 4,181 | 3,996 |
| **30,800** | **30,850** | 4,189 | 3,754 | 4,189 | 4,004 |
| **30,850** | **30,900** | 4,196 | 3,761 | 4,196 | 4,011 |
| **30,900** | **30,950** | 4,204 | 3,769 | 4,204 | 4,019 |
| **30,950** | **31,000** | 4,211 | 3,776 | 4,211 | 4,026 |
| **31,000** | | | | | |
| **31,000** | **31,050** | 4,219 | 3,784 | 4,219 | 4,034 |
| **31,050** | **31,100** | 4,226 | 3,791 | 4,226 | 4,041 |
| **31,100** | **31,150** | 4,234 | 3,799 | 4,234 | 4,049 |
| **31,150** | **31,200** | 4,241 | 3,806 | 4,241 | 4,056 |
| **31,200** | **31,250** | 4,249 | 3,814 | 4,249 | 4,064 |
| **31,250** | **31,300** | 4,256 | 3,821 | 4,256 | 4,071 |
| **31,300** | **31,350** | 4,264 | 3,829 | 4,264 | 4,079 |
| **31,350** | **31,400** | 4,271 | 3,836 | 4,271 | 4,086 |
| **31,400** | **31,450** | 4,279 | 3,844 | 4,279 | 4,094 |
| **31,450** | **31,500** | 4,286 | 3,851 | 4,286 | 4,101 |
| **31,500** | **31,550** | 4,294 | 3,859 | 4,294 | 4,109 |
| **31,550** | **31,600** | 4,301 | 3,866 | 4,301 | 4,116 |
| **31,600** | **31,650** | 4,309 | 3,874 | 4,309 | 4,124 |
| **31,650** | **31,700** | 4,316 | 3,881 | 4,316 | 4,131 |
| **31,700** | **31,750** | 4,324 | 3,889 | 4,324 | 4,139 |
| **31,750** | **31,800** | 4,331 | 3,896 | 4,331 | 4,146 |
| **31,800** | **31,850** | 4,339 | 3,904 | 4,339 | 4,154 |
| **31,850** | **31,900** | 4,346 | 3,911 | 4,346 | 4,161 |
| **31,900** | **31,950** | 4,354 | 3,919 | 4,354 | 4,169 |
| **31,950** | **32,000** | 4,361 | 3,926 | 4,361 | 4,176 |
| **32,000** | | | | | |
| **32,000** | **32,050** | 4,369 | 3,934 | 4,369 | 4,184 |
| **32,050** | **32,100** | 4,376 | 3,941 | 4,376 | 4,191 |
| **32,100** | **32,150** | 4,384 | 3,949 | 4,384 | 4,199 |
| **32,150** | **32,200** | 4,391 | 3,956 | 4,391 | 4,206 |
| **32,200** | **32,250** | 4,399 | 3,964 | 4,399 | 4,214 |
| **32,250** | **32,300** | 4,406 | 3,971 | 4,406 | 4,221 |
| **32,300** | **32,350** | 4,414 | 3,979 | 4,414 | 4,229 |
| **32,350** | **32,400** | 4,421 | 3,986 | 4,421 | 4,236 |
| **32,400** | **32,450** | 4,429 | 3,994 | 4,429 | 4,244 |
| **32,450** | **32,500** | 4,436 | 4,001 | 4,436 | 4,251 |
| **32,500** | **32,550** | 4,444 | 4,009 | 4,444 | 4,259 |
| **32,550** | **32,600** | 4,451 | 4,016 | 4,451 | 4,266 |
| **32,600** | **32,650** | 4,459 | 4,024 | 4,459 | 4,274 |
| **32,650** | **32,700** | 4,466 | 4,031 | 4,466 | 4,281 |
| **32,700** | **32,750** | 4,474 | 4,039 | 4,474 | 4,289 |
| **32,750** | **32,800** | 4,481 | 4,046 | 4,481 | 4,296 |
| **32,800** | **32,850** | 4,489 | 4,054 | 4,489 | 4,304 |
| **32,850** | **32,900** | 4,496 | 4,061 | 4,496 | 4,311 |
| **32,900** | **32,950** | 4,504 | 4,069 | 4,504 | 4,319 |
| **32,950** | **33,000** | 4,511 | 4,076 | 4,511 | 4,326 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **33,000** | | | | | |
| **33,000** | **33,050** | 4,519 | 4,084 | 4,519 | 4,334 |
| **33,050** | **33,100** | 4,526 | 4,091 | 4,526 | 4,341 |
| **33,100** | **33,150** | 4,534 | 4,099 | 4,534 | 4,349 |
| **33,150** | **33,200** | 4,541 | 4,106 | 4,541 | 4,356 |
| **33,200** | **33,250** | 4,549 | 4,114 | 4,549 | 4,364 |
| **33,250** | **33,300** | 4,556 | 4,121 | 4,556 | 4,371 |
| **33,300** | **33,350** | 4,564 | 4,129 | 4,564 | 4,379 |
| **33,350** | **33,400** | 4,571 | 4,136 | 4,571 | 4,386 |
| **33,400** | **33,450** | 4,579 | 4,144 | 4,579 | 4,394 |
| **33,450** | **33,500** | 4,586 | 4,151 | 4,586 | 4,401 |
| **33,500** | **33,550** | 4,594 | 4,159 | 4,594 | 4,409 |
| **33,550** | **33,600** | 4,601 | 4,166 | 4,601 | 4,416 |
| **33,600** | **33,650** | 4,609 | 4,174 | 4,609 | 4,424 |
| **33,650** | **33,700** | 4,616 | 4,181 | 4,616 | 4,431 |
| **33,700** | **33,750** | 4,624 | 4,189 | 4,624 | 4,439 |
| **33,750** | **33,800** | 4,631 | 4,196 | 4,631 | 4,446 |
| **33,800** | **33,850** | 4,639 | 4,204 | 4,639 | 4,454 |
| **33,850** | **33,900** | 4,646 | 4,211 | 4,646 | 4,461 |
| **33,900** | **33,950** | 4,654 | 4,219 | 4,654 | 4,469 |
| **33,950** | **34,000** | 4,661 | 4,226 | 4,661 | 4,476 |
| **34,000** | | | | | |
| **34,000** | **34,050** | 4,669 | 4,234 | 4,669 | 4,484 |
| **34,050** | **34,100** | 4,676 | 4,241 | 4,676 | 4,491 |
| **34,100** | **34,150** | 4,684 | 4,249 | 4,684 | 4,499 |
| **34,150** | **34,200** | 4,691 | 4,256 | 4,691 | 4,506 |
| **34,200** | **34,250** | 4,699 | 4,264 | 4,699 | 4,514 |
| **34,250** | **34,300** | 4,706 | 4,271 | 4,706 | 4,521 |
| **34,300** | **34,350** | 4,714 | 4,279 | 4,714 | 4,529 |
| **34,350** | **34,400** | 4,721 | 4,286 | 4,721 | 4,536 |
| **34,400** | **34,450** | 4,729 | 4,294 | 4,729 | 4,544 |
| **34,450** | **34,500** | 4,736 | 4,301 | 4,736 | 4,551 |
| **34,500** | **34,550** | 4,744 | 4,309 | 4,744 | 4,559 |
| **34,550** | **34,600** | 4,751 | 4,316 | 4,751 | 4,566 |
| **34,600** | **34,650** | 4,759 | 4,324 | 4,759 | 4,574 |
| **34,650** | **34,700** | 4,766 | 4,331 | 4,766 | 4,581 |
| **34,700** | **34,750** | 4,774 | 4,339 | 4,774 | 4,589 |
| **34,750** | **34,800** | 4,781 | 4,346 | 4,781 | 4,596 |
| **34,800** | **34,850** | 4,789 | 4,354 | 4,789 | 4,604 |
| **34,850** | **34,900** | 4,796 | 4,361 | 4,796 | 4,611 |
| **34,900** | **34,950** | 4,804 | 4,369 | 4,804 | 4,619 |
| **34,950** | **35,000** | 4,811 | 4,376 | 4,811 | 4,626 |
| **35,000** | | | | | |
| **35,000** | **35,050** | 4,819 | 4,384 | 4,819 | 4,634 |
| **35,050** | **35,100** | 4,826 | 4,391 | 4,826 | 4,641 |
| **35,100** | **35,150** | 4,834 | 4,399 | 4,834 | 4,649 |
| **35,150** | **35,200** | 4,841 | 4,406 | 4,841 | 4,656 |
| **35,200** | **35,250** | 4,849 | 4,414 | 4,849 | 4,664 |
| **35,250** | **35,300** | 4,856 | 4,421 | 4,856 | 4,671 |
| **35,300** | **35,350** | 4,864 | 4,429 | 4,864 | 4,679 |
| **35,350** | **35,400** | 4,874 | 4,436 | 4,874 | 4,686 |
| **35,400** | **35,450** | 4,886 | 4,444 | 4,886 | 4,694 |
| **35,450** | **35,500** | 4,899 | 4,451 | 4,899 | 4,701 |
| **35,500** | **35,550** | 4,911 | 4,459 | 4,911 | 4,709 |
| **35,550** | **35,600** | 4,924 | 4,466 | 4,924 | 4,716 |
| **35,600** | **35,650** | 4,936 | 4,474 | 4,936 | 4,724 |
| **35,650** | **35,700** | 4,949 | 4,481 | 4,949 | 4,731 |
| **35,700** | **35,750** | 4,961 | 4,489 | 4,961 | 4,739 |
| **35,750** | **35,800** | 4,974 | 4,496 | 4,974 | 4,746 |
| **35,800** | **35,850** | 4,986 | 4,504 | 4,986 | 4,754 |
| **35,850** | **35,900** | 4,999 | 4,511 | 4,999 | 4,761 |
| **35,900** | **35,950** | 5,011 | 4,519 | 5,011 | 4,769 |
| **35,950** | **36,000** | 5,024 | 4,526 | 5,024 | 4,776 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **36,000** | | | | | |
| **36,000** | **36,050** | 5,036 | 4,534 | 5,036 | 4,784 |
| **36,050** | **36,100** | 5,049 | 4,541 | 5,049 | 4,791 |
| **36,100** | **36,150** | 5,061 | 4,549 | 5,061 | 4,799 |
| **36,150** | **36,200** | 5,074 | 4,556 | 5,074 | 4,806 |
| **36,200** | **36,250** | 5,086 | 4,564 | 5,086 | 4,814 |
| **36,250** | **36,300** | 5,099 | 4,571 | 5,099 | 4,821 |
| **36,300** | **36,350** | 5,111 | 4,579 | 5,111 | 4,829 |
| **36,350** | **36,400** | 5,124 | 4,586 | 5,124 | 4,836 |
| **36,400** | **36,450** | 5,136 | 4,594 | 5,136 | 4,844 |
| **36,450** | **36,500** | 5,149 | 4,601 | 5,149 | 4,851 |
| **36,500** | **36,550** | 5,161 | 4,609 | 5,161 | 4,859 |
| **36,550** | **36,600** | 5,174 | 4,616 | 5,174 | 4,866 |
| **36,600** | **36,650** | 5,186 | 4,624 | 5,186 | 4,874 |
| **36,650** | **36,700** | 5,199 | 4,631 | 5,199 | 4,881 |
| **36,700** | **36,750** | 5,211 | 4,639 | 5,211 | 4,889 |
| **36,750** | **36,800** | 5,224 | 4,646 | 5,224 | 4,896 |
| **36,800** | **36,850** | 5,236 | 4,654 | 5,236 | 4,904 |
| **36,850** | **36,900** | 5,249 | 4,661 | 5,249 | 4,911 |
| **36,900** | **36,950** | 5,261 | 4,669 | 5,261 | 4,919 |
| **36,950** | **37,000** | 5,274 | 4,676 | 5,274 | 4,926 |
| **37,000** | | | | | |
| **37,000** | **37,050** | 5,286 | 4,684 | 5,286 | 4,934 |
| **37,050** | **37,100** | 5,299 | 4,691 | 5,299 | 4,941 |
| **37,100** | **37,150** | 5,311 | 4,699 | 5,311 | 4,949 |
| **37,150** | **37,200** | 5,324 | 4,706 | 5,324 | 4,956 |
| **37,200** | **37,250** | 5,336 | 4,714 | 5,336 | 4,964 |
| **37,250** | **37,300** | 5,349 | 4,721 | 5,349 | 4,971 |
| **37,300** | **37,350** | 5,361 | 4,729 | 5,361 | 4,979 |
| **37,350** | **37,400** | 5,374 | 4,736 | 5,374 | 4,986 |
| **37,400** | **37,450** | 5,386 | 4,744 | 5,386 | 4,994 |
| **37,450** | **37,500** | 5,399 | 4,751 | 5,399 | 5,001 |
| **37,500** | **37,550** | 5,411 | 4,759 | 5,411 | 5,009 |
| **37,550** | **37,600** | 5,424 | 4,766 | 5,424 | 5,016 |
| **37,600** | **37,650** | 5,436 | 4,774 | 5,436 | 5,024 |
| **37,650** | **37,700** | 5,449 | 4,781 | 5,449 | 5,031 |
| **37,700** | **37,750** | 5,461 | 4,789 | 5,461 | 5,039 |
| **37,750** | **37,800** | 5,474 | 4,796 | 5,474 | 5,046 |
| **37,800** | **37,850** | 5,486 | 4,804 | 5,486 | 5,054 |
| **37,850** | **37,900** | 5,499 | 4,811 | 5,499 | 5,061 |
| **37,900** | **37,950** | 5,511 | 4,819 | 5,511 | 5,069 |
| **37,950** | **38,000** | 5,524 | 4,826 | 5,524 | 5,076 |
| **38,000** | | | | | |
| **38,000** | **38,050** | 5,536 | 4,834 | 5,536 | 5,084 |
| **38,050** | **38,100** | 5,549 | 4,841 | 5,549 | 5,091 |
| **38,100** | **38,150** | 5,561 | 4,849 | 5,561 | 5,099 |
| **38,150** | **38,200** | 5,574 | 4,856 | 5,574 | 5,106 |
| **38,200** | **38,250** | 5,586 | 4,864 | 5,586 | 5,114 |
| **38,250** | **38,300** | 5,599 | 4,871 | 5,599 | 5,121 |
| **38,300** | **38,350** | 5,611 | 4,879 | 5,611 | 5,129 |
| **38,350** | **38,400** | 5,624 | 4,886 | 5,624 | 5,136 |
| **38,400** | **38,450** | 5,636 | 4,894 | 5,636 | 5,144 |
| **38,450** | **38,500** | 5,649 | 4,901 | 5,649 | 5,151 |
| **38,500** | **38,550** | 5,661 | 4,909 | 5,661 | 5,159 |
| **38,550** | **38,600** | 5,674 | 4,916 | 5,674 | 5,166 |
| **38,600** | **38,650** | 5,686 | 4,924 | 5,686 | 5,174 |
| **38,650** | **38,700** | 5,699 | 4,931 | 5,699 | 5,181 |
| **38,700** | **38,750** | 5,711 | 4,939 | 5,711 | 5,189 |
| **38,750** | **38,800** | 5,724 | 4,946 | 5,724 | 5,196 |
| **38,800** | **38,850** | 5,736 | 4,954 | 5,736 | 5,204 |
| **38,850** | **38,900** | 5,749 | 4,961 | 5,749 | 5,211 |
| **38,900** | **38,950** | 5,761 | 4,969 | 5,761 | 5,219 |
| **38,950** | **39,000** | 5,774 | 4,976 | 5,774 | 5,226 |

*(Continued)*

***This column must also be used by a qualifying widow(er).**

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **39,000** | | | | | |
| 39,000 | 39,050 | 5,786 | 4,984 | 5,786 | 5,234 |
| 39,050 | 39,100 | 5,799 | 4,991 | 5,799 | 5,241 |
| 39,100 | 39,150 | 5,811 | 4,999 | 5,811 | 5,249 |
| 39,150 | 39,200 | 5,824 | 5,006 | 5,824 | 5,256 |
| 39,200 | 39,250 | 5,836 | 5,014 | 5,836 | 5,264 |
| 39,250 | 39,300 | 5,849 | 5,021 | 5,849 | 5,271 |
| 39,300 | 39,350 | 5,861 | 5,029 | 5,861 | 5,279 |
| 39,350 | 39,400 | 5,874 | 5,036 | 5,874 | 5,286 |
| 39,400 | 39,450 | 5,886 | 5,044 | 5,886 | 5,294 |
| 39,450 | 39,500 | 5,899 | 5,051 | 5,899 | 5,301 |
| 39,500 | 39,550 | 5,911 | 5,059 | 5,911 | 5,309 |
| 39,550 | 39,600 | 5,924 | 5,066 | 5,924 | 5,316 |
| 39,600 | 39,650 | 5,936 | 5,074 | 5,936 | 5,324 |
| 39,650 | 39,700 | 5,949 | 5,081 | 5,949 | 5,331 |
| 39,700 | 39,750 | 5,961 | 5,089 | 5,961 | 5,339 |
| 39,750 | 39,800 | 5,974 | 5,096 | 5,974 | 5,346 |
| 39,800 | 39,850 | 5,986 | 5,104 | 5,986 | 5,354 |
| 39,850 | 39,900 | 5,999 | 5,111 | 5,999 | 5,361 |
| 39,900 | 39,950 | 6,011 | 5,119 | 6,011 | 5,369 |
| 39,950 | 40,000 | 6,024 | 5,126 | 6,024 | 5,376 |
| **40,000** | | | | | |
| 40,000 | 40,050 | 6,036 | 5,134 | 6,036 | 5,384 |
| 40,050 | 40,100 | 6,049 | 5,141 | 6,049 | 5,391 |
| 40,100 | 40,150 | 6,061 | 5,149 | 6,061 | 5,399 |
| 40,150 | 40,200 | 6,074 | 5,156 | 6,074 | 5,406 |
| 40,200 | 40,250 | 6,086 | 5,164 | 6,086 | 5,414 |
| 40,250 | 40,300 | 6,099 | 5,171 | 6,099 | 5,421 |
| 40,300 | 40,350 | 6,111 | 5,179 | 6,111 | 5,429 |
| 40,350 | 40,400 | 6,124 | 5,186 | 6,124 | 5,436 |
| 40,400 | 40,450 | 6,136 | 5,194 | 6,136 | 5,444 |
| 40,450 | 40,500 | 6,149 | 5,201 | 6,149 | 5,451 |
| 40,500 | 40,550 | 6,161 | 5,209 | 6,161 | 5,459 |
| 40,550 | 40,600 | 6,174 | 5,216 | 6,174 | 5,466 |
| 40,600 | 40,650 | 6,186 | 5,224 | 6,186 | 5,474 |
| 40,650 | 40,700 | 6,199 | 5,231 | 6,199 | 5,481 |
| 40,700 | 40,750 | 6,211 | 5,239 | 6,211 | 5,489 |
| 40,750 | 40,800 | 6,224 | 5,246 | 6,224 | 5,496 |
| 40,800 | 40,850 | 6,236 | 5,254 | 6,236 | 5,504 |
| 40,850 | 40,900 | 6,249 | 5,261 | 6,249 | 5,511 |
| 40,900 | 40,950 | 6,261 | 5,269 | 6,261 | 5,519 |
| 40,950 | 41,000 | 6,274 | 5,276 | 6,274 | 5,526 |
| **41,000** | | | | | |
| 41,000 | 41,050 | 6,286 | 5,284 | 6,286 | 5,534 |
| 41,050 | 41,100 | 6,299 | 5,291 | 6,299 | 5,541 |
| 41,100 | 41,150 | 6,311 | 5,299 | 6,311 | 5,549 |
| 41,150 | 41,200 | 6,324 | 5,306 | 6,324 | 5,556 |
| 41,200 | 41,250 | 6,336 | 5,314 | 6,336 | 5,564 |
| 41,250 | 41,300 | 6,349 | 5,321 | 6,349 | 5,571 |
| 41,300 | 41,350 | 6,361 | 5,329 | 6,361 | 5,579 |
| 41,350 | 41,400 | 6,374 | 5,336 | 6,374 | 5,586 |
| 41,400 | 41,450 | 6,386 | 5,344 | 6,386 | 5,594 |
| 41,450 | 41,500 | 6,399 | 5,351 | 6,399 | 5,601 |
| 41,500 | 41,550 | 6,411 | 5,359 | 6,411 | 5,609 |
| 41,550 | 41,600 | 6,424 | 5,366 | 6,424 | 5,616 |
| 41,600 | 41,650 | 6,436 | 5,374 | 6,436 | 5,624 |
| 41,650 | 41,700 | 6,449 | 5,381 | 6,449 | 5,631 |
| 41,700 | 41,750 | 6,461 | 5,389 | 6,461 | 5,639 |
| 41,750 | 41,800 | 6,474 | 5,396 | 6,474 | 5,646 |
| 41,800 | 41,850 | 6,486 | 5,404 | 6,486 | 5,654 |
| 41,850 | 41,900 | 6,499 | 5,411 | 6,499 | 5,661 |
| 41,900 | 41,950 | 6,511 | 5,419 | 6,511 | 5,669 |
| 41,950 | 42,000 | 6,524 | 5,426 | 6,524 | 5,676 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **42,000** | | | | | |
| 42,000 | 42,050 | 6,536 | 5,434 | 6,536 | 5,684 |
| 42,050 | 42,100 | 6,549 | 5,441 | 6,549 | 5,691 |
| 42,100 | 42,150 | 6,561 | 5,449 | 6,561 | 5,699 |
| 42,150 | 42,200 | 6,574 | 5,456 | 6,574 | 5,706 |
| 42,200 | 42,250 | 6,586 | 5,464 | 6,586 | 5,714 |
| 42,250 | 42,300 | 6,599 | 5,471 | 6,599 | 5,721 |
| 42,300 | 42,350 | 6,611 | 5,479 | 6,611 | 5,729 |
| 42,350 | 42,400 | 6,624 | 5,486 | 6,624 | 5,736 |
| 42,400 | 42,450 | 6,636 | 5,494 | 6,636 | 5,744 |
| 42,450 | 42,500 | 6,649 | 5,501 | 6,649 | 5,751 |
| 42,500 | 42,550 | 6,661 | 5,509 | 6,661 | 5,759 |
| 42,550 | 42,600 | 6,674 | 5,516 | 6,674 | 5,766 |
| 42,600 | 42,650 | 6,686 | 5,524 | 6,686 | 5,774 |
| 42,650 | 42,700 | 6,699 | 5,531 | 6,699 | 5,781 |
| 42,700 | 42,750 | 6,711 | 5,539 | 6,711 | 5,789 |
| 42,750 | 42,800 | 6,724 | 5,546 | 6,724 | 5,796 |
| 42,800 | 42,850 | 6,736 | 5,554 | 6,736 | 5,804 |
| 42,850 | 42,900 | 6,749 | 5,561 | 6,749 | 5,811 |
| 42,900 | 42,950 | 6,761 | 5,569 | 6,761 | 5,819 |
| 42,950 | 43,000 | 6,774 | 5,576 | 6,774 | 5,826 |
| **43,000** | | | | | |
| 43,000 | 43,050 | 6,786 | 5,584 | 6,786 | 5,834 |
| 43,050 | 43,100 | 6,799 | 5,591 | 6,799 | 5,841 |
| 43,100 | 43,150 | 6,811 | 5,599 | 6,811 | 5,849 |
| 43,150 | 43,200 | 6,824 | 5,606 | 6,824 | 5,856 |
| 43,200 | 43,250 | 6,836 | 5,614 | 6,836 | 5,864 |
| 43,250 | 43,300 | 6,849 | 5,621 | 6,849 | 5,871 |
| 43,300 | 43,350 | 6,861 | 5,629 | 6,861 | 5,879 |
| 43,350 | 43,400 | 6,874 | 5,636 | 6,874 | 5,886 |
| 43,400 | 43,450 | 6,886 | 5,644 | 6,886 | 5,894 |
| 43,450 | 43,500 | 6,899 | 5,651 | 6,899 | 5,901 |
| 43,500 | 43,550 | 6,911 | 5,659 | 6,911 | 5,909 |
| 43,550 | 43,600 | 6,924 | 5,666 | 6,924 | 5,916 |
| 43,600 | 43,650 | 6,936 | 5,674 | 6,936 | 5,924 |
| 43,650 | 43,700 | 6,949 | 5,681 | 6,949 | 5,931 |
| 43,700 | 43,750 | 6,961 | 5,689 | 6,961 | 5,939 |
| 43,750 | 43,800 | 6,974 | 5,696 | 6,974 | 5,946 |
| 43,800 | 43,850 | 6,986 | 5,704 | 6,986 | 5,954 |
| 43,850 | 43,900 | 6,999 | 5,711 | 6,999 | 5,961 |
| 43,900 | 43,950 | 7,011 | 5,719 | 7,011 | 5,969 |
| 43,950 | 44,000 | 7,024 | 5,726 | 7,024 | 5,976 |
| **44,000** | | | | | |
| 44,000 | 44,050 | 7,036 | 5,734 | 7,036 | 5,984 |
| 44,050 | 44,100 | 7,049 | 5,741 | 7,049 | 5,991 |
| 44,100 | 44,150 | 7,061 | 5,749 | 7,061 | 5,999 |
| 44,150 | 44,200 | 7,074 | 5,756 | 7,074 | 6,006 |
| 44,200 | 44,250 | 7,086 | 5,764 | 7,086 | 6,014 |
| 44,250 | 44,300 | 7,099 | 5,771 | 7,099 | 6,021 |
| 44,300 | 44,350 | 7,111 | 5,779 | 7,111 | 6,029 |
| 44,350 | 44,400 | 7,124 | 5,786 | 7,124 | 6,036 |
| 44,400 | 44,450 | 7,136 | 5,794 | 7,136 | 6,044 |
| 44,450 | 44,500 | 7,149 | 5,801 | 7,149 | 6,051 |
| 44,500 | 44,550 | 7,161 | 5,809 | 7,161 | 6,059 |
| 44,550 | 44,600 | 7,174 | 5,816 | 7,174 | 6,066 |
| 44,600 | 44,650 | 7,186 | 5,824 | 7,186 | 6,074 |
| 44,650 | 44,700 | 7,199 | 5,831 | 7,199 | 6,081 |
| 44,700 | 44,750 | 7,211 | 5,839 | 7,211 | 6,089 |
| 44,750 | 44,800 | 7,224 | 5,846 | 7,224 | 6,096 |
| 44,800 | 44,850 | 7,236 | 5,854 | 7,236 | 6,104 |
| 44,850 | 44,900 | 7,249 | 5,861 | 7,249 | 6,111 |
| 44,900 | 44,950 | 7,261 | 5,869 | 7,261 | 6,119 |
| 44,950 | 45,000 | 7,274 | 5,876 | 7,274 | 6,126 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **45,000** | | | | | |
| 45,000 | 45,050 | 7,286 | 5,884 | 7,286 | 6,134 |
| 45,050 | 45,100 | 7,299 | 5,891 | 7,299 | 6,141 |
| 45,100 | 45,150 | 7,311 | 5,899 | 7,311 | 6,149 |
| 45,150 | 45,200 | 7,324 | 5,906 | 7,324 | 6,156 |
| 45,200 | 45,250 | 7,336 | 5,914 | 7,336 | 6,164 |
| 45,250 | 45,300 | 7,349 | 5,921 | 7,349 | 6,171 |
| 45,300 | 45,350 | 7,361 | 5,929 | 7,361 | 6,179 |
| 45,350 | 45,400 | 7,374 | 5,936 | 7,374 | 6,186 |
| 45,400 | 45,450 | 7,386 | 5,944 | 7,386 | 6,194 |
| 45,450 | 45,500 | 7,399 | 5,951 | 7,399 | 6,201 |
| 45,500 | 45,550 | 7,411 | 5,959 | 7,411 | 6,209 |
| 45,550 | 45,600 | 7,424 | 5,966 | 7,424 | 6,216 |
| 45,600 | 45,650 | 7,436 | 5,974 | 7,436 | 6,224 |
| 45,650 | 45,700 | 7,449 | 5,981 | 7,449 | 6,231 |
| 45,700 | 45,750 | 7,461 | 5,989 | 7,461 | 6,239 |
| 45,750 | 45,800 | 7,474 | 5,996 | 7,474 | 6,246 |
| 45,800 | 45,850 | 7,486 | 6,004 | 7,486 | 6,254 |
| 45,850 | 45,900 | 7,499 | 6,011 | 7,499 | 6,261 |
| 45,900 | 45,950 | 7,511 | 6,019 | 7,511 | 6,269 |
| 45,950 | 46,000 | 7,524 | 6,026 | 7,524 | 6,276 |
| **46,000** | | | | | |
| 46,000 | 46,050 | 7,536 | 6,034 | 7,536 | 6,284 |
| 46,050 | 46,100 | 7,549 | 6,041 | 7,549 | 6,291 |
| 46,100 | 46,150 | 7,561 | 6,049 | 7,561 | 6,299 |
| 46,150 | 46,200 | 7,574 | 6,056 | 7,574 | 6,306 |
| 46,200 | 46,250 | 7,586 | 6,064 | 7,586 | 6,314 |
| 46,250 | 46,300 | 7,599 | 6,071 | 7,599 | 6,321 |
| 46,300 | 46,350 | 7,611 | 6,079 | 7,611 | 6,329 |
| 46,350 | 46,400 | 7,624 | 6,086 | 7,624 | 6,336 |
| 46,400 | 46,450 | 7,636 | 6,094 | 7,636 | 6,344 |
| 46,450 | 46,500 | 7,649 | 6,101 | 7,649 | 6,351 |
| 46,500 | 46,550 | 7,661 | 6,109 | 7,661 | 6,359 |
| 46,550 | 46,600 | 7,674 | 6,116 | 7,674 | 6,366 |
| 46,600 | 46,650 | 7,686 | 6,124 | 7,686 | 6,374 |
| 46,650 | 46,700 | 7,699 | 6,131 | 7,699 | 6,381 |
| 46,700 | 46,750 | 7,711 | 6,139 | 7,711 | 6,389 |
| 46,750 | 46,800 | 7,724 | 6,146 | 7,724 | 6,396 |
| 46,800 | 46,850 | 7,736 | 6,154 | 7,736 | 6,404 |
| 46,850 | 46,900 | 7,749 | 6,161 | 7,749 | 6,411 |
| 46,900 | 46,950 | 7,761 | 6,169 | 7,761 | 6,419 |
| 46,950 | 47,000 | 7,774 | 6,176 | 7,774 | 6,426 |
| **47,000** | | | | | |
| 47,000 | 47,050 | 7,786 | 6,184 | 7,786 | 6,434 |
| 47,050 | 47,100 | 7,799 | 6,191 | 7,799 | 6,441 |
| 47,100 | 47,150 | 7,811 | 6,199 | 7,811 | 6,449 |
| 47,150 | 47,200 | 7,824 | 6,206 | 7,824 | 6,456 |
| 47,200 | 47,250 | 7,836 | 6,214 | 7,836 | 6,464 |
| 47,250 | 47,300 | 7,849 | 6,221 | 7,849 | 6,471 |
| 47,300 | 47,350 | 7,861 | 6,229 | 7,861 | 6,479 |
| 47,350 | 47,400 | 7,874 | 6,236 | 7,874 | 6,489 |
| 47,400 | 47,450 | 7,886 | 6,244 | 7,886 | 6,501 |
| 47,450 | 47,500 | 7,899 | 6,251 | 7,899 | 6,514 |
| 47,500 | 47,550 | 7,911 | 6,259 | 7,911 | 6,526 |
| 47,550 | 47,600 | 7,924 | 6,266 | 7,924 | 6,539 |
| 47,600 | 47,650 | 7,936 | 6,274 | 7,936 | 6,551 |
| 47,650 | 47,700 | 7,949 | 6,281 | 7,949 | 6,564 |
| 47,700 | 47,750 | 7,961 | 6,289 | 7,961 | 6,576 |
| 47,750 | 47,800 | 7,974 | 6,296 | 7,974 | 6,589 |
| 47,800 | 47,850 | 7,986 | 6,304 | 7,986 | 6,601 |
| 47,850 | 47,900 | 7,999 | 6,311 | 7,999 | 6,614 |
| 47,900 | 47,950 | 8,011 | 6,319 | 8,011 | 6,626 |
| 47,950 | 48,000 | 8,024 | 6,326 | 8,024 | 6,639 |

*(Continued)*

***This column must also be used by a qualifying widow(er).**

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **48,000** | | | | | |
| **48,000** | **48,050** | 8,036 | 6,334 | 8,036 | 6,651 |
| **48,050** | **48,100** | 8,049 | 6,341 | 8,049 | 6,664 |
| **48,100** | **48,150** | 8,061 | 6,349 | 8,061 | 6,676 |
| **48,150** | **48,200** | 8,074 | 6,356 | 8,074 | 6,689 |
| **48,200** | **48,250** | 8,086 | 6,364 | 8,086 | 6,701 |
| **48,250** | **48,300** | 8,099 | 6,371 | 8,099 | 6,714 |
| **48,300** | **48,350** | 8,111 | 6,379 | 8,111 | 6,726 |
| **48,350** | **48,400** | 8,124 | 6,386 | 8,124 | 6,739 |
| **48,400** | **48,450** | 8,136 | 6,394 | 8,136 | 6,751 |
| **48,450** | **48,500** | 8,149 | 6,401 | 8,149 | 6,764 |
| **48,500** | **48,550** | 8,161 | 6,409 | 8,161 | 6,776 |
| **48,550** | **48,600** | 8,174 | 6,416 | 8,174 | 6,789 |
| **48,600** | **48,650** | 8,186 | 6,424 | 8,186 | 6,801 |
| **48,650** | **48,700** | 8,199 | 6,431 | 8,199 | 6,814 |
| **48,700** | **48,750** | 8,211 | 6,439 | 8,211 | 6,826 |
| **48,750** | **48,800** | 8,224 | 6,446 | 8,224 | 6,839 |
| **48,800** | **48,850** | 8,236 | 6,454 | 8,236 | 6,851 |
| **48,850** | **48,900** | 8,249 | 6,461 | 8,249 | 6,864 |
| **48,900** | **48,950** | 8,261 | 6,469 | 8,261 | 6,876 |
| **48,950** | **49,000** | 8,274 | 6,476 | 8,274 | 6,889 |
| **49,000** | | | | | |
| **49,000** | **49,050** | 8,286 | 6,484 | 8,286 | 6,901 |
| **49,050** | **49,100** | 8,299 | 6,491 | 8,299 | 6,914 |
| **49,100** | **49,150** | 8,311 | 6,499 | 8,311 | 6,926 |
| **49,150** | **49,200** | 8,324 | 6,506 | 8,324 | 6,939 |
| **49,200** | **49,250** | 8,336 | 6,514 | 8,336 | 6,951 |
| **49,250** | **49,300** | 8,349 | 6,521 | 8,349 | 6,964 |
| **49,300** | **49,350** | 8,361 | 6,529 | 8,361 | 6,976 |
| **49,350** | **49,400** | 8,374 | 6,536 | 8,374 | 6,989 |
| **49,400** | **49,450** | 8,386 | 6,544 | 8,386 | 7,001 |
| **49,450** | **49,500** | 8,399 | 6,551 | 8,399 | 7,014 |
| **49,500** | **49,550** | 8,411 | 6,559 | 8,411 | 7,026 |
| **49,550** | **49,600** | 8,424 | 6,566 | 8,424 | 7,039 |
| **49,600** | **49,650** | 8,436 | 6,574 | 8,436 | 7,051 |
| **49,650** | **49,700** | 8,449 | 6,581 | 8,449 | 7,064 |
| **49,700** | **49,750** | 8,461 | 6,589 | 8,461 | 7,076 |
| **49,750** | **49,800** | 8,474 | 6,596 | 8,474 | 7,089 |
| **49,800** | **49,850** | 8,486 | 6,604 | 8,486 | 7,101 |
| **49,850** | **49,900** | 8,499 | 6,611 | 8,499 | 7,114 |
| **49,900** | **49,950** | 8,511 | 6,619 | 8,511 | 7,126 |
| **49,950** | **50,000** | 8,524 | 6,626 | 8,524 | 7,139 |
| **50,000** | | | | | |
| **50,000** | **50,050** | 8,536 | 6,634 | 8,536 | 7,151 |
| **50,050** | **50,100** | 8,549 | 6,641 | 8,549 | 7,164 |
| **50,100** | **50,150** | 8,561 | 6,649 | 8,561 | 7,176 |
| **50,150** | **50,200** | 8,574 | 6,656 | 8,574 | 7,189 |
| **50,200** | **50,250** | 8,586 | 6,664 | 8,586 | 7,201 |
| **50,250** | **50,300** | 8,599 | 6,671 | 8,599 | 7,214 |
| **50,300** | **50,350** | 8,611 | 6,679 | 8,611 | 7,226 |
| **50,350** | **50,400** | 8,624 | 6,686 | 8,624 | 7,239 |
| **50,400** | **50,450** | 8,636 | 6,694 | 8,636 | 7,251 |
| **50,450** | **50,500** | 8,649 | 6,701 | 8,649 | 7,264 |
| **50,500** | **50,550** | 8,661 | 6,709 | 8,661 | 7,276 |
| **50,550** | **50,600** | 8,674 | 6,716 | 8,674 | 7,289 |
| **50,600** | **50,650** | 8,686 | 6,724 | 8,686 | 7,301 |
| **50,650** | **50,700** | 8,699 | 6,731 | 8,699 | 7,314 |
| **50,700** | **50,750** | 8,711 | 6,739 | 8,711 | 7,326 |
| **50,750** | **50,800** | 8,724 | 6,746 | 8,724 | 7,339 |
| **50,800** | **50,850** | 8,736 | 6,754 | 8,736 | 7,351 |
| **50,850** | **50,900** | 8,749 | 6,761 | 8,749 | 7,364 |
| **50,900** | **50,950** | 8,761 | 6,769 | 8,761 | 7,376 |
| **50,950** | **51,000** | 8,774 | 6,776 | 8,774 | 7,389 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **51,000** | | | | | |
| **51,000** | **51,050** | 8,786 | 6,784 | 8,786 | 7,401 |
| **51,050** | **51,100** | 8,799 | 6,791 | 8,799 | 7,414 |
| **51,100** | **51,150** | 8,811 | 6,799 | 8,811 | 7,426 |
| **51,150** | **51,200** | 8,824 | 6,806 | 8,824 | 7,439 |
| **51,200** | **51,250** | 8,836 | 6,814 | 8,836 | 7,451 |
| **51,250** | **51,300** | 8,849 | 6,821 | 8,849 | 7,464 |
| **51,300** | **51,350** | 8,861 | 6,829 | 8,861 | 7,476 |
| **51,350** | **51,400** | 8,874 | 6,836 | 8,874 | 7,489 |
| **51,400** | **51,450** | 8,886 | 6,844 | 8,886 | 7,501 |
| **51,450** | **51,500** | 8,899 | 6,851 | 8,899 | 7,514 |
| **51,500** | **51,550** | 8,911 | 6,859 | 8,911 | 7,526 |
| **51,550** | **51,600** | 8,924 | 6,866 | 8,924 | 7,539 |
| **51,600** | **51,650** | 8,936 | 6,874 | 8,936 | 7,551 |
| **51,650** | **51,700** | 8,949 | 6,881 | 8,949 | 7,564 |
| **51,700** | **51,750** | 8,961 | 6,889 | 8,961 | 7,576 |
| **51,750** | **51,800** | 8,974 | 6,896 | 8,974 | 7,589 |
| **51,800** | **51,850** | 8,986 | 6,904 | 8,986 | 7,601 |
| **51,850** | **51,900** | 8,999 | 6,911 | 8,999 | 7,614 |
| **51,900** | **51,950** | 9,011 | 6,919 | 9,011 | 7,626 |
| **51,950** | **52,000** | 9,024 | 6,926 | 9,024 | 7,639 |
| **52,000** | | | | | |
| **52,000** | **52,050** | 9,036 | 6,934 | 9,036 | 7,651 |
| **52,050** | **52,100** | 9,049 | 6,941 | 9,049 | 7,664 |
| **52,100** | **52,150** | 9,061 | 6,949 | 9,061 | 7,676 |
| **52,150** | **52,200** | 9,074 | 6,956 | 9,074 | 7,689 |
| **52,200** | **52,250** | 9,086 | 6,964 | 9,086 | 7,701 |
| **52,250** | **52,300** | 9,099 | 6,971 | 9,099 | 7,714 |
| **52,300** | **52,350** | 9,111 | 6,979 | 9,111 | 7,726 |
| **52,350** | **52,400** | 9,124 | 6,986 | 9,124 | 7,739 |
| **52,400** | **52,450** | 9,136 | 6,994 | 9,136 | 7,751 |
| **52,450** | **52,500** | 9,149 | 7,001 | 9,149 | 7,764 |
| **52,500** | **52,550** | 9,161 | 7,009 | 9,161 | 7,776 |
| **52,550** | **52,600** | 9,174 | 7,016 | 9,174 | 7,789 |
| **52,600** | **52,650** | 9,186 | 7,024 | 9,186 | 7,801 |
| **52,650** | **52,700** | 9,199 | 7,031 | 9,199 | 7,814 |
| **52,700** | **52,750** | 9,211 | 7,039 | 9,211 | 7,826 |
| **52,750** | **52,800** | 9,224 | 7,046 | 9,224 | 7,839 |
| **52,800** | **52,850** | 9,236 | 7,054 | 9,236 | 7,851 |
| **52,850** | **52,900** | 9,249 | 7,061 | 9,249 | 7,864 |
| **52,900** | **52,950** | 9,261 | 7,069 | 9,261 | 7,876 |
| **52,950** | **53,000** | 9,274 | 7,076 | 9,274 | 7,889 |
| **53,000** | | | | | |
| **53,000** | **53,050** | 9,286 | 7,084 | 9,286 | 7,901 |
| **53,050** | **53,100** | 9,299 | 7,091 | 9,299 | 7,914 |
| **53,100** | **53,150** | 9,311 | 7,099 | 9,311 | 7,926 |
| **53,150** | **53,200** | 9,324 | 7,106 | 9,324 | 7,939 |
| **53,200** | **53,250** | 9,336 | 7,114 | 9,336 | 7,951 |
| **53,250** | **53,300** | 9,349 | 7,121 | 9,349 | 7,964 |
| **53,300** | **53,350** | 9,361 | 7,129 | 9,361 | 7,976 |
| **53,350** | **53,400** | 9,374 | 7,136 | 9,374 | 7,989 |
| **53,400** | **53,450** | 9,386 | 7,144 | 9,386 | 8,001 |
| **53,450** | **53,500** | 9,399 | 7,151 | 9,399 | 8,014 |
| **53,500** | **53,550** | 9,411 | 7,159 | 9,411 | 8,026 |
| **53,550** | **53,600** | 9,424 | 7,166 | 9,424 | 8,039 |
| **53,600** | **53,650** | 9,436 | 7,174 | 9,436 | 8,051 |
| **53,650** | **53,700** | 9,449 | 7,181 | 9,449 | 8,064 |
| **53,700** | **53,750** | 9,461 | 7,189 | 9,461 | 8,076 |
| **53,750** | **53,800** | 9,474 | 7,196 | 9,474 | 8,089 |
| **53,800** | **53,850** | 9,486 | 7,204 | 9,486 | 8,101 |
| **53,850** | **53,900** | 9,499 | 7,211 | 9,499 | 8,114 |
| **53,900** | **53,950** | 9,511 | 7,219 | 9,511 | 8,126 |
| **53,950** | **54,000** | 9,524 | 7,226 | 9,524 | 8,139 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **54,000** | | | | | |
| **54,000** | **54,050** | 9,536 | 7,234 | 9,536 | 8,151 |
| **54,050** | **54,100** | 9,549 | 7,241 | 9,549 | 8,164 |
| **54,100** | **54,150** | 9,561 | 7,249 | 9,561 | 8,176 |
| **54,150** | **54,200** | 9,574 | 7,256 | 9,574 | 8,189 |
| **54,200** | **54,250** | 9,586 | 7,264 | 9,586 | 8,201 |
| **54,250** | **54,300** | 9,599 | 7,271 | 9,599 | 8,214 |
| **54,300** | **54,350** | 9,611 | 7,279 | 9,611 | 8,226 |
| **54,350** | **54,400** | 9,624 | 7,286 | 9,624 | 8,239 |
| **54,400** | **54,450** | 9,636 | 7,294 | 9,636 | 8,251 |
| **54,450** | **54,500** | 9,649 | 7,301 | 9,649 | 8,264 |
| **54,500** | **54,550** | 9,661 | 7,309 | 9,661 | 8,276 |
| **54,550** | **54,600** | 9,674 | 7,316 | 9,674 | 8,289 |
| **54,600** | **54,650** | 9,686 | 7,324 | 9,686 | 8,301 |
| **54,650** | **54,700** | 9,699 | 7,331 | 9,699 | 8,314 |
| **54,700** | **54,750** | 9,711 | 7,339 | 9,711 | 8,326 |
| **54,750** | **54,800** | 9,724 | 7,346 | 9,724 | 8,339 |
| **54,800** | **54,850** | 9,736 | 7,354 | 9,736 | 8,351 |
| **54,850** | **54,900** | 9,749 | 7,361 | 9,749 | 8,364 |
| **54,900** | **54,950** | 9,761 | 7,369 | 9,761 | 8,376 |
| **54,950** | **55,000** | 9,774 | 7,376 | 9,774 | 8,389 |
| **55,000** | | | | | |
| **55,000** | **55,050** | 9,786 | 7,384 | 9,786 | 8,401 |
| **55,050** | **55,100** | 9,799 | 7,391 | 9,799 | 8,414 |
| **55,100** | **55,150** | 9,811 | 7,399 | 9,811 | 8,426 |
| **55,150** | **55,200** | 9,824 | 7,406 | 9,824 | 8,439 |
| **55,200** | **55,250** | 9,836 | 7,414 | 9,836 | 8,451 |
| **55,250** | **55,300** | 9,849 | 7,421 | 9,849 | 8,464 |
| **55,300** | **55,350** | 9,861 | 7,429 | 9,861 | 8,476 |
| **55,350** | **55,400** | 9,874 | 7,436 | 9,874 | 8,489 |
| **55,400** | **55,450** | 9,886 | 7,444 | 9,886 | 8,501 |
| **55,450** | **55,500** | 9,899 | 7,451 | 9,899 | 8,514 |
| **55,500** | **55,550** | 9,911 | 7,459 | 9,911 | 8,526 |
| **55,550** | **55,600** | 9,924 | 7,466 | 9,924 | 8,539 |
| **55,600** | **55,650** | 9,936 | 7,474 | 9,936 | 8,551 |
| **55,650** | **55,700** | 9,949 | 7,481 | 9,949 | 8,564 |
| **55,700** | **55,750** | 9,961 | 7,489 | 9,961 | 8,576 |
| **55,750** | **55,800** | 9,974 | 7,496 | 9,974 | 8,589 |
| **55,800** | **55,850** | 9,986 | 7,504 | 9,986 | 8,601 |
| **55,850** | **55,900** | 9,999 | 7,511 | 9,999 | 8,614 |
| **55,900** | **55,950** | 10,011 | 7,519 | 10,011 | 8,626 |
| **55,950** | **56,000** | 10,024 | 7,526 | 10,024 | 8,639 |
| **56,000** | | | | | |
| **56,000** | **56,050** | 10,036 | 7,534 | 10,036 | 8,651 |
| **56,050** | **56,100** | 10,049 | 7,541 | 10,049 | 8,664 |
| **56,100** | **56,150** | 10,061 | 7,549 | 10,061 | 8,676 |
| **56,150** | **56,200** | 10,074 | 7,556 | 10,074 | 8,689 |
| **56,200** | **56,250** | 10,086 | 7,564 | 10,086 | 8,701 |
| **56,250** | **56,300** | 10,099 | 7,571 | 10,099 | 8,714 |
| **56,300** | **56,350** | 10,111 | 7,579 | 10,111 | 8,726 |
| **56,350** | **56,400** | 10,124 | 7,586 | 10,124 | 8,739 |
| **56,400** | **56,450** | 10,136 | 7,594 | 10,136 | 8,751 |
| **56,450** | **56,500** | 10,149 | 7,601 | 10,149 | 8,764 |
| **56,500** | **56,550** | 10,161 | 7,609 | 10,161 | 8,776 |
| **56,550** | **56,600** | 10,174 | 7,616 | 10,174 | 8,789 |
| **56,600** | **56,650** | 10,186 | 7,624 | 10,186 | 8,801 |
| **56,650** | **56,700** | 10,199 | 7,631 | 10,199 | 8,814 |
| **56,700** | **56,750** | 10,211 | 7,639 | 10,211 | 8,826 |
| **56,750** | **56,800** | 10,224 | 7,646 | 10,224 | 8,839 |
| **56,800** | **56,850** | 10,236 | 7,654 | 10,236 | 8,851 |
| **56,850** | **56,900** | 10,249 | 7,661 | 10,249 | 8,864 |
| **56,900** | **56,950** | 10,261 | 7,669 | 10,261 | 8,876 |
| **56,950** | **57,000** | 10,274 | 7,676 | 10,274 | 8,889 |

*(Continued)*

***This column must also be used by a qualifying widow(er).**

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **57,000** | | | | | |
| **57,000** | **57,050** | 10,286 | 7,684 | 10,286 | 8,901 |
| **57,050** | **57,100** | 10,299 | 7,691 | 10,299 | 8,914 |
| **57,100** | **57,150** | 10,311 | 7,699 | 10,311 | 8,926 |
| **57,150** | **57,200** | 10,324 | 7,706 | 10,324 | 8,939 |
| **57,200** | **57,250** | 10,336 | 7,714 | 10,336 | 8,951 |
| **57,250** | **57,300** | 10,349 | 7,721 | 10,349 | 8,964 |
| **57,300** | **57,350** | 10,361 | 7,729 | 10,361 | 8,976 |
| **57,350** | **57,400** | 10,374 | 7,736 | 10,374 | 8,989 |
| **57,400** | **57,450** | 10,386 | 7,744 | 10,386 | 9,001 |
| **57,450** | **57,500** | 10,399 | 7,751 | 10,399 | 9,014 |
| **57,500** | **57,550** | 10,411 | 7,759 | 10,411 | 9,026 |
| **57,550** | **57,600** | 10,424 | 7,766 | 10,424 | 9,039 |
| **57,600** | **57,650** | 10,436 | 7,774 | 10,436 | 9,051 |
| **57,650** | **57,700** | 10,449 | 7,781 | 10,449 | 9,064 |
| **57,700** | **57,750** | 10,461 | 7,789 | 10,461 | 9,076 |
| **57,750** | **57,800** | 10,474 | 7,796 | 10,474 | 9,089 |
| **57,800** | **57,850** | 10,486 | 7,804 | 10,486 | 9,101 |
| **57,850** | **57,900** | 10,499 | 7,811 | 10,499 | 9,114 |
| **57,900** | **57,950** | 10,511 | 7,819 | 10,511 | 9,126 |
| **57,950** | **58,000** | 10,524 | 7,826 | 10,524 | 9,139 |
| **58,000** | | | | | |
| **58,000** | **58,050** | 10,536 | 7,834 | 10,536 | 9,151 |
| **58,050** | **58,100** | 10,549 | 7,841 | 10,549 | 9,164 |
| **58,100** | **58,150** | 10,561 | 7,849 | 10,561 | 9,176 |
| **58,150** | **58,200** | 10,574 | 7,856 | 10,574 | 9,189 |
| **58,200** | **58,250** | 10,586 | 7,864 | 10,586 | 9,201 |
| **58,250** | **58,300** | 10,599 | 7,871 | 10,599 | 9,214 |
| **58,300** | **58,350** | 10,611 | 7,879 | 10,611 | 9,226 |
| **58,350** | **58,400** | 10,624 | 7,886 | 10,624 | 9,239 |
| **58,400** | **58,450** | 10,636 | 7,894 | 10,636 | 9,251 |
| **58,450** | **58,500** | 10,649 | 7,901 | 10,649 | 9,264 |
| **58,500** | **58,550** | 10,661 | 7,909 | 10,661 | 9,276 |
| **58,550** | **58,600** | 10,674 | 7,916 | 10,674 | 9,289 |
| **58,600** | **58,650** | 10,686 | 7,924 | 10,686 | 9,301 |
| **58,650** | **58,700** | 10,699 | 7,931 | 10,699 | 9,314 |
| **58,700** | **58,750** | 10,711 | 7,939 | 10,711 | 9,326 |
| **58,750** | **58,800** | 10,724 | 7,946 | 10,724 | 9,339 |
| **58,800** | **58,850** | 10,736 | 7,954 | 10,736 | 9,351 |
| **58,850** | **58,900** | 10,749 | 7,961 | 10,749 | 9,364 |
| **58,900** | **58,950** | 10,761 | 7,969 | 10,761 | 9,376 |
| **58,950** | **59,000** | 10,774 | 7,976 | 10,774 | 9,389 |
| **59,000** | | | | | |
| **59,000** | **59,050** | 10,786 | 7,984 | 10,786 | 9,401 |
| **59,050** | **59,100** | 10,799 | 7,991 | 10,799 | 9,414 |
| **59,100** | **59,150** | 10,811 | 7,999 | 10,811 | 9,426 |
| **59,150** | **59,200** | 10,824 | 8,006 | 10,824 | 9,439 |
| **59,200** | **59,250** | 10,836 | 8,014 | 10,836 | 9,451 |
| **59,250** | **59,300** | 10,849 | 8,021 | 10,849 | 9,464 |
| **59,300** | **59,350** | 10,861 | 8,029 | 10,861 | 9,476 |
| **59,350** | **59,400** | 10,874 | 8,036 | 10,874 | 9,489 |
| **59,400** | **59,450** | 10,886 | 8,044 | 10,886 | 9,501 |
| **59,450** | **59,500** | 10,899 | 8,051 | 10,899 | 9,514 |
| **59,500** | **59,550** | 10,911 | 8,059 | 10,911 | 9,526 |
| **59,550** | **59,600** | 10,924 | 8,066 | 10,924 | 9,539 |
| **59,600** | **59,650** | 10,936 | 8,074 | 10,936 | 9,551 |
| **59,650** | **59,700** | 10,949 | 8,081 | 10,949 | 9,564 |
| **59,700** | **59,750** | 10,961 | 8,089 | 10,961 | 9,576 |
| **59,750** | **59,800** | 10,974 | 8,096 | 10,974 | 9,589 |
| **59,800** | **59,850** | 10,986 | 8,104 | 10,986 | 9,601 |
| **59,850** | **59,900** | 10,999 | 8,111 | 10,999 | 9,614 |
| **59,900** | **59,950** | 11,011 | 8,119 | 11,011 | 9,626 |
| **59,950** | **60,000** | 11,024 | 8,126 | 11,024 | 9,639 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **60,000** | | | | | |
| **60,000** | **60,050** | 11,036 | 8,134 | 11,036 | 9,651 |
| **60,050** | **60,100** | 11,049 | 8,141 | 11,049 | 9,664 |
| **60,100** | **60,150** | 11,061 | 8,149 | 11,061 | 9,676 |
| **60,150** | **60,200** | 11,074 | 8,156 | 11,074 | 9,689 |
| **60,200** | **60,250** | 11,086 | 8,164 | 11,086 | 9,701 |
| **60,250** | **60,300** | 11,099 | 8,171 | 11,099 | 9,714 |
| **60,300** | **60,350** | 11,111 | 8,179 | 11,111 | 9,726 |
| **60,350** | **60,400** | 11,124 | 8,186 | 11,124 | 9,739 |
| **60,400** | **60,450** | 11,136 | 8,194 | 11,136 | 9,751 |
| **60,450** | **60,500** | 11,149 | 8,201 | 11,149 | 9,764 |
| **60,500** | **60,550** | 11,161 | 8,209 | 11,161 | 9,776 |
| **60,550** | **60,600** | 11,174 | 8,216 | 11,174 | 9,789 |
| **60,600** | **60,650** | 11,186 | 8,224 | 11,186 | 9,801 |
| **60,650** | **60,700** | 11,199 | 8,231 | 11,199 | 9,814 |
| **60,700** | **60,750** | 11,211 | 8,239 | 11,211 | 9,826 |
| **60,750** | **60,800** | 11,224 | 8,246 | 11,224 | 9,839 |
| **60,800** | **60,850** | 11,236 | 8,254 | 11,236 | 9,851 |
| **60,850** | **60,900** | 11,249 | 8,261 | 11,249 | 9,864 |
| **60,900** | **60,950** | 11,261 | 8,269 | 11,261 | 9,876 |
| **60,950** | **61,000** | 11,274 | 8,276 | 11,274 | 9,889 |
| **61,000** | | | | | |
| **61,000** | **61,050** | 11,286 | 8,284 | 11,286 | 9,901 |
| **61,050** | **61,100** | 11,299 | 8,291 | 11,299 | 9,914 |
| **61,100** | **61,150** | 11,311 | 8,299 | 11,311 | 9,926 |
| **61,150** | **61,200** | 11,324 | 8,306 | 11,324 | 9,939 |
| **61,200** | **61,250** | 11,336 | 8,314 | 11,336 | 9,951 |
| **61,250** | **61,300** | 11,349 | 8,321 | 11,349 | 9,964 |
| **61,300** | **61,350** | 11,361 | 8,329 | 11,361 | 9,976 |
| **61,350** | **61,400** | 11,374 | 8,336 | 11,374 | 9,989 |
| **61,400** | **61,450** | 11,386 | 8,344 | 11,386 | 10,001 |
| **61,450** | **61,500** | 11,399 | 8,351 | 11,399 | 10,014 |
| **61,500** | **61,550** | 11,411 | 8,359 | 11,411 | 10,026 |
| **61,550** | **61,600** | 11,424 | 8,366 | 11,424 | 10,039 |
| **61,600** | **61,650** | 11,436 | 8,374 | 11,436 | 10,051 |
| **61,650** | **61,700** | 11,449 | 8,381 | 11,449 | 10,064 |
| **61,700** | **61,750** | 11,461 | 8,389 | 11,461 | 10,076 |
| **61,750** | **61,800** | 11,474 | 8,396 | 11,474 | 10,089 |
| **61,800** | **61,850** | 11,486 | 8,404 | 11,486 | 10,101 |
| **61,850** | **61,900** | 11,499 | 8,411 | 11,499 | 10,114 |
| **61,900** | **61,950** | 11,511 | 8,419 | 11,511 | 10,126 |
| **61,950** | **62,000** | 11,524 | 8,426 | 11,524 | 10,139 |
| **62,000** | | | | | |
| **62,000** | **62,050** | 11,536 | 8,434 | 11,536 | 10,151 |
| **62,050** | **62,100** | 11,549 | 8,441 | 11,549 | 10,164 |
| **62,100** | **62,150** | 11,561 | 8,449 | 11,561 | 10,176 |
| **62,150** | **62,200** | 11,574 | 8,456 | 11,574 | 10,189 |
| **62,200** | **62,250** | 11,586 | 8,464 | 11,586 | 10,201 |
| **62,250** | **62,300** | 11,599 | 8,471 | 11,599 | 10,214 |
| **62,300** | **62,350** | 11,611 | 8,479 | 11,611 | 10,226 |
| **62,350** | **62,400** | 11,624 | 8,486 | 11,624 | 10,239 |
| **62,400** | **62,450** | 11,636 | 8,494 | 11,636 | 10,251 |
| **62,450** | **62,500** | 11,649 | 8,501 | 11,649 | 10,264 |
| **62,500** | **62,550** | 11,661 | 8,509 | 11,661 | 10,276 |
| **62,550** | **62,600** | 11,674 | 8,516 | 11,674 | 10,289 |
| **62,600** | **62,650** | 11,686 | 8,524 | 11,686 | 10,301 |
| **62,650** | **62,700** | 11,699 | 8,531 | 11,699 | 10,314 |
| **62,700** | **62,750** | 11,711 | 8,539 | 11,711 | 10,326 |
| **62,750** | **62,800** | 11,724 | 8,546 | 11,724 | 10,339 |
| **62,800** | **62,850** | 11,736 | 8,554 | 11,736 | 10,351 |
| **62,850** | **62,900** | 11,749 | 8,561 | 11,749 | 10,364 |
| **62,900** | **62,950** | 11,761 | 8,569 | 11,761 | 10,376 |
| **62,950** | **63,000** | 11,774 | 8,576 | 11,774 | 10,389 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **63,000** | | | | | |
| **63,000** | **63,050** | 11,786 | 8,584 | 11,786 | 10,401 |
| **63,050** | **63,100** | 11,799 | 8,591 | 11,799 | 10,414 |
| **63,100** | **63,150** | 11,811 | 8,599 | 11,811 | 10,426 |
| **63,150** | **63,200** | 11,824 | 8,606 | 11,824 | 10,439 |
| **63,200** | **63,250** | 11,836 | 8,614 | 11,836 | 10,451 |
| **63,250** | **63,300** | 11,849 | 8,621 | 11,849 | 10,464 |
| **63,300** | **63,350** | 11,861 | 8,629 | 11,861 | 10,476 |
| **63,350** | **63,400** | 11,874 | 8,636 | 11,874 | 10,489 |
| **63,400** | **63,450** | 11,886 | 8,644 | 11,886 | 10,501 |
| **63,450** | **63,500** | 11,899 | 8,651 | 11,899 | 10,514 |
| **63,500** | **63,550** | 11,911 | 8,659 | 11,911 | 10,526 |
| **63,550** | **63,600** | 11,924 | 8,666 | 11,924 | 10,539 |
| **63,600** | **63,650** | 11,936 | 8,674 | 11,936 | 10,551 |
| **63,650** | **63,700** | 11,949 | 8,681 | 11,949 | 10,564 |
| **63,700** | **63,750** | 11,961 | 8,689 | 11,961 | 10,576 |
| **63,750** | **63,800** | 11,974 | 8,696 | 11,974 | 10,589 |
| **63,800** | **63,850** | 11,986 | 8,704 | 11,986 | 10,601 |
| **63,850** | **63,900** | 11,999 | 8,711 | 11,999 | 10,614 |
| **63,900** | **63,950** | 12,011 | 8,719 | 12,011 | 10,626 |
| **63,950** | **64,000** | 12,024 | 8,726 | 12,024 | 10,639 |
| **64,000** | | | | | |
| **64,000** | **64,050** | 12,036 | 8,734 | 12,036 | 10,651 |
| **64,050** | **64,100** | 12,049 | 8,741 | 12,049 | 10,664 |
| **64,100** | **64,150** | 12,061 | 8,749 | 12,061 | 10,676 |
| **64,150** | **64,200** | 12,074 | 8,756 | 12,074 | 10,689 |
| **64,200** | **64,250** | 12,086 | 8,764 | 12,086 | 10,701 |
| **64,250** | **64,300** | 12,099 | 8,771 | 12,099 | 10,714 |
| **64,300** | **64,350** | 12,111 | 8,779 | 12,111 | 10,726 |
| **64,350** | **64,400** | 12,124 | 8,786 | 12,124 | 10,739 |
| **64,400** | **64,450** | 12,136 | 8,794 | 12,136 | 10,751 |
| **64,450** | **64,500** | 12,149 | 8,801 | 12,149 | 10,764 |
| **64,500** | **64,550** | 12,161 | 8,809 | 12,161 | 10,776 |
| **64,550** | **64,600** | 12,174 | 8,816 | 12,174 | 10,789 |
| **64,600** | **64,650** | 12,186 | 8,824 | 12,186 | 10,801 |
| **64,650** | **64,700** | 12,199 | 8,831 | 12,199 | 10,814 |
| **64,700** | **64,750** | 12,211 | 8,839 | 12,211 | 10,826 |
| **64,750** | **64,800** | 12,224 | 8,846 | 12,224 | 10,839 |
| **64,800** | **64,850** | 12,236 | 8,854 | 12,236 | 10,851 |
| **64,850** | **64,900** | 12,249 | 8,861 | 12,249 | 10,864 |
| **64,900** | **64,950** | 12,261 | 8,869 | 12,261 | 10,876 |
| **64,950** | **65,000** | 12,274 | 8,876 | 12,274 | 10,889 |
| **65,000** | | | | | |
| **65,000** | **65,050** | 12,286 | 8,884 | 12,286 | 10,901 |
| **65,050** | **65,100** | 12,299 | 8,891 | 12,299 | 10,914 |
| **65,100** | **65,150** | 12,311 | 8,899 | 12,311 | 10,926 |
| **65,150** | **65,200** | 12,324 | 8,906 | 12,324 | 10,939 |
| **65,200** | **65,250** | 12,336 | 8,914 | 12,336 | 10,951 |
| **65,250** | **65,300** | 12,349 | 8,921 | 12,349 | 10,964 |
| **65,300** | **65,350** | 12,361 | 8,929 | 12,361 | 10,976 |
| **65,350** | **65,400** | 12,374 | 8,936 | 12,374 | 10,989 |
| **65,400** | **65,450** | 12,386 | 8,944 | 12,386 | 11,001 |
| **65,450** | **65,500** | 12,399 | 8,951 | 12,399 | 11,014 |
| **65,500** | **65,550** | 12,411 | 8,959 | 12,411 | 11,026 |
| **65,550** | **65,600** | 12,424 | 8,966 | 12,424 | 11,039 |
| **65,600** | **65,650** | 12,436 | 8,974 | 12,436 | 11,051 |
| **65,650** | **65,700** | 12,449 | 8,981 | 12,449 | 11,064 |
| **65,700** | **65,750** | 12,461 | 8,989 | 12,461 | 11,076 |
| **65,750** | **65,800** | 12,474 | 8,996 | 12,474 | 11,089 |
| **65,800** | **65,850** | 12,486 | 9,004 | 12,486 | 11,101 |
| **65,850** | **65,900** | 12,499 | 9,011 | 12,499 | 11,114 |
| **65,900** | **65,950** | 12,511 | 9,019 | 12,511 | 11,126 |
| **65,950** | **66,000** | 12,524 | 9,026 | 12,524 | 11,139 |

*(Continued)*

***This column must also be used by a qualifying widow(er).**

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **66,000** | | | | | |
| 66,000 | 66,050 | 12,536 | 9,034 | 12,536 | 11,151 |
| 66,050 | 66,100 | 12,549 | 9,041 | 12,549 | 11,164 |
| 66,100 | 66,150 | 12,561 | 9,049 | 12,561 | 11,176 |
| 66,150 | 66,200 | 12,574 | 9,056 | 12,574 | 11,189 |
| 66,200 | 66,250 | 12,586 | 9,064 | 12,586 | 11,201 |
| 66,250 | 66,300 | 12,599 | 9,071 | 12,599 | 11,214 |
| 66,300 | 66,350 | 12,611 | 9,079 | 12,611 | 11,226 |
| 66,350 | 66,400 | 12,624 | 9,086 | 12,624 | 11,239 |
| 66,400 | 66,450 | 12,636 | 9,094 | 12,636 | 11,251 |
| 66,450 | 66,500 | 12,649 | 9,101 | 12,649 | 11,264 |
| 66,500 | 66,550 | 12,661 | 9,109 | 12,661 | 11,276 |
| 66,550 | 66,600 | 12,674 | 9,116 | 12,674 | 11,289 |
| 66,600 | 66,650 | 12,686 | 9,124 | 12,686 | 11,301 |
| 66,650 | 66,700 | 12,699 | 9,131 | 12,699 | 11,314 |
| 66,700 | 66,750 | 12,711 | 9,139 | 12,711 | 11,326 |
| 66,750 | 66,800 | 12,724 | 9,146 | 12,724 | 11,339 |
| 66,800 | 66,850 | 12,736 | 9,154 | 12,736 | 11,351 |
| 66,850 | 66,900 | 12,749 | 9,161 | 12,749 | 11,364 |
| 66,900 | 66,950 | 12,761 | 9,169 | 12,761 | 11,376 |
| 66,950 | 67,000 | 12,774 | 9,176 | 12,774 | 11,389 |
| **67,000** | | | | | |
| 67,000 | 67,050 | 12,786 | 9,184 | 12,786 | 11,401 |
| 67,050 | 67,100 | 12,799 | 9,191 | 12,799 | 11,414 |
| 67,100 | 67,150 | 12,811 | 9,199 | 12,811 | 11,426 |
| 67,150 | 67,200 | 12,824 | 9,206 | 12,824 | 11,439 |
| 67,200 | 67,250 | 12,836 | 9,214 | 12,836 | 11,451 |
| 67,250 | 67,300 | 12,849 | 9,221 | 12,849 | 11,464 |
| 67,300 | 67,350 | 12,861 | 9,229 | 12,861 | 11,476 |
| 67,350 | 67,400 | 12,874 | 9,236 | 12,874 | 11,489 |
| 67,400 | 67,450 | 12,886 | 9,244 | 12,886 | 11,501 |
| 67,450 | 67,500 | 12,899 | 9,251 | 12,899 | 11,514 |
| 67,500 | 67,550 | 12,911 | 9,259 | 12,911 | 11,526 |
| 67,550 | 67,600 | 12,924 | 9,266 | 12,924 | 11,539 |
| 67,600 | 67,650 | 12,936 | 9,274 | 12,936 | 11,551 |
| 67,650 | 67,700 | 12,949 | 9,281 | 12,949 | 11,564 |
| 67,700 | 67,750 | 12,961 | 9,289 | 12,961 | 11,576 |
| 67,750 | 67,800 | 12,974 | 9,296 | 12,974 | 11,589 |
| 67,800 | 67,850 | 12,986 | 9,304 | 12,986 | 11,601 |
| 67,850 | 67,900 | 12,999 | 9,311 | 12,999 | 11,614 |
| 67,900 | 67,950 | 13,011 | 9,319 | 13,011 | 11,626 |
| 67,950 | 68,000 | 13,024 | 9,326 | 13,024 | 11,639 |
| **68,000** | | | | | |
| 68,000 | 68,050 | 13,036 | 9,334 | 13,036 | 11,651 |
| 68,050 | 68,100 | 13,049 | 9,341 | 13,049 | 11,664 |
| 68,100 | 68,150 | 13,061 | 9,349 | 13,061 | 11,676 |
| 68,150 | 68,200 | 13,074 | 9,356 | 13,074 | 11,689 |
| 68,200 | 68,250 | 13,086 | 9,364 | 13,086 | 11,701 |
| 68,250 | 68,300 | 13,099 | 9,371 | 13,099 | 11,714 |
| 68,300 | 68,350 | 13,111 | 9,379 | 13,111 | 11,726 |
| 68,350 | 68,400 | 13,124 | 9,386 | 13,124 | 11,739 |
| 68,400 | 68,450 | 13,136 | 9,394 | 13,136 | 11,751 |
| 68,450 | 68,500 | 13,149 | 9,401 | 13,149 | 11,764 |
| 68,500 | 68,550 | 13,161 | 9,409 | 13,161 | 11,776 |
| 68,550 | 68,600 | 13,174 | 9,416 | 13,174 | 11,789 |
| 68,600 | 68,650 | 13,186 | 9,424 | 13,186 | 11,801 |
| 68,650 | 68,700 | 13,199 | 9,431 | 13,199 | 11,814 |
| 68,700 | 68,750 | 13,211 | 9,439 | 13,211 | 11,826 |
| 68,750 | 68,800 | 13,224 | 9,446 | 13,224 | 11,839 |
| 68,800 | 68,850 | 13,236 | 9,454 | 13,236 | 11,851 |
| 68,850 | 68,900 | 13,249 | 9,461 | 13,249 | 11,864 |
| 68,900 | 68,950 | 13,261 | 9,469 | 13,261 | 11,876 |
| 68,950 | 69,000 | 13,274 | 9,476 | 13,274 | 11,889 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **69,000** | | | | | |
| 69,000 | 69,050 | 13,286 | 9,484 | 13,286 | 11,901 |
| 69,050 | 69,100 | 13,299 | 9,491 | 13,299 | 11,914 |
| 69,100 | 69,150 | 13,311 | 9,499 | 13,311 | 11,926 |
| 69,150 | 69,200 | 13,324 | 9,506 | 13,324 | 11,939 |
| 69,200 | 69,250 | 13,336 | 9,514 | 13,336 | 11,951 |
| 69,250 | 69,300 | 13,349 | 9,521 | 13,349 | 11,964 |
| 69,300 | 69,350 | 13,361 | 9,529 | 13,361 | 11,976 |
| 69,350 | 69,400 | 13,374 | 9,536 | 13,374 | 11,989 |
| 69,400 | 69,450 | 13,386 | 9,544 | 13,386 | 12,001 |
| 69,450 | 69,500 | 13,399 | 9,551 | 13,399 | 12,014 |
| 69,500 | 69,550 | 13,411 | 9,559 | 13,411 | 12,026 |
| 69,550 | 69,600 | 13,424 | 9,566 | 13,424 | 12,039 |
| 69,600 | 69,650 | 13,436 | 9,574 | 13,436 | 12,051 |
| 69,650 | 69,700 | 13,449 | 9,581 | 13,449 | 12,064 |
| 69,700 | 69,750 | 13,461 | 9,589 | 13,461 | 12,076 |
| 69,750 | 69,800 | 13,474 | 9,596 | 13,474 | 12,089 |
| 69,800 | 69,850 | 13,486 | 9,604 | 13,486 | 12,101 |
| 69,850 | 69,900 | 13,499 | 9,611 | 13,499 | 12,114 |
| 69,900 | 69,950 | 13,511 | 9,619 | 13,511 | 12,126 |
| 69,950 | 70,000 | 13,524 | 9,626 | 13,524 | 12,139 |
| **70,000** | | | | | |
| 70,000 | 70,050 | 13,536 | 9,634 | 13,536 | 12,151 |
| 70,050 | 70,100 | 13,549 | 9,641 | 13,549 | 12,164 |
| 70,100 | 70,150 | 13,561 | 9,649 | 13,561 | 12,176 |
| 70,150 | 70,200 | 13,574 | 9,656 | 13,574 | 12,189 |
| 70,200 | 70,250 | 13,586 | 9,664 | 13,586 | 12,201 |
| 70,250 | 70,300 | 13,599 | 9,671 | 13,599 | 12,214 |
| 70,300 | 70,350 | 13,611 | 9,679 | 13,611 | 12,226 |
| 70,350 | 70,400 | 13,624 | 9,686 | 13,624 | 12,239 |
| 70,400 | 70,450 | 13,636 | 9,694 | 13,636 | 12,251 |
| 70,450 | 70,500 | 13,649 | 9,701 | 13,649 | 12,264 |
| 70,500 | 70,550 | 13,661 | 9,709 | 13,661 | 12,276 |
| 70,550 | 70,600 | 13,674 | 9,716 | 13,674 | 12,289 |
| 70,600 | 70,650 | 13,686 | 9,724 | 13,686 | 12,301 |
| 70,650 | 70,700 | 13,699 | 9,731 | 13,699 | 12,314 |
| 70,700 | 70,750 | 13,711 | 9,741 | 13,711 | 12,326 |
| 70,750 | 70,800 | 13,724 | 9,754 | 13,724 | 12,339 |
| 70,800 | 70,850 | 13,736 | 9,766 | 13,736 | 12,351 |
| 70,850 | 70,900 | 13,749 | 9,779 | 13,749 | 12,364 |
| 70,900 | 70,950 | 13,761 | 9,791 | 13,761 | 12,376 |
| 70,950 | 71,000 | 13,774 | 9,804 | 13,774 | 12,389 |
| **71,000** | | | | | |
| 71,000 | 71,050 | 13,786 | 9,816 | 13,786 | 12,401 |
| 71,050 | 71,100 | 13,799 | 9,829 | 13,799 | 12,414 |
| 71,100 | 71,150 | 13,811 | 9,841 | 13,811 | 12,426 |
| 71,150 | 71,200 | 13,824 | 9,854 | 13,824 | 12,439 |
| 71,200 | 71,250 | 13,836 | 9,866 | 13,836 | 12,451 |
| 71,250 | 71,300 | 13,849 | 9,879 | 13,849 | 12,464 |
| 71,300 | 71,350 | 13,861 | 9,891 | 13,861 | 12,476 |
| 71,350 | 71,400 | 13,874 | 9,904 | 13,875 | 12,489 |
| 71,400 | 71,450 | 13,886 | 9,916 | 13,889 | 12,501 |
| 71,450 | 71,500 | 13,899 | 9,929 | 13,903 | 12,514 |
| 71,500 | 71,550 | 13,911 | 9,941 | 13,917 | 12,526 |
| 71,550 | 71,600 | 13,924 | 9,954 | 13,931 | 12,539 |
| 71,600 | 71,650 | 13,936 | 9,966 | 13,945 | 12,551 |
| 71,650 | 71,700 | 13,949 | 9,979 | 13,959 | 12,564 |
| 71,700 | 71,750 | 13,961 | 9,991 | 13,973 | 12,576 |
| 71,750 | 71,800 | 13,974 | 10,004 | 13,987 | 12,589 |
| 71,800 | 71,850 | 13,986 | 10,016 | 14,001 | 12,601 |
| 71,850 | 71,900 | 13,999 | 10,029 | 14,015 | 12,614 |
| 71,900 | 71,950 | 14,011 | 10,041 | 14,029 | 12,626 |
| 71,950 | 72,000 | 14,024 | 10,054 | 14,043 | 12,639 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **72,000** | | | | | |
| 72,000 | 72,050 | 14,036 | 10,066 | 14,057 | 12,651 |
| 72,050 | 72,100 | 14,049 | 10,079 | 14,071 | 12,664 |
| 72,100 | 72,150 | 14,061 | 10,091 | 14,085 | 12,676 |
| 72,150 | 72,200 | 14,074 | 10,104 | 14,099 | 12,689 |
| 72,200 | 72,250 | 14,086 | 10,116 | 14,113 | 12,701 |
| 72,250 | 72,300 | 14,099 | 10,129 | 14,127 | 12,714 |
| 72,300 | 72,350 | 14,111 | 10,141 | 14,141 | 12,726 |
| 72,350 | 72,400 | 14,124 | 10,154 | 14,155 | 12,739 |
| 72,400 | 72,450 | 14,136 | 10,166 | 14,169 | 12,751 |
| 72,450 | 72,500 | 14,149 | 10,179 | 14,183 | 12,764 |
| 72,500 | 72,550 | 14,161 | 10,191 | 14,197 | 12,776 |
| 72,550 | 72,600 | 14,174 | 10,204 | 14,211 | 12,789 |
| 72,600 | 72,650 | 14,186 | 10,216 | 14,225 | 12,801 |
| 72,650 | 72,700 | 14,199 | 10,229 | 14,239 | 12,814 |
| 72,700 | 72,750 | 14,211 | 10,241 | 14,253 | 12,826 |
| 72,750 | 72,800 | 14,224 | 10,254 | 14,267 | 12,839 |
| 72,800 | 72,850 | 14,236 | 10,266 | 14,281 | 12,851 |
| 72,850 | 72,900 | 14,249 | 10,279 | 14,295 | 12,864 |
| 72,900 | 72,950 | 14,261 | 10,291 | 14,309 | 12,876 |
| 72,950 | 73,000 | 14,274 | 10,304 | 14,323 | 12,889 |
| **73,000** | | | | | |
| 73,000 | 73,050 | 14,286 | 10,316 | 14,337 | 12,901 |
| 73,050 | 73,100 | 14,299 | 10,329 | 14,351 | 12,914 |
| 73,100 | 73,150 | 14,311 | 10,341 | 14,365 | 12,926 |
| 73,150 | 73,200 | 14,324 | 10,354 | 14,379 | 12,939 |
| 73,200 | 73,250 | 14,336 | 10,366 | 14,393 | 12,951 |
| 73,250 | 73,300 | 14,349 | 10,379 | 14,407 | 12,964 |
| 73,300 | 73,350 | 14,361 | 10,391 | 14,421 | 12,976 |
| 73,350 | 73,400 | 14,374 | 10,404 | 14,435 | 12,989 |
| 73,400 | 73,450 | 14,386 | 10,416 | 14,449 | 13,001 |
| 73,450 | 73,500 | 14,399 | 10,429 | 14,463 | 13,014 |
| 73,500 | 73,550 | 14,411 | 10,441 | 14,477 | 13,026 |
| 73,550 | 73,600 | 14,424 | 10,454 | 14,491 | 13,039 |
| 73,600 | 73,650 | 14,436 | 10,466 | 14,505 | 13,051 |
| 73,650 | 73,700 | 14,449 | 10,479 | 14,519 | 13,064 |
| 73,700 | 73,750 | 14,461 | 10,491 | 14,533 | 13,076 |
| 73,750 | 73,800 | 14,474 | 10,504 | 14,547 | 13,089 |
| 73,800 | 73,850 | 14,486 | 10,516 | 14,561 | 13,101 |
| 73,850 | 73,900 | 14,499 | 10,529 | 14,575 | 13,114 |
| 73,900 | 73,950 | 14,511 | 10,541 | 14,589 | 13,126 |
| 73,950 | 74,000 | 14,524 | 10,554 | 14,603 | 13,139 |
| **74,000** | | | | | |
| 74,000 | 74,050 | 14,536 | 10,566 | 14,617 | 13,151 |
| 74,050 | 74,100 | 14,549 | 10,579 | 14,631 | 13,164 |
| 74,100 | 74,150 | 14,561 | 10,591 | 14,645 | 13,176 |
| 74,150 | 74,200 | 14,574 | 10,604 | 14,659 | 13,189 |
| 74,200 | 74,250 | 14,586 | 10,616 | 14,673 | 13,201 |
| 74,250 | 74,300 | 14,599 | 10,629 | 14,687 | 13,214 |
| 74,300 | 74,350 | 14,611 | 10,641 | 14,701 | 13,226 |
| 74,350 | 74,400 | 14,624 | 10,654 | 14,715 | 13,239 |
| 74,400 | 74,450 | 14,636 | 10,666 | 14,729 | 13,251 |
| 74,450 | 74,500 | 14,649 | 10,679 | 14,743 | 13,264 |
| 74,500 | 74,550 | 14,661 | 10,691 | 14,757 | 13,276 |
| 74,550 | 74,600 | 14,674 | 10,704 | 14,771 | 13,289 |
| 74,600 | 74,650 | 14,686 | 10,716 | 14,785 | 13,301 |
| 74,650 | 74,700 | 14,699 | 10,729 | 14,799 | 13,314 |
| 74,700 | 74,750 | 14,711 | 10,741 | 14,813 | 13,326 |
| 74,750 | 74,800 | 14,724 | 10,754 | 14,827 | 13,339 |
| 74,800 | 74,850 | 14,736 | 10,766 | 14,841 | 13,351 |
| 74,850 | 74,900 | 14,749 | 10,779 | 14,855 | 13,364 |
| 74,900 | 74,950 | 14,761 | 10,791 | 14,869 | 13,376 |
| 74,950 | 75,000 | 14,774 | 10,804 | 14,883 | 13,389 |

*(Continued)*

*This column must also be used by a qualifying widow(er).

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **75,000** | | | | | |
| **75,000** | **75,050** | 14,786 | 10,816 | 14,897 | 13,401 |
| **75,050** | **75,100** | 14,799 | 10,829 | 14,911 | 13,414 |
| **75,100** | **75,150** | 14,811 | 10,841 | 14,925 | 13,426 |
| **75,150** | **75,200** | 14,824 | 10,854 | 14,939 | 13,439 |
| **75,200** | **75,250** | 14,836 | 10,866 | 14,953 | 13,451 |
| **75,250** | **75,300** | 14,849 | 10,879 | 14,967 | 13,464 |
| **75,300** | **75,350** | 14,861 | 10,891 | 14,981 | 13,476 |
| **75,350** | **75,400** | 14,874 | 10,904 | 14,995 | 13,489 |
| **75,400** | **75,450** | 14,886 | 10,916 | 15,009 | 13,501 |
| **75,450** | **75,500** | 14,899 | 10,929 | 15,023 | 13,514 |
| **75,500** | **75,550** | 14,911 | 10,941 | 15,037 | 13,526 |
| **75,550** | **75,600** | 14,924 | 10,954 | 15,051 | 13,539 |
| **75,600** | **75,650** | 14,936 | 10,966 | 15,065 | 13,551 |
| **75,650** | **75,700** | 14,949 | 10,979 | 15,079 | 13,564 |
| **75,700** | **75,750** | 14,961 | 10,991 | 15,093 | 13,576 |
| **75,750** | **75,800** | 14,974 | 11,004 | 15,107 | 13,589 |
| **75,800** | **75,850** | 14,986 | 11,016 | 15,121 | 13,601 |
| **75,850** | **75,900** | 14,999 | 11,029 | 15,135 | 13,614 |
| **75,900** | **75,950** | 15,011 | 11,041 | 15,149 | 13,626 |
| **75,950** | **76,000** | 15,024 | 11,054 | 15,163 | 13,639 |
| **76,000** | | | | | |
| **76,000** | **76,050** | 15,036 | 11,066 | 15,177 | 13,651 |
| **76,050** | **76,100** | 15,049 | 11,079 | 15,191 | 13,664 |
| **76,100** | **76,150** | 15,061 | 11,091 | 15,205 | 13,676 |
| **76,150** | **76,200** | 15,074 | 11,104 | 15,219 | 13,689 |
| **76,200** | **76,250** | 15,086 | 11,116 | 15,233 | 13,701 |
| **76,250** | **76,300** | 15,099 | 11,129 | 15,247 | 13,714 |
| **76,300** | **76,350** | 15,111 | 11,141 | 15,261 | 13,726 |
| **76,350** | **76,400** | 15,124 | 11,154 | 15,275 | 13,739 |
| **76,400** | **76,450** | 15,136 | 11,166 | 15,289 | 13,751 |
| **76,450** | **76,500** | 15,149 | 11,179 | 15,303 | 13,764 |
| **76,500** | **76,550** | 15,161 | 11,191 | 15,317 | 13,776 |
| **76,550** | **76,600** | 15,174 | 11,204 | 15,331 | 13,789 |
| **76,600** | **76,650** | 15,186 | 11,216 | 15,345 | 13,801 |
| **76,650** | **76,700** | 15,199 | 11,229 | 15,359 | 13,814 |
| **76,700** | **76,750** | 15,211 | 11,241 | 15,373 | 13,826 |
| **76,750** | **76,800** | 15,224 | 11,254 | 15,387 | 13,839 |
| **76,800** | **76,850** | 15,236 | 11,266 | 15,401 | 13,851 |
| **76,850** | **76,900** | 15,249 | 11,279 | 15,415 | 13,864 |
| **76,900** | **76,950** | 15,261 | 11,291 | 15,429 | 13,876 |
| **76,950** | **77,000** | 15,274 | 11,304 | 15,443 | 13,889 |
| **77,000** | | | | | |
| **77,000** | **77,050** | 15,286 | 11,316 | 15,457 | 13,901 |
| **77,050** | **77,100** | 15,299 | 11,329 | 15,471 | 13,914 |
| **77,100** | **77,150** | 15,311 | 11,341 | 15,485 | 13,926 |
| **77,150** | **77,200** | 15,324 | 11,354 | 15,499 | 13,939 |
| **77,200** | **77,250** | 15,336 | 11,366 | 15,513 | 13,951 |
| **77,250** | **77,300** | 15,349 | 11,379 | 15,527 | 13,964 |
| **77,300** | **77,350** | 15,361 | 11,391 | 15,541 | 13,976 |
| **77,350** | **77,400** | 15,374 | 11,404 | 15,555 | 13,989 |
| **77,400** | **77,450** | 15,386 | 11,416 | 15,569 | 14,001 |
| **77,450** | **77,500** | 15,399 | 11,429 | 15,583 | 14,014 |
| **77,500** | **77,550** | 15,411 | 11,441 | 15,597 | 14,026 |
| **77,550** | **77,600** | 15,424 | 11,454 | 15,611 | 14,039 |
| **77,600** | **77,650** | 15,436 | 11,466 | 15,625 | 14,051 |
| **77,650** | **77,700** | 15,449 | 11,479 | 15,639 | 14,064 |
| **77,700** | **77,750** | 15,461 | 11,491 | 15,653 | 14,076 |
| **77,750** | **77,800** | 15,474 | 11,504 | 15,667 | 14,089 |
| **77,800** | **77,850** | 15,486 | 11,516 | 15,681 | 14,101 |
| **77,850** | **77,900** | 15,499 | 11,529 | 15,695 | 14,114 |
| **77,900** | **77,950** | 15,511 | 11,541 | 15,709 | 14,126 |
| **77,950** | **78,000** | 15,524 | 11,554 | 15,723 | 14,139 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **78,000** | | | | | |
| **78,000** | **78,050** | 15,536 | 11,566 | 15,737 | 14,151 |
| **78,050** | **78,100** | 15,549 | 11,579 | 15,751 | 14,164 |
| **78,100** | **78,150** | 15,561 | 11,591 | 15,765 | 14,176 |
| **78,150** | **78,200** | 15,574 | 11,604 | 15,779 | 14,189 |
| **78,200** | **78,250** | 15,586 | 11,616 | 15,793 | 14,201 |
| **78,250** | **78,300** | 15,599 | 11,629 | 15,807 | 14,214 |
| **78,300** | **78,350** | 15,611 | 11,641 | 15,821 | 14,226 |
| **78,350** | **78,400** | 15,624 | 11,654 | 15,835 | 14,239 |
| **78,400** | **78,450** | 15,636 | 11,666 | 15,849 | 14,251 |
| **78,450** | **78,500** | 15,649 | 11,679 | 15,863 | 14,264 |
| **78,500** | **78,550** | 15,661 | 11,691 | 15,877 | 14,276 |
| **78,550** | **78,600** | 15,674 | 11,704 | 15,891 | 14,289 |
| **78,600** | **78,650** | 15,686 | 11,716 | 15,905 | 14,301 |
| **78,650** | **78,700** | 15,699 | 11,729 | 15,919 | 14,314 |
| **78,700** | **78,750** | 15,711 | 11,741 | 15,933 | 14,326 |
| **78,750** | **78,800** | 15,724 | 11,754 | 15,947 | 14,339 |
| **78,800** | **78,850** | 15,736 | 11,766 | 15,961 | 14,351 |
| **78,850** | **78,900** | 15,749 | 11,779 | 15,975 | 14,364 |
| **78,900** | **78,950** | 15,761 | 11,791 | 15,989 | 14,376 |
| **78,950** | **79,000** | 15,774 | 11,804 | 16,003 | 14,389 |
| **79,000** | | | | | |
| **79,000** | **79,050** | 15,786 | 11,816 | 16,017 | 14,401 |
| **79,050** | **79,100** | 15,799 | 11,829 | 16,031 | 14,414 |
| **79,100** | **79,150** | 15,811 | 11,841 | 16,045 | 14,426 |
| **79,150** | **79,200** | 15,824 | 11,854 | 16,059 | 14,439 |
| **79,200** | **79,250** | 15,836 | 11,866 | 16,073 | 14,451 |
| **79,250** | **79,300** | 15,849 | 11,879 | 16,087 | 14,464 |
| **79,300** | **79,350** | 15,861 | 11,891 | 16,101 | 14,476 |
| **79,350** | **79,400** | 15,874 | 11,904 | 16,115 | 14,489 |
| **79,400** | **79,450** | 15,886 | 11,916 | 16,129 | 14,501 |
| **79,450** | **79,500** | 15,899 | 11,929 | 16,143 | 14,514 |
| **79,500** | **79,550** | 15,911 | 11,941 | 16,157 | 14,526 |
| **79,550** | **79,600** | 15,924 | 11,954 | 16,171 | 14,539 |
| **79,600** | **79,650** | 15,936 | 11,966 | 16,185 | 14,551 |
| **79,650** | **79,700** | 15,949 | 11,979 | 16,199 | 14,564 |
| **79,700** | **79,750** | 15,961 | 11,991 | 16,213 | 14,576 |
| **79,750** | **79,800** | 15,974 | 12,004 | 16,227 | 14,589 |
| **79,800** | **79,850** | 15,986 | 12,016 | 16,241 | 14,601 |
| **79,850** | **79,900** | 15,999 | 12,029 | 16,255 | 14,614 |
| **79,900** | **79,950** | 16,011 | 12,041 | 16,269 | 14,626 |
| **79,950** | **80,000** | 16,024 | 12,054 | 16,283 | 14,639 |
| **80,000** | | | | | |
| **80,000** | **80,050** | 16,036 | 12,066 | 16,297 | 14,651 |
| **80,050** | **80,100** | 16,049 | 12,079 | 16,311 | 14,664 |
| **80,100** | **80,150** | 16,061 | 12,091 | 16,325 | 14,676 |
| **80,150** | **80,200** | 16,074 | 12,104 | 16,339 | 14,689 |
| **80,200** | **80,250** | 16,086 | 12,116 | 16,353 | 14,701 |
| **80,250** | **80,300** | 16,099 | 12,129 | 16,367 | 14,714 |
| **80,300** | **80,350** | 16,111 | 12,141 | 16,381 | 14,726 |
| **80,350** | **80,400** | 16,124 | 12,154 | 16,395 | 14,739 |
| **80,400** | **80,450** | 16,136 | 12,166 | 16,409 | 14,751 |
| **80,450** | **80,500** | 16,149 | 12,179 | 16,423 | 14,764 |
| **80,500** | **80,550** | 16,161 | 12,191 | 16,437 | 14,776 |
| **80,550** | **80,600** | 16,174 | 12,204 | 16,451 | 14,789 |
| **80,600** | **80,650** | 16,186 | 12,216 | 16,465 | 14,801 |
| **80,650** | **80,700** | 16,199 | 12,229 | 16,479 | 14,814 |
| **80,700** | **80,750** | 16,211 | 12,241 | 16,493 | 14,826 |
| **80,750** | **80,800** | 16,224 | 12,254 | 16,507 | 14,839 |
| **80,800** | **80,850** | 16,236 | 12,266 | 16,521 | 14,851 |
| **80,850** | **80,900** | 16,249 | 12,279 | 16,535 | 14,864 |
| **80,900** | **80,950** | 16,261 | 12,291 | 16,549 | 14,876 |
| **80,950** | **81,000** | 16,274 | 12,304 | 16,563 | 14,889 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **81,000** | | | | | |
| **81,000** | **81,050** | 16,286 | 12,316 | 16,577 | 14,901 |
| **81,050** | **81,100** | 16,299 | 12,329 | 16,591 | 14,914 |
| **81,100** | **81,150** | 16,311 | 12,341 | 16,605 | 14,926 |
| **81,150** | **81,200** | 16,324 | 12,354 | 16,619 | 14,939 |
| **81,200** | **81,250** | 16,336 | 12,366 | 16,633 | 14,951 |
| **81,250** | **81,300** | 16,349 | 12,379 | 16,647 | 14,964 |
| **81,300** | **81,350** | 16,361 | 12,391 | 16,661 | 14,976 |
| **81,350** | **81,400** | 16,374 | 12,404 | 16,675 | 14,989 |
| **81,400** | **81,450** | 16,386 | 12,416 | 16,689 | 15,001 |
| **81,450** | **81,500** | 16,399 | 12,429 | 16,703 | 15,014 |
| **81,500** | **81,550** | 16,411 | 12,441 | 16,717 | 15,026 |
| **81,550** | **81,600** | 16,424 | 12,454 | 16,731 | 15,039 |
| **81,600** | **81,650** | 16,436 | 12,466 | 16,745 | 15,051 |
| **81,650** | **81,700** | 16,449 | 12,479 | 16,759 | 15,064 |
| **81,700** | **81,750** | 16,461 | 12,491 | 16,773 | 15,076 |
| **81,750** | **81,800** | 16,474 | 12,504 | 16,787 | 15,089 |
| **81,800** | **81,850** | 16,486 | 12,516 | 16,801 | 15,101 |
| **81,850** | **81,900** | 16,499 | 12,529 | 16,815 | 15,114 |
| **81,900** | **81,950** | 16,511 | 12,541 | 16,829 | 15,126 |
| **81,950** | **82,000** | 16,524 | 12,554 | 16,843 | 15,139 |
| **82,000** | | | | | |
| **82,000** | **82,050** | 16,536 | 12,566 | 16,857 | 15,151 |
| **82,050** | **82,100** | 16,549 | 12,579 | 16,871 | 15,164 |
| **82,100** | **82,150** | 16,561 | 12,591 | 16,885 | 15,176 |
| **82,150** | **82,200** | 16,574 | 12,604 | 16,899 | 15,189 |
| **82,200** | **82,250** | 16,586 | 12,616 | 16,913 | 15,201 |
| **82,250** | **82,300** | 16,599 | 12,629 | 16,927 | 15,214 |
| **82,300** | **82,350** | 16,611 | 12,641 | 16,941 | 15,226 |
| **82,350** | **82,400** | 16,624 | 12,654 | 16,955 | 15,239 |
| **82,400** | **82,450** | 16,636 | 12,666 | 16,969 | 15,251 |
| **82,450** | **82,500** | 16,649 | 12,679 | 16,983 | 15,264 |
| **82,500** | **82,550** | 16,661 | 12,691 | 16,997 | 15,276 |
| **82,550** | **82,600** | 16,674 | 12,704 | 17,011 | 15,289 |
| **82,600** | **82,650** | 16,686 | 12,716 | 17,025 | 15,301 |
| **82,650** | **82,700** | 16,699 | 12,729 | 17,039 | 15,314 |
| **82,700** | **82,750** | 16,711 | 12,741 | 17,053 | 15,326 |
| **82,750** | **82,800** | 16,724 | 12,754 | 17,067 | 15,339 |
| **82,800** | **82,850** | 16,736 | 12,766 | 17,081 | 15,351 |
| **82,850** | **82,900** | 16,749 | 12,779 | 17,095 | 15,364 |
| **82,900** | **82,950** | 16,761 | 12,791 | 17,109 | 15,376 |
| **82,950** | **83,000** | 16,774 | 12,804 | 17,123 | 15,389 |
| **83,000** | | | | | |
| **83,000** | **83,050** | 16,786 | 12,816 | 17,137 | 15,401 |
| **83,050** | **83,100** | 16,799 | 12,829 | 17,151 | 15,414 |
| **83,100** | **83,150** | 16,811 | 12,841 | 17,165 | 15,426 |
| **83,150** | **83,200** | 16,824 | 12,854 | 17,179 | 15,439 |
| **83,200** | **83,250** | 16,836 | 12,866 | 17,193 | 15,451 |
| **83,250** | **83,300** | 16,849 | 12,879 | 17,207 | 15,464 |
| **83,300** | **83,350** | 16,861 | 12,891 | 17,221 | 15,476 |
| **83,350** | **83,400** | 16,874 | 12,904 | 17,235 | 15,489 |
| **83,400** | **83,450** | 16,886 | 12,916 | 17,249 | 15,501 |
| **83,450** | **83,500** | 16,899 | 12,929 | 17,263 | 15,514 |
| **83,500** | **83,550** | 16,911 | 12,941 | 17,277 | 15,526 |
| **83,550** | **83,600** | 16,924 | 12,954 | 17,291 | 15,539 |
| **83,600** | **83,650** | 16,936 | 12,966 | 17,305 | 15,551 |
| **83,650** | **83,700** | 16,949 | 12,979 | 17,319 | 15,564 |
| **83,700** | **83,750** | 16,961 | 12,991 | 17,333 | 15,576 |
| **83,750** | **83,800** | 16,974 | 13,004 | 17,347 | 15,589 |
| **83,800** | **83,850** | 16,986 | 13,016 | 17,361 | 15,601 |
| **83,850** | **83,900** | 16,999 | 13,029 | 17,375 | 15,614 |
| **83,900** | **83,950** | 17,011 | 13,041 | 17,389 | 15,626 |
| **83,950** | **84,000** | 17,024 | 13,054 | 17,403 | 15,639 |

*(Continued)*

***This column must also be used by a qualifying widow(er).**

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **84,000** | | | | | |
| **84,000** | **84,050** | 17,036 | 13,066 | 17,417 | 15,651 |
| **84,050** | **84,100** | 17,049 | 13,079 | 17,431 | 15,664 |
| **84,100** | **84,150** | 17,061 | 13,091 | 17,445 | 15,676 |
| **84,150** | **84,200** | 17,074 | 13,104 | 17,459 | 15,689 |
| **84,200** | **84,250** | 17,086 | 13,116 | 17,473 | 15,701 |
| **84,250** | **84,300** | 17,099 | 13,129 | 17,487 | 15,714 |
| **84,300** | **84,350** | 17,111 | 13,141 | 17,501 | 15,726 |
| **84,350** | **84,400** | 17,124 | 13,154 | 17,515 | 15,739 |
| **84,400** | **84,450** | 17,136 | 13,166 | 17,529 | 15,751 |
| **84,450** | **84,500** | 17,149 | 13,179 | 17,543 | 15,764 |
| **84,500** | **84,550** | 17,161 | 13,191 | 17,557 | 15,776 |
| **84,550** | **84,600** | 17,174 | 13,204 | 17,571 | 15,789 |
| **84,600** | **84,650** | 17,186 | 13,216 | 17,585 | 15,801 |
| **84,650** | **84,700** | 17,199 | 13,229 | 17,599 | 15,814 |
| **84,700** | **84,750** | 17,211 | 13,241 | 17,613 | 15,826 |
| **84,750** | **84,800** | 17,224 | 13,254 | 17,627 | 15,839 |
| **84,800** | **84,850** | 17,236 | 13,266 | 17,641 | 15,851 |
| **84,850** | **84,900** | 17,249 | 13,279 | 17,655 | 15,864 |
| **84,900** | **84,950** | 17,261 | 13,291 | 17,669 | 15,876 |
| **84,950** | **85,000** | 17,274 | 13,304 | 17,683 | 15,889 |
| **85,000** | | | | | |
| **85,000** | **85,050** | 17,286 | 13,316 | 17,697 | 15,901 |
| **85,050** | **85,100** | 17,299 | 13,329 | 17,711 | 15,914 |
| **85,100** | **85,150** | 17,311 | 13,341 | 17,725 | 15,926 |
| **85,150** | **85,200** | 17,324 | 13,354 | 17,739 | 15,939 |
| **85,200** | **85,250** | 17,336 | 13,366 | 17,753 | 15,951 |
| **85,250** | **85,300** | 17,349 | 13,379 | 17,767 | 15,964 |
| **85,300** | **85,350** | 17,361 | 13,391 | 17,781 | 15,976 |
| **85,350** | **85,400** | 17,374 | 13,404 | 17,795 | 15,989 |
| **85,400** | **85,450** | 17,386 | 13,416 | 17,809 | 16,001 |
| **85,450** | **85,500** | 17,399 | 13,429 | 17,823 | 16,014 |
| **85,500** | **85,550** | 17,411 | 13,441 | 17,837 | 16,026 |
| **85,550** | **85,600** | 17,424 | 13,454 | 17,851 | 16,039 |
| **85,600** | **85,650** | 17,436 | 13,466 | 17,865 | 16,051 |
| **85,650** | **85,700** | 17,450 | 13,479 | 17,879 | 16,064 |
| **85,700** | **85,750** | 17,464 | 13,491 | 17,893 | 16,076 |
| **85,750** | **85,800** | 17,478 | 13,504 | 17,907 | 16,089 |
| **85,800** | **85,850** | 17,492 | 13,516 | 17,921 | 16,101 |
| **85,850** | **85,900** | 17,506 | 13,529 | 17,935 | 16,114 |
| **85,900** | **85,950** | 17,520 | 13,541 | 17,949 | 16,126 |
| **85,950** | **86,000** | 17,534 | 13,554 | 17,963 | 16,139 |
| **86,000** | | | | | |
| **86,000** | **86,050** | 17,548 | 13,566 | 17,977 | 16,151 |
| **86,050** | **86,100** | 17,562 | 13,579 | 17,991 | 16,164 |
| **86,100** | **86,150** | 17,576 | 13,591 | 18,005 | 16,176 |
| **86,150** | **86,200** | 17,590 | 13,604 | 18,019 | 16,189 |
| **86,200** | **86,250** | 17,604 | 13,616 | 18,033 | 16,201 |
| **86,250** | **86,300** | 17,618 | 13,629 | 18,047 | 16,214 |
| **86,300** | **86,350** | 17,632 | 13,641 | 18,061 | 16,226 |
| **86,350** | **86,400** | 17,646 | 13,654 | 18,075 | 16,239 |
| **86,400** | **86,450** | 17,660 | 13,666 | 18,089 | 16,251 |
| **86,450** | **86,500** | 17,674 | 13,679 | 18,103 | 16,264 |
| **86,500** | **86,550** | 17,688 | 13,691 | 18,117 | 16,276 |
| **86,550** | **86,600** | 17,702 | 13,704 | 18,131 | 16,289 |
| **86,600** | **86,650** | 17,716 | 13,716 | 18,145 | 16,301 |
| **86,650** | **86,700** | 17,730 | 13,729 | 18,159 | 16,314 |
| **86,700** | **86,750** | 17,744 | 13,741 | 18,173 | 16,326 |
| **86,750** | **86,800** | 17,758 | 13,754 | 18,187 | 16,339 |
| **86,800** | **86,850** | 17,772 | 13,766 | 18,201 | 16,351 |
| **86,850** | **86,900** | 17,786 | 13,779 | 18,215 | 16,364 |
| **86,900** | **86,950** | 17,800 | 13,791 | 18,229 | 16,376 |
| **86,950** | **87,000** | 17,814 | 13,804 | 18,243 | 16,389 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **87,000** | | | | | |
| **87,000** | **87,050** | 17,828 | 13,816 | 18,257 | 16,401 |
| **87,050** | **87,100** | 17,842 | 13,829 | 18,271 | 16,414 |
| **87,100** | **87,150** | 17,856 | 13,841 | 18,285 | 16,426 |
| **87,150** | **87,200** | 17,870 | 13,854 | 18,299 | 16,439 |
| **87,200** | **87,250** | 17,884 | 13,866 | 18,313 | 16,451 |
| **87,250** | **87,300** | 17,898 | 13,879 | 18,327 | 16,464 |
| **87,300** | **87,350** | 17,912 | 13,891 | 18,341 | 16,476 |
| **87,350** | **87,400** | 17,926 | 13,904 | 18,355 | 16,489 |
| **87,400** | **87,450** | 17,940 | 13,916 | 18,369 | 16,501 |
| **87,450** | **87,500** | 17,954 | 13,929 | 18,383 | 16,514 |
| **87,500** | **87,550** | 17,968 | 13,941 | 18,397 | 16,526 |
| **87,550** | **87,600** | 17,982 | 13,954 | 18,411 | 16,539 |
| **87,600** | **87,650** | 17,996 | 13,966 | 18,425 | 16,551 |
| **87,650** | **87,700** | 18,010 | 13,979 | 18,439 | 16,564 |
| **87,700** | **87,750** | 18,024 | 13,991 | 18,453 | 16,576 |
| **87,750** | **87,800** | 18,038 | 14,004 | 18,467 | 16,589 |
| **87,800** | **87,850** | 18,052 | 14,016 | 18,481 | 16,601 |
| **87,850** | **87,900** | 18,066 | 14,029 | 18,495 | 16,614 |
| **87,900** | **87,950** | 18,080 | 14,041 | 18,509 | 16,626 |
| **87,950** | **88,000** | 18,094 | 14,054 | 18,523 | 16,639 |
| **88,000** | | | | | |
| **88,000** | **88,050** | 18,108 | 14,066 | 18,537 | 16,651 |
| **88,050** | **88,100** | 18,122 | 14,079 | 18,551 | 16,664 |
| **88,100** | **88,150** | 18,136 | 14,091 | 18,565 | 16,676 |
| **88,150** | **88,200** | 18,150 | 14,104 | 18,579 | 16,689 |
| **88,200** | **88,250** | 18,164 | 14,116 | 18,593 | 16,701 |
| **88,250** | **88,300** | 18,178 | 14,129 | 18,607 | 16,714 |
| **88,300** | **88,350** | 18,192 | 14,141 | 18,621 | 16,726 |
| **88,350** | **88,400** | 18,206 | 14,154 | 18,635 | 16,739 |
| **88,400** | **88,450** | 18,220 | 14,166 | 18,649 | 16,751 |
| **88,450** | **88,500** | 18,234 | 14,179 | 18,663 | 16,764 |
| **88,500** | **88,550** | 18,248 | 14,191 | 18,677 | 16,776 |
| **88,550** | **88,600** | 18,262 | 14,204 | 18,691 | 16,789 |
| **88,600** | **88,650** | 18,276 | 14,216 | 18,705 | 16,801 |
| **88,650** | **88,700** | 18,290 | 14,229 | 18,719 | 16,814 |
| **88,700** | **88,750** | 18,304 | 14,241 | 18,733 | 16,826 |
| **88,750** | **88,800** | 18,318 | 14,254 | 18,747 | 16,839 |
| **88,800** | **88,850** | 18,332 | 14,266 | 18,761 | 16,851 |
| **88,850** | **88,900** | 18,346 | 14,279 | 18,775 | 16,864 |
| **88,900** | **88,950** | 18,360 | 14,291 | 18,789 | 16,876 |
| **88,950** | **89,000** | 18,374 | 14,304 | 18,803 | 16,889 |
| **89,000** | | | | | |
| **89,000** | **89,050** | 18,388 | 14,316 | 18,817 | 16,901 |
| **89,050** | **89,100** | 18,402 | 14,329 | 18,831 | 16,914 |
| **89,100** | **89,150** | 18,416 | 14,341 | 18,845 | 16,926 |
| **89,150** | **89,200** | 18,430 | 14,354 | 18,859 | 16,939 |
| **89,200** | **89,250** | 18,444 | 14,366 | 18,873 | 16,951 |
| **89,250** | **89,300** | 18,458 | 14,379 | 18,887 | 16,964 |
| **89,300** | **89,350** | 18,472 | 14,391 | 18,901 | 16,976 |
| **89,350** | **89,400** | 18,486 | 14,404 | 18,915 | 16,989 |
| **89,400** | **89,450** | 18,500 | 14,416 | 18,929 | 17,001 |
| **89,450** | **89,500** | 18,514 | 14,429 | 18,943 | 17,014 |
| **89,500** | **89,550** | 18,528 | 14,441 | 18,957 | 17,026 |
| **89,550** | **89,600** | 18,542 | 14,454 | 18,971 | 17,039 |
| **89,600** | **89,650** | 18,556 | 14,466 | 18,985 | 17,051 |
| **89,650** | **89,700** | 18,570 | 14,479 | 18,999 | 17,064 |
| **89,700** | **89,750** | 18,584 | 14,491 | 19,013 | 17,076 |
| **89,750** | **89,800** | 18,598 | 14,504 | 19,027 | 17,089 |
| **89,800** | **89,850** | 18,612 | 14,516 | 19,041 | 17,101 |
| **89,850** | **89,900** | 18,626 | 14,529 | 19,055 | 17,114 |
| **89,900** | **89,950** | 18,640 | 14,541 | 19,069 | 17,126 |
| **89,950** | **90,000** | 18,654 | 14,554 | 19,083 | 17,139 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **90,000** | | | | | |
| **90,000** | **90,050** | 18,668 | 14,566 | 19,097 | 17,151 |
| **90,050** | **90,100** | 18,682 | 14,579 | 19,111 | 17,164 |
| **90,100** | **90,150** | 18,696 | 14,591 | 19,125 | 17,176 |
| **90,150** | **90,200** | 18,710 | 14,604 | 19,139 | 17,189 |
| **90,200** | **90,250** | 18,724 | 14,616 | 19,153 | 17,201 |
| **90,250** | **90,300** | 18,738 | 14,629 | 19,167 | 17,214 |
| **90,300** | **90,350** | 18,752 | 14,641 | 19,181 | 17,226 |
| **90,350** | **90,400** | 18,766 | 14,654 | 19,195 | 17,239 |
| **90,400** | **90,450** | 18,780 | 14,666 | 19,209 | 17,251 |
| **90,450** | **90,500** | 18,794 | 14,679 | 19,223 | 17,264 |
| **90,500** | **90,550** | 18,808 | 14,691 | 19,237 | 17,276 |
| **90,550** | **90,600** | 18,822 | 14,704 | 19,251 | 17,289 |
| **90,600** | **90,650** | 18,836 | 14,716 | 19,265 | 17,301 |
| **90,650** | **90,700** | 18,850 | 14,729 | 19,279 | 17,314 |
| **90,700** | **90,750** | 18,864 | 14,741 | 19,293 | 17,326 |
| **90,750** | **90,800** | 18,878 | 14,754 | 19,307 | 17,339 |
| **90,800** | **90,850** | 18,892 | 14,766 | 19,321 | 17,351 |
| **90,850** | **90,900** | 18,906 | 14,779 | 19,335 | 17,364 |
| **90,900** | **90,950** | 18,920 | 14,791 | 19,349 | 17,376 |
| **90,950** | **91,000** | 18,934 | 14,804 | 19,363 | 17,389 |
| **91,000** | | | | | |
| **91,000** | **91,050** | 18,948 | 14,816 | 19,377 | 17,401 |
| **91,050** | **91,100** | 18,962 | 14,829 | 19,391 | 17,414 |
| **91,100** | **91,150** | 18,976 | 14,841 | 19,405 | 17,426 |
| **91,150** | **91,200** | 18,990 | 14,854 | 19,419 | 17,439 |
| **91,200** | **91,250** | 19,004 | 14,866 | 19,433 | 17,451 |
| **91,250** | **91,300** | 19,018 | 14,879 | 19,447 | 17,464 |
| **91,300** | **91,350** | 19,032 | 14,891 | 19,461 | 17,476 |
| **91,350** | **91,400** | 19,046 | 14,904 | 19,475 | 17,489 |
| **91,400** | **91,450** | 19,060 | 14,916 | 19,489 | 17,501 |
| **91,450** | **91,500** | 19,074 | 14,929 | 19,503 | 17,514 |
| **91,500** | **91,550** | 19,088 | 14,941 | 19,517 | 17,526 |
| **91,550** | **91,600** | 19,102 | 14,954 | 19,531 | 17,539 |
| **91,600** | **91,650** | 19,116 | 14,966 | 19,545 | 17,551 |
| **91,650** | **91,700** | 19,130 | 14,979 | 19,559 | 17,564 |
| **91,700** | **91,750** | 19,144 | 14,991 | 19,573 | 17,576 |
| **91,750** | **91,800** | 19,158 | 15,004 | 19,587 | 17,589 |
| **91,800** | **91,850** | 19,172 | 15,016 | 19,601 | 17,601 |
| **91,850** | **91,900** | 19,186 | 15,029 | 19,615 | 17,614 |
| **91,900** | **91,950** | 19,200 | 15,041 | 19,629 | 17,626 |
| **91,950** | **92,000** | 19,214 | 15,054 | 19,643 | 17,639 |
| **92,000** | | | | | |
| **92,000** | **92,050** | 19,228 | 15,066 | 19,657 | 17,651 |
| **92,050** | **92,100** | 19,242 | 15,079 | 19,671 | 17,664 |
| **92,100** | **92,150** | 19,256 | 15,091 | 19,685 | 17,676 |
| **92,150** | **92,200** | 19,270 | 15,104 | 19,699 | 17,689 |
| **92,200** | **92,250** | 19,284 | 15,116 | 19,713 | 17,701 |
| **92,250** | **92,300** | 19,298 | 15,129 | 19,727 | 17,714 |
| **92,300** | **92,350** | 19,312 | 15,141 | 19,741 | 17,726 |
| **92,350** | **92,400** | 19,326 | 15,154 | 19,755 | 17,739 |
| **92,400** | **92,450** | 19,340 | 15,166 | 19,769 | 17,751 |
| **92,450** | **92,500** | 19,354 | 15,179 | 19,783 | 17,764 |
| **92,500** | **92,550** | 19,368 | 15,191 | 19,797 | 17,776 |
| **92,550** | **92,600** | 19,382 | 15,204 | 19,811 | 17,789 |
| **92,600** | **92,650** | 19,396 | 15,216 | 19,825 | 17,801 |
| **92,650** | **92,700** | 19,410 | 15,229 | 19,839 | 17,814 |
| **92,700** | **92,750** | 19,424 | 15,241 | 19,853 | 17,826 |
| **92,750** | **92,800** | 19,438 | 15,254 | 19,867 | 17,839 |
| **92,800** | **92,850** | 19,452 | 15,266 | 19,881 | 17,851 |
| **92,850** | **92,900** | 19,466 | 15,279 | 19,895 | 17,864 |
| **92,900** | **92,950** | 19,480 | 15,291 | 19,909 | 17,876 |
| **92,950** | **93,000** | 19,494 | 15,304 | 19,923 | 17,889 |

*(Continued)*

***This column must also be used by a qualifying widow(er).**

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **93,000** | | | | | |
| **93,000** | **93,050** | 19,508 | 15,316 | 19,937 | 17,901 |
| **93,050** | **93,100** | 19,522 | 15,329 | 19,951 | 17,914 |
| **93,100** | **93,150** | 19,536 | 15,341 | 19,965 | 17,926 |
| **93,150** | **93,200** | 19,550 | 15,354 | 19,979 | 17,939 |
| **93,200** | **93,250** | 19,564 | 15,366 | 19,993 | 17,951 |
| **93,250** | **93,300** | 19,578 | 15,379 | 20,007 | 17,964 |
| **93,300** | **93,350** | 19,592 | 15,391 | 20,021 | 17,976 |
| **93,350** | **93,400** | 19,606 | 15,404 | 20,035 | 17,989 |
| **93,400** | **93,450** | 19,620 | 15,416 | 20,049 | 18,001 |
| **93,450** | **93,500** | 19,634 | 15,429 | 20,063 | 18,014 |
| **93,500** | **93,550** | 19,648 | 15,441 | 20,077 | 18,026 |
| **93,550** | **93,600** | 19,662 | 15,454 | 20,091 | 18,039 |
| **93,600** | **93,650** | 19,676 | 15,466 | 20,105 | 18,051 |
| **93,650** | **93,700** | 19,690 | 15,479 | 20,119 | 18,064 |
| **93,700** | **93,750** | 19,704 | 15,491 | 20,133 | 18,076 |
| **93,750** | **93,800** | 19,718 | 15,504 | 20,147 | 18,089 |
| **93,800** | **93,850** | 19,732 | 15,516 | 20,161 | 18,101 |
| **93,850** | **93,900** | 19,746 | 15,529 | 20,175 | 18,114 |
| **93,900** | **93,950** | 19,760 | 15,541 | 20,189 | 18,126 |
| **93,950** | **94,000** | 19,774 | 15,554 | 20,203 | 18,139 |
| **94,000** | | | | | |
| **94,000** | **94,050** | 19,788 | 15,566 | 20,217 | 18,151 |
| **94,050** | **94,100** | 19,802 | 15,579 | 20,231 | 18,164 |
| **94,100** | **94,150** | 19,816 | 15,591 | 20,245 | 18,176 |
| **94,150** | **94,200** | 19,830 | 15,604 | 20,259 | 18,189 |
| **94,200** | **94,250** | 19,844 | 15,616 | 20,273 | 18,201 |
| **94,250** | **94,300** | 19,858 | 15,629 | 20,287 | 18,214 |
| **94,300** | **94,350** | 19,872 | 15,641 | 20,301 | 18,226 |
| **94,350** | **94,400** | 19,886 | 15,654 | 20,315 | 18,239 |
| **94,400** | **94,450** | 19,900 | 15,666 | 20,329 | 18,251 |
| **94,450** | **94,500** | 19,914 | 15,679 | 20,343 | 18,264 |
| **94,500** | **94,550** | 19,928 | 15,691 | 20,357 | 18,276 |
| **94,550** | **94,600** | 19,942 | 15,704 | 20,371 | 18,289 |
| **94,600** | **94,650** | 19,956 | 15,716 | 20,385 | 18,301 |
| **94,650** | **94,700** | 19,970 | 15,729 | 20,399 | 18,314 |
| **94,700** | **94,750** | 19,984 | 15,741 | 20,413 | 18,326 |
| **94,750** | **94,800** | 19,998 | 15,754 | 20,427 | 18,339 |
| **94,800** | **94,850** | 20,012 | 15,766 | 20,441 | 18,351 |
| **94,850** | **94,900** | 20,026 | 15,779 | 20,455 | 18,364 |
| **94,900** | **94,950** | 20,040 | 15,791 | 20,469 | 18,376 |
| **94,950** | **95,000** | 20,054 | 15,804 | 20,483 | 18,389 |
| **95,000** | | | | | |
| **95,000** | **95,050** | 20,068 | 15,816 | 20,497 | 18,401 |
| **95,050** | **95,100** | 20,082 | 15,829 | 20,511 | 18,414 |
| **95,100** | **95,150** | 20,096 | 15,841 | 20,525 | 18,426 |
| **95,150** | **95,200** | 20,110 | 15,854 | 20,539 | 18,439 |
| **95,200** | **95,250** | 20,124 | 15,866 | 20,553 | 18,451 |
| **95,250** | **95,300** | 20,138 | 15,879 | 20,567 | 18,464 |
| **95,300** | **95,350** | 20,152 | 15,891 | 20,581 | 18,476 |
| **95,350** | **95,400** | 20,166 | 15,904 | 20,595 | 18,489 |
| **95,400** | **95,450** | 20,180 | 15,916 | 20,609 | 18,501 |
| **95,450** | **95,500** | 20,194 | 15,929 | 20,623 | 18,514 |
| **95,500** | **95,550** | 20,208 | 15,941 | 20,637 | 18,526 |
| **95,550** | **95,600** | 20,222 | 15,954 | 20,651 | 18,539 |
| **95,600** | **95,650** | 20,236 | 15,966 | 20,665 | 18,551 |
| **95,650** | **95,700** | 20,250 | 15,979 | 20,679 | 18,564 |
| **95,700** | **95,750** | 20,264 | 15,991 | 20,693 | 18,576 |
| **95,750** | **95,800** | 20,278 | 16,004 | 20,707 | 18,589 |
| **95,800** | **95,850** | 20,292 | 16,016 | 20,721 | 18,601 |
| **95,850** | **95,900** | 20,306 | 16,029 | 20,735 | 18,614 |
| **95,900** | **95,950** | 20,320 | 16,041 | 20,749 | 18,626 |
| **95,950** | **96,000** | 20,334 | 16,054 | 20,763 | 18,639 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **96,000** | | | | | |
| **96,000** | **96,050** | 20,348 | 16,066 | 20,777 | 18,651 |
| **96,050** | **96,100** | 20,362 | 16,079 | 20,791 | 18,664 |
| **96,100** | **96,150** | 20,376 | 16,091 | 20,805 | 18,676 |
| **96,150** | **96,200** | 20,390 | 16,104 | 20,819 | 18,689 |
| **96,200** | **96,250** | 20,404 | 16,116 | 20,833 | 18,701 |
| **96,250** | **96,300** | 20,418 | 16,129 | 20,847 | 18,714 |
| **96,300** | **96,350** | 20,432 | 16,141 | 20,861 | 18,726 |
| **96,350** | **96,400** | 20,446 | 16,154 | 20,875 | 18,739 |
| **96,400** | **96,450** | 20,460 | 16,166 | 20,889 | 18,751 |
| **96,450** | **96,500** | 20,474 | 16,179 | 20,903 | 18,764 |
| **96,500** | **96,550** | 20,488 | 16,191 | 20,917 | 18,776 |
| **96,550** | **96,600** | 20,502 | 16,204 | 20,931 | 18,789 |
| **96,600** | **96,650** | 20,516 | 16,216 | 20,945 | 18,801 |
| **96,650** | **96,700** | 20,530 | 16,229 | 20,959 | 18,814 |
| **96,700** | **96,750** | 20,544 | 16,241 | 20,973 | 18,826 |
| **96,750** | **96,800** | 20,558 | 16,254 | 20,987 | 18,839 |
| **96,800** | **96,850** | 20,572 | 16,266 | 21,001 | 18,851 |
| **96,850** | **96,900** | 20,586 | 16,279 | 21,015 | 18,864 |
| **96,900** | **96,950** | 20,600 | 16,291 | 21,029 | 18,876 |
| **96,950** | **97,000** | 20,614 | 16,304 | 21,043 | 18,889 |
| **97,000** | | | | | |
| **97,000** | **97,050** | 20,628 | 16,316 | 21,057 | 18,901 |
| **97,050** | **97,100** | 20,642 | 16,329 | 21,071 | 18,914 |
| **97,100** | **97,150** | 20,656 | 16,341 | 21,085 | 18,926 |
| **97,150** | **97,200** | 20,670 | 16,354 | 21,099 | 18,939 |
| **97,200** | **97,250** | 20,684 | 16,366 | 21,113 | 18,951 |
| **97,250** | **97,300** | 20,698 | 16,379 | 21,127 | 18,964 |
| **97,300** | **97,350** | 20,712 | 16,391 | 21,141 | 18,976 |
| **97,350** | **97,400** | 20,726 | 16,404 | 21,155 | 18,989 |
| **97,400** | **97,450** | 20,740 | 16,416 | 21,169 | 19,001 |
| **97,450** | **97,500** | 20,754 | 16,429 | 21,183 | 19,014 |
| **97,500** | **97,550** | 20,768 | 16,441 | 21,197 | 19,026 |
| **97,550** | **97,600** | 20,782 | 16,454 | 21,211 | 19,039 |
| **97,600** | **97,650** | 20,796 | 16,466 | 21,225 | 19,051 |
| **97,650** | **97,700** | 20,810 | 16,479 | 21,239 | 19,064 |
| **97,700** | **97,750** | 20,824 | 16,491 | 21,253 | 19,076 |
| **97,750** | **97,800** | 20,838 | 16,504 | 21,267 | 19,089 |
| **97,800** | **97,850** | 20,852 | 16,516 | 21,281 | 19,101 |
| **97,850** | **97,900** | 20,866 | 16,529 | 21,295 | 19,114 |
| **97,900** | **97,950** | 20,880 | 16,541 | 21,309 | 19,126 |
| **97,950** | **98,000** | 20,894 | 16,554 | 21,323 | 19,139 |
| **98,000** | | | | | |
| **98,000** | **98,050** | 20,908 | 16,566 | 21,337 | 19,151 |
| **98,050** | **98,100** | 20,922 | 16,579 | 21,351 | 19,164 |
| **98,100** | **98,150** | 20,936 | 16,591 | 21,365 | 19,176 |
| **98,150** | **98,200** | 20,950 | 16,604 | 21,379 | 19,189 |
| **98,200** | **98,250** | 20,964 | 16,616 | 21,393 | 19,201 |
| **98,250** | **98,300** | 20,978 | 16,629 | 21,407 | 19,214 |
| **98,300** | **98,350** | 20,992 | 16,641 | 21,421 | 19,226 |
| **98,350** | **98,400** | 21,006 | 16,654 | 21,435 | 19,239 |
| **98,400** | **98,450** | 21,020 | 16,666 | 21,449 | 19,251 |
| **98,450** | **98,500** | 21,034 | 16,679 | 21,463 | 19,264 |
| **98,500** | **98,550** | 21,048 | 16,691 | 21,477 | 19,276 |
| **98,550** | **98,600** | 21,062 | 16,704 | 21,491 | 19,289 |
| **98,600** | **98,650** | 21,076 | 16,716 | 21,505 | 19,301 |
| **98,650** | **98,700** | 21,090 | 16,729 | 21,519 | 19,314 |
| **98,700** | **98,750** | 21,104 | 16,741 | 21,533 | 19,326 |
| **98,750** | **98,800** | 21,118 | 16,754 | 21,547 | 19,339 |
| **98,800** | **98,850** | 21,132 | 16,766 | 21,561 | 19,351 |
| **98,850** | **98,900** | 21,146 | 16,779 | 21,575 | 19,364 |
| **98,900** | **98,950** | 21,160 | 16,791 | 21,589 | 19,376 |
| **98,950** | **99,000** | 21,174 | 16,804 | 21,603 | 19,389 |

| If line 43 (taxable income) is— | | And you are— | | | |
|---|---|---|---|---|---|
| At least | But less than | Single | Married filing jointly * | Married filing separately | Head of a household |
| | | Your tax is— | | | |
| **99,000** | | | | | |
| **99,000** | **99,050** | 21,188 | 16,816 | 21,617 | 19,401 |
| **99,050** | **99,100** | 21,202 | 16,829 | 21,631 | 19,414 |
| **99,100** | **99,150** | 21,216 | 16,841 | 21,645 | 19,426 |
| **99,150** | **99,200** | 21,230 | 16,854 | 21,659 | 19,439 |
| **99,200** | **99,250** | 21,244 | 16,866 | 21,673 | 19,451 |
| **99,250** | **99,300** | 21,258 | 16,879 | 21,687 | 19,464 |
| **99,300** | **99,350** | 21,272 | 16,891 | 21,701 | 19,476 |
| **99,350** | **99,400** | 21,286 | 16,904 | 21,715 | 19,489 |
| **99,400** | **99,450** | 21,300 | 16,916 | 21,729 | 19,501 |
| **99,450** | **99,500** | 21,314 | 16,929 | 21,743 | 19,514 |
| **99,500** | **99,550** | 21,328 | 16,941 | 21,757 | 19,526 |
| **99,550** | **99,600** | 21,342 | 16,954 | 21,771 | 19,539 |
| **99,600** | **99,650** | 21,356 | 16,966 | 21,785 | 19,551 |
| **99,650** | **99,700** | 21,370 | 16,979 | 21,799 | 19,564 |
| **99,700** | **99,750** | 21,384 | 16,991 | 21,813 | 19,576 |
| **99,750** | **99,800** | 21,398 | 17,004 | 21,827 | 19,589 |
| **99,800** | **99,850** | 21,412 | 17,016 | 21,841 | 19,601 |
| **99,850** | **99,900** | 21,426 | 17,029 | 21,855 | 19,614 |
| **99,900** | **99,950** | 21,440 | 17,041 | 21,869 | 19,626 |
| **99,950** | **100,000** | 21,454 | 17,054 | 21,883 | 19,639 |

**$100,000 or over —** use the Tax Computation Worksheet

***This column must also be used by a qualifying widow(er).**

# 2012 Tax Computation Worksheet—Line 44

*See the instructions for line 44 to see if you must use the worksheet below to figure your tax.*

**Note.** If you are required to use this worksheet to figure the tax on an amount from another form or worksheet, such as the Qualified Dividends and Capital Gain Tax Worksheet, the Schedule D Tax Worksheet, Schedule J, Form 8615, or the Foreign Earned Income Tax Worksheet, enter the amount from that form or worksheet in column (a) of the row that applies to the amount you are looking up. Enter the result on the appropriate line of the form or worksheet that you are completing.

**Section A—**Use if your filing status is **Single.** Complete the row below that applies to you.

| **Taxable income.** If line 43 is— | **(a)** Enter the amount from line 43 | **(b)** Multiplication amount | **(c)** Multiply (a) by (b) | **(d)** Subtraction amount | **Tax.** Subtract (d) from (c). Enter the result here and on Form 1040, line 44 |
|---|---|---|---|---|---|
| At least $100,000 but not over $178,650 | $ | × 28% (.28) | $ | $ 6,539.50 | $ |
| Over $178,650 but not over $388,350 | $ | × 33% (.33) | $ | $ 15,472.00 | $ |
| Over $388,350 | $ | × 35% (.35) | $ | $23,239.00 | $ |

**Section B—**Use if your filing status is **Married filing jointly** or **Qualifying widow(er).** Complete the row below that applies to you.

| **Taxable income.** If line 43 is— | **(a)** Enter the amount from line 43 | **(b)** Multiplication amount | **(c)** Multiply (a) by (b) | **(d)** Subtraction amount | **Tax.** Subtract (d) from (c). Enter the result here and on Form 1040, line 44 |
|---|---|---|---|---|---|
| At least $100,000 but not over $142,700 | $ | × 25% (.25) | $ | $ 7,940.00 | $ |
| Over $142,700 but not over $217,450 | $ | × 28% (.28) | $ | $ 12,221.00 | $ |
| Over $217,450 but not over $388,350 | $ | × 33% (.33) | $ | $ 23,093.50 | $ |
| Over $388,350 | $ | × 35% (.35) | $ | $ 30,860.50 | $ |

**Section C—**Use if your filing status is **Married filing separately.** Complete the row below that applies to you.

| **Taxable income.** If line 43 is— | **(a)** Enter the amount from line 43 | **(b)** Multiplication amount | **(c)** Multiply (a) by (b) | **(d)** Subtraction amount | **Tax.** Subtract (d) from (c). Enter the result here and on Form 1040, line 44 |
|---|---|---|---|---|---|
| At least $100,000 but not over $108,725 | $ | × 28% (.28) | $ | $ 6,110.50 | $ |
| Over $108,725 but not over $194,175 | $ | × 33% (.33) | $ | $ 11,546.75 | $ |
| Over $194,175 | $ | × 35% (.35) | $ | $ 15,430.25 | $ |

**Section D—**Use if your filing status is **Head of household.** Complete the row below that applies to you.

| **Taxable income.** If line 43 is— | **(a)** Enter the amount from line 43 | **(b)** Multiplication amount | **(c)** Multiply (a) by (b) | **(d)** Subtraction amount | **Tax.** Subtract (d) from (c). Enter the result here and on Form 1040, line 44 |
|---|---|---|---|---|---|
| At least $100,000 but not over $122,300 | $ | × 25% (.25) | $ | $ 5,355.00 | $ |
| Over $122,300 but not over $198,050 | $ | × 28% (.28) | $ | $ 9,024.00 | $ |
| Over $198,050 but not over $388,350 | $ | × 33% (.33) | $ | $ 18,926.50 | $ |
| Over $388,350 | $ | × 35% (.35) | $ | $ 26,693.50 | $ |

## How To Avoid Common Mistakes

Mistakes can delay your refund or result in notices being sent to you.

- Make sure you entered the correct name and social security number (SSN) for each dependent you claim on line 6c. Check that each dependent's name and SSN agrees with his or her social security card. For each child under age 17 who is a qualifying child for the child tax credit, make sure you checked the box in line 6c, column (4).
- Check your math, especially for the child tax credit, earned income credit (EIC), taxable social security benefits, total income, itemized deductions or standard deduction, deduction for exemptions, taxable income, total tax, federal income tax withheld, and refund or amount you owe.
- Be sure you used the correct method to figure your tax. See the instructions for line 44.
- Be sure to enter your SSN in the space provided on page 1 of Form 1040. If you are married filing a joint or separate return, also enter your spouse's SSN. Be sure to enter your SSN in the space next to your name. Check that your name and SSN agree with your social security card.
- Make sure your name and address are correct. Enter your (and your spouse's) name in the same order as shown on your last return.
- If you live in an apartment, be sure to include your apartment number in your address.
- If you are taking the standard deduction, see the instructions for line 40 to be sure you entered the correct amount.
- If you received capital gain distributions but were not required to file Schedule D, make sure you checked the box on line 13.
- If you are taking the EIC, be sure you used the correct column of the EIC Table for your filing status and the number of children you have.
- Remember to sign and date Form 1040 and enter your occupation(s).
- Attach your Form(s) W-2 and other required forms and schedules. Put all forms and schedules in the proper order. See *Assemble Your Return,* earlier.
- If you owe tax and are paying by check or money order, be sure to include all the required information on your payment. See the instructions for line 76 for details.
- Do not file more than one original return for the same year, even if you have not gotten your refund or have not heard from the IRS since you filed. Filing more than one original return for the same year, or sending in more than one copy of the same return (unless we ask you to do so), could delay your refund.

## What Are Your Rights as a Taxpayer?

You have the right to be treated fairly, professionally, promptly, and courteously by IRS employees. Our goal at the IRS is to protect your rights so that you will have the highest confidence in the integrity, efficiency, and fairness of our tax system. To ensure that you always receive such treatment, you should know about the many rights you have at each step of the tax process. For details, see Pub. 1.

## Innocent Spouse Relief

Generally, both you and your spouse are each responsible for paying the full amount of tax, interest, and penalties on your joint return. However, you may qualify for relief from liability for tax on a joint return if (a) there is an understatement of tax because your spouse omitted income or claimed false deductions or credits, (b) you are divorced, separated, or no longer living with your spouse, or (c) given all the facts and circumstances, it would not be fair to hold you liable for the tax. You may also qualify for relief if you were a married resident of a community property state but did not file a joint return and are now liable for an underpaid or understated tax. File Form 8857 to request relief. In some cases, Form 8857 may need to be filed within 2 years of the date on which the IRS first attempted to collect the tax from you. Do not file Form 8857 with your Form 1040. For more information, see Pub. 971 and Form 8857 or you can call the Innocent Spouse office toll-free at 1-866-897-4270.

## Income Tax Withholding and Estimated Tax Payments for 2013

If the amount you owe or the amount you overpaid is large, you may want to file a new Form W-4 with your employer to change the amount of income tax withheld from your 2013 pay. For details on how to complete Form W-4, see Pub. 505. If you have pension or annuity income, use Form W-4P. If you receive certain government payments (such as unemployment compensation or social security benefits), you can have tax withheld from those payments by giving the payer Form W-4V.

**TIP** *You can use the* IRS Withholding Calculator *at www.irs.gov/Individuals/IRS-Withholding-Calculator, instead of Pub. 505 or the worksheets included with Form W-4 or W-4P, to determine whether you need to have your withholding increased or decreased.*

In general, you do not have to make estimated tax payments if you expect that your 2013 Form 1040 will show a tax refund or a tax balance due of less than $1,000. If your total estimated tax for 2013 is $1,000 or more, see Form 1040-ES and Pub. 505 for a worksheet you can use to see if you have to make estimated tax payments. For more details, see Pub. 505.

## Secure Your Tax Records from Identity Theft

Identity theft occurs when someone uses your personal information, such as your name, social security number (SSN), or other identifying information, without your permission, to commit fraud or oth-

er crimes. An identity thief may use your SSN to get a job or may file a tax return using your SSN to receive a refund.

To reduce your risk:

- Protect your SSN,
- Ensure your employer is protecting your SSN, and
- Be careful when choosing a tax preparer.

If your tax records are affected by identity theft and you receive a notice from the IRS, respond right away to the name and phone number printed on the IRS notice or letter.

If your tax records are not currently affected by identity theft but you think you are at risk due to a lost or stolen purse or wallet, questionable credit card activity or credit report, etc., contact the IRS Identity Protection Specialized Unit at 1-800-908-4490 or submit Form 14039.

For more information, see Pub. 4535.

Victims of identity theft who are experiencing economic harm or a systemic problem, or are seeking help in resolving tax problems that have not been resolved through normal channels, may be eligible for Taxpayer Advocate Service (TAS) assistance. You can reach TAS by calling the National Taxpayer Advocate helpline at 1-877-777-4778. People who are deaf, hard of hearing, or have a speech disability and who have access to TTY/TDD equipment can call 1-800-829-4059. Deaf or hard-of-hearing individuals can also contact the IRS through relay services such as the Federal Relay Service available at *www.gsa.gov/fedrelay*.

**Protect yourself from suspicious emails or phishing schemes.** Phishing is the creation and use of email and websites designed to mimic legitimate business emails and websites. The most common form is sending an email to a user falsely claiming to be an established legitimate enterprise in an attempt to scam the user into surrendering private information that will be used for identity theft.

The IRS does not initiate contacts with taxpayers via emails. Also, the IRS does not request detailed personal information through email or ask taxpayers for the PIN numbers, passwords, or similar secret access information for their credit card, bank, or other financial accounts.

If you receive an unsolicited email claiming to be from the IRS, forward the message to *phishing@irs.gov*. You may also report misuse of the IRS name, logo, forms, or other IRS property to the Treasury Inspector General for Tax Administration toll-free at 1-800-366-4484. People who are deaf, hard of hearing, or have a speech disability and who have access to TTY/TDD equipment can call 1-800-877-8339. You can forward suspicious emails to the Federal Trade Commission at *spam@uce.gov* or contact them at *www.ftc.gov/idtheft* or 1-877-IDTHEFT (1-877-438-4338). People who are deaf, hard of hearing, or have a speech disability and who have access to TTY/TDD equipment can call 1-866-653-4261.

Visit IRS.gov and enter "identity theft" in the search box to learn more about identity theft and how to reduce your risk.

## How Do You Make a Gift To Reduce Debt Held By the Public?

If you wish to do so, make a check payable to "Bureau of the Public Debt." You can send it to: Bureau of the Public Debt, Department G, P.O. Box 2188, Parkersburg, WV 26106-2188. Or you can enclose the check with your income tax return when you file. Do not add your gift to any tax you may owe. See the instructions for line 76 for details on how to pay any tax you owe. Go to *www.publicdebt.treas.gov/* for information on how to make this type of gift online.

TIP *You may be able to deduct this gift on your 2013 tax return.*

## How Long Should Records Be Kept?

Keep a copy of your tax return, worksheets you used, and records of all items appearing on it (such as Forms W-2 and 1099) until the statute of limitations runs out for that return. Usually, this is 3 years from the date the return was due or filed or 2 years from the date the tax was paid, whichever is later. You should keep some records longer. For example, keep property records (including those on your home) as long as they are needed to figure the basis of the original or replacement property. For more details, see chapter 1 of Pub. 17.

## Amended Return

File Form 1040X to change a return you already filed. Generally, Form 1040X must be filed within 3 years after the date the original return was filed or within 2 years after the date the tax was paid, whichever is later. But you may have more time to file Form 1040X if you live in a federally declared disaster area or you are physically or mentally unable to manage your financial affairs. See Pub. 556 for details.

## Need a Copy of Your Tax Return?

If you need a copy of your tax return, use Form 4506. There is a $57 fee (subject to change) for each return requested. If your main home, principal place of business, or tax records are located in a federally declared disaster area, this fee will be waived. If you want a free transcript of your tax return or account, use Form 4506-T or 4506T-EZ, visit IRS.gov and click on "Order a Return or Account Transcript," or call us at 1-800-908-9946.

## Death of a Taxpayer

If a taxpayer died before filing a return for 2012, the taxpayer's spouse or personal representative may have to file and sign a return for that taxpayer. A personal representative can be an executor, administrator, or anyone who is in charge of the deceased taxpayer's property. If the deceased taxpayer did not have to file a return but had tax withheld, a return must be filed to get a refund. The person who files the return must enter "Deceased," the deceased taxpayer's name, and the date of death across the top of the return. If this information is not provided, it may delay the processing of the return.

If your spouse died in 2012 and you did not remarry in 2012, or if your spouse died in 2013 before filing a return for 2012, you can file a joint return. A joint return should show your spouse's 2012 income before death and your income for all of 2012. Enter "Filing as surviving spouse" in the area where you sign the return. If someone else is the personal representative, he or she must also sign.

The surviving spouse or personal representative should promptly notify all payers of income, including financial institutions, of the taxpayer's death. This will ensure the proper reporting of income earned by the taxpayer's estate or heirs. A deceased taxpayer's social security number should not be used for tax years after the year of death, except for estate tax return purposes.

### Claiming a Refund for a Deceased Taxpayer

If you are filing a joint return as a surviving spouse, you only need to file the tax return to claim the refund. If you are a court-appointed representative, file the return and include a copy of the certificate that shows your appointment. All other filers requesting the deceased taxpayer's refund must file the return and attach Form 1310.

For more details, use TeleTax topic 356 or see Pub. 559.

## Past Due Returns

If you or someone you know needs to file past due tax returns, use TeleTax topic 153 or go to *www.irs.gov/individuals* for help in filing those returns. Send the return to the address that applies to you in the latest Form 1040 instructions. For example, if you are filing a 2009 return in 2013, use the address at the end of these instructions. However, if you got an IRS notice, mail the return to the address in the notice.

## Other Ways To Get Help

### Send Your Written Tax Questions to the IRS

You should get an answer in about 30 days. For the mailing address, call us at 1-800-829-1040. People who are deaf, hard of hearing, or have a speech disability and who have access to TTY/TDD equipment can call 1-800-829-4059. Deaf or hard-of-hearing individuals can also contact the IRS through relay services such as the Federal Relay Service available at *www.gsa.gov/fedrelay*. Do not send questions with your return.

### Research Your Tax Questions Online

You can find answers to many of your tax questions online. Go to *www.irs.gov/individuals*. Here are some of the methods you may want to try.

- Frequently asked questions. This section contains an extensive list of questions and answers. You can select your question by category or keyword.
- Tax trails. This is an interactive section which asks questions you can answer by selecting "Yes" or "No."
- Main index of tax topics. This is an online version of the TeleTax topics.
- Interactive Tax Assistant (ITA). The ITA provides answers to certain tax law questions using a probe and response process.

### Free Tax Return Assistance

**Free help with your return.** If you need assistance preparing your return, visit the nearest Volunteer Income Tax Assistance (VITA) or Tax Counseling for the Elderly (TCE) site in your community. There are thousands of sites nationwide and each site is staffed by volunteers who are trained and certified to prepare federal income tax returns. VITA sites are also available at international and domestic military installations.

Volunteers in this program must adhere to strict quality and ethical standards and pass a certification test each year. The VITA Program generally offers free tax help to people who make $50,000 or less and need assistance in preparing their own tax return. The TCE Program offers free tax help for all, with priority assistance to people who are 60 years of age and older, specializing in questions about pensions and retirement issues unique to seniors.

**Available services.** Free electronic filing is offered and volunteers will help you claim the earned income credit, child tax credit, credit for the elderly, and other credits and deductions you can take.

**What to bring.** These are some of the items to bring to the VITA/TCE site to have your tax return prepared.

- Proof of identification.
- Social security cards for you, your spouse and dependents and/or a social security number verification letter issued by the Social Security Administration.
- Individual taxpayer identification number (ITIN) assignment letter for you, your spouse and dependents.
- Proof of foreign status, if applying for an ITIN.
- Birth dates for you, your spouse, and any dependents.
- Form(s) W-2, W-2G, 1099-INT, 1099-DIV, and 1099-R.
- A copy of your 2011 federal and state returns, if available.
- A blank check or anything that shows your bank routing and account numbers for direct deposit.
- Total paid to daycare provider and the daycare provider's tax identification number (the provider's social security number or the provider's business employer identification number).
- To file taxes electronically on a joint return, both spouses must be present to sign the required forms.

**Find a site near you and get additional information.** For more information on these programs and a location in your community, go to IRS.gov and enter keyword "VITA" in the search box. You may also contact us at 1-800-829-1040. To locate the nearest AARP Tax-Aide site, visit AARP's website at *www.aarp.org/money/taxaide* or call 1-888-227-7669.

### Everyday Tax Solutions

You can get face-to-face help solving tax problems most business days in IRS Taxpayer Assistance Centers. An employee can explain IRS letters, request adjustments to your account, or help you set up a payment plan. To find the number to call your local TAC, go to *www.irs.gov/uac/Contact-Your-Local-IRS-Office-1* or look in the phone book under "United States Government, Internal Revenue Service."

## IRS Videos

The IRS Video portal *www.IRSvideos.gov* contains video and audio presentations on topics of interest to small businesses, individuals, and tax professionals. You will find video clips of tax topics, archived versions of live panel discussions and Webinars, and audio archives of tax practitioner phone forums.

## Help for People With Disabilities

People who are deaf, hard of hearing, or have a speech disability and who have access to TTY/TDD equipment can call 1-800-829-4059. Deaf or hard-of-hearing individuals can also contact the IRS through relay services such as the Federal Relay Service available at *www.gsa.gov/fedrelay*. Braille materials are available at libraries that have special services for people with disabilities.

## Tax Services in Other Languages

To better serve taxpayers whose native language is not English, we have products and services in various languages.

For Spanish speaking taxpayers, we have:

- Spanish Publication 17, El Impuesto Federal sobre los Ingresos, and
- *www.irs.gov/espanol*.

We also offer a Basic Tax Responsibilities CD/DVD in the following languages.

- Spanish.
- Chinese.
- Vietnamese.
- Korean.
- Russian.

To get a copy of this CD/DVD, call the National Distribution Center at 1-800-829-3676 and ask for Pub. 4580 in your language.

**TIP** *The IRS Taxpayer Assistance Centers provide over-the-phone interpreter assistance in more than 170 different languages. To find the number, see* Everyday Tax Solutions *earlier.*

# Interest and Penalties

You do not have to figure the amount of any interest or penalties you may owe. Because figuring these amounts can be complicated, we will do it for you if you want. We will send you a bill for any amount due.

If you include interest or penalties (other than the estimated tax penalty) with your payment, identify and enter the amount in the bottom margin of Form 1040, page 2. Do not include interest or penalties (other than the estimated tax penalty) in the amount you owe on line 76.

## Interest

We will charge you interest on taxes not paid by their due date, even if an extension of time to file is granted. We will also charge you interest on penalties imposed for failure to file, negligence, fraud, substantial valuation misstatements, substantial understatements of tax, and reportable transaction understatements. Interest is charged on the penalty from the due date of the return (including extensions).

## Penalties

**Late filing.** If you do not file your return by the due date (including extensions), the penalty is usually 5% of the amount due for each month or part of a month your return is late, unless you have a reasonable explanation. If you do, include it with your return. The penalty can be as much as 25% of the tax due. The penalty is 15% per month, up to a maximum of 75%, if the failure to file is fraudulent. If your return is more than 60 days late, the minimum penalty will be $135 or the amount of any tax you owe, whichever is smaller.

**Late payment of tax.** If you pay your taxes late, the penalty is usually ½ of 1% of the unpaid amount for each month or part of a month the tax is not paid. The penalty can be as much as 25% of the unpaid amount. It applies to any unpaid tax on the return. This penalty is in addition to interest charges on late payments.

**Frivolous return.** In addition to any other penalties, the law imposes a penalty of $5,000 for filing a frivolous return. A frivolous return is one that does not contain information needed to figure the correct tax or shows a substantially incorrect tax because you take a frivolous position or desire to delay or interfere with the tax laws. This includes altering or striking out the preprinted language above the space where you sign. For a list of positions identified as frivolous, see Notice 2010-33, 2010-17 I.R.B. 609, available at *www.irs.gov/irb/2010-17_IRB/ar13.html*.

**Other.** Other penalties can be imposed for negligence, substantial understatement of tax, reportable transaction understatements, filing an erroneous refund claim, and fraud. Criminal penalties may be imposed for willful failure to file, tax evasion, making a false statement, or identity theft. See Pub. 17 for details on some of these penalties.

# Refund Information

Visit IRS.gov and click on *Where's My Refund?* 24 hours a day, 7 days a week. Information about your return will generally be available within 24 hours after the IRS receives your e-filed return, or 4 weeks after you mail a paper return. But if you filed Form 8379 with your return, allow 14 weeks (11 weeks if you filed electronically) before checking your refund status.

To use *Where's My Refund?* have a copy of your tax return handy. You will need to provide the following information from your return:

- Your social security number (or individual taxpayer identification number),
- Your filing status, and
- The exact whole dollar amount of your refund.

*Where's My Refund?* has a new look this year! The tool will include a tracker that displays progress through three stages: (1) return received, (2) refund approved, and (3) refund sent. *Where's My Refund?* will provide an actual personalized refund date as soon as the IRS processes your tax return and approves your refund.

TIP

*Updates to refund status are made once a day - usually at night.*

If you do not have Internet access, many services are available by phone:

- You can check the status of your refund on the new IRS phone app. Download the free IRS2Go app by visiting the iTunes app store or the Android Marketplace. IRS2Go is a new way to provide you with information and tools.
- You can call 1-800-829-4477 24 hours a day, 7 days a week, for automated refund information.

Do not send in a copy of your return unless asked to do so.

To get a refund, you generally must file your return within 3 years from the date the return was due (including extensions).

*Where's My Refund?* does not track refunds that are claimed on an amended tax return.

Refund information also is available in Spanish at *www.irs.gov/espanol* and 1-800-829-4477.

# What Is TeleTax?

## Recorded Tax Information

Recorded tax information is available 24 hours a day, 7 days a week. Select the number of the topic you want to hear. Then, call 1-800-829-4477. Have paper and pencil handy to take notes.

## Topics by Internet

TeleTax topics are also available at *www.irs.gov/taxtopics*.

## TeleTax Topics

All topics are available in Spanish.

| Topic No. | Subject |
|---|---|
| | **IRS Help Available** |
| 101 | IRS services—Volunteer tax assistance, toll-free telephone, walk-in assistance, outreach programs, and identity theft |
| 102 | Tax assistance for individuals with disabilities and the deaf or hard of hearing |
| 103 | Tax help for small businesses and self-employed |
| 104 | Taxpayer Advocate Service—Your voice at the IRS |
| 105 | Armed Forces tax information |
| 107 | Tax relief in disaster situations |
| | **IRS Procedures** |
| 151 | Your appeal rights |
| 152 | Refund information |
| 153 | What to do if you haven't filed your tax return |
| 154 | Form W-2 and Form 1099-R (What to do if incorrect or not received) |
| 155 | Forms and publications—How to order |
| 156 | Copy of your tax return—How to get one |
| 157 | Change of address—How to notify IRS |
| 158 | Ensuring proper credit of payments |
| 159 | Prior year(s) Form W-2 (How to get a copy) |
| 160 | Form 1099-A (Acquisition or Abandonment of Secured Property) and Form 1099-C (Cancellation of Debt) |
| | **Collection** |
| 201 | The collection process |
| 202 | Tax payment options |
| 203 | Refund offsets: For unpaid child support and certain federal, state, and unemployment compensation debts |
| 204 | Offers in compromise |
| 205 | Innocent spouse relief (Including separation of liability and equitable relief) |
| 206 | Dishonored payments |
| | **Alternative Filing Methods** |
| 253 | Substitute tax forms |
| 254 | How to choose a tax return preparer |
| 255 | Self-select PIN signature method for online registration |
| | **General Information** |
| 301 | When, where, and how to file |
| 303 | Checklist of common errors when preparing your tax return |
| 304 | Extensions of time to file your tax return |
| 305 | Recordkeeping |
| 306 | Penalty for underpayment of estimated tax |
| 307 | Backup withholding |
| 308 | Amended returns |
| 309 | Roth IRA contributions |
| 310 | Coverdell education savings accounts |
| 311 | Power of attorney information |
| 312 | Disclosure authorizations |
| 313 | Qualified tuition programs (QTPs) |
| | **Which Forms to File** |
| 352 | Which form—1040, 1040A, or 1040EZ? |
| 356 | Decedents |
| | **Types of Income** |
| 401 | Wages and salaries |
| 403 | Interest received |
| 404 | Dividends |
| 407 | Business income |
| 409 | Capital gains and losses |
| 410 | Pensions and annuities |
| 411 | Pensions—The general rule and the simplified method |
| 412 | Lump-sum distributions |
| 413 | Rollovers from retirement plans |
| 414 | Rental income and expenses |
| 415 | Renting residential and vacation property |
| 416 | Farming and fishing income |
| 417 | Earnings for clergy |
| 418 | Unemployment compensation |
| 419 | Gambling income and losses |
| 420 | Bartering income |
| 421 | Scholarship and fellowship grants |
| 423 | Social security and equivalent railroad retirement benefits |
| 424 | 401(k) plans |
| 425 | Passive activities—Losses and credits |
| 427 | Stock options |
| 429 | Traders in securities (information for Form 1040 filers) |
| 430 | Receipt of stock in a demutualization |
| 431 | Canceled debt—Is it Taxable or Not? |
| | **Adjustments to Income** |
| 451 | Individual retirement arrangements (IRAs) |
| 452 | Alimony paid |
| 453 | Bad debt deduction |
| 455 | Moving expenses |
| 456 | Student loan interest deduction |
| 457 | Tuition and fees deduction |
| 458 | Educator expense deduction |
| | **Itemized Deductions** |
| 501 | Should I itemize? |
| 502 | Medical and dental expenses |
| 503 | Deductible taxes |
| 504 | Home mortgage points |
| 505 | Interest expense |
| 506 | Charitable contributions |
| 508 | Miscellaneous expenses |
| 509 | Business use of home |
| 510 | Business use of car |
| 511 | Business travel expenses |
| 512 | Business entertainment expenses |
| 513 | Educational expenses |
| 514 | Employee business expenses |
| 515 | Casualty, disaster, and theft losses (including federally declared disaster areas) |
| | **Tax Computation** |
| 551 | Standard deduction |
| 552 | Tax and credits figured by the IRS |
| 553 | Tax on a child's investment income |
| 554 | Self-employment tax |
| 556 | Alternative minimum tax |
| 557 | Additional tax on early distributions from traditional and Roth IRAs |
| 558 | Additional tax on early distributions from retirement plans, other than IRAs |

## TeleTax Topics

*(Continued)*

| Topic No. | Subject |
|---|---|
| | **Tax Credits** |
| 601 | Earned income credit |
| 602 | Child and dependent care credit |
| 607 | Adoption credit and adoption assistance programs |
| 608 | Excess social security and RRTA tax withheld |
| 610 | Retirement savings contributions credit |
| 611 | Repayment of the first-time homebuyer credit |
| | **IRS Notices** |
| 651 | Notices—What to do |
| 652 | Notice of underreported income—CP 2000 |
| 653 | IRS notices and bills, penalties, and interest charges |
| | **Basis of Assets, Depreciation, and Sale of Assets** |
| 701 | Sale of your home |
| 703 | Basis of assets |
| 704 | Depreciation |
| 705 | Installment sales |
| | **Employer Tax Information** |
| 751 | Social security and Medicare withholding rates |
| 752 | Form W-2—Where, when, and how to file |
| 753 | Form W-4—Employee's Withholding Allowance Certificate |
| 755 | Employer identification number (EIN)—How to apply |
| 756 | Employment taxes for household employees |
| 757 | Forms 941 and 944—Deposit requirements |
| 758 | Form 941—Employer's Quarterly Federal Tax Return and Form 944—Employer's Annual Federal Tax Return |
| 759 | Form 940—Employer's Annual Federal Unemployment (FUTA) Tax Return—Filing and deposit requirements |
| 760 | Reporting and deposit requirements for agricultural employers |
| 761 | Tips—Withholding and reporting |
| 762 | Independent contractor vs. employee |
| 763 | The Affordable Care Act of 2010 offers new tax deductions and credits |
| | **Electronic Media Filers—1099 Series and Related Information Returns** |
| 801 | Who must file electronically |
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| 803 | Waivers and extensions |
| 804 | Test files and combined federal and state filing |
| 805 | Electronic filing of information returns |
| | **Tax Information for Aliens and U.S. Citizens Living Abroad** |
| 851 | Resident and nonresident aliens |
| 856 | Foreign tax credit |
| 857 | Individual taxpayer identification number (ITIN)—Form W-7 |
| 858 | Alien tax clearance |
| | **Tax Information for Residents of Puerto Rico** |
| 901 | Is a person with income from Puerto Rican sources required to file a U.S. federal income tax return? |
| 902 | Credits and deductions for taxpayers with Puerto Rican source income that is exempt from U.S. tax |
| 903 | Federal employment tax in Puerto Rico |
| 904 | Tax assistance for residents of Puerto Rico |

**Topic numbers are effective January 1, 2013.**

# Calling the IRS

If you cannot find the answer to your question in these instructions or online, please call us for assistance. See *Making the Call* below. You will not be charged for the call unless your phone company charges you for toll-free calls. Our normal hours of operation are Monday through Friday from 7:00 a.m. to 7:00 p.m. local time. Assistance provided to callers from Alaska and Hawaii will be based on the hours of operation in the Pacific time zone. Callers from Puerto Rico will receive assistance from 8:00 a.m. to 8:00 p.m. local time.

TIP *If you want to check the status of your 2012 refund, see* Refund Information, *earlier.*

## Before You Call

IRS representatives care about the quality of the service provided to you, our customer. You can help us provide accurate, complete answers to your questions by having the following information available.

- The tax form, schedule, or notice to which your question relates.
- The facts about your particular situation. The answer to the same question often varies from one taxpayer to another because of differences in their age, income, whether they can be claimed as a dependent, etc.
- The name of any IRS publication or other source of information that you used to look for the answer.

To maintain your account security, you may be asked for the following information, which you should also have available.

- Your social security number.
- The amount of refund and filing status shown on your tax return.
- The "Caller ID Number" shown at the top of any notice you received.
- Your personal identification number (PIN) if you have one.
- Your date of birth.
- The numbers in your street address.
- Your ZIP code.

If you are asking for an installment agreement to pay your tax, you will be asked for the highest amount you can pay each month and the date on which you can pay it.

**Evaluation of services provided.** The IRS uses several methods to evaluate our telephone service. One method is to record telephone calls for quality purposes only. A random sample of recorded calls is selected for review through the quality assurance process. Other methods include listening to live calls in progress and random selection of customers for participation in a customer satisfaction survey.

## Making the Call

Call 1-800-829-1040. People who are deaf, hard of hearing, or have a speech disability and who have access to TTY/TDD equipment can call 1-800-829-4059. Deaf or hard-of-hearing individuals can also contact the IRS through relay services such as the Federal Relay Service available at *www.gsa.gov/fedrelay*. Our menu allows you to speak your responses or use your keypad to select a menu option. After receiving your menu selection, the system will direct your call to the appropriate assistance.

## Before You Hang Up

If you do not fully understand the answer you receive, or you feel our representative may not fully understand your question, our representative needs to know this. He or she will be happy to take additional time to be sure your question is answered fully.

By law, you are responsible for paying your share of federal income tax. If we should make an error in answering your question, you are still responsible for the payment of the correct tax. Should this occur, however, you will not be charged any penalty.

# Quick and Easy Access to Tax Help and Tax Forms and Publications

*If you live outside the United States, see Pub. 54 to find out how to get help and tax forms and publications.*

## Internet

You can access IRS.gov 24 hours a day, 7 days a week.

**Online services and help.** Go to IRS.gov to obtain information on:

- *Free File*—Use free tax software to prepare and *e-file* your tax return at *www.irs.gov/freefile*.
- *Interactive Tax Assistant*—Provides answers to tax law questions using a probe and response process.
- *Online Services*—Conduct business with the IRS electronically.
- *Taxpayer Advocate Service*—Helps taxpayers resolve problems with the IRS.
- *Where's My Refund*—Your refund status anytime from anywhere.
- *Free Tax Return Preparation*—Locate the site nearest you.
- *Recent Tax Changes*
- *Tax information for Innocent Spouses*
- *Disaster Tax Relief*
- *Identity Theft and Your Tax Records*
- *Online Payment Agreement (OPA) Application*
- *Applying for Offers in Compromise*

**View and download tax forms and publications.** Click on "Forms & Pubs" or go to *www.irs.gov/formspubs* to:

- View or download current and previous year tax forms and publications.
- Order current year tax forms and publications online.

**Online ordering of tax forms and publications.** To order tax forms and publications delivered by mail, go to *www.irs.gov/formspubs*.

- For current year tax forms and publications, click on "Forms and publications by U.S. mail."
- For tax forms and publications on a DVD, click on "Tax products DVD (Pub. 1796)."

*To get information, forms, and publications in Spanish, go to www.irs.gov/espanol.*

## Phone

***TeleTax information - 24 hour tax information.*** Call 1-800-829-4477. See the earlier list of tax topic numbers and details.

**Tax forms and publications.** Call 1-800-TAX-FORM (1-800-829-3676) to order current and prior year forms, instructions, and publications. You should receive your order within 10 working days.

**Tax help and questions.** Call 1-800-829-1040. People who are deaf, hard of hearing, or have a speech disability and who have access to TTY/TDD equipment can call 1-800-829-4059. Deaf or hard-of-hearing individuals can also contact the IRS through relay services such as the Federal Relay Service available at *www.gsa.gov/fedrelay*.

**National Taxpayer Advocate helpline.** Call 1-877-777-4778.

## Walk-In

You can pick up some of the most requested forms, instructions, and publications at many IRS offices, post offices, and libraries. Also, some grocery stores, copy centers, city and county government offices, and credit unions have reproducible tax forms and publications available to photocopy or print from a DVD.

## Mail

You can order forms, instructions, and publications by completing the order blank, later. You should receive your order within 10 days after we receive your request.

## DVD

Buy IRS Pub. 1796, IRS Tax Products DVD, from National Technical Information Service (NTIS) at *www.irs.gov/cdorders* for $30 (no handling fee) or call 1-877-233-6767 toll-free to buy the DVD for $30 (plus a $6 handling fee). Price and handling fee are subject to change. The first release will ship early January 2013 and the final release will ship early March 2013.

**Other ways to get help.** See *Other Ways To Get Help,* earlier.

# Disclosure, Privacy Act, and Paperwork Reduction Act Notice

The IRS Restructuring and Reform Act of 1998, the Privacy Act of 1974, and the Paperwork Reduction Act of 1980 require that when we ask you for information we must first tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if we do not receive it and whether your response is voluntary, required to obtain a benefit, or mandatory under the law.

This notice applies to all papers you file with us, including this tax return. It also applies to any questions we need to ask you so we can complete, correct, or process your return; figure your tax; and collect tax, interest, or penalties.

Our legal right to ask for information is Internal Revenue Code sections 6001, 6011, and 6012(a), and their regulations. They say that you must file a return or statement with us for any tax you are liable for. Your response is mandatory under these sections. Code section 6109 requires you to provide your identifying number on the return. This is so we know who you are, and can process your return and other papers. You must fill in all parts of the tax form that apply to you. But you do not have to check the boxes for the Presidential Election Campaign Fund or for the third-party designee. You also do not have to provide your daytime phone number.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law.

We ask for tax return information to carry out the tax laws of the United States. We need it to figure and collect the right amount of tax.

If you do not file a return, do not provide the information we ask for, or provide fraudulent information, you may be charged penalties and be subject to criminal prosecution. We may also have to disallow the exemptions, exclusions, credits, deductions, or adjustments shown on the tax return. This could make the tax higher or delay any refund. Interest may also be charged.

Generally, tax returns and return information are confidential, as stated in Code section 6103. However, Code section 6103 allows or requires the Internal Revenue Service to disclose or give the information shown on your tax return to others as described in the Code. For example, we may disclose your tax information to the Department of Justice to enforce the tax laws, both civil and criminal, and to cities, states, the District of Columbia, and U.S. commonwealths or possessions to carry out their tax laws. We may disclose your tax information to the Department of Treasury and contractors for tax administration purposes; and to other persons as necessary to obtain information needed to determine the amount of or to collect the tax you owe. We may disclose your tax information to the Comptroller General of the United States to permit the Comptroller General to review the Internal Revenue Service. We may disclose your tax information to committees of Congress; federal, state, and local child support agencies; and to other federal agencies for the purposes of determining entitlement for benefits or the eligibility for and the repayment of loans. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

Please keep this notice with your records. It may help you if we ask you for other information. If you have questions about the rules for filing and giving information, please call or visit any Internal Revenue Service office.

## We Welcome Comments on Forms

We try to create forms and instructions that can be easily understood. Often this is difficult to do because our tax laws are very complex. For some people with income mostly from wages, filling in the forms is easy. For others who have businesses, pensions, stocks, rental income, or other investments, it is more difficult.

If you have suggestions for making these forms simpler, we would be happy to hear from you. You can email us at *taxforms@irs.gov.* Please put "Forms Comment" on the subject line. You can also send us comments from *www.irs.gov/formspubs/*. Click on "More Information" and then on "Comment on Tax Forms and Publications." Or you can write to Internal Revenue Service, Individual and Specialty Forms and Publications Branch, SE:W:CAR:MP:T:I, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send your return to this address. Instead, see the addresses at the end of these instructions.

Although we cannot respond individually to each comment received, we do appreciate your feedback and will consider your comments as we revise our tax forms and instructions.

## Estimates of Taxpayer Burden

The table below shows burden estimates based on current statutory requirements as of January 2013, for taxpayers filing a 2012 Form 1040, 1040A, or 1040EZ tax return. Time spent and out-of-pocket costs are presented separately. Time burden is broken out by taxpayer activity, with recordkeeping representing the largest component. Out-of-pocket costs include any expenses incurred by taxpayers to prepare and submit their tax returns. Examples include tax return preparation and submission fees, postage and photocopying costs, and tax preparation software costs. While these estimates do not include burden associated with post-filing activities, IRS operational data indicate that electronically prepared and filed returns have fewer arithmetic errors, implying lower post-filing burden.

Reported time and cost burdens are national averages and do not necessarily reflect a "typical" case. Most taxpayers experience lower than average burden, with taxpayer burden varying considerably by taxpayer type. For instance, the estimated average time burden for all taxpayers filing a Form 1040, 1040A, or 1040EZ is 13 hours, with an average cost of $210 per return. This average includes all associated forms and schedules, across all preparation methods and taxpayer activities. The average burden for taxpayers filing Form 1040 is about 16 hours and $270;

the average burden for taxpayers filing Form 1040A is about 7 hours and $90; and the average for Form 1040EZ filers is about 4 hours and $40.

Within each of these estimates there is significant variation in taxpayer activity. For example, nonbusiness taxpayers are expected to have an average burden of about 8 hours and $120, while business taxpayers are expected to have an average burden of about 23 hours and $420. Similarly, tax preparation fees and other out-of-pocket costs vary extensively depending on the tax situation of the taxpayer, the type of software or professional preparer used, and the geographic location.

If you have comments concerning the time and cost estimates below, you can contact us at either one of the addresses shown under *We Welcome Comments on Forms*.

## Estimated Average Taxpayer Burden for Individuals by Activity

| Primary Form Filed or Type of Taxpayer | Percentage of Returns | Average Time Burden (Hours) | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total Time* | Record Keeping | Tax Planning | Form Completion and Submission | All Other | Average Cost (Dollars)** |
| All taxpayers . . . . . | 100 | 13 | 6 | 2 | 4 | 1 | $210 |
| Primary forms filed | | | | | | | |
| 1040 . . . . . | 69 | 16 | 8 | 2 | 4 | 1 | 270 |
| 1040A . . . . . | 19 | 7 | 3 | 1 | 3 | 1 | 90 |
| 1040EZ . . . . . | 12 | 4 | 1 | *** | 2 | 1 | 40 |
| Type of taxpayer | | | | | | | |
| Nonbusiness**** . . . . | 70 | 8 | 3 | 1 | 3 | 1 | 120 |
| Business**** . . . . . | 30 | 23 | 13 | 3 | 6 | 1 | 420 |

*Detail may not add to total time due to rounding.

**Dollars rounded to the nearest $10.

***Rounds to less than $1.

****You are considered a "business" filer if you file one or more of the following with Form 1040: Schedule C, C-EZ, E, or F or Form 2106 or 2106-EZ. You are considered a "nonbusiness" filer if you did not file any of those schedules or forms with Form 1040 or if you file Form 1040A or 1040EZ.

# Order Form for Forms and Publications

The most frequently ordered forms and publications are listed on the order form below. You will receive two copies of each form, one copy of the instructions, and one copy of each publication you order. To help reduce waste, please order only the items you need to prepare your return.

TIP ***For faster ways of getting the items you need, go to*** *www.irs.gov/formspubs.*

## How To Use the Order Form

Circle the items you need on the order form below. Use the blank spaces to order items not listed. If you need more space, attach a separate sheet of paper.

Print or type your name and address accurately in the space provided below to ensure delivery of your order. Enclose the order form in an envelope and mail it to the IRS address shown here. You should receive your order within 10 business days after receipt of your request.

**Do not send your tax return to the address shown here.** Instead, see the addresses at the end of these instructions.

### Mail Your Order Form To:

Internal Revenue Service
1201 N. Mitsubishi Motorway
Bloomington, IL 61705-6613

▲ *Cut here* ▲

**Save Money and Time by Going Online!**
*Download or order these and other tax products at* www.irs.gov/formspubs

### Order Form

**Please print.**

Name

Postal mailing address | Apt./Suite/Room

City | State | ZIP code

Foreign country | International postal code

Daytime phone number
(  )

**Circle** the forms and publications you need. The instructions for any form you order will be included.

Use the **blank spaces** to order items not listed.

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| 1040 | Schedule F (1040) | 1040-V | 4868 | Pub. 1 | Pub. 526 | Pub. 583 | Pub. 4681 |
| Schedule A (1040) | Schedule H (1040) | 1040X | 5405 | Pub. 17 | Pub. 527 | Pub. 587 | |
| Schedule B (1040A or 1040) | Schedule J (1040) | 2106 | 6251 | Pub. 334 | Pub. 529 | Pub. 590 | |
| Schedule C (1040) | Schedule R (1040A or 1040) | 2441 | 8283 | Pub. 463 | Pub. 535 | Pub. 596 | |
| Schedule C-EZ (1040) | Schedule SE (1040) | 3903 | 8606 | Pub. 501 | Pub. 547 | Pub. 910 | |
| Schedule D (1040) | Schedule 8812 (1040A or 1040) | 4506 | 8822 | Pub. 502 | Pub. 550 | Pub. 915 | |
| Form 8949 | 1040A | 4506-T | 8829 | Pub. 505 | Pub. 551 | Pub. 946 | |
| Schedule E (1040) | 1040EZ | 4562 | 8863 | Pub. 523 | Pub. 554 | Pub. 970 | |
| Schedule EIC (1040A or 1040) | 1040-ES (2013) | 4684 | 8917 | Pub. 525 | Pub. 575 | Pub. 972 | |

# Major Categories of Federal Income and Outlays for Fiscal Year 2011

**Income and Outlays.** These pie charts show the relative sizes of the major categories of federal income and outlays for fiscal year 2011.

On or before the first Monday in February of each year the President is required by law to submit to the Congress a budget proposal for the fiscal year that begins the following October. The budget plan sets forth the President's proposed receipts, spending, and the surplus or deficit for the Federal government. The plan includes recommendations for new legislation as well as recommendations to change, eliminate, and add programs. After receipt of the President's proposal, the Congress reviews the proposal and makes changes. It first passes a budget resolution setting its own targets for receipts, outlays, and surplus or deficit. Next, individual spending and revenue bills that are consistent with the goals of the budget resolution are enacted.

In fiscal year 2011 (which began on October 1, 2010, and ended on September 30, 2011), Federal income was $2.303 trillion and outlays were $3.603 trillion, leaving a deficit of $1.3 trillion.

## Footnotes for Certain Federal Outlays

1. **Social security, Medicare, and other retirement:** These programs provide income support for the retired and disabled and medical care for the elderly.

2. **National defense, veterans, and foreign affairs:** About 20% of outlays were to equip, modernize, and pay our armed forces and to fund national defense activities; about 3% were for veterans benefits and services; and about 1% were for international activities, including military and economic assistance to foreign countries and the maintenance of U.S. embassies abroad.

3. **Physical, human, and community development:** These outlays were for agriculture; natural resources; environment; transportation; aid for elementary and secondary education and direct assistance to college students; job training; deposit insurance, commerce and housing credit, and community development; and space, energy, and general science programs.

4. **Social programs:** About 15% of total outlays were for Medicaid, food stamps, temporary assistance for needy families, supplemental security income, and related programs; and the remaining outlays were for health research and public health programs, unemployment compensation, assisted housing, and social services.

**Note.** The percentages shown here exclude undistributed offsetting receipts, which were $86 billion in fiscal year 2011. In the budget, these receipts are offset against spending in figuring the outlay totals shown above. These receipts are for the U.S. Government's share of its employee retirement programs, rents and royalties on the Outer Continental Shelf, and proceeds from the sale of assets.

# 2012 Tax Rate Schedules

CAUTION

*The Tax Rate Schedules are shown so you can see the tax rate that applies to all levels of taxable income. Do not use them to figure your tax. Instead, see the instructions for line 44.*

**Schedule X—**If your filing status is **Single**

| If your taxable income is: *Over—* | *But not over—* | The tax is: | *of the amount over—* |
|---|---|---|---|
| $0 | $8,700 | ..... **10%** | **$0** |
| 8,700 | 35,350 | **$870.00 + 15%** | **8,700** |
| 35,350 | 85,650 | **4,867.50 + 25%** | **35,350** |
| 85,650 | 178,650 | **17,442.50 + 28%** | **85,650** |
| 178,650 | 388,350 | **43,482.50 + 33%** | **178,650** |
| 388,350 | ..... | **112,683.50 + 35%** | **388,350** |

**Schedule Y-1—**If your filing status is **Married filing jointly** or **Qualifying widow(er)**

| If your taxable income is: *Over—* | *But not over—* | The tax is: | *of the amount over—* |
|---|---|---|---|
| $0 | $17,400 | ..... **10%** | **$0** |
| 17,400 | 70,700 | **$1,740.00 + 15%** | **17,400** |
| 70,700 | 142,700 | **9,735.00 + 25%** | **70,700** |
| 142,700 | 217,450 | **27,735.00 + 28%** | **142,700** |
| 217,450 | 388,350 | **48,665.00 + 33%** | **217,450** |
| 388,350 | ..... | **105,062.00 + 35%** | **388,350** |

**Schedule Y-2—**If your filing status is **Married filing separately**

| If your taxable income is: *Over—* | *But not over—* | The tax is: | *of the amount over—* |
|---|---|---|---|
| $0 | $8,700 | ..... **10%** | **$0** |
| 8,700 | 35,350 | **$870.00 + 15%** | **8,700** |
| 35,350 | 71,350 | **4,867.50 + 25%** | **35,350** |
| 71,350 | 108,725 | **13,867.50 + 28%** | **71,350** |
| 108,725 | 194,175 | **24,332.50 + 33%** | **108,725** |
| 194,175 | ..... | **52,531.00 + 35%** | **194,175** |

**Schedule Z—**If your filing status is **Head of household**

| If your taxable income is: *Over—* | *But not over—* | The tax is: | *of the amount over—* |
|---|---|---|---|
| $0 | $12,400 | ..... **10%** | **$0** |
| 12,400 | 47,350 | **$1,240.00 + 15%** | **12,400** |
| 47,350 | 122,300 | **6,482.50 + 25%** | **47,350** |
| 122,300 | 198,050 | **25,220.00 + 28%** | **122,300** |
| 198,050 | 388,350 | **46,430.00 + 33%** | **198,050** |
| 388,350 | ..... | **109,229.00 + 35%** | **388,350** |

# 2012

# Instructions for Form 8949

Department of the Treasury
**Internal Revenue Service**

## Sales and Other Dispositions of Capital Assets

Section references are to the Internal Revenue Code unless otherwise noted.

## Future Developments

For the latest information about developments related to Form 8949 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/form8949*.

## What's New

**Corporations and partnerships.** The use of Form 8949 by corporations and partnerships is new. Many transactions that, in previous years, would have been reported by corporations and partnerships on Schedule D or Schedule D-1 must be reported on Form 8949 if they have to be reported on a 2012 form.

# General Instructions

File Form 8949 with the Schedule D for the return you are filing. This includes Schedule D of Forms 1040, 1065, 1065-B, 8865, 1120, 1120S, 1120-C, 1120-F, 1120-FSC, 1120-H, 1120-IC-DISC, 1120-L, 1120-ND, 1120-PC, 1120-POL, 1120-REIT, 1120-RIC, 1120-SF, and certain Forms 990-T, but not Form 1041.

Complete Form 8949 before you complete line 1, 2, 3, 8, 9, or 10 of Schedule D.

## Purpose of Form

Use Form 8949 to report sales and exchanges of capital assets. Form 8949 allows you and the IRS to reconcile amounts that were reported to you and the IRS on Form 1099-B or 1099-S (or substitute statement) with the amounts you report on your return. If you received Form 1099-B or 1099-S (or substitute statement), always report the proceeds (sales price) shown on that form (or statement) in column (d) of Form 8949. If Form 1099-B (or substitute statement) shows that the cost or other basis was reported to the IRS, always report the basis shown on that form (or statement) in column (e). If any correction or adjustment to these amounts is needed, make it in column (g). See *How To Complete Form 8949, Columns (f) and (g),* later, for details about these adjustments.

**Individuals.** Individuals use Form 8949 to report:

- The sale or exchange of a capital asset not reported on another form or schedule,
- Gains from involuntary conversions (other than from casualty or theft) of capital assets not held for business or profit, and
- Nonbusiness bad debts.

**Corporations and partnerships.** Corporations and partnerships use Form 8949 to report:

- The sale or exchange of a capital asset not reported on another form or schedule,
- Nonbusiness bad debts, and
- Undistributed long-term capital gains from Form 2439.

Electing large partnerships and corporations also use Form 8949 to report their share of gain or (loss) from a partnership, S corporation, estate or trust.

**Schedule D.** Use Schedule D for the following purposes.

- To figure the overall gain or loss from transactions reported on Form 8949.
- To report a gain from Form 6252 or Part I of Form 4797.
- To report a gain or loss from Form 4684, 6781, or 8824.
- To report capital gain distributions not reported directly on Form 1040, line 13 (or effectively connected capital gain distributions not reported directly on Form 1040NR, line 14).
- To report a capital loss carryover from the previous tax year to the current tax year.
- To report your share of a gain or (loss) from a partnership, S corporation, estate or trust. (However, electing large partnerships and corporations report this type of gain or (loss) on Form 8949.)

Individuals also use Schedule D to report undistributed long-term capital gains from Form 2439.

**Additional information.** See the instructions for the Schedule D you are filing for detailed information about the following.

- Other forms you may have to file.
- The definition of capital asset.
- Reporting capital gain distributions, undistributed capital gains, the sale of a main home, the sale of capital assets held for personal use, or the sale of a partnership interest.
- Capital losses, nondeductible losses, and losses from wash sales.
- Traders in securities.
- Short sales.
- Gain or loss from options.
- Installment sales.
- Demutualization of life insurance companies.
- Exclusion or rollover of gain from the sale of qualified small business stock.
- Any other rollover of gain, such as gain from the sale of publicly traded securities.
- Exclusion of gain from the sale of DC Zone assets or qualified community assets.
- Certain other items that get special treatment.
- Special reporting rules for corporations and partnerships in certain situations.

For more information about reporting on Forms 6252, 4797, 4684, 6781, and 8824, see the instructions for those forms. See Pub. 544 and Pub. 550 for more details.

## Basis and Recordkeeping

Basis is the amount of your investment in property for tax purposes. The basis of property you buy is usually its cost. You need to know your basis to figure any gain or loss on the sale or other disposition of the property. You must keep accurate records that show the basis and, if applicable, adjusted basis of your property. Your records should show the purchase price, including commissions; increases to basis, such as the cost of improvements; and decreases to basis, such as depreciation, nondividend distributions on stock, and stock splits.

For more information on basis, see the instructions for column (e), later, and these publications.

- Pub. 550, Investment Income and Expenses (Including Capital Gains and Losses).
- Pub. 551, Basis of Assets.

If you lost or did not keep records to determine your basis in securities, contact your broker for help.

The IRS partners with companies that offer Form 8949 software that can import trades from many brokerage firms and accounting software to help you keep track of your adjusted basis in securities. To find out more, go to *www.irs.gov/efile*.

## Short Term or Long Term

Separate your capital gains and losses according to how long you held or owned the property.

The holding period for short-term capital gains and losses is 1 year or less.

Report these transactions on Part I of Form 8949.

The holding period for long-term capital gains and losses is more than 1 year. Report these transactions on Part II of Form 8949.

To figure the holding period, begin counting on the day after you received the property and include the day you disposed of it.

Generally, if you disposed of property that you acquired by inheritance, report the disposition as a long-term gain or loss regardless of how long you held the property. However, if you acquired the property from someone who died in 2010 and the executor of the estate made the election to file Form 8939, see Pub. 4895.

A nonbusiness bad debt must be treated as a short-term capital loss. See Pub. 550 for what qualifies as a nonbusiness bad debt and how to enter it on Part I of Form 8949.

### Corporation's or Electing Large Partnership's Gains and Losses from Partnerships, Estates, or Trusts

Report a corporation's or electing large partnership's share of capital gains and losses from investments in partnerships, estates, or trusts on the appropriate Part of Form 8949. Report a net short-term capital gain or (loss) on Part I (with box C checked) and a net long-term capital gain or (loss) on Part II (with box C checked). In column (a), enter "From Schedule K-1 (Form 1065)," "From Schedule K-1 (Form 1065-B)," or "From Schedule K-1 (Form 1041)," whichever applies; enter the gain or (loss) in column (h); and leave all other columns blank.

# Specific Instructions

Report short-term gains and losses on Part I. Report long-term gains and losses on Part II.

## Lines 1 and 3

Enter all sales and exchanges of capital assets, including stocks, bonds, etc., and real estate (if not reported on Form 4684, 4797, 6252, 6781, or 8824). Include these transactions even if you did not receive a Form 1099-B or 1099-S (or substitute statement) for the transaction. However, if the property you sold was your main home, see *Sale of Your Home* in the Instructions for Schedule D (Form 1040).

Enter the details of each transaction on a separate row (unless the *Exception to reporting each transaction on a separate row* described later applies to you). Use as many Parts I and Parts II of Form 8949 as you need.

Use a separate Part I for each of the following types of short-term transactions.

1. Short-term transactions reported to you on Form 1099-B (or substitute statement) with an amount shown for cost or other basis **unless** the statement indicates that amount was not reported to the IRS. Check box A at the top of this Part I. If box 6b of Form 1099-B is not checked, which means basis was not reported to the IRS (or if your substitute statement shows cost or other basis for the transaction but indicates it was **not** reported to the IRS), report that transaction on Part I with box B, not box A, checked (see **2** below).

2. Short-term transactions reported to you on Form 1099-B (or substitute statement) without an amount shown for cost or other basis. Check box B at the top of this Part I. If box 6b of Form 1099-B is not checked, which means basis was not reported to the IRS (or if your substitute statement shows cost or other basis for the transaction but indicates it was not reported to the IRS), report that transaction on Part I with box B, not box A, checked.

3. Short-term transactions for which you cannot check box A or B because you did not receive a Form 1099-B (or substitute statement). Check box C at the top of this Part I.

Use a separate Part II for each of the following types of long-term transactions.

1. Long-term transactions reported to you on Form 1099-B (or substitute statement) with an amount shown for cost or other basis **unless** the statement indicates that amount was not reported to the IRS. Check box A at the top of this Part II. If box 6b of Form 1099-B is not checked, which means basis was not reported to the IRS (or if your substitute statement shows cost or other basis for the transaction but indicates it was **not** reported to the IRS), report that transaction on Part II with box B, not box A, checked (see **2** below).

2. Long-term transactions reported to you on Form 1099-B (or substitute statement) without an amount shown for cost or other basis. Check box B at the top of this Part II. If box 6b of Form 1099-B is not checked, which means basis was not reported to the IRS (or if your substitute statement shows cost or other basis for the transaction but indicates it was not reported to the IRS), report that transaction on Part II with box B, not box A, checked.

3. Long-term transactions for which you cannot check box A or B because you did not receive a Form 1099-B (or substitute statement). Check box C at the top of this Part II.

Include on each Part I or Part II of Form 8949 only capital gains and losses described in the text for the box you check (A, B, or C) on that Part. You do not need to complete and file an entire copy of Form 8949 (Part I and Part II) if you have only gains and losses that fit into a single category (i.e., they are all either short-term or long-term and you can check a single box to describe all of them). In that case, you must complete and file either Part I or Part II and check the box that describes the gains and losses. If your gains and losses do not fit into a single category (i.e., some are short-term and some are long-term and/or some are described by the text for one box and some are described by the text for another box), complete a separate Part I or Part II for each category. Complete as many copies of Part I and Part II as you need to report each category of your gains and losses. Check only one box on each Part I and Part II. For example, if you check box A in one Part I, include on that Part I only short-term gains and losses from transactions reported to you on a statement showing that basis was reported to the IRS.

Include on your Schedule D the totals from all your Parts I and Parts II. Form 8949 and Schedule D explain exactly how to do this.

**Exception to reporting each transaction on a separate row.** For 2012, instead of reporting each of your transactions on a separate row of Part I or Part II, you can report them on an attached statement containing all the same information as Parts I and II and in a similar format (i.e., description of property, dates of acquisition and disposition, proceeds, basis, adjustment and code(s), and gain or (loss)). Use as many attached statements as you need. Enter the combined totals from all your attached statements on Parts I and II with the appropriate box checked. For example, report on Part I with box A checked all short-term gains and losses from transactions your broker reported to you on a statement showing that the basis of the asset sold was reported to the IRS. Enter the name of the broker in column (a). Enter "See stmnt" in columns (b) and (c). Enter "M" in column (f). If other codes also apply, enter all of them in column (f). If you have statements from more than one broker, report the totals from each broker on a separate row.

Do not enter "available upon request" and summary totals in lieu of reporting the details of each transaction on Part I or II or attached statements.

**E-file.** If you *e-file* your return but choose not to report each transaction on a separate row on the electronic return, you must either (a) include Form 8949 as a

PDF attachment to your return or (b) attach Form 8949 to Form 8453 (or the appropriate form in the Form 8453 series) and mail the forms to the IRS. You can attach one or more statements containing all the same information as Form 8949, instead of attaching Form 8949, if the statements are in a format similar to Form 8949.

**Charitable gift annuity.** If you are the beneficiary of a charitable gift annuity and receive a Form 1099-R showing an amount in box 3, report the box 3 amount on a Part II with box C checked. Enter "Form 1099-R" in column (a). Enter the box 3 amount in column (d). Also complete column (h).

**Form 2439.** Corporations and partnerships report undistributed long-term capital gains from Form 2439 on a Part II with box C checked. Enter "From Form 2439" in column (a), enter the gain in column (h), and leave all other columns blank. Individuals report undistributed long-term capital gains from Form 2439 on line 11 of Schedule D (Form 1040).

**Nondividend distributions.** Distributions from a corporation that are a return of your cost (or other basis) are not taxed until you recover your cost (or other basis). Reduce your cost (or other basis) by these distributions. After you get back all of your cost (or other basis), enter the name of the payer of any later nondividend distributions in column (a) on a Part I or Part II (depending on how long you held the stock) with box C checked. Enter the taxable part of the distribution in columns (d) and (h). Each payer of a nondividend distribution should send you a Form 1099-DIV showing the amount of the distribution in box 3.

**Other gains or losses where sales price or basis is not known.** If you have another gain or loss for which you do not know the sales price or basis (such as a long-term capital gain from Form 8621), enter a description of the gain or loss in column (a) on a Part I or Part II (depending on how long you held the property) with box C checked. If you have a gain, enter it in columns (d) and (h). If you have a loss, enter it in columns (e) and (h). Complete any other columns you can.

## Rounding Off to Whole Dollars

You can round off cents to whole dollars on Form 8949. If you do round to whole dollars, you must round all amounts. To round, drop cent amounts under 50 cents and increase cent amounts over 49 cents to the next dollar. For example, $1.49 becomes $1 and $1.50 becomes $2.

## Column (a)—Description of Property

For stock, include the number of shares. You can use stock ticker symbols or abbreviations to describe the property as long as they are based on the descriptions of the property as shown on Form 1099-B or 1099-S (or substitute statement).

If you inherited the property from someone who died in 2010 and the executor of the estate made the election to file Form 8939, also enter "INH-2010" in column (a).

## Column (b)—Date Acquired

Enter in this column the date you acquired the asset. Use the trade date for stocks and bonds traded on an exchange or over-the-counter market. For stock or other property sold short, enter the date you acquired the stock or property delivered to the broker or lender to close the short sale.

The date acquired for an asset you held on January 1, 2001, for which you made an election to recognize any gain in a deemed sale is the date of the deemed sale and reacquisition.

Generally, if you disposed of property that you acquired by inheritance, report the sale or exchange on Part II and enter "INHERITED" in column (b) instead of the date you acquired the property. However, if you inherited the property from someone who died in 2010 and the executor made the election to file Form 8939, also see the instructions for column (a) and see Pub. 4895 to see whether you should report the sale or exchange on a Part I or a Part II.

If you sold a block of stock (or similar property) that you acquired through several different purchases, you may report the sale on one row and enter "VARIOUS" in column (b). However, you still must report the short-term gain or (loss) on the sale on Part I and the long-term gain or (loss) on Part II.

## Column (c)—Date Sold or Disposed

Enter in this column the date you sold or disposed of the asset. Use the trade date for stocks and bonds traded on an exchange or over-the-counter market. For stock or other property sold short, enter the date you delivered the stock or property to the broker or lender to close the short sale.

## Column (d)—Proceeds (Sales Price)

Follow the instructions below that apply to your transaction(s).

**You did not receive a Form 1099-B or 1099-S (or substitute statement).** If you did not receive a Form 1099-B or 1099-S (or substitute statement) for a transaction, enter in column (d) the net proceeds. The net proceeds equal the gross proceeds minus any selling expenses (such as broker's fees, commissions, and state and local transfer taxes) and adjusted for any option premiums (as instructed in *Gain or Loss From Options* in the instructions for Schedule D (Form 1040)).

**You received a Form 1099-B or 1099-S (or substitute statement).** If you received a Form 1099-B or 1099-S (or substitute statement) for a transaction, enter in column (d) the proceeds (sales price) shown on the form or statement you received. If there are any selling expenses or option premiums that are not reflected on the form or statement you received (by an adjustment to either the proceeds or basis shown), enter "E" in column (f) and the necessary adjustment in column (g). See the example under *Column (g)—Adjustments to Gain or Loss*, later.

If the proceeds you received were more than shown on Form 1099-B or 1099-S (or substitute statement), enter the correct proceeds in column (d). This might happen if, for example, box 4 on Form 1099-S is checked.

You should not have received a Form 1099-B (or substitute statement) for a transaction merely representing the return of your original investment in a nontransferable obligation, such as a savings bond or a certificate of deposit. But if you did, report the proceeds (sales price) shown on Form 1099-B (or substitute statement) in both columns (d) and (e).

## Column (e)—Cost or Other Basis

In general, the cost or other basis is the cost of the property plus purchase commissions and improvements, minus depreciation, amortization, and depletion. If you inherited the property, got it as a gift, or received it in a tax-free exchange or involuntary conversion or in connection with a "wash sale," you may not be able to use the actual cost as the basis. If you do not use the actual cost, attach an explanation of your basis.

If you sold stock, adjust your basis by subtracting all the nondividend distributions you received before the sale. Also adjust your basis for any stock splits. See Pub. 550 for details.

If you elected to recognize gain on an asset held on January 1, 2001, your basis in the asset is its closing market price or fair market value, whichever applies, on the date of the deemed sale and reacquisition, whether the deemed sale resulted in a gain or an unallowed loss.

You can use the average basis method to determine the basis of shares of stock if the shares are identical to each other, you acquired them at different prices and left them in an account with a custodian or agent, and either:

- They are shares in a mutual fund (or other regulated investment company (RIC)), or
- You acquired them after 2010 in connection with a dividend reinvestment plan (DRP).

Shares are identical if they have the same CUSIP number, except that shares of stock in a DRP are not identical to shares of stock that are not in a DRP, even if they have the same CUSIP number. If you are using the average basis method and received a Form 1099-B (or substitute statement) that shows an incorrect basis, enter "B" in column (f), enter the basis shown on Form 1099-B (or substitute statement) in column (e), and see *How To Complete Form 8949, Columns (f) and (g)*, later. For details on making the election and how to figure average basis, see Pub. 550 or Regulations section 1.1012-1(e).

The basis of property acquired by gift is generally the basis of the property in the hands of the donor. The basis of inherited property is generally the fair market value at the date of death. See Pub. 551 for details. However, if you sold property that you inherited from someone who died in 2010 and the executor made the election to file Form 8939, see Pub. 4895.

Increase the cost or other basis of an original issue discount (OID) debt instrument by the amount of OID that has been included in gross income for that instrument. See Pub. 550 for details.

If a charitable contribution deduction is allowable because of a bargain sale of property to a charitable organization, the adjusted basis for purposes of determining gain from the sale is the amount that has the same ratio to the adjusted basis as the amount realized has to the fair market value. See Pub. 544 for details.

For more details, see Pub. 551.

**Form 1099-B.** If the property you sold was a covered security, its basis should be shown in box 3 of the Form 1099-B (or substitute statement) you received from your broker. Generally, a covered security is stock acquired after 2010 (after 2011 if in a mutual fund or other regulated investment company, or acquired through a dividend reinvestment plan).

If box 6a on Form 1099-B is checked, the property sold was not a covered security.

Enter the basis shown on Form 1099-B (or substitute statement) in column (e). If the basis shown on Form 1099-B (or substitute statement) is not correct, see *How To Complete Form 8949, Columns (f) and (g),* later, for the adjustment you must make.

If no basis is shown on Form 1099-B (or substitute statement), enter the correct basis of the property in column (e).

## Column (f)—Code

In order to explain any adjustment to gain or loss in column (g), enter the appropriate code(s) in column (f). See *How To Complete Form 8949, Columns (f) and (g)*, later. If more than one code applies, enter all the codes that apply in alphabetical order (for example, "BOQ"). Do not separate the codes by a space or comma.

## Column (g)—Adjustments to Gain or Loss

Enter in this column any necessary adjustments to gain or loss. Enter negative amounts in parentheses. Also enter a code in column (f) to explain the adjustment. See *How To Complete Form 8949, Columns (f) and (g)*, later.

**More than one code.** If you entered more than one code in column (f) on the same row, enter the net adjustment in column (g). For example, if one adjustment is $5,000 and another is ($1,000), enter $4,000 ($5,000 – $1,000).

***Example.*** You sold your main home in 2012 for $320,000 and received a Form 1099-S showing the $320,000 gross proceeds. The home's basis was $100,000. You had selling expenses of $20,000. Under the tests described in *Sale of Your Home* in the Instructions for Schedule D (Form 1040), you can exclude the entire $200,000 gain from income. On Form 8949, Part II, check box C at the top. Complete columns (a), (b), and (c). Enter $320,000 in column (d) and $100,000 in column (e). Enter "EH" in column (f). In column (g), enter $220,000 ($20,000 selling expenses + $200,000 exclusion) as a negative number. Put it in parentheses to show it is negative. In column (h), enter -0- ($320,000 – $100,000 – $220,000). If this is your only transaction on this Part II, enter $320,000 in column (d) on line 10 of Schedule D (Form 1040), $100,000 in column (e), ($220,000) in column (g), and -0- in column (h).

## How To Complete Form 8949, Columns (f) and (g)

For most transactions, you do not need to complete columns (f) and (g) and can leave them blank. You may need to complete columns (f) and (g) if you got a Form 1099-B or 1099-S (or substitute statement) that is incorrect, if you are excluding or postponing a capital gain, if you have a disallowed loss, or in certain other situations. Details are in the table below. If you enter more than one code in column (f), see *More than one code* in the instructions for column (g).

| IF . . . | THEN enter this code in column (f) . . . | AND. . . |
|---|---|---|
| You received a Form 1099-B (or substitute statement) and the basis shown in box 3 is incorrect . . . . . | B | • If box B is checked at the top of Part I or II, enter the correct basis in column (e), and enter -0- in column (g).<br>• If box A is checked at the top of Part I or II, enter the basis shown on Form 1099-B (or substitute statement) in column (e), even though that basis is incorrect. Correct the error by entering an adjustment in column (g). To figure the adjustment needed, see the *Worksheet for Basis Adjustments in Column (g)*. Also see *Example 4—adjustment for incorrect basis* in the instructions for column (h). |
| You received a Form 1099-B (or substitute statement) and the type of gain or loss (short term or long term) shown in box 1c is incorrect . . . . . | T | Enter -0- in column (g). Report the gain or loss on the correct Part of Form 8949. |
| You received a Form 1099-B or 1099-S (or substitute statement) as a nominee for the actual owner of the property . . . . . | N | Report the transaction on Form 8949 as you would if you were the actual owner, but enter any resulting gain as a negative adjustment (in parentheses) in column (g) or any resulting loss as a positive adjustment in column (g). However, if you received capital gain distributions as a nominee, report them instead as described under *Capital Gain Distributions* in the Instructions for Schedule D (Form 1040). |
| You sold or exchanged your main home at a gain, must report the sale or exchange on Part II of Form 8949 (as explained in *Sale of Your Home* in the Instructions for Schedule D (Form 1040)), and can exclude some or all of the gain . . . . . | H | Report the sale or exchange on Form 8949 as you would if you were not taking the exclusion. Then enter the amount of excluded (nontaxable) gain as a negative number (in parentheses) in column (g). See the example in the instructions for column (g). |
| You sold or exchanged qualified small business stock and can exclude part of the gain . . . . . | Q | Report the sale or exchange on Form 8949 as you would if you were not taking the exclusion and enter the amount of the exclusion as a negative number (in parentheses) in column (g). However, if the transaction is reported as an installment sale, see *Gain from an installment sale of QSB stock* in the Instructions for Schedule D (Form 1040). |
| You can exclude all or part of your gain under the rules explained in the Schedule D instructions for DC Zone assets or qualified community assets . . . . . | X | Report the sale or exchange on Form 8949 as you would if you were not taking the exclusion. Then enter the amount of the exclusion as a negative number (in parentheses) in column (g). |
| You are electing to postpone all or part of your gain under the rules explained in the Schedule D instructions for any rollover of gain (for example, rollover of gain from QSB stock or publicly traded securities) . . . . . | R | Report the sale or exchange on Form 8949 as you would if you were not making the election. Then enter the amount of postponed gain as a negative number (in parentheses) in column (g). |

| IF . . . | THEN enter this code in column (f) . . . | AND. . . |
|---|---|---|
| You have a nondeductible loss from a wash sale . . . . . | W | Report the sale or exchange on Form 8949 and enter the amount of the nondeductible loss as a positive number in column (g). See the Schedule D instructions for more information about wash sales. |
| You have a nondeductible loss other than a loss indicated by code W . . . . . | L | Report the sale or exchange on Form 8949 and enter the amount of the nondeductible loss as a positive number in column (g). See *Nondeductible Losses* in the Instructions for Schedule D (Form 1040). |
| You received a Form 1099-B or 1099-S (or substitute statement) for a transaction and there are selling expenses or option premiums that are not reflected on the form or statement by an adjustment to either the proceeds or basis shown . . . . . | E | Enter in column (d) the proceeds shown on the form or statement you received. Enter in column (e) any cost or other basis shown on Form 1099-B (or substitute statement). In column (g), enter as a negative number (in parentheses) any selling expenses and option premium that you paid (and that are not reflected on the form or statement you received) and enter as a positive number any option premium that you received (and that is not reflected on the form or statement you received). For more information about option premiums, see *Gain or Loss From Options* in the Instructions for Schedule D (Form 1040). |
| You had a loss from the sale, exchange, or worthlessness of small business (section 1244) stock and the total loss is more than the maximum amount that can be treated as an ordinary loss . . . . . | S | See *Small Business (Section 1244) Stock* in the Schedule D (Form 1040) instructions. |
| You disposed of collectibles (see the Schedule D instructions) . . . . . | C | Enter -0- in column (g). Report the disposition on Form 8949 as you would report any sale or exchange. |
| You report multiple transactions on a single row as described in *Exception to reporting each transaction on a separate row* . . . . . | M | See *Exception to reporting each transaction on a separate row*. Enter -0- in column (g) unless an adjustment is required because of another code. |
| You have an adjustment not explained earlier in this column . . . . . | O | Enter the appropriate adjustment amount in column (g). See the instructions for column (g). |
| None of the other statements in this column apply . . . . . | Leave columns (f) and (g) blank. | |

## Column (h)—Gain or (Loss)

Figure gain or loss on each row. First, subtract the cost or other basis in column (e) from the proceeds (sales price) in column (d). Then take into account any adjustments in column (g). Enter the gain or (loss) in column (h). Enter negative amounts in parentheses.

***Example 1—gain.*** Column (d) is $6,000 and column (e) is $2,000. Enter $4,000 in column (h).

***Example 2—loss.*** Column (d) is $6,000 and column (e) is $8,000. Enter ($2,000) in column (h).

***Example 3—adjustment.*** Column (d) is $6,000, column (e) is $2,000, and column (g) is ($1,000). Enter $3,000 in column (h).

***Example 4—adjustment for incorrect basis.*** You sold stock for $1,000. You had owned the stock for 3 months. Your correct basis for the stock is $100, but you receive a Form 1099-B that shows your basis is $900 and shows your broker reported that basis to the IRS. Enter $900 on line 1 of the *Worksheet for Basis Adjustments in Column (g)*. Enter $100 on line 2 of the worksheet. Since line 1 is larger than line 2, leave line 3 blank and enter $800 ($900 – $100) as a positive number on line 4. Also enter $800 in column (g) of a Part I with box A checked at the top. Enter “B” in column (f). Enter $1,000 in column (d) and $900 in column (e). To figure your gain or loss, subtract $900 from $1,000. Combine the result, $100, with the $800 adjustment in column (g). Your gain is $900 ($100 + $800). Enter $900 in column (h).

## Worksheet for Basis Adjustments in Column (g)

*Keep for Your Records*

If the basis shown on Form 1099-B (or substitute statement) is not correct, do the following.

- If the basis was not reported to the IRS, enter the correct basis in column (e) and enter -0- in column (g) (unless you must make an adjustment for some other reason).
- If the basis was reported to the IRS, enter the reported basis shown on Form 1099-B (or substitute statement) in column (e) and use this worksheet to figure the adjustment to include in column (g).

| | | | |
|---|---|---|---|
| **1.** | Enter the cost or other basis shown on Form 1099-B (or substitute statement) | **1.** | |
| **2.** | Enter the correct cost or other basis | **2.** | |
| **3.** | If line 1 is larger than line 2, leave this line blank and go to line 4. If line 2 is larger than line 1, subtract line 1 from line 2. Enter the result here and in column (g) as a negative number (in parentheses) | **3.** | |
| **4.** | If line 1 is larger than line 2, subtract line 2 from line 1. Enter the result here and in column (g) as a positive number | **4.** | |

## Lines 2 and 4

The total of the amounts in column (h) of line 2 of all your Forms 8949 should equal the amount you get by combining columns (d), (e), and (g) on the corresponding line of Schedule D. For example, the total of the amounts in column (h) of line 2 of all your Forms 8949 with box A checked should equal the amount you get by combining columns (d), (e), and (g) on line 1 of Schedule D.

The total of the amounts in column (h) of line 4 of all your Forms 8949 should equal the amount you get by combining columns (d), (e), and (g) on the corresponding line of Schedule D. For example, the total of the amounts in column (h) of line 4 of all your Forms 8949 with box A checked should equal the amount you get by combining columns (d), (e), and (g) on line 8 of Schedule D.

Department of the Treasury
**Internal Revenue Service**

# 2012 Instructions for Schedule 8812

## Child Tax Credit

Use Part I of Schedule 8812 to document that any child for whom you entered an ITIN on Form 1040, line 6c; Form 1040A, line 6c; or Form 1040NR, line 7c; and for whom you also checked the box in column 4 of that line, is a resident of the United States because the child meets the substantial presence test and is not otherwise treated as a nonresident alien.

Use Parts II–IV of Schedule 8812 to figure the additional child tax credit. The additional child tax credit may give you a refund even if you do not owe any tax.

Section references are to the Internal Revenue Code unless otherwise noted.

## Future Developments

For the latest information about developments related to Schedule 8812 and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/form1040*.

## What's New

Schedule 8812 is new for 2012. Parts II–IV of Schedule 8812 replace Form 8812, Additional Child Tax Credit. Part I of this schedule is independent of Parts II–IV. Depending on your circumstances, you may need to complete Part I, but not Parts II–IV; Parts II–IV, but not Part I; or both Part I and Parts II–IV.

## General Instructions

### Substantial Presence Test (Part I)

In general, to be a qualifying child for purposes of the child tax credit and additional child tax credit, the child must be a citizen, national, or resident of the United States. Use Part I of Schedule 8812 to document that any child for whom an IRS Individual Taxpayer Identification Number (ITIN) was entered on Form 1040, line 6c; Form 1040A, line 6c; or Form 1040NR, line 7c; and for whom the box in column 4 of that line was also checked, meets the substantial presence test and is not otherwise treated as a nonresident alien.

**Note.** A child who is a lawful permanent resident of the United States is eligible to obtain a social security number (SSN). Use an SSN to identify the child even if you obtained an ITIN for the child before the child became a lawful permanent resident.

To meet the substantial presence test, a child identified with an ITIN generally must be physically present in the United States on at least:

1. 31 days during 2012, and
2. 183 days during the 3-year period that includes 2012, 2011, and 2010, counting:
   a. All the days your child was present in 2012, and
   b. 1/3 of the days your child was present in 2011, and
   c. 1/6 of the days your child was present in 2010.

CAUTION

*Not all days that your dependent is physically present in the United States count as days of presence for the substantial presence test. See* Days of Presence in the United States *in Pub. 519.*

A child who is present in the United States for less than one-half of 2012 also must not have a closer connection to a foreign country. See Pub. 519 for more information. Also, see the chart, *Is Your Dependent (Identified by an ITIN) Considered a Resident of the United States Under the Substantial Presence Test*, later.

### Additional Child Tax Credit (Parts II–IV)

All taxpayers should use Parts II–IV of Schedule 8812 to figure the additional child tax credit. If any of your dependents is a qualifying child for purposes of the child tax credit (whether identified by an ITIN or not), you may qualify for the additional child tax credit. Before completing Parts II–IV of Schedule 8812, complete the Child Tax Credit Worksheet that applies to you. See the instructions for Form 1040, line 51; Form 1040A, line 33; or Form 1040NR, line 48. If you meet the condition given in the TIP at the end of the Child Tax Credit Worksheet, complete Parts II–IV of this schedule to figure the amount of any additional child tax credit you can claim.

#### Effect of Credit on Welfare Benefits

Any refund you receive as a result of taking the additional child tax credit may not be counted as income when determining whether you or anyone else is eligible for certain welfare programs. These programs include Temporary Assistance for Needy Families (TANF), Medicaid, Supplemental Security Income (SSI), Supplemental Nutrition Assistance Program (food stamps), and low-income housing. Check with your local benefits coordinator to find out if your refund will affect your benefits.



Dec 10, 2012 Cat. No. 59790P

Is Your Dependent (Identified by an ITIN) Considered a Resident of the United States Under the Substantial Presence Test?

[1] Despite meeting the substantial presence test, your dependent may still be considered a nonresident alien under an income tax treaty between the U.S. and your country. Check the provisions of the treaty carefully.

[2] See *Days of Presence in the United States* in Pub. 519 for days that do not count as days of presence in the United States.

[3] If your dependent was present in the United States for at least 31 consecutive days in 2012 and meets the substantial presence test for 2013, see *First-Year Choice* under *Dual Status Aliens* in Pub. 519 to determine if your dependent may be considered to be a resident of the United States for part of 2012 under this rule. An individual may make an election for a child who is a dependent if the individual may make the election on his or her own behalf, the child qualifies to make the election, and the child is not required to file a United States income tax return for the year for which the election is effective.

# Specific Instructions

## Part I

**Lines A through D.** If you identified any of your dependents using an ITIN on your Form 1040, line 6c; Form 1040A, line 6c; or Form 1040NR, line 7c; and you also checked the box in column (4) of that line for that dependent, you must determine if that dependent meets the substantial presence test and is not otherwise treated as a nonresident alien. Complete Line A for the first dependent listed on your Form 1040, line 6c; Form 1040A, line 6c; or Form 1040NR, line 7c, who has an ITIN and that you indicated qualified for the child tax credit by checking column (4). Use a separate line for each additional child identified by an ITIN for whom you checked the box in column (4).

**Do not** complete a line in Part I for a child if:

- You identified that child with an SSN or adoption taxpayer identification number on the tax return, or
- You did not check the box in column 4 of line 6c on your Form 1040 or Form 1040A, or line 7c of your Form 1040NR.

If you only check "No" on any line in Part I, your child tax credit or additional child tax credit may be reduced or eliminated.

***Child otherwise treated as a nonresident alien.*** Even if your child meets the substantial presence test, your child may still be trea-

## Earned Income Chart — Line 4a

| IF you... | AND you... | THEN enter on line 4a... |
|---|---|---|
| have net earnings from self-employment | use either optional method to figure those net earnings, | the amount figured using Pub. 972 (even if you are also taking the EIC). |
| are taking the EIC on Form 1040, line 64a, or Form 1040A, line 38a | completed Worksheet B of the EIC instructions in your Form 1040 instructions, | your earned income from Worksheet B, line 4b, plus all of your nontaxable combat pay if you did not elect to include it in earned income for the EIC. If you were a member of the clergy, subtract (a) the rental value of a home or the nontaxable portion of an allowance for a home furnished to you (including payments for utilities), and (b) the value of meals and lodging provided to you, your spouse, and your dependents for your employer's convenience. |
| | did not complete Worksheet B or filed Form 1040A, | your earned income from Step 5 of the EIC instructions in your tax return instructions, plus all of your nontaxable combat pay if you did not elect to include it in earned income for the EIC. |
| are not taking the EIC | were self-employed, or you are filing Schedule SE because you were a member of the clergy or you had church employee income, or you are filing Schedule C or C-EZ as a statutory employee, | the amount figured using Pub. 972. |
| | are not self-employed or filing Schedule SE, C, or C-EZ for the above reasons, | your earned income figured as follows:<br>Line 7 of Form 1040 or Form 1040A, or line 8 of Form 1040NR. _____<br>Subtract, if included on line 7 (line 8 for Form 1040NR), any:<br>• Taxable scholarship or fellowship grant not reported on a Form W-2.<br>• Amount received for work performed while an inmate in a penal institution (put "PRI" and the amount subtracted in the space next to line 7 of Form 1040 or 1040A (line 8 for Form 1040NR)).<br>• Amount received as a pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan (put "DFC" and the amount subtracted in the space next to line 7 of Form 1040 or Form 1040A (line 8 for Form 1040NR)). This amount may be shown in box 11 of your Form W-2. If you received such an amount but box 11 is blank, contact your employer for the amount received as a pension or annuity.<br>• Amount from Form 2555, line 43, or Form 2555-EZ, line 18. - _____<br>Add all your nontaxable combat pay from Form(s) W-2, box 12, with code Q. + _____<br>**Earned Income =** _____ |

ted as a nonresident alien due to a tax treaty or because the child has a closer connection to another country. See Pub. 519 for more details.

If you must complete Part I for a child and that child meets the substantial presence test, but is still treated as a nonresident alien, check the "No" box for that child.

***Special circumstances.*** Even if your child does not meet the substantial presence test, your child may meet an exception or be treated as a resident of the United States in certain circumstances. If your child does not meet the substantial presence test, but one of the following special circumstances applies, check both the "Yes" and "No" boxes for that child.

- First-year election. If your child was present in the United States for at least 31 consecutive days in 2012 and meets the substantial presence test for 2013, your child may be considered a resident of the United States for part of 2012 if you make a valid election. See *First-Year Choice* under *Dual Status Aliens* in Pub. 519.
- Child adopted by U.S. citizen or national. A child legally adopted by you or lawfully placed with you for legal adoption is not required to meet the substantial presence test if you are a citizen or national of the United States, and, for your tax year, the child has the same main home as you and is a member of your household.

***More than four children.*** If you must complete Part I for more than four children, check the box following Line D. Use page 1 of another Schedule 8812 and reletter Lines A–D in Part I as E–H. Complete the additional Part I of Schedule 8812 and attach it to your Schedule 8812.

## Parts II through IV

**Line 4a — Earned Income Chart.** Use the chart above to determine the amount to enter on line 4a.

**Line 4b — Nontaxable Combat Pay.** Enter on line 4b the total amount of nontaxable combat pay that you, and your spouse if filing jointly, received in 2012. This amount should be shown in Form W-2, box 12, with code Q.

**Line 7 — Railroad Employees.** If you worked for a railroad, include the following taxes in the total on Schedule 8812, line 7.

- Tier 1 tax withheld from your pay. This tax should be shown in box 14 of your Form(s) W-2 and identified as "Tier 1 tax."
- If you were an employee representative, 50% of the total tier 1 tax you paid for 2012.

Department of the Treasury
**Internal Revenue Service**

# 2012 Instructions for Schedule A (Form 1040)

## Itemized Deductions

Use Schedule A (Form 1040) to figure your itemized deductions. In most cases, your federal income tax will be less if you take the larger of your itemized deductions or your standard deduction.

If you itemize, you can deduct a part of your medical and dental expenses and unreimbursed employee business expenses, and amounts you paid for certain taxes, interest, contributions, and miscellaneous expenses. You can also deduct certain casualty and theft losses.

If you and your spouse paid expenses jointly and are filing separate returns for 2012, see Pub. 504 to figure the portion of joint expenses that you can claim as itemized deductions.

CAUTION *Do not include on Schedule A items deducted elsewhere, such as on Form 1040 or Schedule C, C-EZ, E, or F.*

Section references are to the Internal Revenue Code unless otherwise noted.

**Future Developments.** For the latest information about developments related to Schedule A (Form 1040) and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/form1040*.

## What's New

**Standard mileage rates.** The standard mileage rate allowed for operating expenses for a car when you use it for medical reasons is 23 cents per mile. The 2012 rate for use of your vehicle to do volunteer work for certain charitable organizations remains at 14 cents per mile.

## Medical and Dental Expenses

You can deduct only the part of your medical and dental expenses that exceeds 7.5% of the amount on Form 1040, line 38.

Pub. 502 discusses the types of expenses you can and cannot deduct. It also explains when you can deduct capital expenses and special care expenses for disabled persons.

CAUTION *If you received a distribution from a health savings account or a medical savings account in 2012, see Pub. 969 to figure your deduction.*

### Examples of Medical and Dental Payments You Can Deduct

To the extent you were not reimbursed, you can deduct what you paid for:

- Insurance premiums for medical and dental care, including premiums for qualified long-term care insurance contracts as defined in Pub. 502. But see *Limit on long-term care premiums you can deduct*, later. Reduce the insurance premiums by any self-employed health insurance deduction you claimed on Form 1040, line 29. You cannot deduct insurance premiums paid with pretax dollars because the premiums are not included in box 1 of your Form(s) W-2. If you are a retired public safety officer, you cannot deduct any premiums you paid to the extent they were paid for with a tax-free distribution from your retirement plan.

CAUTION *If, during 2012, you were an eligible trade adjustment assistance (TAA) recipient, alternative TAA (ATAA) recipient, reemployment TAA (RTAA) recipient, or Pension Benefit Guaranty Corporation (PBGC) pension recipient, you must reduce your insurance premiums by any amounts used to figure the health coverage tax credit. See the instructions for* Line 1.

- Prescription medicines or insulin.
- Acupuncturists, chiropractors, dentists, eye doctors, medical doctors, occupational therapists, osteopathic doctors, physical therapists, podiatrists, psychiatrists, psychoanalysts (medical care only), and psychologists.
- Medical examinations, X-ray and laboratory services, insulin treatment, and whirlpool baths your doctor ordered.
- Diagnostic tests, such as a full-body scan, pregnancy test, or blood sugar test kit.
- Nursing help (including your share of the employment taxes paid). If you paid someone to do both nursing and housework, you can deduct only the cost of the nursing help.
- Hospital care (including meals and lodging), clinic costs, and lab fees.
- Qualified long-term care services (see Pub. 502).
- The supplemental part of Medicare insurance (Medicare B).

- The premiums you pay for Medicare Part D insurance.
- A program to stop smoking and for prescription medicines to alleviate nicotine withdrawal.
- A weight-loss program as treatment for a specific disease (including obesity) diagnosed by a doctor.
- Medical treatment at a center for drug or alcohol addiction.
- Medical aids such as eyeglasses, contact lenses, hearing aids, braces, crutches, wheelchairs, and guide dogs, including the cost of maintaining them.
- Surgery to improve defective vision, such as laser eye surgery or radial keratotomy.
- Lodging expenses (but not meals) while away from home to receive medical care in a hospital or a medical care facility related to a hospital, provided there was no significant element of personal pleasure, recreation, or vacation in the travel. Do not deduct more than $50 a night for each eligible person.
- Ambulance service and other travel costs to get medical care. If you used your own car, you can claim what you spent for gas and oil to go to and from the place you received the care; or you can claim 23 cents per mile. Add parking and tolls to the amount you claim under either method.
- Cost of breast pumps and supplies that assist lactation.

**Deceased taxpayer.** Certain medical expenses paid out of a deceased taxpayer's estate can be claimed on the deceased taxpayer's final return. See Pub. 502 for details.

**Limit on long-term care premiums you can deduct.** The amount you can deduct for qualified long-term care insurance contracts (as defined in Pub. 502) depends on the age, at the end of 2012, of the person for whom the premiums were paid. See the chart below for details.

| IF the person was, at the end of 2012, age . . . | THEN the most you can deduct is . . . |
|---|---|
| 40 or under | $ 350 |
| 41–50 | $ 660 |
| 51–60 | $ 1,310 |
| 61–70 | $ 3,500 |
| 71 or older | $ 4,370 |

## Examples of Medical and Dental Payments You Cannot Deduct

- The cost of diet food.
- Cosmetic surgery unless it was necessary to improve a deformity related to a congenital abnormality, an injury from an accident or trauma, or a disfiguring disease.
- Life insurance or income protection policies.
- The Medicare tax on your wages and tips or the Medicare tax paid as part of the self-employment tax or household employment taxes.

TIP *If you were age 65 or older but not entitled to social security benefits, you can deduct premiums you voluntarily paid for Medicare A coverage.*

- Nursing care for a healthy baby. But you may be able to take a credit for the amount you paid. See the instructions for Form 1040, line 48.
- Illegal operations or drugs.
- Imported drugs not approved by the U.S. Food and Drug Administration (FDA). This includes foreign-made versions of U.S.-approved drugs manufactured without FDA approval.
- Nonprescription medicines (including nicotine gum and certain nicotine patches).
- Travel your doctor told you to take for rest or a change.
- Funeral, burial, or cremation costs.

# Line 1

## Medical and Dental Expenses

Enter the total of your medical and dental expenses, after you reduce these expenses by any payments received from insurance or other sources. See *Reimbursements*, later.

TIP *Do not forget to include insurance premiums you paid for medical and dental care. But if you claimed the self-employed health insurance deduction on Form 1040, line 29, reduce the premiums by the amount on line 29.*

CAUTION *If, during 2012, you were an eligible trade adjustment assistance (TAA) recipient, alternative TAA (ATAA) recipient, reemployment TAA (RTAA) recipient, or Pension Benefit Guaranty Corporation (PBGC) pension recipient, you must complete Form 8885 before completing Schedule A, line 1. When figuring the amount of insurance premiums you can deduct on Schedule A, do not include:*

- *Any amounts you included on Form 8885, line 4,*
- *Any qualified health insurance premiums you paid to "U.S. Treasury—HCTC," or*
- *Any health coverage tax credit advance payments shown in box 1 of Form 1099-H.*

**Whose medical and dental expenses can you include?** You can include medical and dental bills you paid for anyone who was one of the following either when the services were provided or when you paid for them.

- Yourself and your spouse.
- All dependents you claim on your return.
- Your child whom you do not claim as a dependent because of the rules for children of divorced or separated parents.
- Any person you could have claimed as a dependent on your return except that person received $3,800 or more of gross income or filed a joint return.
- Any person you could have claimed as a dependent except that you, or your spouse if filing jointly, can be claimed as a dependent on someone else's 2012 return.

***Example.*** You provided over half of your mother's support but cannot claim her as a dependent because she received wages of $3,800 in 2012. You can include on line 1 any medical and dental expenses you paid in 2012 for your mother.

**Insurance premiums for certain nondependents.** You may have a medical or dental insurance policy that also covers an individual who is not your dependent (for example, a nondependent child under age 27). You cannot deduct any premiums attributable to this individual, unless they are such a person described under *Whose medical and dental expenses can you include*, earlier.

However, if you had family coverage when you added this individual to your policy and your premiums did not increase, you can enter on line 1 the full amount of your medical and dental insurance premiums. See Pub. 502 for more information.

**Reimbursements.** If your insurance company paid the provider directly for part of your expenses, and you paid only the amount that remained, include on line 1 only the amount you paid. If you received a reimbursement in 2012 for medical or dental expenses you paid in 2012, reduce your 2012 expenses by this amount. If you received a reimbursement in 2012 for prior year medical or dental expenses, do not reduce your 2012 expenses by this amount. But if you deducted the expenses in the earlier year and the deduction reduced your tax, you must include the reimbursement in income on Form 1040, line 21. See Pub. 502 for details on how to figure the amount to include.

**Cafeteria plans.** Do not include on line 1 insurance premiums paid by an employer-sponsored health insurance plan (cafeteria plan) unless the premiums are included in box 1 of your Form(s) W-2. Also, do not include any other medical and dental expenses paid by the plan unless the amount paid is included in box 1 of your Form(s) W-2.

# Taxes You Paid

## Taxes You Cannot Deduct

- Federal income and most excise taxes.
- Social security, Medicare, federal unemployment (FUTA), and railroad retirement (RRTA) taxes.
- Customs duties.
- Federal estate and gift taxes. But see the instructions for *Line 28*.
- Certain state and local taxes, including: tax on gasoline, car inspection fees, assessments for sidewalks or other improvements to your property, tax you paid for someone else, and license fees (marriage, driver's, dog, etc.).

## Line 5

CAUTION *You can elect to deduct state and local general sales taxes instead of state and local income taxes.* ***You cannot deduct both.***

## State and Local Income Taxes

If you elect to deduct state and local income taxes, you **must** check **box a** on line 5. Include on this line the state and local income taxes listed below.

- State and local income taxes withheld from your salary during 2012. Your Form(s) W-2 will show these amounts. Forms W-2G, 1099-G, 1099-R, and 1099-MISC may also show state and local income taxes withheld.
- State and local income taxes paid in 2012 for a prior year, such as taxes paid with your 2011 state or local income tax return. Do not include penalties or interest.
- State and local estimated tax payments made during 2012, including any part of a prior year refund that you chose to have credited to your 2012 state or local income taxes.
- Mandatory contributions you made to the California, New Jersey, or New York Nonoccupational Disability Benefit Fund, Rhode Island Temporary Disability Benefit Fund, or Washington State Supplemental Workmen's Compensation Fund.
- Mandatory contributions to the Alaska, California, New Jersey, or Pennsylvania state unemployment fund.
- Mandatory contributions to state family leave programs, such as the New Jersey Family Leave Insurance (FLI) program and the California Paid Family Leave program.

Do not reduce your deduction by any:

- State or local income tax refund or credit you expect to receive for 2012, or
- Refund of, or credit for, prior year state and local income taxes you actually received in 2012. Instead, see the instructions for Form 1040, line 10.

## State and Local General Sales Taxes

If you elect to deduct state and local general sales taxes, you **must** check **box b** on line 5. To figure your deduction, you can use either your actual expenses or the optional sales tax tables.

### Actual Expenses

Generally, you can deduct the actual state and local general sales taxes (including compensating use taxes) you paid in 2012 if the tax rate was the same as the general sales tax rate. However, sales taxes on food, clothing, medical supplies, and motor vehicles are deductible as a general sales tax even if the tax rate was less than the general sales tax rate. If you paid sales tax on a motor vehicle at a rate higher than the general sales tax rate, you can deduct only the amount of tax that you would have paid at the general sales tax rate on that vehicle. Motor vehicles include cars, motorcycles, motor homes, recreational vehicles, sport utility vehicles, trucks, vans, and off-road vehicles. Also include any state and local general sales taxes paid for a leased motor vehicle. Do not include sales taxes paid on items used in your trade or business.

CAUTION *You must keep your actual receipts showing general sales taxes paid to use this method.*

**Refund of general sales taxes.** If you received a refund of state or local general sales taxes in 2012 for amounts paid in 2012, reduce your **actual** 2012 state and local general sales taxes by this amount. If you received a refund of state or local general sales taxes in 2012 for prior year purchases, do not reduce your 2012 state and local general sales taxes by this amount. But if you deducted your **actual** state and local general sales taxes in the earlier year and the deduction reduced your tax, you may have to include the refund in income on Form 1040, line 21. See *Recoveries* in Pub. 525 for details.

### Optional Sales Tax Tables

Instead of using your actual expenses, you can use the 2012 Optional State and Certain Local Sales Tax Table and the 2012 Optional Local Sales Tax Tables for Certain Local Jurisdictions at the end of these instructions to figure your state and local general sales tax deduction. You may also be able to add the state and local general sales taxes paid on certain specified items.

To figure your state and local general sales tax deduction using the tables, complete the State and Local General Sales Tax Deduction Worksheet or use the Sales Tax Deduction Calculator on the IRS website. To use the Sales Tax Deduction Calculator, go to IRS.gov and enter "sales tax deduction calculator" in the search box.

CAUTION *If your filing status is married filing separately, both you and your spouse elect to deduct sales taxes,* ***and*** *your spouse elects to use the optional sales tax tables, you also must use the tables to figure your state and local general sales tax deduction.*

### Instructions for the State and Local General Sales Tax Deduction Worksheet

**Line 1.** If you lived in the same state for all of 2012, enter the applicable amount, based on your 2012 income and exemptions, from the 2012 Optional State and Certain Local Sales Tax Table for your state. Read down the "At least–But less than" columns for your state and find the line that includes your 2012 income. If married filing separately, do not include your spouse's income. Your 2012 income is the amount shown on your Form 1040, line 38, **plus** any nontaxable items, such as the following.

- Tax-exempt interest.
- Veterans' benefits.
- Nontaxable combat pay.
- Workers' compensation.

## State and Local General Sales Tax Deduction Worksheet—Line 5b

*Keep for Your Records*

TIP *Instead of using this worksheet, you can find your deduction by using the Sales Tax Deduction Calculator at* IRS.gov.

***Before you begin:*** See the instructions for line 1 of the worksheet if you:

- ✓ Lived in more than one state during 2012, or
- ✓ Had any **nontaxable** income in 2012.

**1.** Enter your **state** general sales taxes from the 2012 Optional State and Certain Local Sales Tax Table . . . . . **1.** $ _____

**Next.** If, for all of 2012, you lived only in Connecticut, the District of Columbia, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Jersey, Rhode Island, or West Virginia (except the cities of Huntington and Williamstown), skip lines 2 through 5, enter -0- on line 6, and go to line 7. Otherwise, go to line 2.

**2.** Did you live in Alaska, Arizona, Arkansas, Colorado, Georgia, Illinois, Louisiana, Missouri, New York, North Carolina, South Carolina, Tennessee, Utah, Virginia, or the cities of Huntington or Williamstown, West Virginia in 2012?

☐ **No.** Enter -0-

☐ **Yes.** Enter your base **local** general sales taxes from the 2012 Optional Local Sales Tax Tables for Certain Local Jurisdictions . . . . . **2.** $ _____

**3.** Did your locality impose a **local** general sales tax in 2012? Residents of California and Nevada see the instructions for line 3 of the worksheet.

☐ **No.** Skip lines 3 through 5, enter -0- on line 6, and go to line 7.

☐ **Yes.** Enter your **local** general sales tax rate, but omit the percentage sign. For example, if your local general sales tax rate was 2.5%, enter 2.5. If your local general sales tax rate changed or you lived in more than one locality in the same state during 2012, see the instructions for line 3 of the worksheet . . . . . **3.** ____.____

**4.** Did you enter -0- on line 2 above?

☐ **No.** Skip lines 4 and 5 and go to line 6.

☐ **Yes.** Enter your **state** general sales tax rate (shown in the table heading for your state), but omit the percentage sign. For example, if your state general sales tax rate is 6%, enter 6.0 . . . . . **4.** ____.____

**5.** Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places) . . . . . **5.** ____.____

**6.** Did you enter -0- on line 2 above?

☐ **No.** Multiply line 2 by line 3

☐ **Yes.** Multiply line 1 by line 5. If you lived in more than one locality in the same state during 2012, see the instructions for line 6 of the worksheet . . . . . **6.** $ _____

**7.** Enter your state and local general sales taxes paid on specified items, if any. See the instructions for line 7 of the worksheet . . . . . **7.** $ _____

**8.** **Deduction for general sales taxes.** Add lines 1, 6, and 7. Enter the result here and the total from all your state and local general sales tax deduction worksheets, if you completed more than one, on Schedule A, line 5. Be sure to check **box b** on that line . . . . . **8.** $ _____

- Nontaxable part of social security and railroad retirement benefits.
- Nontaxable part of IRA, pension, or annuity distributions. Do not include rollovers.
- Public assistance payments.

The exemptions column refers to the number of exemptions claimed on Form 1040, line 6d.

***What if you lived in more than one state?*** If you lived in more than one state during 2012, look up the table amount for each state using the above rules. If there is no table for your state, the table amount is considered to be zero. Multiply the table amount for each state you lived in by a fraction. The numerator of the fraction is the number of days you lived in the state during 2012 and the denominator is the total number of days in the year (366). Enter the total of the prorated table amounts for each state on line 1. However, if you also lived in a locality during 2012 that imposed a local general sales tax, do not enter the total on line 1. Instead, complete a separate worksheet for each state you lived in and enter the prorated amount for that state on line 1.

***Example.*** You lived in State A from January 1 through August 31, 2012 (244 days), and in State B from September 1 through December 31, 2012 (122 days). The table amount for State A is $500. The table amount for State B is $400. You would figure your state general sales tax as follows.

| | | |
|---|---|---|
| State A: | $500 x 244/366 = | $333 |
| State B: | $400 x 122/366 = | 133 |
| Total | = | $466 |

If none of the localities in which you lived during 2012 imposed a local general sales tax, enter $466 on line 1 of your worksheet. Otherwise, complete a separate worksheet for State A and State B. Enter $333 on line 1 of the State A worksheet and $133 on line 1 of the State B worksheet.

**Line 2.** If you checked the "No" box, enter -0- on line 2, and go to line 3. If you checked the "Yes" box and lived in the same locality for all of 2012, enter the applicable amount, based on your 2012 income and exemptions, from the 2012 Optional Local Sales Tax Tables for Certain Local Jurisdictions for your locality. Read down the "At least–But less than" columns for your locality and find the line that includes your 2012 income. See the instructions for line 1 of the worksheet to figure your 2012 income. The exemptions column refers to the number of exemptions claimed on Form 1040, line 6d.

***What if you lived in more than one locality?*** If you lived in more than one locality during 2012, look up the table amount for each locality using the above rules. If there is no table for your locality, the table amount is considered to be zero. Multiply the table amount for each locality you lived in by a fraction. The numerator of the fraction is the number of days you lived in the locality during 2012 and the denominator is the total number of days in the year (366). If you lived in more than one locality in the same state and the local general sales tax rate was the same for each locality, enter the total of the prorated table amounts for each locality in that state on line 2. Otherwise, complete a separate worksheet for lines 2 through 6 for each locality and enter each prorated table amount on line 2 of the applicable worksheet.

***Example.*** You lived in Locality 1 from January 1 through August 31, 2012 (244 days), and in Locality 2 from September 1 through December 31, 2012 (122 days). The table amount for Locality 1 is $100. The table amount for Locality 2 is $150. You would figure the amount to enter on line 2 as follows. Note that this amount may not equal your local sales tax deduction, which is figured on line 6 of the worksheet.

| | | |
|---|---|---|
| Locality 1: | $100 x 244/366 = | $ 67 |
| Locality 2: | $150 x 122/366 = | 50 |
| Total | = | $117 |

**Line 3.** If you lived in California, check the "No" box if your combined state and local general sales tax rate is 7.2500%. Otherwise, check the "Yes" box and include on line 3 only the part of the combined rate that is more than 7.2500%.

If you lived in Nevada, check the "No" box if your combined state and local general sales tax rate is 6.8500%. Otherwise, check the "Yes" box and include on line 3 only the part of the combined rate that is more than 6.8500%.

***What if your local general sales tax rate changed during 2012?*** If you checked the "Yes" box and your local general sales tax rate changed during 2012, figure the rate to enter on line 3 as follows. Multiply each tax rate for the period it was in effect by a fraction. The numerator of the fraction is the number of days the rate was in effect during 2012 and the denominator is the total number of days in the year (366). Enter the total of the prorated tax rates on line 3.

***Example.*** Locality 1 imposed a 1% local general sales tax from January 1 through September 30, 2012 (274 days). The rate increased to 1.75% for the period from October 1 through December 31, 2012 (92 days). You would enter "1.189" on line 3, figured as follows.

| | | |
|---|---|---|
| January 1 – September 30: | 1.00 x 274/366 = | 0.749 |
| October 1 – December 31: | 1.75 x 92/366 = | 0.440 |
| Total | = | 1.189 |

***What if you lived in more than one locality in the same state during 2012?*** Complete a separate worksheet for lines 2 through 6 for each locality in your state if you lived in more than one locality in the same state during 2012 and each locality did not have the same local general sales tax rate.

To figure the amount to enter on line 3 of the worksheet for each locality in which you lived (except a locality for which you used the 2012 Optional Local Sales Tax Tables for Certain Local Jurisdictions to figure your local general sales tax deduction), multiply the local general sales tax rate by a fraction. The numerator of the fraction is the number of days you lived in the locality during 2012 and the denominator is the total number of days in the year (366).

***Example.*** You lived in Locality 1 from January 1 through August 31, 2012 (244 days), and in Locality 2 from September 1 through December 31, 2012 (122 days). The local general sales tax rate for Locality 1 is 1%. The rate for Locality 2 is 1.75%. You would enter "0.667" on line 3 for the Locality 1 worksheet and "0.583" for the Locality 2 worksheet, figured as follows.

| | | |
|---|---|---|
| Locality 1: | 1.00 x 244/366 = | 0.667 |
| Locality 2: | 1.75 x 122/366 = | 0.583 |

**Line 6.** If you lived in more than one locality in the same state during 2012, you should have completed line 1 only on the first worksheet for that state and separate worksheets for lines 2 through 6 for any other locality within that state in which you lived during 2012. If you checked the "Yes" box on line 6 of any of those worksheets, multiply line 5 of that worksheet by the amount that you entered on line 1 for that state on the first worksheet.

**Line 7.** Enter on line 7 any state and local general sales taxes paid on the following specified items. If you are completing more than one worksheet, include the total for line 7 on only one of the worksheets.

1. A motor vehicle (including a car, motorcycle, motor home, recreational vehicle, sport utility vehicle, truck, van, and off-road vehicle). Also include any state and local general sales taxes paid for a leased motor vehicle. If the state sales tax rate on these items is higher than the general sales tax rate, only include the amount of tax you would have paid at the general sales tax rate.

2. An aircraft or boat, if the tax rate was the same as the general sales tax rate.

3. A home (including a mobile home or prefabricated home) or substantial addition to or major renovation of a home, but only if the tax rate was the same as the general sales tax rate and any of the following applies.

a. Your state or locality imposes a general sales tax directly on the sale of a home or on the cost of a substantial addition or major renovation.

b. You purchased the materials to build a home or substantial addition or to perform a major renovation and paid the sales tax directly.

c. Under your state law, your contractor is considered your agent in the construction of the home or substantial addition or the performance of a major renovation. The contract must state that the contractor is authorized to act in your name and must follow your directions on construction decisions. In this case, you will be considered to have purchased any items subject to a sales tax and to have paid the sales tax directly.

Do not include sales taxes paid on items used in your trade or business. If you received a refund of state or local general sales taxes in 2012, see *Refund of general sales taxes*, earlier.

# Line 6

## Real Estate Taxes

TIP *If you are a homeowner who received assistance under a State Housing Finance Agency Hardest Hit Fund program or an Emergency Homeowners' Loan program, see Pub. 530 for the amount you can deduct on line 6.*

Include taxes (state, local, or foreign) you paid on real estate you own that was not used for business, but only if the taxes are assessed uniformly at a like rate on all real property throughout the community, and the proceeds are used for general community or governmental purposes. Pub. 530 explains the deductions homeowners can take.

Do not include the following amounts on line 6.

- Itemized charges for services to specific property or persons (for example, a $20 monthly charge per house for trash collection, a $5 charge for every 1,000 gallons of water consumed, or a flat charge for mowing a lawn that had grown higher than permitted under a local ordinance).
- Charges for improvements that tend to increase the value of your property (for example, an assessment to build a new sidewalk). The cost of a property improvement is added to the basis of the property. However, a charge is deductible if it is used only to maintain an existing public facility in service (for example, a charge to repair an existing sidewalk, and any interest included in that charge).

If your mortgage payments include your real estate taxes, you can deduct only the amount the mortgage company actually paid to the taxing authority in 2012.

If you sold your home in 2012, any real estate tax charged to the buyer should be shown on your settlement statement and in box 5 of any Form 1099-S you received. This amount is considered a refund of real estate taxes. See *Refunds and rebates,* later. Any real estate taxes you paid at closing should be shown on your settlement statement.

CAUTION *You must look at your real estate tax bill to decide if any nondeductible itemized charges, such as those listed above, are included in the bill. If your taxing authority (or lender) does not furnish you a copy of your real estate tax bill, ask for it.*

**Refunds and rebates.** If you received a refund or rebate in 2012 of real estate taxes you paid in 2012, reduce your deduction by the amount of the refund or rebate. If you received a refund or rebate in 2012 of real estate taxes you paid in an earlier year, do not reduce your deduction by this amount. Instead, you must include the refund or rebate in income on Form 1040, line 21, if you deducted the real estate taxes in the earlier year and the deduction reduced your tax. See *Recoveries* in Pub. 525 for details on how to figure the amount to include in income.

# Line 7

## Personal Property Taxes

Enter the state and local personal property taxes you paid, but only if the taxes were based on value alone and were imposed on a yearly basis.

***Example.*** You paid a yearly fee for the registration of your car. Part of the fee was based on the car's value and part was based on its weight. You can deduct only the part of the fee that was based on the car's value.

# Line 8

## Other Taxes

If you had any deductible tax not listed on line 5, 6, or 7, list the type and amount of tax. Enter only one total on line 8. Include on this line income tax you paid to a foreign country or U.S. possession.

TIP *You may want to take a credit for the foreign tax instead of a deduction. See the instructions for Form 1040, line 47, for details.*

# Interest You Paid

Whether your interest expense is treated as investment interest, personal interest, or business interest depends on how and when you used the loan proceeds. See Pub. 535 for details.

In general, if you paid interest in 2012 that applies to any period after 2012, you can deduct only amounts that apply for 2012.

## Lines 10 and 11

### Home Mortgage Interest

TIP *If you are a homeowner who received assistance under a State Housing Finance Agency Hardest Hit Fund program or an Emergency Homeowners' Loan program, see Pub. 530 for the amount you can deduct on line 10 or 11.*

A home mortgage is any loan that is secured by your main home or second home. It includes first and second mortgages, home equity loans, and refinanced mortgages.

A home can be a house, condominium, cooperative, mobile home, boat, or similar property. It must provide basic living accommodations including sleeping space, toilet, and cooking facilities.

**Limit on home mortgage interest.** If you took out any mortgages after October 13, 1987, your deduction may be limited. Any additional amounts borrowed after October 13, 1987, on a line-of-credit mortgage you had on that date are treated as a mortgage taken out after October 13, 1987. If you refinanced a mortgage you had on October 13, 1987, treat the new mortgage as taken out on or before October 13, 1987. But if you refinanced for more than the balance of the old mortgage, treat the excess as a mortgage taken out after October 13, 1987.

See Pub. 936 to figure your deduction if either (1) or (2) below applies. If you had more than one home at the same time, the dollar amounts in (1) and (2) apply to the total mortgages on both homes.

1. You took out any mortgages after October 13, 1987, and used the proceeds for purposes other than to buy, build, or improve your home, and all of these mortgages totaled over $100,000 at any time during 2012. The limit is $50,000 if married filing separately. An example of this type of mortgage is a home equity loan used to pay off credit card bills, buy a car, or pay tuition.

2. You took out any mortgages after October 13, 1987, and used the proceeds to buy, build, or improve your home, and these mortgages plus any mortgages you took out on or before October 13, 1987, totaled over $1 million at any time during 2012. The limit is $500,000 if married filing separately.

CAUTION *If the total amount of all mortgages is more than the fair market value of the home, additional limits apply. See Pub. 936.*

### Line 10

Enter on line 10 mortgage interest and points reported to you on Form 1098 under your social security number (SSN). If this form shows any refund of overpaid interest, do not reduce your deduction by the refund. Instead, see the instructions for Form 1040, line 21. If you and at least one other person (other than your spouse if filing jointly) were liable for and paid interest on the mortgage, and the interest was reported on Form 1098 under the other person's SSN, report your share of the interest on line 11 (as explained in the line 11 instructions).

If you paid more interest to the recipient than is shown on Form 1098, see Pub. 936 to find out if you can deduct the additional interest. If you can, attach a statement explaining the difference and enter "See attached" to the right of line 10.

CAUTION *If you are claiming the mortgage interest credit (for holders of qualified mortgage credit certificates issued by state or local governmental units or agencies), subtract the amount shown on Form 8396, line 3, from the total deductible interest you paid on your home mortgage. Enter the result on line 10.*

### Line 11

If you did not receive a Form 1098 from the recipient, report your deductible mortgage interest on line 11.

If you bought your home from the recipient, be sure to show that recipient's name, identifying number, and address on the dotted lines next to line 11. If the recipient is an individual, the identifying number is his or her social security number (SSN). Otherwise, it is the employer identification number. You must also let the recipient know your SSN. If you do not show the required information about the recipient or let the recipient know your SSN, you may have to pay a $50 penalty.

If you and at least one other person (other than your spouse if filing jointly) were liable for and paid interest on the mortgage, and the other person received the Form 1098, attach a statement to your return showing the name and address of that person. To the right of line 11, enter "See attached."

## Line 12

### Points Not Reported on Form 1098

Points are shown on your settlement statement. Points you paid only to borrow money are generally deductible over the life of the loan. See Pub. 936 to figure the amount you can deduct. Points paid for other purposes, such as for a lender's services, are not deductible.

**Refinancing.** Generally, you must deduct points you paid to refinance a mortgage over the life of the loan. This is true even if the new mortgage is secured by your main home.

If you used part of the proceeds to improve your main home, you may be able to deduct the part of the points related to the improvement in the year paid. See Pub. 936 for details.

TIP *If you paid off a mortgage early, deduct any remaining points in the year you paid off the mortgage. However, if you refinanced your mortgage with the same lender, see* Mortgage ending early *in Pub. 936 for an exception.*

## Line 13

### Mortgage Insurance Premiums

Enter the qualified mortgage insurance premiums you paid under a mortgage insurance contract issued after December 31, 2006, in connection with home acquisition debt that was secured by your first or second home. Box 4 of Form 1098 may show the amount of premiums you paid in 2012. If you and at least one other person (other than your spouse if filing jointly) were liable for and paid the premiums in connection with the loan, and the premiums were reported on Form 1098 under the other person's SSN, report your share of the premiums on line 13. See *Prepaid mortgage insurance premiums* later if you paid any premiums allocable to any period after 2012.

Qualified mortgage insurance is mortgage insurance provided by the Department of Veterans Affairs, the Federal Housing Administration, or the Rural Housing Service (or their successor organizations), and private mortgage insurance (as defined in section 2 of the Homeowners Protection Act of 1998 as in effect on December 20, 2006).

Mortgage insurance provided by the Department of Veterans Affairs and the Rural Housing Service is commonly known as a funding fee and guarantee fee respectively. These fees can be deducted fully in 2012 if the mortgage insurance contract was issued in 2012. Contact the mortgage insurance issuer to determine the deductible amount if it is not included in box 4 of Form 1098.

**Prepaid mortgage insurance premiums.** If you paid qualified mortgage insurance premiums that are allocable to periods after 2012, you must allocate them over the shorter of:

- The stated term of the mortgage, or
- 84 months, beginning with the month the insurance was obtained.

The premiums are treated as paid in the year to which they are allocated. If the mortgage is satisfied before its term, no deduction is allowed for the unamortized balance. See Pub. 936 for details.

The allocation rules, explained earlier, do not apply to qualified mortgage insurance provided by the Department of Veterans Affairs or the Rural Housing Service (or their successor organizations).

**Limit on amount you can deduct.** You cannot deduct your mortgage insurance premiums if the amount on Form 1040, line 38, is more than $109,000 ($54,500 if married filing separately). If the amount on Form 1040, line 38, is more than $100,000 ($50,000 if married filing separately), your deduction is limited and you must use the Mortgage Insurance Premiums Deduction Worksheet to figure your deduction.

## Line 14

### Investment Interest

Investment interest is interest paid on money you borrowed that is allocable to property held for investment. It does not include any interest allocable to passive activities or to securities that generate tax-exempt income.

Complete and attach Form 4952 to figure your deduction.

**Exception.** You do not have to file Form 4952 if all three of the following apply.

1. Your investment interest expense is not more than your investment income from interest and ordinary dividends minus any qualified dividends.

2. You have no other deductible investment expenses.

3. You have no disallowed investment interest expense from 2011.

CAUTION *Alaska Permanent Fund dividends, including those reported on Form 8814, are not investment income.*

For more details, see Pub. 550.

# Gifts to Charity

You can deduct contributions or gifts you gave to organizations that are religious, charitable, educational, scientific, or literary in purpose. You can also de-

### Mortgage Insurance Premiums Deduction Worksheet—Line 13

*Keep for Your Records*

***Before you begin:*** ✓ See the instructions for line 13 to see if you must use this worksheet to figure your deduction.

1. Enter the total premiums you paid in 2012 for qualified mortgage insurance for a contract issued after December 31, 2006 . . . . . 1. _____
2. Enter the amount from Form 1040, line 38 . . . . . 2. _____
3. Enter $100,000 ($50,000 if married filing separately) . . . . . 3. _____
4. Is the amount on line 2 more than the amount on line 3?
   - ☐ **No.** Your deduction is not limited. Enter the amount from line 1 above on Schedule A, line 13. **Do not** complete the rest of this worksheet.
   - ☐ **Yes.** Subtract line 3 from line 2. If the result is not a multiple of $1,000 ($500 if married filing separately), increase it to the next multiple of $1,000 ($500 if married filing separately). For example, increase $425 to $1,000, increase $2,025 to $3,000; or if married filing separately, increase $425 to $500, increase $2,025 to $2,500, etc. . . . . 4. _____
5. Divide line 4 by $10,000 ($5,000 if married filing separately). Enter the result as a decimal. If the result is 1.0 or more, enter 1.0 . . . . . 5. ___._____
6. Multiply line 1 by line 5 . . . . . 6. _____
7. **Mortgage insurance premiums deduction.** Subtract line 6 from line 1. Enter the result here and on Schedule A, line 13 . . . . . 7. _____

duct what you gave to organizations that work to prevent cruelty to children or animals. Certain whaling captains may be able to deduct expenses paid in 2012 for Native Alaskan subsistence bowhead whale hunting activities. See Pub. 526 for details.

To verify an organization's charitable status, you can:

- Check with the organization to which you made the donation. The organization should be able to provide you with verification of its charitable status.
- Use our on-line search tool *Exempt Organizations Select Check* to see if an organization is eligible to receive tax-deductible contributions (Publication 78 data). You can access *Exempt Organizations Select Check* at *www.irs.gov/charities* under *Search for Charities*.
- Call our Tax Exempt/Government Entities Customer Account Services at 1-877-829-5500.

## Examples of Qualified Charitable Organizations

- Churches, mosques, synagogues, temples, etc.
- Boy Scouts, Boys and Girls Clubs of America, CARE, Girl Scouts, Goodwill Industries, Red Cross, Salvation Army, United Way, etc.
- Fraternal orders, if the gifts will be used for the purposes listed under *Gifts to Charity*, earlier.
- Veterans' and certain cultural groups.
- Nonprofit schools, hospitals, and organizations whose purpose is to find a cure for, or help people who have, arthritis, asthma, birth defects, cancer, cerebral palsy, cystic fibrosis, diabetes, heart disease, hemophilia, mental illness or retardation, multiple sclerosis, muscular dystrophy, tuberculosis, etc.
- Federal, state, and local governments if the gifts are solely for public purposes.

## Amounts You Can Deduct

Contributions can be in cash, property, or out-of-pocket expenses you paid to do volunteer work for the kinds of organizations described earlier. If you drove to and from the volunteer work, you can take the actual cost of gas and oil or 14 cents a mile. Add parking and tolls to the amount you claim under either method. But do not deduct any amounts that were repaid to you.

**Gifts from which you benefit.** If you made a gift and received a benefit in return, such as food, entertainment, or merchandise, you can generally only deduct the amount that is more than the value of the benefit. But this rule does not apply to certain membership benefits provided in return for an annual payment of $75 or less or to certain items or benefits of token value. For details, see Pub. 526.

***Example.*** You paid $70 to a charitable organization to attend a fund-raising dinner and the value of the dinner was $40. You can deduct only $30.

**Gifts of $250 or more.** You can deduct a gift of $250 or more only if you have a statement from the charitable organization showing the information in (1) and (2) next.

1. The amount of any money contributed and a description (but not value) of any property donated.

2. Whether the organization did or did not give you any goods or services in return for your contribution. If you did receive any goods or services, a description and estimate of the value must be included. If you received only intangible religious benefits (such as admission to a religious ceremony), the organization must state this, but it does not have to describe or value the benefit.

In figuring whether a gift is $250 or more, do not combine separate donations. For example, if you gave your church $25 each week for a total of $1,300, treat each $25 payment as a separate gift. If you made donations through payroll deductions, treat each deduction from each paycheck as a separate gift. See Pub. 526 if you made a separate gift of $250 or more through payroll deduction.

**TIP** *You must get the statement by the date you file your return or the due date (including extensions) for filing your return, whichever is earlier. Do not attach the statement to your return. Instead, keep it for your records.*

**Limit on the amount you can deduct.** See Pub. 526 to figure the amount of your deduction if any of the following applies.

1. Your cash contributions or contributions of ordinary income property are more than 30% of the amount on Form 1040, line 38.

2. Your gifts of capital gain property are more than 20% of the amount on Form 1040, line 38.

3. You gave gifts of property that increased in value or gave gifts of the use of property.

## Amounts You Cannot Deduct

- Travel expenses (including meals and lodging) while away from home, unless there was no significant element of personal pleasure, recreation, or vacation in the travel.
- Political contributions.
- Dues, fees, or bills paid to country clubs, lodges, fraternal orders, or similar groups.
- Cost of raffle, bingo, or lottery tickets. But you may be able to deduct these expenses on line 28. See the instructions for *Line 28* for details.
- Value of your time or services.
- Value of blood given to a blood bank.
- The transfer of a future interest in tangible personal property (generally, until the entire interest has been transferred).
- Gifts to individuals and groups that are run for personal profit.
- Gifts to foreign organizations. But you may be able to deduct gifts to certain U.S. organizations that transfer funds to foreign charities and certain Canadian, Israeli, and Mexican charities. See Pub. 526 for details.
- Gifts to organizations engaged in certain political activities that are of direct financial interest to your trade or business. See section 170(f)(9).
- Gifts to groups whose purpose is to lobby for changes in the laws.
- Gifts to civic leagues, social and sports clubs, labor unions, and chambers of commerce.
- Value of benefits received in connection with a contribution to a charitable organization. See Pub. 526 for exceptions.
- Cost of tuition. But you may be able to deduct this as a job education ex-

pense on line 21; as a tuition and fees deduction on Form 1040, line 34; or take an education credit (see Form 8863).

## Line 16

### Gifts by Cash or Check

Enter on line 16 the total gifts you made in cash or by check (including out-of-pocket expenses).

**Recordkeeping.** For any contribution made in cash, regardless of the amount, you must maintain as a record of the contribution a bank record (such as a canceled check or credit card statement) or a written record from the charity. The written record must include the name of the charity, date, and amount of the contribution. If you made contributions through payroll deduction, see Pub. 526 for information on the records you must keep. Do not attach the record to your tax return. Instead, keep it with your other tax records.

## Line 17

### Other Than by Cash or Check

Enter your contributions of property. If you gave used items, such as clothing or furniture, deduct their fair market value at the time you gave them. Fair market value is what a willing buyer would pay a willing seller when neither has to buy or sell and both are aware of the conditions of the sale. For more details on determining the value of donated property, see Pub. 561.

If the amount of your deduction is more than $500, you must complete and attach Form 8283. For this purpose, the "amount of your deduction" means your deduction before applying any income limits that could result in a carryover of contributions. If you deduct more than $500 for a contribution of a motor vehicle, boat, or airplane, you must also attach a statement from the charitable organization to your return. The organization may use Form 1098-C to provide the required information. If your total deduction is over $5,000, you may also have to get appraisals of the values of the donated property. This amount is $500 for certain contributions of clothing and household items (see below). See Form 8283 and its instructions for details.

**Contributions of clothing and household items.** A deduction for these contributions will be allowed only if the items are in good used condition or better. However, this rule does not apply to a contribution of any single item for which a deduction of more than $500 is claimed and for which you include a qualified appraisal and Form 8283 with your tax return.

**Recordkeeping.** If you gave property, you should keep a receipt or written statement from the organization you gave the property to, or a reliable written record, that shows the organization's name and address, the date and location of the gift, and a description of the property. For each gift of property, you should also keep reliable written records that include:

- How you figured the property's value at the time you gave it. If the value was determined by an appraisal, keep a signed copy of the appraisal.
- The cost or other basis of the property if you must reduce it by any ordinary income or capital gain that would have resulted if the property had been sold at its fair market value.
- How you figured your deduction if you chose to reduce your deduction for gifts of capital gain property.
- Any conditions attached to the gift.

CAUTION *If your total deduction for gifts of property is over $500, you gave less than your entire interest in the property, or you made a "qualified conservation contribution," your records should contain additional information. See Pub. 526 for details.*

## Line 18

### Carryover From Prior Year

Enter any carryover of contributions that you could not deduct in an earlier year because they exceeded your adjusted gross income limit. See Pub. 526 for details.

# Casualty and Theft Losses

## Line 20

Complete and attach Form 4684 to figure the amount of your loss to enter on line 20.

You may be able to deduct part or all of each loss caused by theft, vandalism, fire, storm, or similar causes; car, boat, and other accidents; and corrosive drywall. You may also be able to deduct money you had in a financial institution but lost because of the insolvency or bankruptcy of the institution.

You can deduct personal casualty or theft losses only to the extent that:

1. The amount of each separate casualty or theft loss is more than $100, and

2. The total amount of all losses during the year (reduced by the $100 limit discussed in (1) above) is more than 10% of the amount on Form 1040, line 38.

**Corrosive drywall losses.** If you paid for repairs to your personal residence or household appliances because of corrosive drywall that was installed between 2001 and 2008, you may be able to deduct on line 20 those amounts paid. See Pub. 547 for details.

Use Schedule A, line 23, to deduct the costs of proving that you had a property loss. Examples of these costs are appraisal fees and photographs used to establish the amount of your loss.

# Job Expenses and Certain Miscellaneous Deductions

You can deduct only the part of these expenses that exceeds 2% of the amount on Form 1040, line 38.

Pub. 529 discusses the types of expenses that can and cannot be deducted.

### Examples of Expenses You Cannot Deduct

- Political contributions.

- Legal expenses for personal matters that do not produce taxable income.
- Lost or misplaced cash or property.
- Expenses for meals during regular or extra work hours.
- The cost of entertaining friends.
- Commuting expenses. See Pub. 529 for the definition of commuting.
- Travel expenses for employment away from home if that period of employment exceeds 1 year. See Pub. 529 for an exception for certain federal employees.
- Travel as a form of education.
- Expenses of attending a seminar, convention, or similar meeting unless it is related to your employment.
- Club dues.
- Expenses of adopting a child. But you may be able to take a credit for adoption expenses. See Form 8839 for details.
- Fines and penalties.
- Expenses of producing tax-exempt income.

## Line 21

### Unreimbursed Employee Expenses

Enter the total ordinary and necessary job expenses you paid for which you were not reimbursed. (Amounts your employer included in box 1 of your Form W-2 are not considered reimbursements.)

An ordinary expense is one that is common and accepted in your field of trade, business, or profession. A necessary expense is one that is helpful and appropriate for your business. An expense does not have to be required to be considered necessary.

But you must fill in and attach Form 2106 if either (1) or (2), next, applies.

1. You claim any travel, transportation, meal, or entertainment expenses for your job.

2. Your employer paid you for any of your job expenses that you would otherwise report on line 21.

TIP *If you used your own vehicle, are using the standard mileage rate, and (2) earlier, does not apply, you may be able to file Form 2106-EZ instead.*

If you do not have to file Form 2106 or 2106-EZ, list the type and amount of each expense on the dotted line next to line 21. If you need more space, attach a statement showing the type and amount of each expense. Enter the total of all these expenses on line 21.

CAUTION *Do not include on line 21 any educator expenses you deducted on Form 1040, line 23.*

Examples of other expenses to include on line 21 are:

- Safety equipment, small tools, and supplies needed for your job.
- Uniforms required by your employer that are not suitable for ordinary wear.
- Protective clothing required in your work, such as hard hats, safety shoes, and glasses.
- Physical examinations required by your employer.
- Dues to professional organizations and chambers of commerce.
- Subscriptions to professional journals.
- Fees to employment agencies and other costs to look for a new job in your present occupation, even if you do not get a new job.
- Certain business use of part of your home. For details, including limits that apply, use TeleTax topic 509 (see the Form 1040 instructions) or see Pub. 587.
- Certain educational expenses. For details, use TeleTax topic 513 (see the Form 1040 instructions) or see Pub. 970. Reduce your educational expenses by any tuition and fees deduction you claimed on Form 1040, line 34.

TIP *You may be able to take a credit for your educational expenses instead of a deduction. See Form 8863 for details.*

## Line 22

### Tax Preparation Fees

Enter the fees you paid for preparation of your tax return, including fees paid for filing your return electronically. If you paid your tax by credit or debit card, include the convenience fee you were charged on line 23 instead of this line.

## Line 23

### Other Expenses

Enter the total amount you paid to produce or collect taxable income and manage or protect property held for earning income. But do not include any personal expenses. List the type and amount of each expense on the dotted lines next to line 23. If you need more space, attach a statement showing the type and amount of each expense. Enter one total on line 23.

Examples of expenses to include on line 23 are:

- Certain legal and accounting fees.
- Clerical help and office rent.
- Custodial (for example, trust account) fees.
- Your share of the investment expenses of a regulated investment company.
- Certain losses on nonfederally insured deposits in an insolvent or bankrupt financial institution. For details, including limits that apply, see Pub. 529.
- Casualty and theft losses of property used in performing services as an employee from Form 4684, lines 32 and 38b, or Form 4797, line 18a.
- Deduction for repayment of amounts under a claim of right if $3,000 or less.
- Convenience fee charged by the card processor for paying your income tax (including estimated tax payments) by credit or debit card. The deduction is claimed for the year in which the fee was charged to your card.

# Other Miscellaneous Deductions

## Line 28

Only the expenses listed next can be deducted on this line. List the type and amount of each expense on the dotted lines next to line 28. If you need more space, attach a statement showing the type and amount of each expense. Enter one total on line 28.

- Gambling losses (gambling losses include, but are not limited to, the cost of non-winning bingo, lottery, and raffle tickets), but only to the extent of gam-

bling winnings reported on Form 1040, line 21.

- Casualty and theft losses of income-producing property from Form 4684, lines 32 and 38b, or Form 4797, line 18a.
- Loss from other activities from Schedule K-1 (Form 1065-B), box 2.
- Federal estate tax on income in respect of a decedent.
- Amortizable bond premium on bonds acquired before October 23, 1986.
- Deduction for repayment of amounts under a claim of right if over $3,000. See Pub. 525 for details.
- Certain unrecovered investment in a pension.
- Impairment-related work expenses of a disabled person.

For more details, see Pub. 529.

# Total Itemized Deductions

## Line 30

If you elect to itemize for state tax or other purposes even though your itemized deductions are less than your standard deduction, check the box on line 30.

# 2012 Optional State and Certain Local Sales Tax Tables

| Income | | Exemptions | | | | | | Exemptions | | | | | | Exemptions | | | | | | Exemptions | | | | | | Exemptions | | | | | | Exemptions | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| At least | But less than | 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 |
| | | **Alabama** | | | | | **4.0000%** | **Arizona** | | | | | **6.6000%** | **Arkansas** | | | | | **6.0000%** | **California[1]** | | | | | **7.2500%** | **Colorado** | | | | | **2.9000%** |
| $0 | $20,000 | 235 | 274 | 300 | 320 | 337 | 360 | 289 | 312 | 327 | 337 | 346 | 358 | 315 | 346 | 365 | 380 | 391 | 407 | 307 | 329 | 343 | 353 | 361 | 372 | 119 | 130 | 138 | 143 | 148 | 154 |
| 20,000 | 30,000 | 346 | 401 | 438 | 467 | 491 | 524 | 467 | 503 | 526 | 543 | 557 | 575 | 496 | 544 | 574 | 597 | 615 | 640 | 493 | 528 | 550 | 566 | 579 | 596 | 185 | 203 | 214 | 223 | 230 | 239 |
| 30,000 | 40,000 | 399 | 463 | 505 | 538 | 565 | 603 | 557 | 601 | 628 | 648 | 664 | 686 | 586 | 643 | 679 | 706 | 727 | 757 | 588 | 630 | 655 | 674 | 689 | 710 | 219 | 240 | 253 | 263 | 271 | 282 |
| 40,000 | 50,000 | 444 | 514 | 561 | 597 | 626 | 668 | 635 | 684 | 715 | 738 | 757 | 781 | 663 | 728 | 768 | 799 | 823 | 856 | 669 | 716 | 745 | 767 | 784 | 807 | 247 | 271 | 286 | 297 | 306 | 318 |
| 50,000 | 60,000 | 483 | 559 | 609 | 648 | 681 | 726 | 704 | 759 | 794 | 819 | 839 | 867 | 732 | 803 | 848 | 881 | 908 | 945 | 742 | 794 | 826 | 850 | 869 | 895 | 273 | 298 | 315 | 327 | 337 | 350 |
| 60,000 | 70,000 | 518 | 599 | 653 | 695 | 729 | 777 | 768 | 828 | 865 | 892 | 915 | 944 | 795 | 871 | 920 | 956 | 986 | 1025 | 809 | 865 | 900 | 926 | 946 | 974 | 296 | 323 | 341 | 354 | 365 | 380 |
| 70,000 | 80,000 | 551 | 636 | 694 | 738 | 774 | 825 | 828 | 892 | 932 | 962 | 986 | 1018 | 853 | 936 | 988 | 1027 | 1058 | 1101 | 871 | 932 | 970 | 997 | 1019 | 1049 | 317 | 347 | 366 | 380 | 391 | 407 |
| 80,000 | 90,000 | 581 | 671 | 731 | 777 | 815 | 869 | 883 | 952 | 994 | 1026 | 1051 | 1086 | 907 | 995 | 1050 | 1092 | 1125 | 1170 | 929 | 994 | 1034 | 1063 | 1087 | 1119 | 337 | 369 | 389 | 404 | 416 | 432 |
| 90,000 | 100,000 | 609 | 703 | 766 | 814 | 854 | 910 | 936 | 1008 | 1054 | 1087 | 1114 | 1150 | 958 | 1051 | 1109 | 1153 | 1188 | 1236 | 984 | 1052 | 1095 | 1126 | 1151 | 1184 | 356 | 389 | 410 | 426 | 439 | 456 |
| 100,000 | 120,000 | 646 | 745 | 811 | 862 | 904 | 963 | 1005 | 1083 | 1131 | 1167 | 1196 | 1235 | 1025 | 1124 | 1187 | 1233 | 1271 | 1322 | 1056 | 1129 | 1175 | 1208 | 1235 | 1271 | 381 | 416 | 439 | 456 | 469 | 488 |
| 120,000 | 140,000 | 695 | 802 | 872 | 927 | 972 | 1035 | 1100 | 1185 | 1238 | 1277 | 1308 | 1351 | 1116 | 1224 | 1292 | 1343 | 1384 | 1440 | 1155 | 1235 | 1285 | 1321 | 1350 | 1389 | 415 | 453 | 477 | 496 | 510 | 530 |
| 140,000 | 160,000 | 738 | 850 | 925 | 983 | 1031 | 1097 | 1183 | 1274 | 1331 | 1373 | 1406 | 1452 | 1196 | 1311 | 1384 | 1438 | 1482 | 1542 | 1242 | 1327 | 1380 | 1419 | 1451 | 1493 | 444 | 485 | 511 | 530 | 546 | 567 |
| 160,000 | 180,000 | 781 | 899 | 977 | 1038 | 1088 | 1158 | 1266 | 1363 | 1423 | 1468 | 1504 | 1553 | 1274 | 1397 | 1475 | 1533 | 1580 | 1643 | 1328 | 1419 | 1476 | 1517 | 1551 | 1596 | 473 | 517 | 544 | 565 | 582 | 604 |
| 180,000 | 200,000 | 818 | 942 | 1024 | 1087 | 1139 | 1213 | 1340 | 1442 | 1507 | 1554 | 1592 | 1643 | 1345 | 1475 | 1557 | 1618 | 1667 | 1734 | 1405 | 1501 | 1561 | 1605 | 1641 | 1688 | 499 | 545 | 574 | 596 | 613 | 637 |
| 200,000 or more | | 1002 | 1150 | 1249 | 1325 | 1388 | 1476 | 1710 | 1840 | 1922 | 1982 | 2030 | 2095 | 1693 | 1857 | 1960 | 2036 | 2098 | 2182 | 1790 | 1912 | 1988 | 2044 | 2088 | 2148 | 629 | 686 | 722 | 749 | 771 | 800 |
| **Income** | | **Connecticut** | | | | | **6.3500%** | **District of Columbia** | | | | | **6.0000%** | **Florida** | | | | | **6.0000%** | **Georgia** | | | | | **4.0000%** | **Hawaii[4]** | | | | | **4.0000%** |
| $0 | $20,000 | 310 | 334 | 349 | 361 | 370 | 382 | 203 | 218 | 227 | 234 | 239 | 247 | 282 | 304 | 317 | 327 | 335 | 346 | 164 | 180 | 190 | 197 | 203 | 211 | 282 | 322 | 348 | 368 | 384 | 407 |
| 20,000 | 30,000 | 492 | 531 | 555 | 573 | 587 | 606 | 328 | 352 | 367 | 378 | 386 | 398 | 451 | 485 | 507 | 522 | 535 | 552 | 258 | 282 | 297 | 309 | 318 | 331 | 423 | 483 | 522 | 552 | 576 | 610 |
| 30,000 | 40,000 | 584 | 630 | 659 | 680 | 697 | 720 | 392 | 421 | 438 | 451 | 462 | 476 | 537 | 577 | 603 | 621 | 636 | 657 | 305 | 333 | 351 | 365 | 376 | 390 | 492 | 561 | 607 | 641 | 669 | 708 |
| 40,000 | 50,000 | 662 | 715 | 747 | 771 | 790 | 816 | 447 | 480 | 500 | 514 | 526 | 542 | 610 | 656 | 685 | 706 | 723 | 746 | 345 | 377 | 398 | 413 | 425 | 441 | 550 | 627 | 678 | 716 | 748 | 791 |
| 50,000 | 60,000 | 732 | 790 | 826 | 853 | 874 | 903 | 497 | 532 | 555 | 571 | 584 | 602 | 676 | 727 | 758 | 782 | 801 | 826 | 381 | 416 | 439 | 455 | 469 | 487 | 601 | 685 | 740 | 782 | 816 | 864 |
| 60,000 | 70,000 | 796 | 859 | 898 | 927 | 950 | 981 | 542 | 581 | 605 | 623 | 637 | 656 | 735 | 791 | 825 | 851 | 871 | 899 | 414 | 452 | 476 | 494 | 508 | 528 | 647 | 738 | 797 | 842 | 878 | 929 |
| 70,000 | 80,000 | 856 | 924 | 966 | 997 | 1021 | 1055 | 584 | 626 | 652 | 671 | 687 | 708 | 792 | 851 | 888 | 916 | 938 | 967 | 445 | 485 | 511 | 530 | 546 | 567 | 690 | 786 | 849 | 897 | 936 | 990 |
| 80,000 | 90,000 | 911 | 983 | 1028 | 1061 | 1088 | 1123 | 624 | 668 | 696 | 717 | 733 | 755 | 844 | 907 | 947 | 976 | 999 | 1031 | 473 | 516 | 543 | 564 | 580 | 603 | 729 | 831 | 897 | 948 | 989 | 1046 |
| 90,000 | 100,000 | 964 | 1040 | 1087 | 1122 | 1150 | 1188 | 661 | 708 | 738 | 759 | 777 | 800 | 893 | 960 | 1002 | 1033 | 1057 | 1091 | 500 | 545 | 574 | 595 | 613 | 636 | 766 | 873 | 942 | 995 | 1039 | 1099 |
| 100,000 | 120,000 | 1032 | 1114 | 1165 | 1202 | 1232 | 1272 | 710 | 761 | 792 | 816 | 834 | 859 | 958 | 1029 | 1074 | 1107 | 1134 | 1169 | 535 | 583 | 614 | 637 | 655 | 681 | 814 | 927 | 1001 | 1058 | 1103 | 1167 |
| 120,000 | 140,000 | 1126 | 1215 | 1270 | 1311 | 1344 | 1388 | 778 | 833 | 867 | 893 | 913 | 941 | 1046 | 1125 | 1173 | 1209 | 1238 | 1277 | 583 | 635 | 669 | 694 | 714 | 741 | 880 | 1001 | 1081 | 1142 | 1191 | 1260 |
| 140,000 | 160,000 | 1208 | 1303 | 1363 | 1406 | 1441 | 1488 | 836 | 896 | 933 | 960 | 982 | 1012 | 1123 | 1207 | 1260 | 1298 | 1329 | 1371 | 625 | 681 | 716 | 743 | 765 | 794 | 936 | 1065 | 1150 | 1214 | 1267 | 1340 |
| 160,000 | 180,000 | 1289 | 1391 | 1454 | 1501 | 1538 | 1588 | 895 | 959 | 998 | 1027 | 1051 | 1082 | 1200 | 1290 | 1346 | 1387 | 1420 | 1464 | 666 | 726 | 764 | 792 | 815 | 846 | 991 | 1128 | 1218 | 1286 | 1341 | 1418 |
| 180,000 | 200,000 | 1362 | 1470 | 1536 | 1586 | 1625 | 1678 | 948 | 1015 | 1057 | 1088 | 1113 | 1146 | 1269 | 1364 | 1423 | 1466 | 1501 | 1548 | 703 | 766 | 806 | 836 | 860 | 893 | 1041 | 1184 | 1278 | 1349 | 1408 | 1488 |
| 200,000 or more | | 1723 | 1859 | 1943 | 2006 | 2055 | 2123 | 1211 | 1296 | 1350 | 1389 | 1420 | 1463 | 1612 | 1732 | 1806 | 1861 | 1905 | 1965 | 888 | 967 | 1016 | 1054 | 1084 | 1124 | 1282 | 1457 | 1572 | 1660 | 1731 | 1830 |
| **Income** | | **Idaho** | | | | | **6.0000%** | **Illinois** | | | | | **6.2500%** | **Indiana** | | | | | **7.0000%** | **Iowa** | | | | | **6.0000%** | **Kansas** | | | | | **6.3000%** |
| $0 | $20,000 | 349 | 407 | 445 | 475 | 500 | 534 | 262 | 290 | 307 | 321 | 332 | 346 | 306 | 337 | 358 | 373 | 385 | 401 | 296 | 322 | 338 | 350 | 360 | 373 | 399 | 462 | 503 | 536 | 562 | 599 |
| 20,000 | 30,000 | 519 | 603 | 659 | 702 | 738 | 788 | 408 | 449 | 476 | 496 | 512 | 535 | 473 | 522 | 552 | 575 | 594 | 619 | 472 | 513 | 539 | 558 | 573 | 594 | 598 | 691 | 753 | 801 | 840 | 894 |
| 30,000 | 40,000 | 601 | 698 | 762 | 812 | 853 | 910 | 481 | 529 | 560 | 583 | 602 | 628 | 556 | 613 | 649 | 676 | 698 | 727 | 561 | 610 | 640 | 663 | 681 | 706 | 695 | 803 | 875 | 930 | 975 | 1038 |
| 40,000 | 50,000 | 670 | 777 | 849 | 904 | 949 | 1013 | 543 | 596 | 631 | 657 | 678 | 707 | 626 | 690 | 731 | 761 | 786 | 819 | 637 | 692 | 727 | 753 | 773 | 801 | 777 | 897 | 977 | 1038 | 1088 | 1158 |
| 50,000 | 60,000 | 731 | 847 | 925 | 985 | 1034 | 1103 | 598 | 656 | 694 | 723 | 746 | 778 | 689 | 759 | 803 | 837 | 864 | 900 | 705 | 766 | 804 | 833 | 856 | 886 | 849 | 980 | 1066 | 1133 | 1188 | 1264 |
| 60,000 | 70,000 | 786 | 910 | 993 | 1057 | 1110 | 1184 | 648 | 711 | 752 | 782 | 807 | 842 | 745 | 821 | 869 | 905 | 934 | 974 | 767 | 833 | 875 | 906 | 930 | 964 | 913 | 1054 | 1147 | 1219 | 1277 | 1359 |
| 70,000 | 80,000 | 837 | 969 | 1057 | 1125 | 1181 | 1259 | 695 | 762 | 805 | 838 | 865 | 902 | 798 | 879 | 931 | 969 | 1000 | 1042 | 825 | 896 | 941 | 974 | 1001 | 1037 | 973 | 1123 | 1222 | 1298 | 1361 | 1448 |
| 80,000 | 90,000 | 884 | 1023 | 1115 | 1187 | 1246 | 1328 | 739 | 809 | 855 | 890 | 918 | 957 | 847 | 933 | 987 | 1028 | 1061 | 1106 | 878 | 955 | 1002 | 1038 | 1066 | 1104 | 1029 | 1186 | 1291 | 1371 | 1437 | 1529 |
| 90,000 | 100,000 | 929 | 1073 | 1170 | 1245 | 1306 | 1393 | 780 | 854 | 902 | 938 | 968 | 1009 | 893 | 983 | 1040 | 1083 | 1118 | 1165 | 929 | 1010 | 1060 | 1098 | 1128 | 1168 | 1080 | 1246 | 1356 | 1440 | 1509 | 1606 |
| 100,000 | 120,000 | 986 | 1139 | 1242 | 1321 | 1386 | 1477 | 834 | 912 | 963 | 1002 | 1034 | 1077 | 953 | 1049 | 1110 | 1156 | 1193 | 1243 | 996 | 1082 | 1136 | 1176 | 1208 | 1252 | 1148 | 1323 | 1440 | 1529 | 1603 | 1705 |
| 120,000 | 140,000 | 1064 | 1228 | 1338 | 1423 | 1493 | 1591 | 907 | 992 | 1047 | 1089 | 1123 | 1170 | 1035 | 1139 | 1205 | 1255 | 1295 | 1349 | 1087 | 1181 | 1240 | 1284 | 1319 | 1366 | 1239 | 1429 | 1554 | 1650 | 1729 | 1839 |
| 140,000 | 160,000 | 1131 | 1305 | 1422 | 1511 | 1585 | 1689 | 971 | 1061 | 1120 | 1164 | 1200 | 1250 | 1105 | 1217 | 1288 | 1340 | 1383 | 1441 | 1166 | 1267 | 1331 | 1378 | 1415 | 1466 | 1318 | 1519 | 1652 | 1754 | 1838 | 1955 |
| 160,000 | 180,000 | 1198 | 1381 | 1504 | 1598 | 1676 | 1785 | 1034 | 1130 | 1192 | 1239 | 1277 | 1330 | 1176 | 1294 | 1369 | 1425 | 1470 | 1532 | 1245 | 1353 | 1421 | 1471 | 1511 | 1565 | 1396 | 1608 | 1749 | 1857 | 1946 | 2069 |
| 180,000 | 200,000 | 1257 | 1449 | 1577 | 1676 | 1758 | 1872 | 1091 | 1192 | 1257 | 1306 | 1346 | 1402 | 1239 | 1363 | 1442 | 1501 | 1549 | 1614 | 1316 | 1430 | 1502 | 1555 | 1597 | 1654 | 1466 | 1688 | 1836 | 1949 | 2042 | 2171 |
| 200,000 or more | | 1547 | 1779 | 1934 | 2054 | 2153 | 2290 | 1373 | 1496 | 1576 | 1637 | 1686 | 1754 | 1547 | 1702 | 1800 | 1874 | 1933 | 2014 | 1667 | 1812 | 1902 | 1969 | 2023 | 2095 | 1804 | 2076 | 2256 | 2394 | 2508 | 2666 |
| **Income** | | **Kentucky** | | | | | **6.0000%** | **Louisiana** | | | | | **4.0000%** | **Maine** | | | | | **5.0000%** | **Maryland** | | | | | **6.0000%** | **Massachusetts** | | | | | **6.2500%** |
| $0 | $20,000 | 254 | 279 | 295 | 306 | 316 | 329 | 187 | 201 | 210 | 216 | 221 | 228 | 173 | 186 | 194 | 200 | 205 | 211 | 251 | 273 | 287 | 297 | 306 | 318 | 213 | 232 | 244 | 253 | 260 | 270 |
| 20,000 | 30,000 | 400 | 438 | 462 | 480 | 494 | 514 | 300 | 322 | 336 | 346 | 354 | 364 | 279 | 299 | 312 | 321 | 329 | 339 | 399 | 434 | 456 | 472 | 486 | 504 | 330 | 359 | 377 | 390 | 401 | 416 |
| 30,000 | 40,000 | 472 | 517 | 545 | 567 | 584 | 607 | 357 | 383 | 400 | 411 | 421 | 434 | 333 | 357 | 372 | 383 | 392 | 404 | 475 | 515 | 541 | 561 | 576 | 598 | 388 | 422 | 443 | 458 | 471 | 488 |
| 40,000 | 50,000 | 535 | 585 | 617 | 641 | 660 | 686 | 407 | 436 | 454 | 468 | 479 | 493 | 379 | 406 | 423 | 436 | 446 | 460 | 539 | 585 | 614 | 636 | 654 | 678 | 438 | 475 | 499 | 516 | 530 | 550 |
| 50,000 | 60,000 | 590 | 645 | 680 | 707 | 728 | 756 | 451 | 483 | 503 | 518 | 530 | 546 | 420 | 451 | 469 | 483 | 495 | 510 | 597 | 648 | 680 | 704 | 723 | 750 | 482 | 523 | 548 | 568 | 583 | 604 |
| 60,000 | 70,000 | 640 | 700 | 738 | 766 | 789 | 820 | 491 | 526 | 548 | 564 | 577 | 595 | 458 | 491 | 511 | 527 | 539 | 555 | 650 | 704 | 739 | 765 | 786 | 815 | 522 | 565 | 593 | 614 | 631 | 653 |
| 70,000 | 80,000 | 688 | 752 | 792 | 823 | 847 | 880 | 528 | 566 | 590 | 608 | 621 | 640 | 494 | 529 | 551 | 567 | 580 | 598 | 700 | 758 | 795 | 823 | 846 | 876 | 559 | 606 | 635 | 658 | 675 | 700 |
| 80,000 | 90,000 | 731 | 799 | 842 | 874 | 900 | 936 | 563 | 604 | 629 | 648 | 662 | 682 | 527 | 564 | 588 | 605 | 619 | 638 | 745 | 807 | 847 | 877 | 901 | 933 | 593 | 643 | 674 | 698 | 717 | 742 |
| 90,000 | 100,000 | 773 | 844 | 889 | 923 | 951 | 988 | 596 | 639 | 666 | 685 | 701 | 722 | 558 | 598 | 623 | 641 | 656 | 675 | 789 | 854 | 896 | 927 | 952 | 987 | 626 | 678 | 711 | 736 | 755 | 782 |
| 100,000 | 120,000 | 827 | 903 | 951 | 988 | 1017 | 1056 | 640 | 686 | 714 | 735 | 752 | 775 | 599 | 642 | 668 | 688 | 704 | 725 | 846 | 916 | 960 | 994 | 1021 | 1058 | 668 | 724 | 759 | 785 | 806 | 835 |
| 120,000 | 140,000 | 901 | 984 | 1036 | 1075 | 1107 | 1150 | 699 | 749 | 780 | 803 | 822 | 847 | 656 | 702 | 731 | 752 | 770 | 793 | 924 | 1000 | 1048 | 1085 | 1114 | 1154 | 726 | 786 | 824 | 853 | 876 | 907 |
| 140,000 | 160,000 | 965 | 1054 | 1110 | 1152 | 1185 | 1231 | 751 | 805 | 838 | 863 | 883 | 909 | 705 | 755 | 786 | 809 | 827 | 852 | 993 | 1073 | 1125 | 1164 | 1195 | 1238 | 777 | 841 | 881 | 911 | 936 | 969 |
| 160,000 | 180,000 | 1029 | 1123 | 1183 | 1227 | 1263 | 1312 | 802 | 860 | 896 | 922 | 943 | 971 | 754 | 807 | 840 | 865 | 884 | 911 | 1061 | 1146 | 1201 | 1243 | 1276 | 1322 | 827 | 894 | 937 | 969 | 995 | 1030 |
| 180,000 | 200,000 | 1087 | 1186 | 1248 | 1295 | 1333 | 1384 | 849 | 910 | 947 | 975 | 997 | 1027 | 798 | 854 | 889 | 915 | 936 | 964 | 1122 | 1212 | 1270 | 1314 | 1349 | 1397 | 871 | 943 | 988 | 1021 | 1048 | 1085 |
| 200,000 or more | | 1371 | 1494 | 1573 | 1631 | 1678 | 1742 | 1079 | 1156 | 1204 | 1239 | 1267 | 1305 | 1018 | 1089 | 1134 | 1166 | 1193 | 1228 | 1426 | 1539 | 1611 | 1665 | 1709 | 1769 | 1092 | 1180 | 1236 | 1277 | 1311 | 1356 |
| **Income** | | **Michigan** | | | | | **6.0000%** | **Minnesota** | | | | | **6.8750%** | **Mississippi** | | | | | **7.0000%** | **Missouri** | | | | | **4.2250%** | **Nebraska** | | | | | **5.5000%** |
| $0 | $20,000 | 244 | 266 | 280 | 290 | 298 | 309 | 284 | 304 | 316 | 325 | 332 | 342 | 469 | 535 | 578 | 611 | 638 | 675 | 187 | 209 | 223 | 234 | 243 | 255 | 269 | 291 | 304 | 314 | 322 | 333 |
| 20,000 | 30,000 | 381 | 415 | 436 | 452 | 465 | 482 | 453 | 484 | 503 | 518 | 529 | 544 | 704 | 803 | 867 | 916 | 956 | 1011 | 293 | 327 | 349 | 366 | 379 | 398 | 429 | 463 | 484 | 500 | 513 | 530 |
| 30,000 | 40,000 | 450 | 489 | 514 | 533 | 548 | 568 | 538 | 575 | 598 | 615 | 629 | 647 | 819 | 933 | 1008 | 1064 | 1111 | 1175 | 346 | 386 | 412 | 431 | 447 | 469 | 509 | 550 | 575 | 594 | 609 | 629 |
| 40,000 | 50,000 | 509 | 553 | 581 | 602 | 618 | 641 | 611 | 653 | 679 | 698 | 714 | 734 | 916 | 1043 | 1126 | 1189 | 1241 | 1312 | 391 | 436 | 465 | 487 | 505 | 530 | 578 | 624 | 653 | 674 | 691 | 714 |
| 50,000 | 60,000 | 561 | 609 | 640 | 663 | 681 | 706 | 676 | 723 | 752 | 773 | 790 | 813 | 1001 | 1140 | 1230 | 1299 | 1355 | 1433 | 431 | 481 | 513 | 537 | 557 | 584 | 640 | 691 | 723 | 746 | 765 | 791 |
| 60,000 | 70,000 | 608 | 661 | 694 | 718 | 738 | 765 | 735 | 786 | 817 | 840 | 859 | 884 | 1078 | 1226 | 1324 | 1398 | 1458 | 1542 | 468 | 521 | 556 | 582 | 603 | 633 | 696 | 751 | 786 | 812 | 832 | 860 |
| 70,000 | 80,000 | 653 | 709 | 744 | 771 | 792 | 821 | 791 | 845 | 879 | 904 | 924 | 951 | 1149 | 1307 | 1411 | 1490 | 1554 | 1643 | 502 | 559 | 596 | 624 | 647 | 678 | 748 | 808 | 845 | 873 | 895 | 925 |
| 80,000 | 90,000 | 694 | 753 | 791 | 819 | 841 | 872 | 842 | 900 | 936 | 963 | 984 | 1013 | 1215 | 1382 | 1491 | 1574 | 1642 | 1736 | 534 | 594 | 634 | 663 | 688 | 721 | 797 | 861 | 900 | 930 | 953 | 985 |
| 90,000 | 100,000 | 733 | 795 | 835 | 864 | 888 | 920 | 891 | 952 | 991 | 1019 | 1041 | 1071 | 1276 | 1452 | 1566 | 1653 | 1725 | 1823 | 564 | 628 | 669 | 700 | 726 | 761 | 843 | 911 | 952 | 983 | 1008 | 1042 |
| 100,000 | 120,000 | 783 | 850 | 892 | 924 | 949 | 983 | 955 | 1021 | 1062 | 1092 | 1116 | 1148 | 1356 | 1542 | 1664 | 1757 | 1832 | 1937 | 603 | 671 | 715 | 749 | 776 | 813 | 904 | 976 | 1021 | 1054 | 1081 | 1116 |
| 120,000 | 140,000 | 853 | 925 | 971 | 1005 | 1032 | 1070 | 1042 | 1114 | 1159 | 1192 | 1218 | 1253 | 1465 | 1666 | 1797 | 1896 | 1978 | 2091 | 656 | 730 | 778 | 814 | 844 | 884 | 986 | 1065 | 1114 | 1150 | 1179 | 1218 |
| 140,000 | 160,000 | 913 | 991 | 1039 | 1076 | 1105 | 1145 | 1119 | 1196 | 1243 | 1279 | 1307 | 1345 | 1559 | 1772 | 1911 | 2017 | 2104 | 2223 | 703 | 782 | 833 | 872 | 903 | 946 | 1058 | 1143 | 1195 | 1234 | 1265 | 1307 |
| 160,000 | 180,000 | 973 | 1056 | 1107 | 1146 | 1177 | 1219 | 1194 | 1276 | 1327 | 1365 | 1395 | 1435 | 1651 | 1877 | 2024 | 2136 | 2228 | 2354 | 749 | 833 | 888 | 929 | 962 | 1008 | 1130 | 1220 | 1276 | 1318 | 1351 | 1396 |
| 180,000 | 200,000 | 1027 | 1114 | 1168 | 1209 | 1241 | 1286 | 1262 | 1349 | 1403 | 1443 | 1474 | 1517 | 1734 | 1970 | 2125 | 2242 | 2338 | 2471 | 791 | 879 | 936 | 980 | 1015 | 1063 | 1194 | 1289 | 1349 | 1393 | 1428 | 1475 |
| 200,000 or more | | 1294 | 1401 | 1469 | 1519 | 1560 | 1615 | 1599 | 1709 | 1777 | 1828 | 1868 | 1922 | 2136 | 2425 | 2615 | 2758 | 2876 | 3038 | 997 | 1107 | 1178 | 1231 | 1275 | 1335 | 1512 | 1633 | 1708 | 1764 | 1808 | 1868 |

*(Continued)*

# 2012 Optional State and Certain Local Sales Tax Tables *(Continued)*

| Income | | Exemptions | | | | | | Exemptions | | | | | | Exemptions | | | | | | Exemptions | | | | | | Exemptions | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| At least | But less than | 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 |
| | | **Nevada[2] 6.8500%** | | | | | | **New Jersey[3] 7.0000%** | | | | | | **New Mexico 5.1250%** | | | | | | **New York 4.0000%** | | | | | | **North Carolina 4.7500%** | | | | | |
| $0 | $20,000 | 285 | 310 | 326 | 337 | 347 | 360 | 298 | 318 | 330 | 339 | 346 | 356 | 276 | 297 | 311 | 320 | 328 | 339 | 171 | 183 | 190 | 196 | 200 | 206 | 253 | 283 | 302 | 317 | 329 | 345 |
| 20,000 | 30,000 | 441 | 478 | 502 | 520 | 534 | 554 | 473 | 505 | 524 | 538 | 550 | 565 | 432 | 466 | 486 | 502 | 514 | 530 | 270 | 289 | 301 | 310 | 317 | 326 | 390 | 436 | 465 | 488 | 506 | 530 |
| 30,000 | 40,000 | 518 | 562 | 590 | 611 | 627 | 650 | 562 | 599 | 622 | 639 | 652 | 670 | 511 | 550 | 574 | 592 | 607 | 626 | 320 | 343 | 357 | 367 | 375 | 386 | 457 | 511 | 546 | 572 | 593 | 622 |
| 40,000 | 50,000 | 584 | 633 | 664 | 688 | 706 | 732 | 637 | 679 | 705 | 724 | 739 | 760 | 577 | 621 | 649 | 669 | 685 | 707 | 363 | 388 | 404 | 416 | 425 | 437 | 515 | 575 | 614 | 644 | 667 | 700 |
| 50,000 | 60,000 | 642 | 696 | 731 | 756 | 776 | 804 | 705 | 751 | 780 | 801 | 818 | 840 | 636 | 685 | 715 | 738 | 756 | 780 | 401 | 429 | 446 | 459 | 469 | 483 | 566 | 632 | 675 | 707 | 733 | 769 |
| 60,000 | 70,000 | 695 | 754 | 790 | 818 | 840 | 870 | 766 | 816 | 847 | 870 | 888 | 913 | 690 | 743 | 776 | 800 | 819 | 845 | 436 | 466 | 485 | 499 | 510 | 525 | 612 | 683 | 730 | 764 | 792 | 831 |
| 70,000 | 80,000 | 745 | 807 | 847 | 876 | 899 | 931 | 823 | 878 | 911 | 936 | 955 | 982 | 740 | 797 | 832 | 858 | 879 | 907 | 468 | 501 | 521 | 536 | 548 | 564 | 655 | 732 | 781 | 818 | 848 | 889 |
| 80,000 | 90,000 | 791 | 857 | 898 | 929 | 954 | 988 | 877 | 934 | 970 | 996 | 1017 | 1045 | 787 | 847 | 884 | 912 | 934 | 964 | 499 | 533 | 554 | 570 | 583 | 600 | 695 | 776 | 828 | 867 | 899 | 943 |
| 90,000 | 100,000 | 834 | 903 | 947 | 980 | 1006 | 1041 | 927 | 988 | 1025 | 1053 | 1075 | 1105 | 830 | 894 | 933 | 963 | 986 | 1017 | 527 | 563 | 586 | 603 | 616 | 634 | 732 | 817 | 872 | 914 | 947 | 993 |
| 100,000 | 120,000 | 891 | 964 | 1011 | 1045 | 1073 | 1111 | 993 | 1058 | 1098 | 1128 | 1151 | 1183 | 888 | 956 | 998 | 1029 | 1054 | 1087 | 564 | 603 | 627 | 645 | 659 | 679 | 781 | 872 | 930 | 974 | 1010 | 1059 |
| 120,000 | 140,000 | 968 | 1048 | 1098 | 1135 | 1165 | 1206 | 1083 | 1154 | 1198 | 1230 | 1256 | 1291 | 966 | 1040 | 1086 | 1120 | 1147 | 1183 | 615 | 658 | 684 | 703 | 719 | 740 | 847 | 946 | 1009 | 1057 | 1096 | 1149 |
| 140,000 | 160,000 | 1035 | 1120 | 1174 | 1213 | 1245 | 1289 | 1162 | 1238 | 1285 | 1319 | 1347 | 1384 | 1034 | 1113 | 1162 | 1198 | 1227 | 1266 | 659 | 705 | 733 | 754 | 770 | 793 | 905 | 1010 | 1078 | 1128 | 1170 | 1226 |
| 160,000 | 180,000 | 1101 | 1192 | 1248 | 1291 | 1324 | 1370 | 1240 | 1321 | 1371 | 1408 | 1437 | 1477 | 1101 | 1185 | 1238 | 1276 | 1307 | 1348 | 703 | 752 | 782 | 804 | 822 | 846 | 962 | 1073 | 1145 | 1199 | 1243 | 1303 |
| 180,000 | 200,000 | 1161 | 1256 | 1316 | 1360 | 1395 | 1444 | 1310 | 1395 | 1448 | 1487 | 1518 | 1560 | 1161 | 1250 | 1305 | 1346 | 1379 | 1422 | 743 | 794 | 826 | 849 | 868 | 893 | 1013 | 1130 | 1206 | 1263 | 1309 | 1372 |
| 200,000 or more | | 1455 | 1573 | 1646 | 1701 | 1745 | 1805 | 1657 | 1765 | 1831 | 1880 | 1920 | 1972 | 1459 | 1570 | 1639 | 1690 | 1731 | 1786 | 938 | 1002 | 1042 | 1072 | 1095 | 1127 | 1263 | 1409 | 1503 | 1573 | 1630 | 1709 |

| Income | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **North Dakota 5.0000%** | | | | | | **Ohio 5.5000%** | | | | | | **Oklahoma 4.5000%** | | | | | | **Pennsylvania 6.0000%** | | | | | | **Rhode Island 7.0000%** | | | | | |
| $0 | $20,000 | 194 | 216 | 230 | 241 | 250 | 262 | 262 | 282 | 294 | 303 | 310 | 320 | 272 | 312 | 337 | 357 | 374 | 396 | 236 | 254 | 266 | 275 | 282 | 291 | 271 | 296 | 312 | 323 | 333 | 345 |
| 20,000 | 30,000 | 304 | 337 | 359 | 376 | 389 | 408 | 417 | 447 | 466 | 481 | 492 | 507 | 414 | 473 | 512 | 541 | 566 | 599 | 367 | 396 | 414 | 427 | 438 | 453 | 415 | 452 | 476 | 494 | 508 | 527 |
| 30,000 | 40,000 | 360 | 399 | 424 | 443 | 459 | 481 | 495 | 531 | 553 | 570 | 583 | 601 | 484 | 552 | 597 | 632 | 660 | 699 | 433 | 467 | 488 | 503 | 516 | 533 | 486 | 529 | 557 | 577 | 594 | 616 |
| 40,000 | 50,000 | 407 | 451 | 479 | 501 | 518 | 543 | 561 | 602 | 628 | 647 | 662 | 682 | 543 | 619 | 669 | 708 | 739 | 783 | 489 | 527 | 550 | 568 | 582 | 601 | 545 | 594 | 625 | 648 | 666 | 692 |
| 50,000 | 60,000 | 449 | 497 | 528 | 552 | 571 | 598 | 621 | 666 | 694 | 715 | 732 | 754 | 595 | 678 | 733 | 775 | 809 | 857 | 538 | 580 | 606 | 625 | 641 | 662 | 598 | 652 | 685 | 710 | 731 | 758 |
| 60,000 | 70,000 | 488 | 539 | 573 | 598 | 619 | 648 | 675 | 724 | 755 | 777 | 795 | 819 | 642 | 732 | 791 | 836 | 873 | 924 | 583 | 628 | 656 | 677 | 694 | 717 | 646 | 703 | 740 | 767 | 789 | 818 |
| 70,000 | 80,000 | 524 | 579 | 615 | 642 | 664 | 695 | 726 | 778 | 811 | 836 | 855 | 881 | 686 | 782 | 845 | 893 | 932 | 986 | 625 | 673 | 704 | 726 | 744 | 768 | 691 | 752 | 791 | 819 | 843 | 874 |
| 80,000 | 90,000 | 557 | 615 | 653 | 682 | 706 | 738 | 773 | 829 | 864 | 890 | 910 | 938 | 727 | 828 | 894 | 945 | 986 | 1044 | 664 | 715 | 747 | 771 | 790 | 816 | 732 | 796 | 837 | 868 | 893 | 926 |
| 90,000 | 100,000 | 589 | 650 | 690 | 720 | 745 | 779 | 817 | 876 | 913 | 941 | 962 | 992 | 765 | 871 | 941 | 994 | 1037 | 1098 | 701 | 755 | 788 | 813 | 833 | 860 | 770 | 838 | 881 | 913 | 939 | 975 |
| 100,000 | 120,000 | 631 | 695 | 738 | 770 | 797 | 833 | 876 | 939 | 978 | 1008 | 1031 | 1062 | 815 | 927 | 1001 | 1058 | 1104 | 1168 | 749 | 806 | 842 | 869 | 890 | 919 | 821 | 893 | 939 | 973 | 1000 | 1038 |
| 120,000 | 140,000 | 687 | 757 | 803 | 838 | 867 | 906 | 955 | 1024 | 1067 | 1099 | 1124 | 1159 | 883 | 1004 | 1084 | 1145 | 1195 | 1264 | 814 | 876 | 915 | 944 | 968 | 999 | 889 | 967 | 1017 | 1054 | 1083 | 1124 |
| 140,000 | 160,000 | 737 | 811 | 860 | 897 | 928 | 970 | 1025 | 1099 | 1145 | 1179 | 1206 | 1243 | 942 | 1071 | 1155 | 1220 | 1273 | 1346 | 871 | 937 | 979 | 1010 | 1035 | 1068 | 948 | 1032 | 1084 | 1124 | 1155 | 1198 |
| 160,000 | 180,000 | 786 | 865 | 917 | 956 | 988 | 1033 | 1094 | 1173 | 1222 | 1258 | 1287 | 1326 | 1000 | 1136 | 1226 | 1294 | 1350 | 1428 | 927 | 998 | 1042 | 1075 | 1101 | 1137 | 1007 | 1095 | 1151 | 1193 | 1226 | 1272 |
| 180,000 | 200,000 | 830 | 913 | 968 | 1009 | 1043 | 1090 | 1156 | 1239 | 1291 | 1329 | 1360 | 1401 | 1052 | 1195 | 1289 | 1361 | 1420 | 1501 | 978 | 1052 | 1099 | 1133 | 1161 | 1198 | 1059 | 1152 | 1211 | 1254 | 1290 | 1338 |
| 200,000 or more | | 1048 | 1151 | 1219 | 1270 | 1312 | 1370 | 1463 | 1568 | 1634 | 1682 | 1720 | 1772 | 1307 | 1482 | 1598 | 1686 | 1758 | 1858 | 1226 | 1319 | 1377 | 1420 | 1454 | 1501 | 1315 | 1430 | 1502 | 1556 | 1600 | 1659 |

| Income | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **South Carolina 6.0000%** | | | | | | **South Dakota 4.0000%** | | | | | | **Tennessee 7.0000%** | | | | | | **Texas 6.2500%** | | | | | | **Utah 4.7000%** | | | | | |
| $0 | $20,000 | 284 | 305 | 318 | 327 | 335 | 345 | 262 | 301 | 326 | 345 | 361 | 383 | 422 | 477 | 512 | 539 | 561 | 591 | 301 | 328 | 345 | 357 | 368 | 381 | 271 | 303 | 324 | 340 | 352 | 370 |
| 20,000 | 30,000 | 448 | 481 | 502 | 517 | 529 | 545 | 398 | 455 | 493 | 522 | 545 | 578 | 645 | 727 | 780 | 821 | 854 | 899 | 478 | 521 | 547 | 567 | 583 | 605 | 418 | 467 | 498 | 522 | 542 | 568 |
| 30,000 | 40,000 | 531 | 570 | 594 | 612 | 626 | 645 | 464 | 531 | 574 | 608 | 635 | 673 | 754 | 850 | 912 | 959 | 998 | 1051 | 567 | 618 | 650 | 673 | 692 | 718 | 490 | 548 | 585 | 613 | 635 | 667 |
| 40,000 | 50,000 | 602 | 646 | 673 | 693 | 709 | 731 | 519 | 594 | 643 | 680 | 711 | 754 | 847 | 954 | 1024 | 1076 | 1119 | 1178 | 643 | 701 | 737 | 764 | 785 | 814 | 552 | 616 | 658 | 689 | 715 | 750 |
| 50,000 | 60,000 | 665 | 713 | 744 | 766 | 784 | 808 | 569 | 650 | 704 | 745 | 778 | 824 | 929 | 1046 | 1122 | 1180 | 1227 | 1291 | 711 | 775 | 815 | 844 | 868 | 900 | 607 | 677 | 723 | 757 | 785 | 823 |
| 60,000 | 70,000 | 722 | 775 | 808 | 832 | 851 | 877 | 613 | 701 | 758 | 802 | 838 | 888 | 1003 | 1129 | 1211 | 1273 | 1324 | 1393 | 773 | 842 | 885 | 918 | 943 | 978 | 656 | 732 | 781 | 818 | 849 | 890 |
| 70,000 | 80,000 | 776 | 832 | 868 | 894 | 914 | 942 | 654 | 748 | 809 | 856 | 895 | 948 | 1073 | 1207 | 1294 | 1360 | 1414 | 1488 | 831 | 905 | 952 | 986 | 1014 | 1052 | 703 | 784 | 836 | 876 | 908 | 952 |
| 80,000 | 90,000 | 825 | 886 | 923 | 951 | 973 | 1002 | 692 | 791 | 856 | 906 | 946 | 1002 | 1136 | 1278 | 1370 | 1440 | 1497 | 1576 | 885 | 964 | 1013 | 1050 | 1080 | 1120 | 745 | 831 | 887 | 929 | 963 | 1009 |
| 90,000 | 100,000 | 872 | 936 | 975 | 1005 | 1028 | 1059 | 728 | 832 | 900 | 952 | 995 | 1054 | 1196 | 1345 | 1442 | 1516 | 1576 | 1658 | 936 | 1019 | 1071 | 1110 | 1142 | 1184 | 785 | 876 | 934 | 978 | 1014 | 1063 |
| 100,000 | 120,000 | 934 | 1002 | 1044 | 1075 | 1100 | 1134 | 775 | 885 | 957 | 1013 | 1058 | 1120 | 1275 | 1433 | 1536 | 1614 | 1678 | 1766 | 1002 | 1092 | 1148 | 1189 | 1223 | 1268 | 838 | 934 | 997 | 1044 | 1082 | 1134 |
| 120,000 | 140,000 | 1017 | 1092 | 1138 | 1172 | 1199 | 1235 | 838 | 957 | 1035 | 1095 | 1143 | 1211 | 1381 | 1553 | 1664 | 1748 | 1817 | 1912 | 1093 | 1191 | 1252 | 1297 | 1334 | 1383 | 910 | 1014 | 1081 | 1132 | 1173 | 1230 |
| 140,000 | 160,000 | 1090 | 1170 | 1220 | 1256 | 1285 | 1324 | 892 | 1019 | 1102 | 1166 | 1218 | 1289 | 1474 | 1656 | 1774 | 1864 | 1937 | 2038 | 1173 | 1277 | 1343 | 1391 | 1430 | 1483 | 972 | 1083 | 1155 | 1209 | 1253 | 1313 |
| 160,000 | 180,000 | 1163 | 1248 | 1301 | 1339 | 1370 | 1412 | 946 | 1080 | 1168 | 1236 | 1291 | 1367 | 1565 | 1758 | 1883 | 1978 | 2056 | 2162 | 1251 | 1363 | 1433 | 1484 | 1526 | 1583 | 1033 | 1151 | 1227 | 1285 | 1331 | 1395 |
| 180,000 | 200,000 | 1228 | 1318 | 1373 | 1414 | 1447 | 1491 | 994 | 1135 | 1228 | 1298 | 1356 | 1436 | 1647 | 1849 | 1981 | 2081 | 2162 | 2274 | 1322 | 1440 | 1514 | 1568 | 1612 | 1672 | 1089 | 1212 | 1292 | 1353 | 1402 | 1469 |
| 200,000 or more | | 1550 | 1663 | 1733 | 1784 | 1825 | 1881 | 1229 | 1403 | 1516 | 1603 | 1674 | 1772 | 2047 | 2297 | 2459 | 2582 | 2682 | 2820 | 1672 | 1820 | 1914 | 1983 | 2038 | 2114 | 1359 | 1513 | 1612 | 1686 | 1747 | 1830 |

| Income | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | **Vermont 6.0000%** | | | | | | **Virginia 4.0000%** | | | | | | **Washington 6.5000%** | | | | | | **West Virginia 6.0000%** | | | | | | **Wisconsin 5.0000%** | | | | | |
| $0 | $20,000 | 176 | 190 | 198 | 204 | 209 | 216 | 176 | 198 | 213 | 224 | 233 | 246 | 305 | 330 | 345 | 357 | 366 | 379 | 315 | 347 | 368 | 383 | 395 | 412 | 247 | 268 | 281 | 291 | 298 | 309 |
| 20,000 | 30,000 | 267 | 287 | 300 | 309 | 316 | 326 | 271 | 305 | 327 | 344 | 358 | 377 | 487 | 527 | 552 | 570 | 585 | 605 | 495 | 546 | 578 | 603 | 622 | 649 | 392 | 425 | 446 | 461 | 473 | 490 |
| 30,000 | 40,000 | 312 | 335 | 349 | 360 | 369 | 380 | 318 | 358 | 384 | 403 | 419 | 442 | 580 | 627 | 657 | 679 | 696 | 720 | 586 | 646 | 684 | 713 | 736 | 767 | 466 | 505 | 529 | 547 | 561 | 581 |
| 40,000 | 50,000 | 349 | 375 | 391 | 403 | 413 | 426 | 358 | 403 | 432 | 454 | 472 | 496 | 659 | 713 | 746 | 771 | 791 | 818 | 663 | 731 | 774 | 806 | 832 | 868 | 528 | 572 | 600 | 620 | 637 | 659 |
| 50,000 | 60,000 | 382 | 411 | 428 | 441 | 452 | 466 | 394 | 442 | 474 | 498 | 518 | 545 | 730 | 789 | 826 | 854 | 876 | 906 | 732 | 807 | 854 | 890 | 918 | 958 | 584 | 633 | 663 | 686 | 704 | 728 |
| 60,000 | 70,000 | 412 | 443 | 462 | 476 | 487 | 502 | 426 | 478 | 513 | 539 | 560 | 589 | 794 | 859 | 899 | 929 | 953 | 986 | 794 | 875 | 927 | 965 | 997 | 1039 | 634 | 688 | 721 | 745 | 765 | 791 |
| 70,000 | 80,000 | 440 | 473 | 493 | 508 | 520 | 536 | 456 | 512 | 549 | 576 | 599 | 630 | 855 | 924 | 968 | 1000 | 1026 | 1061 | 852 | 940 | 995 | 1036 | 1070 | 1115 | 682 | 739 | 775 | 801 | 822 | 851 |
| 80,000 | 90,000 | 466 | 500 | 521 | 537 | 550 | 567 | 484 | 543 | 582 | 611 | 635 | 668 | 911 | 985 | 1031 | 1066 | 1093 | 1130 | 906 | 999 | 1058 | 1102 | 1138 | 1186 | 726 | 787 | 825 | 853 | 875 | 906 |
| 90,000 | 100,000 | 490 | 526 | 548 | 565 | 578 | 596 | 510 | 573 | 613 | 644 | 669 | 703 | 965 | 1043 | 1091 | 1128 | 1157 | 1196 | 957 | 1055 | 1117 | 1164 | 1201 | 1252 | 768 | 832 | 872 | 902 | 925 | 957 |
| 100,000 | 120,000 | 522 | 560 | 583 | 601 | 615 | 634 | 545 | 611 | 654 | 687 | 713 | 750 | 1035 | 1118 | 1171 | 1209 | 1240 | 1282 | 1024 | 1129 | 1195 | 1245 | 1285 | 1340 | 822 | 891 | 934 | 966 | 991 | 1025 |
| 120,000 | 140,000 | 564 | 605 | 631 | 650 | 665 | 686 | 592 | 663 | 710 | 745 | 774 | 814 | 1130 | 1221 | 1279 | 1321 | 1355 | 1401 | 1116 | 1229 | 1302 | 1356 | 1399 | 1459 | 897 | 972 | 1019 | 1053 | 1081 | 1118 |
| 140,000 | 160,000 | 601 | 645 | 672 | 692 | 708 | 730 | 632 | 708 | 758 | 796 | 826 | 869 | 1214 | 1312 | 1373 | 1418 | 1454 | 1504 | 1195 | 1317 | 1394 | 1452 | 1499 | 1562 | 962 | 1042 | 1092 | 1129 | 1159 | 1199 |
| 160,000 | 180,000 | 638 | 684 | 713 | 734 | 751 | 774 | 673 | 753 | 806 | 846 | 878 | 923 | 1297 | 1401 | 1466 | 1515 | 1554 | 1606 | 1274 | 1403 | 1486 | 1548 | 1597 | 1665 | 1026 | 1112 | 1165 | 1205 | 1237 | 1279 |
| 180,000 | 200,000 | 671 | 719 | 749 | 771 | 789 | 813 | 709 | 794 | 849 | 890 | 925 | 972 | 1372 | 1482 | 1551 | 1602 | 1643 | 1698 | 1344 | 1481 | 1568 | 1633 | 1686 | 1757 | 1084 | 1175 | 1231 | 1273 | 1306 | 1352 |
| 200,000 or more | | 830 | 889 | 926 | 953 | 975 | 1005 | 887 | 992 | 1059 | 1111 | 1153 | 1211 | 1742 | 1881 | 1969 | 2033 | 2085 | 2155 | 1692 | 1865 | 1974 | 2056 | 2122 | 2212 | 1371 | 1485 | 1556 | 1609 | 1651 | 1708 |

| Income | | | | | | | |
|---|---|---|---|---|---|---|---|
| | | **Wyoming 4.0000%** | | | | | |
| $0 | $20,000 | 187 | 201 | 210 | 216 | 221 | 228 |
| 20,000 | 30,000 | 299 | 321 | 334 | 344 | 352 | 363 |
| 30,000 | 40,000 | 356 | 382 | 398 | 409 | 419 | 432 |
| 40,000 | 50,000 | 404 | 434 | 452 | 465 | 476 | 490 |
| 50,000 | 60,000 | 448 | 480 | 500 | 515 | 527 | 543 |
| 60,000 | 70,000 | 487 | 522 | 544 | 560 | 573 | 590 |
| 70,000 | 80,000 | 524 | 562 | 586 | 603 | 617 | 635 |
| 80,000 | 90,000 | 559 | 599 | 624 | 642 | 657 | 677 |
| 90,000 | 100,000 | 591 | 634 | 660 | 680 | 695 | 716 |
| 100,000 | 120,000 | 634 | 680 | 708 | 729 | 745 | 768 |
| 120,000 | 140,000 | 693 | 742 | 773 | 796 | 814 | 838 |
| 140,000 | 160,000 | 744 | 797 | 830 | 854 | 873 | 900 |
| 160,000 | 180,000 | 794 | 851 | 886 | 912 | 933 | 961 |
| 180,000 | 200,000 | 840 | 900 | 937 | 964 | 986 | 1016 |
| 200,000 or more | | 1066 | 1142 | 1189 | 1223 | 1251 | 1288 |

**Note. Alaska** does not have a state sales tax. Alaska residents should follow the instructions on the next page to determine their local sales tax amount.

1 The California table includes the 1.25% uniform local sales tax rate in addition to the 6% state sales tax rate for a total of 7.25%.

2 The Nevada table includes the 2.25% uniform local sales tax rate in addition to the 4.6000% state sales tax rate.

3 Residents of Salem County, New Jersey should deduct only half of the amount in the state table.

4 The 4.0000% rate for Hawaii is actually an excise tax but is treated as a sales tax for purposes of this deduction.

## Which Optional Local Sales Tax Table Should I Use?

| IF you live in the state of... | AND you live in... | THEN use Local Table... |
|---|---|---|
| **Alaska** | Any locality | C |
| **Arizona** | Mesa or Tucson | A |
| | Chandler, Gilbert, Glendale, Peoria, Phoenix, Scottsdale, Tempe, Yuma, or any other locality | B |
| **Arkansas** | Any locality | C |
| **Colorado** | Adams County, Arapahoe County, Boulder County, Centennial, Colorado Springs, Denver City/Denver County, El Paso County, Larimer County, Pueblo County, or any other locality | A |
| | Aurora, City of Boulder, Fort Collins, Jefferson County, Lakewood, Longmont, or City of Pueblo | B |
| | Arvada, Greeley, Thornton, Westminster | C |
| **Georgia** | Any locality | B |
| **Illinois** | Any locality | A |
| **Louisiana** | Any locality | C |
| **Missouri** | Any locality | B |
| **New York** | Chautauqua County, Chenango County, Columbia County, Delaware County, Greene County, Hamilton County, Madison County, Tioga County, Wayne County, New York City, or Norwich City | A |
| | One of the following counties: Albany, Allegany, Broome, Cattaraugus, Cayuga, Chemung, Clinton, Cortland, Dutchess, Erie, Essex, Franklin, Fulton, Genesee, Herkimer, Jefferson, Lewis, Livingston, Monroe, Montgomery, Nassau, Niagara, Oneida, Onondaga, Ontario, Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Rockland, St. Lawrence, Saratoga, Schenectady, Schoharie, Schuyler, Seneca, Steuben, Suffolk, Sullivan, Tompkins, Ulster, Warren, Washington, Westchester, Wyoming, or Yates Or the City of Oneida | B |
| | Any other locality | D |
| **North Carolina** | Any locality | A |
| **South Carolina** | Newberry County | A |
| | Cherokee County, Chesterfield County, Darlington County, Dillon County, Horry County, Jasper County, Lee County, Lexington County, Myrtle Beach, Charleston County, or any other locality | B |
| **Tennessee** | Any locality | B |
| **Utah** | Any locality | A |
| **Virginia** | Any locality | B |
| **West Virginia** | Huntington, Williamstown | C |
| | Any other locality | None |

## 2012 Optional Local Sales Tax Tables for Certain Local Jurisdictions

**(Based on a local sales tax rate of 1 percent)***

| Income | | Local Table A | | | | | | Local Table B | | | | | | Local Table C | | | | | | Local Table D | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | Exemptions | | | | | | Exemptions | | | | | | Exemptions | | | | | | Exemptions | | | | | |
| At least | But less than | 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 |
| $0 | $20,000 | 42 | 46 | 49 | 51 | 52 | 54 | 50 | 56 | 61 | 64 | 67 | 71 | 63 | 72 | 77 | 82 | 85 | 90 | 43 | 46 | 48 | 49 | 50 | 52 |
| 20,000 | 30,000 | 65 | 71 | 75 | 78 | 80 | 84 | 76 | 86 | 92 | 97 | 102 | 107 | 95 | 108 | 117 | 123 | 128 | 136 | 68 | 72 | 75 | 78 | 79 | 82 |
| 30,000 | 40,000 | 76 | 84 | 88 | 92 | 94 | 98 | 88 | 100 | 108 | 114 | 119 | 125 | 111 | 126 | 136 | 143 | 150 | 158 | 80 | 86 | 89 | 92 | 94 | 97 |
| 40,000 | 50,000 | 86 | 94 | 99 | 103 | 106 | 111 | 99 | 112 | 121 | 127 | 133 | 140 | 125 | 141 | 152 | 160 | 167 | 177 | 91 | 97 | 101 | 104 | 106 | 109 |
| 50,000 | 60,000 | 95 | 104 | 109 | 113 | 117 | 122 | 109 | 123 | 133 | 140 | 145 | 154 | 136 | 155 | 166 | 176 | 183 | 193 | 100 | 107 | 112 | 115 | 117 | 121 |
| 60,000 | 70,000 | 103 | 112 | 118 | 123 | 126 | 132 | 117 | 133 | 143 | 151 | 157 | 166 | 147 | 166 | 179 | 189 | 197 | 208 | 109 | 117 | 121 | 125 | 128 | 131 |
| 70,000 | 80,000 | 110 | 120 | 127 | 132 | 135 | 141 | 126 | 142 | 153 | 161 | 168 | 177 | 157 | 178 | 191 | 202 | 210 | 222 | 117 | 125 | 130 | 134 | 137 | 141 |
| 80,000 | 90,000 | 117 | 128 | 134 | 140 | 144 | 149 | 133 | 150 | 162 | 170 | 177 | 187 | 166 | 188 | 202 | 213 | 222 | 235 | 125 | 133 | 139 | 143 | 146 | 150 |
| 90,000 | 100,000 | 123 | 135 | 142 | 147 | 151 | 157 | 140 | 158 | 170 | 179 | 187 | 197 | 174 | 198 | 213 | 224 | 234 | 246 | 132 | 141 | 147 | 151 | 154 | 159 |
| 100,000 | 120,000 | 132 | 144 | 151 | 157 | 162 | 168 | 149 | 168 | 181 | 191 | 199 | 209 | 186 | 210 | 226 | 238 | 248 | 262 | 141 | 151 | 157 | 161 | 165 | 170 |
| 120,000 | 140,000 | 143 | 156 | 164 | 171 | 176 | 182 | 162 | 182 | 196 | 206 | 215 | 227 | 201 | 227 | 244 | 258 | 268 | 283 | 154 | 165 | 171 | 176 | 180 | 185 |
| 140,000 | 160,000 | 153 | 167 | 176 | 182 | 188 | 195 | 172 | 195 | 209 | 220 | 229 | 241 | 214 | 242 | 260 | 274 | 286 | 301 | 165 | 176 | 183 | 189 | 193 | 198 |
| 160,000 | 180,000 | 163 | 178 | 187 | 194 | 200 | 207 | 183 | 206 | 222 | 233 | 243 | 256 | 227 | 256 | 276 | 291 | 303 | 319 | 176 | 188 | 196 | 201 | 206 | 212 |
| 180,000 | 200,000 | 172 | 187 | 197 | 204 | 210 | 218 | 193 | 217 | 233 | 245 | 255 | 269 | 238 | 269 | 290 | 305 | 318 | 335 | 186 | 199 | 207 | 212 | 217 | 223 |
| 200,000 or more | | 216 | 235 | 247 | 256 | 263 | 273 | 239 | 269 | 289 | 304 | 317 | 333 | 295 | 333 | 358 | 377 | 392 | 414 | 235 | 251 | 261 | 268 | 274 | 282 |

**If your local rate is different from 1 percent, the local portion of your deduction for sales tax will be proportionally larger or smaller. See the instructions for line 3 of the* State and Local General Sales Tax Deduction Worksheet.

Department of the Treasury
**Internal Revenue Service**

# 2012 Instructions for Schedule C

## Profit or Loss From Business

Use Schedule C (Form 1040) to report income or loss from a business you operated or a profession you practiced as a sole proprietor. An activity qualifies as a business if your primary purpose for engaging in the activity is for income or profit and you are involved in the activity with continuity and regularity. For example, a sporadic activity or a hobby does not qualify as a business. To report income from a nonbusiness activity, see the instructions for Form 1040, line 21, or Form 1040NR, line 21.

Also use Schedule C to report (a) wages and expenses you had as a statutory employee, (b) income and deductions of certain qualified joint ventures, and (c) certain income shown on Form 1099-MISC, Miscellaneous Income. See the *Instructions for Recipient* (back of Copy B of Form 1099-MISC) for the types of income to report on Schedule C.

Small businesses and statutory employees with business expenses of $5,000 or less may be able to file Schedule C-EZ instead of Schedule C. See Schedule C-EZ for details.

You may be subject to state and local taxes and other requirements such as business licenses and fees. Check with your state and local governments for more information.

Section references are to the Internal Revenue Code unless otherwise noted.

## Future Developments

For the latest information about developments related to Schedule C (Form 1040) and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/schedulec*.

## What's New

**No separate payment card reporting requirements.** Gross receipts received via payment card (credit and debit cards) and third party network payments are not separately reported on Schedule C.

**Standard mileage rate.** The business standard mileage rate for 2012 is 55.5 cents per mile.

**Heavy highway vehicle use tax.** This tax has been extended through September 30, 2017.

## General Instructions

### Other Schedules and Forms You May Have To File

- Schedule A (Form 1040) to deduct interest, taxes, and casualty losses not related to your business.
- Schedule E (Form 1040) to report rental real estate and royalty income or (loss) that is not subject to self-employment tax.
- Schedule F (Form 1040) to report profit or (loss) from farming.
- Schedule J (Form 1040) to figure your tax by averaging your farming or fishing income over the previous 3 years. Doing so may reduce your tax.
- Schedule SE (Form 1040) to pay self-employment tax on income from any trade or business.
- Form 3800 to claim any of the general business credits.
- Form 4562 to claim depreciation (including the special allowance) on assets placed in service in 2012, to claim amortization that began in 2012, to make an election under section 179 to expense certain property, or to report information on listed property.
- Form 4684 to report a casualty or theft gain or loss involving property used in your trade or business or income-producing property.
- Form 4797 to report sales, exchanges, and involuntary conversions (not from a casualty or theft) of trade or business property.
- Form 6198 to figure your allowable loss if you have a business loss and you have amounts invested in the business for which you are not at risk.
- Form 8582 to figure your allowable loss from passive activities.
- Form 8594 to report certain purchases or sales of groups of assets that constitute a trade or business.
- Form 8824 to report like-kind exchanges.
- Form 8829 to claim expenses for business use of your home.
- Form 8903 to take a deduction for income from domestic production activities.

**Single-member limited liability company (LLC).** Generally, a single-member domestic LLC is not treated as a separate entity for federal income tax purposes. If you are the sole member of a domestic LLC, file Schedule C or C-EZ (or Schedule E or F, if applicable). However, you can elect to treat a domestic LLC as a corporation. See Form 8832 for details on the election and the tax treatment of a foreign LLC.

**Single-member limited liability companies (LLCs) with employees.** Single-member LLCs that are disregarded as entities separate from their owner for federal income tax purposes are now required to file employment tax returns using the LLC's name and employer identification number (EIN) rather than the LLC owner's name and EIN. Single-member LLCs not previously needing an EIN may now need to obtain an EIN for the payment and reporting of those taxes. For more information, see the Instructions for Form SS-4.



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**Heavy highway vehicle use tax.** If you use certain highway trucks, truck-trailers, tractor-trailers, or buses in your trade or business, you may have to pay a federal highway motor vehicle use tax. See the Instructions for Form 2290 to find out if you must pay this tax and visit *www.irs.gov/trucker* for the most recent developments.

**Information returns.** You may have to file information returns for wages paid to employees, certain payments of fees and other nonemployee compensation, interest, rents, royalties, real estate transactions, annuities, and pensions. See *Line I*, later, and the 2012 General Instructions for Certain Information Returns for details and other payments that may require you to file a Form 1099.

If you received cash of more than $10,000 in one or more related transactions in your trade or business, you may have to file Form 8300. For details, see Pub. 1544.

## Husband-Wife Qualified Joint Venture

If you and your spouse each materially participate (see *Material participation*, later, in the instructions for line G) as the only members of a jointly owned and operated business and you file a joint return for the tax year, you can elect to be treated as a qualified joint venture instead of a partnership. This election, in most cases, will not increase the total tax owed on the joint return, but it does give each of you credit for social security earnings on which retirement benefits are based and for Medicare coverage. By making the election, you will not be required to file Form 1065 for any year the election is in effect and will instead report the income and deductions directly on your joint return. If you and your spouse filed a Form 1065 for the year prior to the election, the partnership terminates at the end of the tax year immediately preceding the year the election takes effect.

**Note.** Mere joint ownership of property that is not a trade or business does not qualify for the election.

**Making the election.** To make this election, you must divide all items of income, gain, loss, deduction, and credit attributable to the business between you and your spouse in accordance with your respective interests in the venture. Each of you must file a separate Schedule C, C-EZ, or F. On each line of your separate Schedule C, C-EZ, or F, you must enter your share of the applicable income, deduction, or loss. Each of you must also file a separate Schedule SE to pay self-employment tax, as applicable.

Once made, the election can be revoked only with the permission of the IRS. However, the election technically remains in effect only for as long as the spouses filing as a qualified joint venture continue to meet the requirements for filing the election. If the spouses fail to meet the qualified joint venture requirements for a year, a new election will be necessary for any future year in which the spouses meet the requirements to be treated as a qualified joint venture.

The election generally does not require that you and your spouse obtain an employer identification number (EIN) since you and your spouse will file as sole proprietors. However, you may need an EIN to file other returns such as employment or excise tax returns. To apply for an EIN, see the Instructions for Form SS-4.

For more information on qualified joint ventures, go to IRS.gov. Enter "qualified joint venture" in the search box and select "Election for Husband and Wife Unincorporated Businesses."

**Rental real estate business.** If you and your spouse make the election for your rental real estate business, you must each report your share of income and deductions on Schedule E. Rental real estate income generally is not included in net earnings from self-employment subject to self-employment tax and generally is subject to the passive loss limitation rules. Electing qualified joint venture status does not alter the application of the self-employment tax or the passive loss limitation rules.

## Husband-Wife Partnership

Generally, if you and your spouse jointly own and operate an unincorporated business and share in the profits and losses, you are partners in a partnership, whether or not you have a formal partnership agreement. You generally have to file Form 1065 instead of Schedule C or C-EZ for your joint business activity; however, you may not have to file Form 1065 if either of the following applies.

- You and your spouse elect to be treated as a qualified joint venture. See *Husband-Wife Qualified Joint Venture*, earlier.
- You and your spouse wholly own the unincorporated business as community property. See *Exception—community income* next.

Otherwise, use Form 1065. See Pub. 541 for more details.

**Exception—community income.** If you and your spouse wholly own an unincorporated business as community property under the community property laws of a state, foreign country, or U.S. possession, the income and deductions are reported as follows.

- If only one spouse participates in the business, all of the income from that business is the self-employment earnings of the spouse who carried on the business.
- If both spouses participate, the income and deductions are allocated to the spouses based on their distributive shares.
- If either or both you and your spouse are partners in a partnership, see Pub. 541.
- If you and your spouse elected to treat the business as a qualifying joint venture, see *Husband-Wife Qualified Joint Venture*, earlier.

The only states with community property laws are Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin. A change in your reporting position will be treated as a conversion of the entity.

## Reportable Transaction Disclosure Statement

Use Form 8886 to disclose information for each reportable transaction in which you participated. Form 8886 must be filed for each tax year that your federal income tax liability is affected by your participation in the transaction. You may have to pay a penalty if you are required to file Form 8886 but do not do so. You may also have to pay interest and penalties on any reportable transaction understatements. The following are reportable transactions.

- Any listed transaction that is the same as or substantially similar to tax

avoidance transactions identified by the IRS.

- Any transaction offered to you or a related party under conditions of confidentiality for which you paid an advisor a fee of at least $50,000.
- Certain transactions for which you or a related party have contractual protection against disallowance of the tax benefits.
- Certain transactions resulting in a loss of at least $2 million in any single tax year or $4 million in any combination of tax years. (At least $50,000 for a single tax year if the loss arose from a foreign currency transaction defined in section 988(c)(1), whether or not the loss flows through from an S corporation or partnership.)
- Certain transactions of interest entered into after November 1, 2006, that are the same or substantially similar to one of the types of transactions that the IRS has identified by published guidance as a transaction of interest.

See the Instructions for Form 8886 for more details.

### Capital Construction Fund

Do not claim on Schedule C or C-EZ the deduction for amounts contributed to a capital construction fund set up under chapter 535 of title 46 of the United States Code. Instead, reduce the amount you would otherwise enter on Form 1040, line 43, by the amount of the deduction. Next to line 43, enter "CCF" and the amount of the deduction. For details, see Pub. 595.

### Additional Information

See Pub. 334 for more information for small businesses.

## Specific Instructions

**Filers of Form 1041.** Do not complete the block labeled "Social security number (SSN)." Instead, enter the employer identification number (EIN) issued to the estate or trust on line D.

### Line A

Describe the business or professional activity that provided your principal source of income reported on line 1. If you owned more than one business, you must complete a separate Schedule C for each business. Give the general field or activity and the type of product or service. If your general field or activity is wholesale or retail trade, or services connected with production services (mining, construction, or manufacturing), also give the type of customer or client. For example, "wholesale sale of hardware to retailers" or "appraisal of real estate for lending institutions."

### Line B

Enter on line B the six-digit code from the *Principal Business or Professional Activity Codes* chart at the end of these instructions.

### Line D

Enter on line D the employer identification number (EIN) that was issued to you on Form SS-4. Do not enter your SSN on this line. Do not enter another taxpayer's EIN (for example, from any Forms 1099-MISC that you received). **If you do not have an EIN, leave line D blank.**

You need an EIN only if you have a qualified retirement plan or are required to file employment, excise, alcohol, tobacco, or firearms returns, or are a payer of gambling winnings. If you need an EIN, See the Instructions for Form SS-4.

**Single-member LLCs.** If you are the sole owner of an LLC that is not treated as a separate entity for federal income tax purposes, you may have an EIN that was issued to the LLC (and in the LLC's legal name) if you are required to file employment tax returns and certain excise tax returns. However, you should **enter on line D only the EIN issued to you and in your name as a sole proprietor.** If you do not have such an EIN, leave line D blank. Do not enter on line D the EIN issued to the LLC.

### Line E

Enter your business address. Show a street address instead of a box number. Include the suite or room number, if any. If you conducted the business from your home located at the address shown on Form 1040, page 1, you do not have to complete this line.

### Line F

Generally, you can use the cash method, accrual method, or any other method permitted by the Internal Revenue Code. In all cases, the method used must clearly reflect income. Unless you are a qualifying taxpayer or a qualifying small business taxpayer (see the Part III instructions), you must use the accrual method for sales and purchases of inventory items. Special rules apply to long-term contracts (see section 460 for details).

If you use the cash method, show all items of taxable income actually or constructively received during the year (in cash, property, or services). Income is constructively received when it is credited to your account or set aside for you to use. Also, show amounts actually paid during the year for deductible expenses. However, if the payment of an expenditure creates an asset having a useful life that extends substantially beyond the close of the year, it may not be deductible or may be deductible only in part for the year of the payment. See chapter 1 of Pub. 535.

If you use the accrual method, report income when you earn it and deduct expenses when you incur them even if you do not pay them during the tax year. Accrual-basis taxpayers are put on a cash basis for deducting business expenses owed to a related cash-basis taxpayer. Other rules determine the timing of deductions based on economic performance. See Pub. 538.

To change your accounting method, you generally must file Form 3115. You also may have to make an adjustment to prevent amounts of income or expense from being duplicated or omitted. This is called a section 481(a) adjustment.

***Example.*** You change to the cash method of accounting and choose to account for inventoriable items in the same manner as materials and supplies that are not incidental. You accrued sales in 2011 for which you received payment in 2012. You must report those sales in both years as a result of changing your accounting method and must make a section 481(a) adjustment to prevent duplication of income.

A net negative section 481(a) adjustment is taken into account entirely in the year of the change. A net positive section 481(a) adjustment is generally taken into account over a period of 4 years. Include any net positive section 481(a) adjustments on line 6. If the net section 481(a) adjustment is negative, report it in Part V.

For details on figuring section 481(a) adjustments, see the Instructions for Form 3115, and Rev. Proc. 2006-12, 2006-3 I.R.B. 310, available at *www.irs.gov/irb/2006-03_IRB/ar14.html*. Also see Rev. Proc. 2006-37, 2006-38 I.R.B. 499, available at *www.irs.gov/irb/2006-38_IRB/ar10.html*.

## Line G

If your business activity was not a rental activity and you met any of the material participation tests, explained next, or the exception for oil and gas applies (explained later), check the "Yes" box. Otherwise, check the "No" box. If you check the "No" box, this business is a passive activity. If you have a loss from this business, see *Limit on losses,* later. If you have a profit from this business activity but have current year losses from other passive activities or you have prior year unallowed passive activity losses, see the Instructions for Form 8582.

**Material participation.** For purposes of the seven material participation tests listed later, participation generally includes any work you did in connection with an activity if you owned an interest in the activity at the time you did the work. The capacity in which you did the work does not matter. However, work is not treated as participation if it is work that an owner would not customarily do in the same type of activity and one of your main reasons for doing the work was to avoid the disallowance of losses or credits from the activity under the passive activity rules.

Work you did as an investor in an activity is not treated as participation unless you were directly involved in the day-to-day management or operations of the activity. Work done as an investor includes:

- Studying and reviewing financial statements or reports on the activity,
- Preparing or compiling summaries or analyses of the finances or operations of the activity for your own use, and
- Monitoring the finances or operations of the activity in a nonmanagerial capacity.

Participation by your spouse during the tax year in an activity you own can be counted as your participation in the activity. This rule applies even if your spouse did not own an interest in the activity and whether or not you and your spouse file a joint return. However, this rule does not apply for purposes of determining whether you and your spouse can elect to have your business treated as a qualified joint venture instead of a partnership (see *Husband-Wife Qualified Joint Venture*, earlier).

For purposes of the passive activity rules, you materially participated in the operation of this trade or business activity during 2012 if you met any of the following seven tests.

1. You participated in the activity for more than 500 hours during the tax year.

2. Your participation in the activity for the tax year was substantially all of the participation in the activity of all individuals (including individuals who did not own any interest in the activity) for the tax year.

3. You participated in the activity for more than 100 hours during the tax year, and you participated at least as much as any other person for the tax year. This includes individuals who did not own any interest in the activity.

4. The activity is a significant participation activity for the tax year, and you participated in all significant participation activities for more than 500 hours during the year. An activity is a "significant participation activity" if it involves the conduct of a trade or business, you participated in the activity for more than 100 hours during the tax year, and you did not materially participate under any of the material participation tests (other than this test 4).

5. You materially participated in the activity for any 5 of the prior 10 tax years.

6. The activity is a personal service activity in which you materially participated for any 3 prior tax years. A personal service activity is an activity that involves performing personal services in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts, consulting, or any other trade or business in which capital is not a material income-producing factor.

7. Based on all the facts and circumstances, you participated in the activity on a regular, continuous, and substantial basis for more than 100 hours during the tax year.Your participation in managing the activity does not count in determining if you meet this test if any person (except you) (a) received compensation for performing management services in connection with the activity, or (b) spent more hours during the tax year than you spent performing management services in connection with the activity (regardless of whether the person was compensated for the services).

**Rental of property.** Generally, a rental activity (such as long-term equipment leasing or rental real estate) is a passive activity even if you materially participated in the activity. However, if you materially participated in a rental real estate activity as a real estate professional, it is not a passive activity. Also, if you met any of the five exceptions listed under *Rental Activities* in the Instructions for Form 8582, the rental of the property is not treated as a rental activity and the material participation rules earlier apply. See *Activities That Are Not Passive Activities* in the Instructions for Form 8582 for the definition of a real estate professional.

**Exception for oil and gas.** If you are filing Schedule C to report income and deductions from an oil or gas well in which you own a working interest directly or through an entity that does not limit your liability, check the "Yes" box. The activity of owning a working interest is not a passive activity, regardless of your participation.

**Limit on losses.** Your loss may be limited if you checked the "No" box on line G. In this case, you may have a loss from a passive activity, and you may have to use Form 8582 to figure your allowable loss, if any, to enter on Schedule C, line 31.

Generally, you can deduct losses from passive activities only to the extent of income from passive activities. For details, see Pub. 925.

## Line H

If you started or acquired this business in 2012, check the box on line H. Also check the box if you are reopening or restarting this business after temporarily closing it, and you did not file a 2011 Schedule C or C-EZ for this business.

## Line I

If you made any payment in 2012 that would require you to file any Forms 1099, check the "Yes" box. Otherwise, check the "No" box.

You may have to file information returns for wages paid to employees, certain payments of fees and other nonemployee compensation, interest, rents, royalties, real estate transactions, annuities, and pensions. You may also have to file an information return if you sold $5,000 or more of consumer products to a person on a buy-sell, deposit-commission, or other similar basis for resale.

TIP *The* Guide to Information Returns *in the 2012 General Instructions for Certain Information Returns identifies which Forms 1099 must be filed, the amounts to report, and the due dates for the required Forms 1099.*

# Part I. Income

Except as otherwise provided in the Internal Revenue Code, gross income includes income from whatever source derived. In certain circumstances, however, gross income does not include extraterritorial income that is qualifying foreign trade income. Use Form 8873 to figure the extraterritorial income exclusion. Report it on Schedule C as explained in the Instructions for Form 8873.

If you were a debtor in a chapter 11 bankruptcy case during 2012, see *Chapter 11 Bankruptcy Cases* under *Income* in the Instructions for Form 1040 and the Instructions for Schedule SE (Form 1040).

## Line 1

Enter gross receipts from your trade or business. Include amounts you received in your trade or business that were properly shown on Forms 1099-MISC. If the total amounts that were reported in box 7 of Forms 1099-MISC are more than the total you are reporting on line 1, attach a statement explaining the difference.

**Statutory employees.** If you received a Form W-2 and the "Statutory employee" box in box 13 of that form was checked, report your income and expenses related to that income on Schedule C or C-EZ. Enter your statutory employee income from box 1 of Form W-2 on line 1 of Schedule C or C-EZ and check the box on that line. Social security and Medicare tax should have been withheld from your earnings; as a result, you do not owe self-employment tax on these earnings. Statutory employees include full-time life insurance agents, certain agent or commission drivers and traveling salespersons, and certain homeworkers.

If you had both self-employment income and statutory employee income, you must file two Schedules C. You cannot use Schedule C-EZ or combine these amounts on a single Schedule C.

CAUTION *Qualified joint ventures should report rental real estate income not subject to self-employment tax on Schedule E. See* Husband-Wife Qualified Joint Venture*, earlier, and the Instructions for Schedule E.*

**Installment sales.** Generally, the installment method cannot be used to report income from the sale of (a) personal property regularly sold under the installment method, or (b) real property held for resale to customers. But the installment method can be used to report income from sales of certain residential lots and timeshares if you elect to pay interest on the tax due on that income after the year of sale. See section 453(l)(2)(B) for details. If you make this election, include the interest in the total on Form 1040, line 60. Also, enter "453(l)(3)" and the amount of the interest on the dotted line to the left of line 60.

If you use the installment method, attach a schedule to your return. Show separately for 2012 and the 3 preceding years: gross sales, cost of goods sold, gross profit, percentage of gross profit to gross sales, amounts collected, and gross profit on amounts collected.

## Line 6

Report on line 6 amounts from finance reserve income, scrap sales, bad debts you recovered, interest (such as on notes and accounts receivable), state gasoline or fuel tax refunds you received in 2012, the amount of credit claimed on Form 6478 or Form 8864, credit for federal tax paid on fuels claimed on your 2011 Form 1040, prizes and awards related to your trade or business, and other kinds of miscellaneous business income. Include amounts you received in your trade or business as shown on Form 1099-PATR.

If the business use percentage of any listed property (defined in *Line 13*, later) dropped to 50% or less in 2012, report on this line any recapture of excess depreciation, including any section 179 expense deduction. Use Part IV of Form 4797 to figure the recapture. Also, if the business use percentage drops to 50% or less on leased listed property (other than a vehicle), include on this line any inclusion amount. See chapter 5 of Pub. 946 to figure the amount.

# Part II. Expenses

**Capitalizing costs of property.** If you produced real or tangible personal property or acquired property for resale, certain expenses attributable to the property generally must be included in inventory costs or capitalized. In addition to direct costs, producers of inventory property generally must also include part of certain indirect costs in their inventory. Purchasers of personal property acquired for resale must include part of certain indirect costs in inventory only if the average annual gross receipts for the 3 prior tax years exceed $10 million. Also, you must capitalize part of the indirect costs that benefit real or tangible personal property constructed for use in a trade or business, or noninventory property produced for sale to customers. Reduce the amounts on lines 8 through 26 and Part V by amounts capitalized. See Pub. 538 for a discussion of uniform capitalization rules.

***Exception for certain producers.*** Producers who account for inventoriable items in the same manner as materials and supplies that are not incidental can

currently deduct expenditures for direct labor and all indirect costs that would otherwise be included in inventory costs. See *Part III. Cost of Goods Sold* for more details.

***Exception for creative property.*** If you are a freelance artist, author, or photographer, you may be exempt from the capitalization rules. However, your personal efforts must have created (or reasonably be expected to create) the property. This exception does not apply to any expense related to printing, photographic plates, motion picture films, video tapes, or similar items. These expenses are subject to the capitalization rules. For details, see *Uniform Capitalization Rules* in Pub. 538.

## Line 9

You can deduct the actual expenses of operating your car or truck or take the standard mileage rate. This is true even if you used your vehicle for hire (such as a taxicab). You must use actual expenses if you used five or more vehicles simultaneously in your business (such as in fleet operations). You cannot use actual expenses for a leased vehicle if you previously used the standard mileage rate for that vehicle.

You can take the standard mileage rate for 2012 only if you:

- Owned the vehicle and used the standard mileage rate for the first year you placed the vehicle in service, or
- Leased the vehicle and are using the standard mileage rate for the entire lease period (except the period, if any, before 1998).

If you take the standard mileage rate:

- Multiply the number of business miles driven by 55.5 cents and
- Add to this amount your parking fees and tolls, and enter the total on line 9.

Do not deduct depreciation, rent or lease payments, or your actual operating expenses.

If you deduct actual expenses:

- Include on line 9 the business portion of expenses for gasoline, oil, repairs, insurance, tires, license plates, etc., and
- Show depreciation on line 13 and rent or lease payments on line 20a.

For details, see chapter 4 of Pub. 463.

**Information on your vehicle.** If you claim any car and truck expenses, you must provide certain information on the use of your vehicle by completing one of the following.

- Schedule C, Part IV, or Schedule C-EZ, Part III, if: (a) you are claiming the standard mileage rate, you lease your vehicle, or your vehicle is fully depreciated, and (b) you are not required to file Form 4562 for any other reason. If you used more than one vehicle during the year, attach your own schedule with the information requested in Schedule C, Part IV, or Schedule C-EZ, Part III, for each additional vehicle.
- Form 4562, Part V, if you are claiming depreciation on your vehicle or you are required to file Form 4562 for any other reason (see *Line 13*, later).

## Line 11

Enter the total cost of contract labor for the tax year. Contract labor includes payments to persons you do not treat as employees (for example, independent contractors) for services performed for your trade or business. Do not include contract labor deducted elsewhere on your return, such as contract labor includible on line 17, 21, 26, or 37. Also, do not include salaries and wages paid to your employees; instead, see *Line 26*, later.

You must file Form 1099-MISC, Miscellaneous Income, to report contract labor payments of $600 or more during the year. See the Instructions for Form 1099-MISC for details.

## Line 12

Enter your deduction for depletion on this line. If you have timber depletion, attach Form T. See chapter 9 of Pub. 535 for details.

## Line 13

**Depreciation and section 179 expense deduction.** Depreciation is the annual deduction allowed to recover the cost or other basis of business or investment property having a useful life substantially beyond the tax year. You can also depreciate improvements made to leased business property. However, stock in trade, inventories, and land are not depreciable. Depreciation starts when you first use the property in your business or for the production of income. It ends when you take the property out of service, deduct all your depreciable cost or other basis, or no longer use the property in your business or for the production of income. You can also elect under section 179 to expense part or all of the cost of certain property you bought in 2012 for use in your business. See the Instructions for Form 4562 and Pub. 946 to figure the amount to enter on line 13.

**When to attach Form 4562.** You must complete and attach Form 4562 only if you are claiming:

- Depreciation on property placed in service during 2012;
- Depreciation on listed property (defined later), regardless of the date it was placed in service; or
- A section 179 expense deduction.

If you acquired depreciable property for the first time in 2012, see Pub. 946.

Listed property generally includes but is not limited to:

- Passenger automobiles weighing 6,000 pounds or less;
- Any other property used for transportation if the nature of the property lends itself to personal use, such as motorcycles, pickup trucks, etc.;
- Any property used for entertainment or recreational purposes (such as photographic, phonographic, communication, and video recording equipment); and
- Computers or peripheral equipment.

**Exceptions.** Listed property does not include photographic, phonographic, communication, or video equipment used exclusively in your trade or business or at your regular business establishment. It also does not include any computer or peripheral equipment used exclusively at a regular business establishment and owned or leased by the person operating the establishment. For purposes of these exceptions, a portion of your home is treated as a regular business establishment only if that portion meets the requirements under section 280A(c)(1) for deducting expenses for the business use of your home.

See *Line 6*, earlier, if the business use percentage of any listed property dropped to 50% or less in 2012.

## Line 14

Deduct contributions to employee benefit programs that are not an incidental part of a pension or profit-sharing plan included on line 19. Examples are accident and health plans, group-term life insurance, and dependent care assistance programs. If you made contributions on your behalf as a self-employed person to a dependent care assistance program, complete Form 2441, Parts I and III, to figure your deductible contributions to that program.

You cannot deduct contributions you made on your behalf as a self-employed person for group-term life insurance.

Do not include on line 14 any contributions you made on your behalf as a self-employed person to an accident and health plan. However, you may be able to deduct on Form 1040, line 29, or Form 1040NR, line 29, the amount you paid for health insurance on behalf of yourself, your spouse, and dependents, even if you do not itemize your deductions. See the instructions for Form 1040, line 29, or Form 1040NR, line 29, for details.

You must reduce your line 14 deduction by the amount of any credit for small employer health insurance premiums determined on Form 8941. See Form 8941 and its instructions to determine which expenses are eligible for the credit.

## Line 15

Deduct premiums paid for business insurance on line 15. Deduct on line 14 amounts paid for employee accident and health insurance. Do not deduct amounts credited to a reserve for self-insurance or premiums paid for a policy that pays for your lost earnings due to sickness or disability. For details, see chapter 6 of Pub. 535.

## Lines 16a and 16b

**Interest allocation rules.** The tax treatment of interest expense differs depending on its type. For example, home mortgage interest and investment interest are treated differently. "Interest allocation" rules require you to allocate (classify) your interest expense so it is deducted (or capitalized) on the correct line of your return and receives the right tax treatment. These rules could affect how much interest you are allowed to deduct on Schedule C or C-EZ.

Generally, you allocate interest expense by tracing how the proceeds of the loan were used. See chapter 4 of Pub. 535 for details.

If you paid interest on a debt secured by your main home and any of the proceeds from that debt were used in connection with your trade or business, see chapter 4 of Pub. 535 to figure the amount that is deductible on Schedule C or C-EZ.

**How to report.** If you have a mortgage on real property used in your business (other than your main home), enter on line 16a the interest you paid for 2012 to banks or other financial institutions for which you received a Form 1098 (or similar statement). If you did not receive a Form 1098, enter the interest on line 16b.

If you paid more mortgage interest than is shown on Form 1098, see chapter 4 of Pub. 535 to find out if you can deduct the additional interest. If you can, include the amount on line 16a. Attach a statement to your return explaining the difference and enter "See attached" in the margin next to line 16a.

If you and at least one other person (other than your spouse if you file a joint return) were liable for and paid interest on the mortgage and the other person received the Form 1098, include your share of the interest on line 16b. Attach a statement to your return showing the name and address of the person who received the Form 1098. In the margin next to line 16b, enter "See attached."

If you paid interest in 2012 that also applies to future years, deduct only the part that applies to 2012.

## Line 17

Include on this line fees charged by accountants and attorneys that are ordinary and necessary expenses directly related to operating your business.

Include fees for tax advice related to your business and for preparation of the tax forms related to your business. Also include expenses incurred in resolving asserted tax deficiencies relating to your business.

For more information, see Pub. 334 or 535.

## Line 18

Include on this line your expenses for office supplies and postage.

## Line 19

Enter your deduction for contributions to a pension, profit-sharing, or annuity plan, or plan for the benefit of your employees. If the plan included you as a self-employed person, enter contributions made as an employer on your behalf on Form 1040, line 28, or Form 1040NR, line 28, not on Schedule C.

In most cases, you must file the applicable form listed below if you maintain a pension, profit-sharing, or other funded-deferred compensation plan. The filing requirement is not affected by whether or not the plan qualified under the Internal Revenue Code, or whether or not you claim a deduction for the current tax year. There is a penalty for failure to timely file these forms.

**Form 5500-EZ.** File this form if you have a one-participant retirement plan that meets certain requirements. A one-participant plan is a plan that covers only you (or you and your spouse).

**Form 5500-SF.** File this form if you have a small plan (fewer than 100 participants in most cases) that meets certain requirements.

**Form 5500.** File this form for a plan that does not meet the requirements for filing Form 5500-EZ or Form 5500-SF.

For details, see Pub. 560.

## Lines 20a and 20b

If you rented or leased vehicles, machinery, or equipment, enter on line 20a the business portion of your rental cost. But if you leased a vehicle for a term of 30 days or more, you may have to reduce your deduction by an amount called the inclusion amount. See *Leasing a Car* in chapter 4 of Pub. 463 to figure this amount.

Enter on line 20b amounts paid to rent or lease other property, such as office space in a building.

## Line 21

Deduct the cost of incidental repairs and maintenance that do not add to the property's value or appreciably prolong its life. Do not deduct the value of your own labor. Do not deduct amounts spent to restore or replace property; they must be capitalized.

## Line 22

In most cases, you can deduct the cost of materials and supplies only to the extent you actually consumed and used them in your business during the tax year (unless you deducted them in a prior tax year). However, if you had incidental materials and supplies on hand for which you kept no inventories or records of use, you can deduct the cost of those you actually purchased during the tax year, provided that method clearly reflects income.

You can also deduct the cost of books, professional instruments, equipment, etc., if you normally use them within a year. However, if their usefulness extends substantially beyond a year, you must generally recover their costs through depreciation.

## Line 23

You can deduct the following taxes and licenses on this line.

- State and local sales taxes imposed on you as the seller of goods or services. If you collected this tax from the buyer, you must also include the amount collected in gross receipts or sales on line 1.
- Real estate and personal property taxes on business assets.
- Licenses and regulatory fees for your trade or business paid each year to state or local governments. But some licenses, such as liquor licenses, may have to be amortized. See chapter 8 of Pub. 535 for details.
- Social security and Medicare taxes paid to match required withholding from your employees' wages. Reduce your deduction by the amount shown on Form 8846, line 4.
- Federal unemployment tax paid.
- Federal highway use tax.
- Contributions to state unemployment insurance fund or disability benefit fund if they are considered taxes under state law.

Do not deduct the following.

- Federal income taxes, including your self-employment tax. However, you can deduct a portion of your self-employment tax on Form 1040, line 27, (or Form 1040NR, line 27, when covered under the U.S. social security system due to an international social security agreement).
- Estate and gift taxes.
- Taxes assessed to pay for improvements, such as paving and sewers.
- Taxes on your home or personal use property.
- State and local sales taxes on property purchased for use in your business. Instead, treat these taxes as part of the cost of the property.
- State and local sales taxes imposed on the buyer that you were required to collect and pay over to state or local governments. These taxes are not included in gross receipts or sales nor are they a deductible expense. However, if the state or local government allowed you to retain any part of the sales tax you collected, you must include that amount as income on line 6.
- Other taxes and license fees not related to your business.

## Line 24a

Enter your expenses for lodging and transportation connected with overnight travel for business while away from your tax home. In most cases, your tax home is your main place of business, regardless of where you maintain your family home. You cannot deduct expenses paid or incurred in connection with employment away from home if that period of employment exceeds 1 year. Also, you cannot deduct travel expenses for your spouse, your dependent, or any other individual unless that person is your employee, the travel is for a *bona fide* business purpose, and the expenses would otherwise be deductible by that person.

Do not include expenses for meals and entertainment on this line. Instead, see *Line 24b*, later.

Instead of keeping records of your actual incidental expenses, you can use an optional method for deducting incidental expenses only if you did not pay or incur meal expenses on a day you were traveling away from your tax home. The amount of the deduction is $5 a day. Incidental expenses include fees and tips given to porters, baggage carriers, bellhops, hotel maids, stewards or stewardesses and others on ships, and hotel servants in foreign countries. They do not include expenses for laundry, cleaning and pressing of clothing, lodging taxes, or the costs of telegrams or telephone calls. You cannot use this method on any day that you use the standard meal allowance (as explained in *Line 24b*, later).

You cannot deduct expenses for attending a convention, seminar, or similar meeting held outside the North American area unless the meeting is directly related to your trade or business and it is as reasonable for the meeting to be held outside the North American area as within it. These rules apply to both employers and employees. Other rules apply to luxury water travel.

For details on travel expenses, see chapter 1 of Pub. 463.

## Line 24b

Enter your total deductible business meal and entertainment expenses. This includes expenses for meals while traveling away from home for business and for meals that are business-related entertainment.

**Deductible expenses.** Business meal expenses are deductible only if they are (a) directly related to or associated with the active conduct of your trade or business, (b) not lavish or extravagant, and (c) incurred while you or your employee is present at the meal.

You cannot deduct any expense paid or incurred for a facility (such as a yacht or hunting lodge) used for any activity usually considered entertainment, amusement, or recreation.

Also, you cannot deduct membership dues for any club organized for business, pleasure, recreation, or other social purpose. This includes country clubs, golf and athletic clubs, airline and hotel clubs, and clubs operated to provide meals under conditions favorable to business discussion. But it does not include civic or public service organizations, professional organizations (such as bar and medical associations), business leagues, trade associations, chambers of commerce, boards of trade, and

real estate boards, unless a principal purpose of the organization is to entertain, or provide entertainment facilities for, members or their guests.

There are exceptions to these rules as well as other rules that apply to skybox rentals and tickets to entertainment events. See chapters 1 and 2 of Pub. 463.

**Standard meal allowance.** Instead of deducting the actual cost of your meals while traveling away from home, you can use the standard meal allowance for your daily meals and incidental expenses. Under this method, you deduct a specified amount, depending on where you travel, instead of keeping records of your actual meal expenses. However, you must still keep records to prove the time, place, and business purpose of your travel.

The standard meal allowance is the federal M&IE rate. You can find these rates on the Internet at *www.gsa.gov*. Click on "Per Diem Rates" for links to locations inside and outside the continental United States.

See chapter 1 of Pub. 463 for details on how to figure your deduction using the standard meal allowance, including special rules for partial days of travel.

**Amount of deduction.** In most cases, you can deduct only 50% of your business meal and entertainment expenses, including meals incurred while away from home on business. However, for individuals subject to the Department of Transportation (DOT) hours of service limits, that percentage is increased to 80% for business meals consumed during, or incident to, any period of duty for which those limits are in effect. Individuals subject to the DOT hours of service limits include the following.

- Certain air transportation workers (such as pilots, crew, dispatchers, mechanics, and control tower operators) who are under Federal Aviation Administration regulations.
- Interstate truck operators who are under DOT regulations.
- Certain merchant mariners who are under Coast Guard regulations.

However, you can fully deduct meals, incidentals, and entertainment furnished or reimbursed to an employee if you properly treat the expense as wages subject to withholding. You can also fully deduct meals, incidentals, and entertainment provided to a nonemployee to the extent the expenses are includible in the gross income of that person and reported on Form 1099-MISC. See Pub. 535 for details and other exceptions.

**Daycare providers.** If you qualify as a family daycare provider, you can use the standard meal and snack rates, instead of actual costs, to compute the deductible cost of meals and snacks provided to eligible children. See Pub. 587 for details, including recordkeeping requirements.

## Line 25

Deduct utility expenses only for your trade or business.

**Local telephone service.** If you used your home phone for business, do not deduct the base rate (including taxes) of the first phone line into your residence. But you can deduct any additional costs you incurred for business that are more than the base rate of the first phone line. For example, if you had a second line, you can deduct the business percentage of the charges for that line, including the base rate charges.

## Line 26

Enter the total salaries and wages for the tax year. Do not include salaries and wages deducted elsewhere on your return or amounts paid to yourself. Reduce your deduction by the amounts claimed on:

- Form 5884, Work Opportunity Credit;
- Form 8844, Empowerment Zone Employment Credit;
- Form 8845, Indian Employment Credit and
- Form 8932, Credit for Employer Differential Wage Payments.

CAUTION *If you provided taxable fringe benefits to your employees, such as personal use of a car, do not deduct as wages the amount applicable to depreciation and other expenses claimed elsewhere.*

In most cases, you are required to file Form W-2, Wage and Tax Statement, for each employee. See the General Instructions for Forms W-2 and W-3.

## Line 30

**Business use of your home.** You may be able to deduct certain expenses for business use of your home, subject to limitations. You must attach Form 8829 if you claim this deduction. For details, see the Instructions for Form 8829 and Pub. 587.

## Line 31

If you have a loss, the amount of loss you can deduct this year may be limited. Go to line 32 before entering your loss on line 31. If you answered "No" on line G or are a qualified joint venture reporting only rental real estate, also see the Instructions for Form 8582. Enter the net profit or deductible loss here. Combine this amount with any profit or loss from other businesses and enter the total on both Form 1040, line 12, and Schedule SE, line 2, or on Form 1040NR, line 13. Nonresident aliens using Form 1040NR should also enter the total on Schedule SE, line 2, if you are covered under the U.S. social security system due to an international social security agreement currently in effect. See the Schedule SE instructions for information on international social security agreements. Estates and trusts should enter the total on Form 1041, line 3.

**Excess farm loss rules.** If your Schedule C activity includes processing a farm commodity as part of your farming business, your deductible loss from that activity may be limited if you received certain subsidies. See the Instructions for Schedule F for a list of those subsidies. Use one of the worksheets in the Schedule F instructions to determine if you have an excess farm loss. See the Instructions for Schedule F for more details on how to complete the worksheets.

**Statutory employees.** Include your net profit or deductible loss from line 31 with other Schedule C amounts on Form 1040, line 12, or on Form 1040NR, line 13. However, do not report this amount on Schedule SE, line 2. If you were a statutory employee and are required to file Schedule SE because of other self-employment income, see the Instructions for Schedule SE.

**Rental real estate activity.** Unless you are a qualifying real estate professional, a rental real estate activity is a passive

activity, even if you materially participated in the activity. If you have a loss, you may need to file Form 8582 to figure your deductible loss to enter on line 31. See the Instructions for Form 8582.

**Notary public.** Do not enter your net profit from line 31 on Schedule SE, line 2, unless you are required to file Schedule SE because of other self-employment income. See the Instructions for Schedule SE.

**Community income.** If you and your spouse had community income and are filing separate returns, see the Instructions for Schedule SE before figuring self-employment tax.

**Earned income credit.** If you have a net profit on line 31, this amount is earned income and may qualify you for the earned income credit (EIC).

CAUTION *To figure your EIC, use the instructions for Form 1040, lines 64a and 64b. Complete all applicable steps plus Worksheet B. If you are required to file Schedule SE, remember to enter the deductible portion of your self-employment tax in Part 1, line 1d, of Worksheet B.*

## Line 32

**At-risk rules.** In most cases, if you have a business loss and amounts invested in the business for which you are not at risk, you must complete Form 6198 to figure your allowable loss. The at-risk rules generally limit the amount of loss (including loss on the disposition of assets) you can claim to the amount you could actually lose in the business.

Check box 32b if you have amounts invested in this business for which you are not at risk, such as the following.

- Nonrecourse loans used to finance the business, to acquire property used in the business, or to acquire the business that are not secured by your own property (other than property used in the business). However, there is an exception for certain nonrecourse financing borrowed by you in connection with holding real property.
- Cash, property, or borrowed amounts used in the business (or contributed to the business, or used to acquire the business) that are protected against loss by a guarantee, stop-loss agreement, or other similar arrangement (excluding casualty insurance and insurance against tort liability).
- Amounts borrowed for use in the business from a person who has an interest in the business, other than as a creditor, or who is related under section 465(b)(3)(C) to a person (other than you) having such an interest.

***Figuring your deductible loss.*** If all amounts are at risk in this business, check box 32a. If you answered "Yes" on line G, enter your loss on line 31. But if you answered "No" on line G, you may need to complete Form 8582 to figure your allowable loss to enter on line 31. See the Instructions for Form 8582 for details.

If you checked box 32b, first complete Form 6198 to determine the amount of your deductible loss. If you answered "Yes" on line G, enter that amount on line 31. But if you answered "No" on line G, your loss may be further limited. See the Instructions for Form 8582. If your at-risk amount is zero or less, enter -0- on line 31. Be sure to attach Form 6198 to your return. If you checked box 32b and you do not attach Form 6198, the processing of your tax return may be delayed.

Any loss from this business not allowed for 2012 only because of the at-risk rules is treated as a deduction allocable to the business in 2013.

For details, see the Instructions for Form 6198 and Pub. 925.

# Part III. Cost of Goods Sold

In most cases, if you engaged in a trade or business in which the production, purchase, or sale of merchandise was an income-producing factor, you must take inventories into account at the beginning and end of your tax year.

**Exception for certain taxpayers.** If you are a qualifying taxpayer or a qualifying small business taxpayer (discussed next), you can account for inventoriable items in the same manner as materials and supplies that are not incidental. Under this accounting method, inventory costs for raw materials purchased for use in producing finished goods and merchandise purchased for resale are deductible in the year the finished goods or merchandise are sold (but not before the year you paid for the raw materials or merchandise, if you are also using the cash method). Enter amounts paid for all raw materials and merchandise during 2012 on line 36. The amount you can deduct for 2012 is figured on line 42.

***Qualifying taxpayer.*** This is a taxpayer (a) whose average annual gross receipts for the 3 prior tax years are $1 million or less, and (b) whose business is not a tax shelter (as defined in section 448(d)(3)).

***Qualifying small business taxpayer.*** This is a taxpayer (a) whose average annual gross receipts for the 3 prior tax years are $10 million or less, (b) whose business is not a tax shelter (as defined in section 448(d)(3)), and (c) whose principal business activity is not an ineligible activity as explained in Rev. Proc. 2002-28. You can find Rev. Proc. 2002-28 on page 815 of Internal Revenue Bulletin 2002-18 at *www.irs.gov/pub/irs-irbs/irb02-18.pdf.*

***Changing accounting methods.*** File Form 3115 if you are a qualifying taxpayer or qualifying small business taxpayer and want to change to the cash method or to account for inventoriable items as non-incidental materials and supplies.

***Additional information.*** For additional guidance on this method of accounting for inventoriable items, see the following.

- Pub. 538 discusses both exceptions.
- If you are a qualifying taxpayer, see Rev. Proc. 2001-10, on page 272 of Internal Revenue Bulletin 2001-2 at *www.irs.gov/pub/irs-irbs/irb01-02.pdf.*
- If you are a qualifying small business taxpayer, see Rev. Proc. 2002-28, on page 815 of Internal Revenue Bulletin 2002-18 at *www.irs.gov/pub/irs-irbs/irb02-18.pdf* .

CAUTION *Certain direct and indirect expenses may have to be capitalized or included in inventory. See* Part II*, earlier. See Pub. 538 for additional information.*

## Line 33

Your inventories can be valued at cost, the lower of cost or market, or any other method approved by the IRS. However, you are required to use cost if you are using the cash method of accounting.

## Line 35

If you are changing your method of accounting beginning with 2012, refigure last year's closing inventory using your new method of accounting and enter the result on line 35. If there is a difference between last year's closing inventory and the refigured amount, attach an explanation and take it into account when figuring your section 481(a) adjustment. For details, see the example under *Line F*, earlier.

## Line 41

If you account for inventoriable items in the same manner as materials and supplies that are not incidental, enter on line 41 the portion of your raw materials and merchandise purchased for resale that is included on line 40 and was not sold during the year.

# Part IV. Information on Your Vehicle

## Line 44b

In most cases, commuting is travel between your home and a work location. If you converted your vehicle during the year from personal to business use (or *vice versa*), enter your commuting miles only for the period you drove your vehicle for business. For information on certain travel that is considered a business expense rather than commuting, see the Instructions for Form 2106.

# Part V. Other Expenses

Include all ordinary and necessary business expenses not deducted elsewhere on Schedule C. List the type and amount of each expense separately in the space provided. Enter the total on lines 48 and 27a. Do not include the cost of business equipment or furniture, replacements or permanent improvements to property, or personal, living, and family expenses. Do not include charitable contributions. Also, you cannot deduct fines or penalties paid to a government for violating any law. For details on business expenses, see Pub. 535.

**Amortization.** Include amortization in this part. For amortization that begins in 2012, you must complete and attach Form 4562.

You can elect to amortize such costs as:

- The cost of pollution-control facilities;
- Amounts paid for research and experimentation;
- Qualified revitalization expenditures;
- Amounts paid to acquire, protect, expand, register, or defend trademarks or trade names; or
- Goodwill and certain other intangibles.

In most cases, you cannot amortize real property construction period interest and taxes. Special rules apply for allocating interest to real or personal property produced in your trade or business.

For a complete list, see the Instructions for Form 4562, Part VI.

**At-risk loss deduction.** Any loss from this business that was not allowed last year because of the at-risk rules is treated as a deduction allocable to this business in 2012.

**Bad debts.** Include debts and partial debts from sales or services that were included in income and are definitely known to be worthless. If you later collect a debt that you deducted as a bad debt, include it as income in the year collected. For details, see Pub. 535.

**Business start-up costs.** If your business began in 2012, you can elect to deduct up to $5,000 of certain business start-up costs. The $5,000 limit is reduced (but not below zero) by the amount by which your total start-up costs exceed $50,000. Your remaining start-up costs can be amortized over a 180-month period, beginning with the month the business began.

For details, see chapters 7 and 8 of Pub. 535. For amortization that begins in 2012, you must complete and attach Form 4562.

**Costs of making commercial buildings energy efficient.** You may be able to deduct part or all of the cost of modifying existing commercial buildings to make them energy efficient. For details, see section 179D, Notice 2006-52, Notice 2008-40, and Notice 2012-26. Notice 2006-52, 2006-26 I.R.B. 1175, is available at *www.irs.gov/irb/2006-26_IRB/ar11.html*. Notice 2008-40, 2008-14 I.R.B. 725, is available at *www.irs.gov/irb/2008-14_IRB/ar12.html*. Notice 2012-26, 2012-17 I.R.B. 847, is available at *www.irs.gov/irb/2012-17_IRB/ar08.html*.

**Deduction for removing barriers to individuals with disabilities and the elderly.** You may be able to deduct up to $15,000 of costs paid or incurred in 2012 to remove architectural or transportation barriers to individuals with disabilities and the elderly. However, you cannot take both a credit (on Form 8826) and a deduction for the same expenditures.

**Excess farm loss deduction.** Any loss from this business activity, which includes processing a farm commodity as part of your farming business, that was not allowed last year because of the excess farm loss rules is treated as a deduction allocable to this business activity in 2012.

See the Instructions for Schedule F for a definition of farming business for this purpose and for more information about excess farm losses.

**Forestation and reforestation costs.** Reforestation costs are generally capital expenditures. However, for each qualified timber property, you can elect to expense up to $10,000 ($5,000 if married filing separately) of qualifying reforestation costs paid or incurred in 2012.

You can elect to amortize the remaining costs over 84 months. For amortization that begins in 2012, you must complete and attach Form 4562.

The amortization election does not apply to trusts, and the expense election does not apply to estates and trusts. For details on reforestation expenses, see chapters 7 and 8 of Pub. 535.

## Principal Business or Professional Activity Codes

These codes for the Principal Business or Professional Activity classify sole proprietorships by the type of activity they are engaged in to facilitate the administration of the Internal Revenue Code. These six-digit codes are based on the North American Industry Classification System (NAICS).

Select the category that best describes your primary business activity (for example, Real Estate). Then select the activity that best identifies the principal source of your sales or receipts (for example, real estate agent). Now find the six-digit code assigned to this activity (for example, 531210, the code for offices of real estate agents and brokers) and enter it on Schedule C or C-EZ, line B.

**Note.** If your principal source of income is from farming activities, you should file Schedule F.

### Accommodation, Food Services, & Drinking Places

**Accommodation**

721310 Rooming & boarding houses
721210 RV (recreational vehicle) parks & recreational camps
721100 Traveler accommodation (including hotels, motels, & bed & breakfast inns)

**Food Services & Drinking Places**

722514 Cafeterias & buffets
722410 Drinking places (alcoholic beverages)
722511 Full-service restaurants
722513 Limited-service restaurants
722515 Snack & non-alcoholic beverage bars
722300 Special food services (including food service contractors & caterers)

### Administrative & Support and Waste Management & Remediation Services

**Administrative & Support Services**

561430 Business service centers (including private mail centers & copy shops)
561740 Carpet & upholstery cleaning services
561440 Collection agencies
561450 Credit bureaus
561410 Document preparation services
561300 Employment services
561710 Exterminating & pest control services
561210 Facilities support (management) services
561600 Investigation & security services
561720 Janitorial services
561730 Landscaping services
561110 Office administrative services
561420 Telephone call centers (including telephone answering services & telemarketing bureaus)
561500 Travel arrangement & reservation services
561490 Other business support services (including repossession services, court reporting, & stenotype services)
561790 Other services to buildings & dwellings
561900 Other support services (including packaging & labeling services, & convention & trade show organizers)

**Waste Management & Remediation Services**

562000 Waste management & remediation services

### Agriculture, Forestry, Hunting, & Fishing

112900 Animal production (including breeding of cats and dogs)
114110 Fishing
113000 Forestry & logging (including forest nurseries & timber tracts)
114210 Hunting & trapping

**Support Activities for Agriculture & Forestry**

115210 Support activities for animal production (including farriers)
115110 Support activities for crop production (including cotton ginning, soil preparation, planting, & cultivating)
115310 Support activities for forestry

### Arts, Entertainment, & Recreation

**Amusement, Gambling, & Recreation Industries**

713100 Amusement parks & arcades
713200 Gambling industries
713900 Other amusement & recreation services (including golf courses, skiing facilities, marinas, fitness centers, bowling centers, skating rinks, miniature golf courses)

**Museums, Historical Sites, & Similar Institutions**

712100 Museums, historical sites, & similar institutions

**Performing Arts, Spectator Sports, & Related Industries**

711410 Agents & managers for artists, athletes, entertainers, & other public figures
711510 Independent artists, writers, & performers
711100 Performing arts companies
711300 Promoters of performing arts, sports, & similar events
711210 Spectator sports (including professional sports clubs & racetrack operations)

### Construction of Buildings

236200 Nonresidential building construction
236100 Residential building construction

**Heavy and Civil Engineering Construction**

237310 Highway, street, & bridge construction
237210 Land subdivision
237100 Utility system construction
237990 Other heavy & civil engineering construction

**Specialty Trade Contractors**

238310 Drywall & insulation contractors
238210 Electrical contractors
238350 Finish carpentry contractors
238330 Flooring contractors
238130 Framing carpentry contractors
238150 Glass & glazing contractors
238140 Masonry contractors
238320 Painting & wall covering contractors
238220 Plumbing, heating & air-conditioning contractors
238110 Poured concrete foundation & structure contractors
238160 Roofing contractors
238170 Siding contractors
238910 Site preparation contractors
238120 Structural steel & precast concrete construction contractors
238340 Tile & terrazzo contractors
238290 Other building equipment contractors
238390 Other building finishing contractors
238190 Other foundation, structure, & building exterior contractors
238990 All other specialty trade contractors

### Educational Services

611000 Educational services (including schools, colleges, & universities)

### Finance & Insurance

**Credit Intermediation & Related Activities**

522100 Depository credit intermediation (including commercial banking, savings institutions, & credit unions)
522200 Nondepository credit intermediation (including sales financing & consumer lending)
522300 Activities related to credit intermediation (including loan brokers)

**Insurance Agents, Brokers, & Related Activities**

524210 Insurance agencies & brokerages
524290 Other insurance related activities

**Securities, Commodity Contracts, & Other Financial Investments & Related Activities**

523140 Commodity contracts brokers
523130 Commodity contracts dealers
523110 Investment bankers & securities dealers
523210 Securities & commodity exchanges
523120 Securities brokers
523900 Other financial investment activities (including investment advice)

### Health Care & Social Assistance

**Ambulatory Health Care Services**

621610 Home health care services
621510 Medical & diagnostic laboratories
621310 Offices of chiropractors
621210 Offices of dentists
621330 Offices of mental health practitioners (except physicians)
621320 Offices of optometrists
621340 Offices of physical, occupational & speech therapists, & audiologists
621111 Offices of physicians (except mental health specialists)
621112 Offices of physicians, mental health specialists
621391 Offices of podiatrists
621399 Offices of all other miscellaneous health practitioners
621400 Outpatient care centers
621900 Other ambulatory health care services (including ambulance services, blood, & organ banks)

**Hospitals**

622000 Hospitals

**Nursing & Residential Care Facilities**

623000 Nursing & residential care facilities

**Social Assistance**

624410 Child day care services
624200 Community food & housing, & emergency & other relief services
624100 Individual & family services
624310 Vocational rehabilitation services

### Information

511000 Publishing industries (except Internet)

**Broadcasting (except Internet) & Telecommunications**

515000 Broadcasting (except Internet)
517000 Telecommunications & Internet service providers

**Data Processing Services**

518210 Data processing, hosting, & related services
519100 Other information services (including news syndicates & libraries, Internet publishing & broadcasting)

**Motion Picture & Sound Recording**

512100 Motion picture & video industries (except video rental)
512200 Sound recording industries

### Manufacturing

315000 Apparel mfg.
312000 Beverage & tobacco product mfg.
334000 Computer & electronic product mfg.
335000 Electrical equipment, appliance, & component mfg.
332000 Fabricated metal product mfg.
337000 Furniture & related product mfg.
333000 Machinery mfg.
339110 Medical equipment & supplies mfg.
322000 Paper mfg.
324100 Petroleum & coal products mfg.
326000 Plastics & rubber products mfg.
331000 Primary metal mfg.
323100 Printing & related support activities
313000 Textile mills
314000 Textile product mills
336000 Transportation equipment mfg.
321000 Wood product mfg.
339900 Other miscellaneous mfg.

**Chemical Manufacturing**

325100 Basic chemical mfg.
325500 Paint, coating, & adhesive mfg.
325300 Pesticide, fertilizer, & other agricultural chemical mfg.
325410 Pharmaceutical & medicine mfg.
325200 Resin, synthetic rubber, & artificial & synthetic fibers & filaments mfg.
325600 Soap, cleaning compound, & toilet preparation mfg.
325900 Other chemical product & preparation mfg.

**Food Manufacturing**

311110 Animal food mfg.
311800 Bakeries, tortilla, & dry pasta mfg.
311500 Dairy product mfg.
311400 Fruit & vegetable preserving & speciality food mfg.
311200 Grain & oilseed milling
311610 Animal slaughtering & processing
311710 Seafood product preparation & packaging
311300 Sugar & confectionery product mfg.
311900 Other food mfg. (including coffee, tea, flavorings, & seasonings)

**Leather & Allied Product Manufacturing**

316210 Footwear mfg. (including leather, rubber, & plastics)

316110 Leather & hide tanning & finishing
316990 Other leather & allied product mfg.

**Nonmetallic Mineral Product Manufacturing**
327300 Cement & concrete product mfg.
327100 Clay product & refractory mfg.
327210 Glass & glass product mfg.
327400 Lime & gypsum product mfg.
327900 Other nonmetallic mineral product mfg.

## Mining
212110 Coal mining
212200 Metal ore mining
212300 Nonmetallic mineral mining & quarrying
211110 Oil & gas extraction
213110 Support activities for mining

## Other Services
**Personal & Laundry Services**
812111 Barber shops
812112 Beauty salons
812220 Cemeteries & crematories
812310 Coin-operated laundries & drycleaners
812320 Drycleaning & laundry services (except coin-operated) (including laundry & drycleaning dropoff & pickup sites)
812210 Funeral homes & funeral services
812330 Linen & uniform supply
812113 Nail salons
812930 Parking lots & garages
812910 Pet care (except veterinary) services
812920 Photofinishing
812190 Other personal care services (including diet & weight reducing centers)
812990 All other personal services

**Repair & Maintenance**
811120 Automotive body, paint, interior, & glass repair
811110 Automotive mechanical & electrical repair & maintenance
811190 Other automotive repair & maintenance (including oil change & lubrication shops & car washes)
811310 Commercial & industrial machinery & equipment (except automotive & electronic) repair & maintenance
811210 Electronic & precision equipment repair & maintenance
811430 Footwear & leather goods repair
811410 Home & garden equipment & appliance repair & maintenance
811420 Reupholstery & furniture repair
811490 Other personal & household goods repair & maintenance

## Professional, Scientific, & Technical Services
541100 Legal services
541211 Offices of certified public accountants
541214 Payroll services
541213 Tax preparation services
541219 Other accounting services

**Architectural, Engineering, & Related Services**
541310 Architectural services
541350 Building inspection services
541340 Drafting services
541330 Engineering services
541360 Geophysical surveying & mapping services
541320 Landscape architecture services
541370 Surveying & mapping (except geophysical) services
541380 Testing laboratories

**Computer Systems Design & Related Services**
541510 Computer systems design & related services

**Specialized Design Services**
541400 Specialized design services (including interior, industrial, graphic, & fashion design)

**Other Professional, Scientific, & Technical Services**
541800 Advertising & related services
541600 Management, scientific, & technical consulting services
541910 Market research & public opinion polling
541920 Photographic services
541700 Scientific research & development services
541930 Translation & interpretation services
541940 Veterinary services
541990 All other professional, scientific, & technical services

## Real Estate & Rental & Leasing
**Real Estate**
531100 Lessors of real estate (including miniwarehouses & self-storage units)
531210 Offices of real estate agents & brokers
531320 Offices of real estate appraisers
531310 Real estate property managers
531390 Other activities related to real estate

**Rental & Leasing Services**
532100 Automotive equipment rental & leasing
532400 Commercial & industrial machinery & equipment rental & leasing
532210 Consumer electronics & appliances rental
532220 Formal wear & costume rental
532310 General rental centers
532230 Video tape & disc rental
532290 Other consumer goods rental

## Religious, Grantmaking, Civic, Professional, & Similar Organizations
813000 Religious, grantmaking, civic, professional, & similar organizations

## Retail Trade
**Building Material & Garden Equipment & Supplies Dealers**
444130 Hardware stores
444110 Home centers
444200 Lawn & garden equipment & supplies stores
444120 Paint & wallpaper stores
444190 Other building materials dealers

**Clothing & Accessories Stores**
448130 Children's & infants' clothing stores
448150 Clothing accessories stores
448140 Family clothing stores
448310 Jewelry stores
448320 Luggage & leather goods stores
448110 Men's clothing stores
448210 Shoe stores
448120 Women's clothing stores
448190 Other clothing stores

**Electronic & Appliance Stores**
443142 Electronics stores (including audio, video, computer, & camera stores)
443141 Household appliance stores

**Food & Beverage Stores**
445310 Beer, wine, & liquor stores
445220 Fish & seafood markets
445230 Fruit & vegetable markets
445100 Grocery stores (including supermarkets & convenience stores without gas)
445210 Meat markets
445290 Other specialty food stores

**Furniture & Home Furnishing Stores**
442110 Furniture stores
442200 Home furnishings stores

**Gasoline Stations**
447100 Gasoline stations (including convenience stores with gas)

**General Merchandise Stores**
452000 General merchandise stores

**Health & Personal Care Stores**
446120 Cosmetics, beauty supplies, & perfume stores
446130 Optical goods stores
446110 Pharmacies & drug stores
446190 Other health & personal care stores

**Motor Vehicle & Parts Dealers**
441300 Automotive parts, accessories, & tire stores
441222 Boat dealers
441228 Motorcycle, ATV, & all other motor vehicle dealers
441110 New car dealers
441210 Recreational vehicle dealers (including motor home & travel trailer dealers)
441120 Used car dealers

**Sporting Goods, Hobby, Book, & Music Stores**
451211 Book stores
451120 Hobby, toy, & game stores
451140 Musical instrument & supplies stores
451212 News dealers & newsstands
451130 Sewing, needlework, & piece goods stores
451110 Sporting goods stores

**Miscellaneous Store Retailers**
453920 Art dealers
453110 Florists
453220 Gift, novelty, & souvenir stores
453930 Manufactured (mobile) home dealers
453210 Office supplies & stationery stores
453910 Pet & pet supplies stores
453310 Used merchandise stores
453990 All other miscellaneous store retailers (including tobacco, candle, & trophy shops)

**Nonstore Retailers**
454112 Electronic auctions
454111 Electronic shopping
454310 Fuel dealers (including heating oil & liquefied petroleum)
454113 Mail-order houses
454210 Vending machine operators
454390 Other direct selling establishments (including door-to-door retailing, frozen food plan providers, party plan merchandisers, & coffee-break service providers)

## Transportation & Warehousing
481000 Air transportation
485510 Charter bus industry
484110 General freight trucking, local
484120 General freight trucking, long distance
485210 Interurban & rural bus transportation
486000 Pipeline transportation
482110 Rail transportation
487000 Scenic & sightseeing transportation
485410 School & employee bus transportation
484200 Specialized freight trucking (including household moving vans)
485300 Taxi & limousine service
485110 Urban transit systems
483000 Water transportation
485990 Other transit & ground passenger transportation
488000 Support activities for transportation (including motor vehicle towing)

**Couriers & Messengers**
492000 Couriers & messengers

**Warehousing & Storage Facilities**
493100 Warehousing & storage (except leases of miniwarehouses & self-storage units)

## Utilities
221000 Utilities

## Wholesale Trade
**Merchant Wholesalers, Durable Goods**
423200 Furniture & home furnishing
423700 Hardware, & plumbing & heating equipment & supplies
423600 Household appliances & electrical & electronic goods
423940 Jewelry, watch, precious stone, & precious metals
423300 Lumber & other construction materials
423800 Machinery, equipment, & supplies
423500 Metal & mineral (except petroleum)
423100 Motor vehicle & motor vehicle parts & supplies
423400 Professional & commercial equipment & supplies
423930 Recyclable materials
423910 Sporting & recreational goods & supplies
423920 Toy & hobby goods & supplies
423990 Other miscellaneous durable goods

**Merchant Wholesalers, Nondurable Goods**
424300 Apparel, piece goods, & notions
424800 Beer, wine, & distilled alcoholic beverage
424920 Books, periodicals, & newspapers
424600 Chemical & allied products
424210 Drugs & druggists' sundries
424500 Farm product raw materials
424910 Farm supplies
424930 Flower, nursery stock, & florists' supplies
424400 Grocery & related products
424950 Paint, varnish, & supplies
424100 Paper & paper products
424700 Petroleum & petroleum products
424940 Tobacco & tobacco products
424990 Other miscellaneous nondurable goods

## Wholesale Electronic Markets and Agents & Brokers
425110 Business to business electronic markets
425120 Wholesale trade agents & brokers

**999999 Unclassified establishments (unable to classify)**

Department of the Treasury
**Internal Revenue Service**

# 2012 Instructions for Schedule D

# Capital Gains and Losses

These instructions explain how to complete Schedule D (Form 1040). Complete Form 8949 before you complete line 1, 2, 3, 8, 9, or 10 of Schedule D.

Use Schedule D:

- To figure the overall gain or loss from transactions reported on Form 8949,
- To report a gain from Form 2439 or 6252 or Part I of Form 4797,
- To report a gain or loss from Form 4684, 6781, or 8824,
- To report a gain or loss from a partnership, S corporation, estate or trust,
- To report capital gain distributions not reported directly on Form 1040, line 13 (or effectively connected capital gain distributions not reported directly on Form 1040NR, line 14), and
- To report a capital loss carryover from 2011 to 2012.

**Additional information.** See Pub. 544 and Pub. 550 for more details.

Section references are to the Internal Revenue Code unless otherwise noted.

## Future Developments

For the latest information about developments related to Schedule D and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/form1040*.

## What's New

**Form 8949.** For 2012, Form 8949 has separate instructions. The Form 8949 instructions are no longer included in the Schedule D instructions.

## General Instructions

### Other Forms You May Have To File

Use Form 8949 to report the sale or exchange of a capital asset (defined later) not reported on another form or schedule. Complete all necessary pages of Form 8949 before you complete line 1, 2, 3, 8, 9, or 10 of Schedule D.

Use Form 4797 to report the following.

1. The sale or exchange of:

a. Property used in a trade or business;

b. Depreciable and amortizable property;

c. Oil, gas, geothermal, or other mineral property; and

d. Section 126 property.

2. The involuntary conversion (other than from casualty or theft) of property used in a trade or business and capital assets held for business or profit.

3. The disposition of noncapital assets other than inventory or property held primarily for sale to customers in the ordinary course of your trade or business.

4. Ordinary loss on the sale, exchange, or worthlessness of small business investment company (section 1242) stock.

5. Ordinary loss on the sale, exchange, or worthlessness of small business (section 1244) stock.

6. Ordinary gain or loss on securities held in connection with your trading business, if you previously made a mark-to-market election. See *Traders in Securities*, later.

Use Form 4684 to report involuntary conversions of property due to casualty or theft.

Use Form 6781 to report gains and losses from section 1256 contracts and straddles.

Use Form 8824 to report like-kind exchanges. A like-kind exchange occurs when you exchange business or investment property for property of a like kind.

### Capital Asset

Most property you own and use for personal purposes, pleasure, or investment is a capital asset. For example, your house, furniture, car, stocks, and bonds are capital assets. A capital asset is any property held by you except the following.

- Stock in trade or other property included in inventory or held mainly for sale to customers. But see the *Tip* about certain musical compositions or copyrights, later.
- Accounts or notes receivable for services performed in the ordinary course of your trade or business or as an employee, or from the sale of stock in trade or other property held mainly for sale to customers.
- Depreciable property used in your trade or business, even if it is fully depreciated.
- Real estate used in your trade or business.
- Copyrights, literary, musical, or artistic compositions, letters or memoranda, or similar property (a) created by your personal efforts; (b) prepared or produced for you (in the case of letters, memoranda, or similar property); or (c) that you received from someone who created them or for whom they were created, as mentioned in (a) or (b), in a way (such as by gift) that entitled you to the basis of the previous owner. But see the *Tip* about certain musical compositions or copyrights, later.
- U.S. Government publications, including the Congressional Record, that you received from the Government, other than by purchase at the normal sales price, or that you got from someone who had received it in a similar way, if your



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basis is determined by reference to the previous owner's basis.

- Certain commodities derivative financial instruments held by a dealer and not connected to the dealer's activities as a dealer. See section 1221(a)(6).
- Certain hedging transactions entered into in the normal course of your trade or business. See section 1221(a)(7).
- Supplies regularly used in your trade or business.

**TIP** *You can elect to treat as capital assets certain musical compositions or copyrights you sold or exchanged. See Pub. 550 for details.*

## Basis and Recordkeeping

Basis is the amount of your investment in property for tax purposes. The basis of property you buy is usually its cost. You need to know your basis to figure any gain or loss on the sale or other disposition of the property. You must keep accurate records that show the basis and, if applicable, adjusted basis of your property. Your records should show the purchase price, including commissions; increases to basis, such as the cost of improvements; and decreases to basis, such as depreciation, nondividend distributions on stock, and stock splits.

For more information on basis, see the instructions for column (e), the instructions for Form 8949, and these publications.

- Pub. 551, Basis of Assets.
- Pub. 550, Investment Income and Expenses (Including Capital Gains and Losses).

## Short Term or Long Term

Report short-term gains or losses in Part I. Report long-term gains or losses in Part II. The holding period for short-term capital gains and losses is 1 year or less. The holding period for long-term capital gains and losses is more than 1 year.

For more information about holding periods, see the instructions for Form 8949.

## Capital Gain Distributions

These distributions are paid by a mutual fund (or other regulated investment company) or real estate investment trust from its net realized long-term capital gains. Distributions of net realized short-term capital gains are not treated as capital gains. Instead, they are included on Form 1099-DIV as ordinary dividends.

Enter on Schedule D, line 13, the total capital gain distributions paid to you during the year, regardless of how long you held your investment. This amount is shown in box 2a of Form 1099-DIV.

If there is an amount in box 2b, include that amount on line 11 of the Unrecaptured Section 1250 Gain Worksheet in these instructions if you complete line 19 of Schedule D.

If there is an amount in box 2c, see *Exclusion of Gain on Qualified Small Business (QSB) Stock*, later.

If there is an amount in box 2d, include that amount on line 4 of the 28% Rate Gain Worksheet in these instructions if you complete line 18 of Schedule D.

If you received capital gain distributions as a nominee (that is, they were paid to you but actually belong to someone else), report on Schedule D, line 13, only the amount that belongs to you. Attach a statement showing the full amount you received and the amount you received as a nominee. See the Instructions for Schedule B to learn about the requirement for you to file Forms 1099-DIV and 1096.

## Sale of Your Home

Report the sale or exchange of your main home on Form 8949 if:

- You cannot exclude all of your gain from income, or
- You received a Form 1099-S for the sale or exchange.

Any gain you cannot exclude is taxable. Generally, if you meet the two following tests, you can exclude up to $250,000 of gain. If both you and your spouse meet these tests and you file a joint return, you can exclude up to $500,000 of gain (but only one spouse needs to meet the ownership requirement in *Test 1*).

**Test 1.** During the 5-year period ending on the date you sold or exchanged your home, you owned it for 2 years or more (the ownership requirement) and lived in it as your main home for 2 years or more (the use requirement).

**Test 2.** You have not excluded gain on the sale or exchange of another main home during the 2-year period ending on the date of the sale or exchange of your home.

Even if you do not meet one or both of the above two tests, you still can claim an exclusion if you sold or exchanged the home because of a change in place of employment, health, or certain unforeseen circumstances. In this case, the maximum amount of gain you can exclude is reduced.

If your spouse died before the sale or exchange, you can exclude up to $500,000 of gain if:

- The sale or exchange is no later than 2 years after your spouse's death,
- Just before your spouse's death, both spouses met the use requirement of *Test 1*, at least one spouse met the ownership requirement of *Test 1*, and both spouses met *Test 2*, and
- You did not remarry before the sale or exchange.

You can choose to have the 5-year test period for ownership and use in *Test 1* suspended during any period you or your spouse serve outside the United States as a Peace Corps volunteer or serve on qualified official extended duty as a member of the uniformed services or Foreign Service of the United States, as an employee of the intelligence community, or outside the United States as an employee of the Peace Corps. This means you may be able to meet *Test 1* even if, because of your service, you did not actually use the home as your main home for at least the required 2 years during the 5-year period ending on the date of sale.

You cannot exclude any gain if:

- You acquired your home in a like-kind exchange in which all or part of the gain was not recognized, and
- You sold or exchanged the home during the 5-year period beginning on the date you acquired it.

If you have to report the sale or exchange, report it on Form 8949. If the gain or loss is short-term, report it in Part I of Form 8949. If the gain or loss is long-term, report it in Part II of Form 8949. Check box C at the top of this Form 8949.

If you had a gain and can exclude part or all of it, enter "H" in column (f). Enter the exclusion as a negative number (in parentheses) in column (g). See the instructions for Form 8949, columns (f), (g), and (h). Complete all columns.

If you had a loss but have to report the sale or exchange because you got a Form 1099-S, see *Nondeductible Losses*, later, for instructions about how to report it.

See Pub. 523 for additional details, including how to figure and report any taxable gain if:

- You (or your spouse if married) used any part of the home for business or rental purposes after May 6, 1997, or
- There was a period of time after 2008 when the home was not your main home.

## Partnership Interests

A sale or other disposition of an interest in a partnership may result in ordinary income, collectibles gain (28% rate gain), or unrecaptured section 1250 gain. For details on 28% rate gain, see the instructions for line 18 of Schedule D. For details on unrecaptured section 1250 gain, see the instructions for line 19 of Schedule D.

## Capital Assets Held for Personal Use

Generally, gain from the sale or exchange of a capital asset held for personal use is a capital gain. Report it on Form 8949, Part I or Part II, with box C checked. However, if you converted depreciable property to personal use, all or part of the gain on the sale or exchange of that property may have to be recaptured as ordinary income. Use Part III of Form 4797 to figure the amount of ordinary income recapture. The recapture amount is included on line 31 (and line 13) of Form 4797. Do not enter any gain from this property on line 32 of Form 4797. If you are not completing Part III for any other properties, enter "N/A" on line 32. If the total gain is more than the recapture amount, enter "From Form 4797" in column (a) of Part I of Form 8949 (if the transaction is short term) or Part II of Form 8949 (if the transaction is long term), and skip columns (b) and (c). In column (d), enter the excess of the total gain over the recapture amount. Leave columns (e) through (g) blank. Complete column (h). Be sure to check box C at the top of Part I or Part II of this Form 8949 (depending on how long you held the asset).

Loss from the sale or exchange of a capital asset held for personal use is not deductible. But if you had a loss from the sale or exchange of real estate held for personal use for which you received a Form 1099-S, you must report the transaction on Form 8949 even though the loss is not deductible. For example, you have a loss on the sale of a vacation home that is not your main home and you received a Form 1099-S for the transaction. Report the transaction in Part I or Part II of Form 8949, depending on how long you owned the home. Complete all columns. Because the loss is not deductible, enter "L" in column (f). Enter the difference between column (d) and column (e) as a positive amount in column (g). Then complete column (h). For example, if you entered $5,000 in column (d) and $6,000 in column (e), enter $1,000 in column (g). Then enter -0- ($5,000 – $6,000 + $1,000) in column (h). Be sure to check box C at the top of Part I or Part II of this Form 8949 (depending on how long you owned the home).

## Capital Losses

You can deduct capital losses up to the amount of your capital gains plus $3,000 ($1,500 if married filing separately). You may be able to use capital losses that exceed this limit in future years. For details, see the instructions for line 21. Be sure to report all of your capital gains and losses even if you cannot use all of your losses in 2012.

## Nondeductible Losses

Do not deduct a loss from the direct or indirect sale or exchange of property between any of the following.

- Members of a family.
- A corporation and an individual owning more than 50% of the corporation's stock (unless the loss is from a distribution in complete liquidation of a corporation).
- A grantor and a fiduciary of a trust.
- A fiduciary and a beneficiary of the same trust.
- A fiduciary and a beneficiary of another trust created by the same grantor.
- An executor of an estate and a beneficiary of that estate, unless the sale or exchange was to satisfy a pecuniary bequest (that is, a bequest of a sum of money).
- An individual and a tax-exempt organization controlled by the individual or the individual's family.

See Pub. 544 for more details on sales and exchanges between related parties.

Report a transaction that results in a nondeductible loss in Part I or Part II of Form 8949, depending on how long you held the property. Unless you received a Form 1099-B for the sale or exchange, check box C at the top of Part I or Part II of this Form 8949 (depending on how long you owned the property). Complete all columns. Because the loss is not deductible, enter "L" in column (f). Enter the amount of the nondeductible loss as a positive number in column (g). Complete column (h). See the instructions for Form 8949, columns (f), (g), and (h).

***Example 1.*** You sold land you held as an investment for 5 years to your brother for $10,000. Your basis was $15,000. On Part II of Form 8949, check box C at the top. Enter $10,000 on Form 8949, Part II, column (d). Enter $15,000 in column (e). Because the loss is not deductible, enter "L" in column (f) and $5,000 (the difference between $10,000 and $15,000) in column (g). In column (h), enter -0- ($10,000 − $15,000 + $5,000). If this is your only transaction on this Form 8949, enter $10,000 on Schedule D, line 10, column (d). Enter $15,000 in column (e) and $5,000 in column (g). In column (h), enter -0- ($10,000 − $15,000 + $5,000).

***Example 2.*** You received a Form 1099-B showing proceeds (sales price) of $1,000 and a basis of $5,000. Box 2b on Form 1099-B is checked, so your loss of $4,000 ($1,000 - $5,000) is not allowed. On the top of Form 8949, check box A or box B in Part I or Part II (whichever applies). Enter $1,000 in column (d) and $5,000 in column (e). Because the loss is not deductible, enter "L" in column (f) and $4,000 (the difference between $1,000 and $5,000) in column (g). In column (h), enter -0- ($1,000 - $5,000 + $4,000).

**At-risk rules.** If you disposed of (a) an asset used in an activity to which the

at-risk rules apply or (b) any part of your interest in an activity to which the at-risk rules apply, and you have amounts in the activity for which you are not at risk, see the Instructions for Form 6198.

**Passive activity rules.** If the loss is allowable under the at-risk rules, it then may be subject to the passive activity rules. See Form 8582 and its instructions for details on reporting capital gains and losses from a passive activity.

## Items for Special Treatment

- Transactions by a securities dealer. See section 475 and Rev. Rul. 97-39, which begins on page 4 of Internal Revenue Bulletin 1997-39 at *www.irs.gov/pub/irs-irbs/irb97-39.pdf.*.
- Bonds and other debt instruments. See Pub. 550.
- Charitable gift annuity. See the instructions for Form 8949.
- Certain real estate subdivided for sale that may be considered a capital asset. See section 1237.
- Gain on the sale of depreciable property to a more than 50% owned entity or to a trust of which you are a beneficiary. See Pub. 544.
- Gain on the disposition of stock in an interest charge domestic international sales corporation. See section 995(c).
- Gain on the sale or exchange of stock in certain foreign corporations. See section 1248.
- Transfer of property to a partnership that would be treated as an investment company if it were incorporated. See Pub. 541.
- Sales of stock received under a qualified public utility dividend reinvestment plan. See Pub. 550.
- Transfer of appreciated property to a political organization. See section 84.
- Transfer of property by a U.S. person to a foreign estate or trust. See section 684.
- If you give up your U.S. citizenship, you may be treated as having sold all your property for its fair market value on the day before you gave up your citizenship. This also applies to long-term U.S. residents who cease to be lawful permanent residents. For details, exceptions, and rules for reporting these deemed sales, see Pub. 519 and Form 8854.
- In general, no gain or loss is recognized on the transfer of property from an individual to a spouse or a former spouse if the transfer is incident to a divorce. See Pub. 504.
- Amounts received on the retirement of a debt instrument generally are treated as received in exchange for the debt instrument. See Pub. 550.
- Any loss on the disposition of converted wetland or highly erodible cropland that is first used for farming after March 1, 1986, is reported as a long-term capital loss on Form 8949, but any gain is reported as ordinary income on Form 4797.
- If qualified dividends that you reported on Form 1040, line 9b, or Form 1040NR, line 10b, include extraordinary dividends, any loss on the sale or exchange of the stock is a long-term capital loss to the extent of the extraordinary dividends. An extraordinary dividend is a dividend that equals or exceeds 10% (5% in the case of preferred stock) of your basis in the stock.
- Amounts received by shareholders in corporate liquidations. See Pub. 550.
- Cash received in lieu of fractional shares of stock as a result of a stock split or stock dividend. See Pub. 550.
- Load charges to acquire stock in a regulated investment company (including a mutual fund), which may not be taken into account in determining gain or loss on certain dispositions of the stock if reinvestment rights were exercised. See Pub. 550.
- The sale or exchange of S corporation stock or an interest in a trust held for more than 1 year, which may result in collectibles gain (28% rate gain). See the instructions for line 18.
- Gain or loss on the disposition of securities futures contracts. See Pub. 550.
- Gain on the constructive sale of certain appreciated financial positions. See Pub. 550.
- Certain constructive ownership transactions. Gain in excess of the gain you would have recognized if you had held a financial asset directly during the term of a derivative contract must be treated as ordinary income. See section 1260. If any portion of the constructive ownership transaction was open in any prior year, you may have to pay interest. See section 1260(b) for details, including how to figure the interest. Include the interest as an additional tax on Form 1040, line 60 (or Form 1040NR, line 59). Write "Section 1260(b) interest" and the amount of the interest to the left of line 60 (or Form 1040NR, line 59). This interest is not deductible.
- Gain or loss from the disposition of stock or other securities in an investment club. See Pub. 550.

## Wash Sales

A wash sale occurs when you sell or otherwise dispose of stock or securities (including a contract or option to acquire or sell stock or securities) at a loss and, within 30 days before or after the sale or disposition, you:

1. Buy substantially identical stock or securities,
2. Acquire substantially identical stock or securities in a fully taxable trade,
3. Enter into a contract or option to acquire substantially identical stock or securities, or
4. Acquire substantially identical stock or securities for your individual retirement arrangement (IRA) or Roth IRA.

You cannot deduct losses from wash sales unless the loss was incurred in the ordinary course of your business as a dealer in stock or securities. The basis of the substantially identical property (or contract or option to acquire such property) is its cost increased by the disallowed loss (except in the case of (4) above).

If you received a Form 1099-B (or substitute statement), box 5 of that form will show any nondeductible wash sale loss if:

- The stock or securities sold were covered securities (defined in the instructions for Form 8949, column (f)), and
- The substantially identical stock or securities you bought had the same CUSIP number as the stock or securities you sold and were bought in the same account as the stock or securities you sold.

However, you cannot deduct a loss from a wash sale even if it is not reported on Form 1099-B (or substitute statement). For more details on wash sales, see Pub. 550.

Report a wash sale transaction in Part I or Part II (depending on how long you owned the stock or securities) of Form 8949 with the appropriate box (A, B, or C) checked. Complete all columns. Enter "W" in column (f). Enter as a positive number in column (g) the amount of the loss not allowed. See the instructions for Form 8949, columns (f), (g), and (h).

## Traders in Securities

You are a trader in securities if you are engaged in the business of buying and selling securities for your own account. To be engaged in business as a trader in securities, all of the following statements must be true.

- You must seek to profit from daily market movements in the prices of securities and not from dividends, interest, or capital appreciation.
- Your activity must be substantial.
- You must carry on the activity with continuity and regularity.

The following facts and circumstances should be considered in determining if your activity is a business.

- Typical holding periods for securities bought and sold.
- The frequency and dollar amount of your trades during the year.
- The extent to which you pursue the activity to produce income for a livelihood.
- The amount of time you devote to the activity.

You are considered an investor, and not a trader, if your activity does not meet the above definition of a business. It does not matter whether you call yourself a trader or a "day trader."

Like an investor, a trader must report each sale of securities (taking into account commissions and any other costs of acquiring or disposing of the securities) on Form 8949 or on an attached statement containing all the same information for each sale in a similar format. However, if a trader previously made the mark-to-market election (explained next), each transaction is reported in Part II of Form 4797 instead of on Form 8949. Regardless of whether a trader reports his or her gains and losses on Form 8949 or Form 4797, the gain or loss from the disposition of securities is not taken into account when figuring net earnings from self-employment on Schedule SE. See the Instructions for Schedule SE for an exception that applies to section 1256 contracts.

The limitation on investment interest expense that applies to investors does not apply to interest paid or incurred in a trading business. A trader reports interest expense and other expenses (excluding commissions and other costs of acquiring or disposing of securities) from a trading business on Schedule C (instead of Schedule A).

A trader also may hold securities for investment. The rules for investors generally will apply to those securities. Allocate interest and other expenses between your trading business and your investment securities.

### Mark-To-Market Election for Traders

A trader may make an election under section 475(f) to report all gains and losses from securities held in connection with a trading business as ordinary income (or loss), including those from securities held at the end of the year. Securities held at the end of the year are "marked-to-market" by treating them as if they were sold (and reacquired) for fair market value on the last business day of the year. Generally, the election must be made by the due date (not including extensions) of the tax return for the year prior to the year for which the election becomes effective. To be effective for 2012, the election must have been made by April 17, 2012.

Starting with the year the election becomes effective, a trader reports all gains and losses from securities held in connection with the trading business, including securities held at the end of the year, in Part II of Form 4797. If you previously made the election, see the Instructions for Form 4797. For details on making the mark-to-market election for 2013, see Pub. 550 or Rev. Proc. 99-17, 1999-1 C.B. 503. You can find Rev. Proc. 99-17 starting on the bottom of page 52 of Internal Revenue Bulletin 1999-7 at *www.irs.gov/pub/irs-irbs/irb99-07.pdf.*

If you hold securities for investment, you must identify them as such in your records on the day you acquired them (for example, by holding the securities in a separate brokerage account). Securities held for investment are not marked-to-market.

## Short Sales

A short sale is a contract to sell property you borrowed for delivery to a buyer. At a later date, you either buy substantially identical property and deliver it to the lender or deliver property that you held but did not want to transfer at the time of the sale.

***Example.*** You think the value of XYZ stock will drop. You borrow 10 shares from your broker and sell them for $100. This is a short sale. You later buy 10 shares for $80 and deliver them to your broker to close the short sale. Your gain is $20 ($100 − $80).

**Holding period.** Usually, your holding period is the amount of time you actually held the property eventually delivered to the lender to close the short sale. However, your gain when closing a short sale is short term if you (a) held substantially identical property for 1 year or less on the date of the short sale, or (b) acquired property substantially identical to the property sold short after the short sale but on or before the date you close the short sale. If you held substantially identical property for more than 1 year on the date of a short sale, any loss realized on the short sale is a long-term capital loss, even if the property used to close the short sale was held 1 year or less.

**Reporting a short sale.** Report any short sale on Form 8949 in the year it closes.

If a short sale closed in 2012 but you did not get a 2012 Form 1099-B (or substitute statement) for it because you entered into it before 2011, report it in Part I or Part II (whichever applies) of a Form 8949 with box C checked on that page. In column (a), enter (for example) "100 sh. XYZ Co.–2010 short sale closed." Fill in the other columns according to their instructions. Report the short sale the same way if you received a 2012 Form 1099-B (or substitute statement) that does not show proceeds (sales price).

## Gain or Loss From Options

Report on Form 8949 gain or loss from the closing or expiration of an option that is not a section 1256 contract but is a capital asset in your hands. If an op-

tion you purchased expired, enter the expiration date in column (c) and enter "EXPIRED" in column (d). If an option that was granted (written) expired, enter the expiration date in column (b) and enter "EXPIRED" in column (e). Fill in the other columns according to their instructions. See Pub. 550 for details.

If a call option you sold was exercised and the option premium you received was not reflected in the proceeds (sales price) shown on the Form 1099-B (or substitute statement) you received, enter the premium as a positive number in column (g) of Form 8949. Enter "E" in column (f).

***Example.*** For $10, you sold Joe an option to buy one share of XYZ stock for $80. Joe later exercised the option. The Form 1099-B you get shows the proceeds to be $80. Enter $80 in column (d) of Form 8949. Enter "E" in column (f) and $10 in column (g). Complete the other columns according to the instructions.

## Undistributed Capital Gains

Include on Schedule D, line 11, the amount from box 1a of Form 2439. This represents your share of the undistributed long-term capital gains of the regulated investment company (including a mutual fund) or real estate investment trust.

If there is an amount in box 1b, include that amount on line 11 of the Unrecaptured Section 1250 Gain Worksheet if you complete line 19 of Schedule D.

If there is an amount in box 1c, see *Exclusion of Gain on Qualified Small Business (QSB) Stock,* later.

If there is an amount in box 1d, include that amount on line 4 of the 28% Rate Gain Worksheet if you complete line 18 of Schedule D.

Include on Form 1040, line 71, or Form 1040NR, line 67, the tax paid as shown in box 2 of Form 2439. Also check the box for Form 2439. Add to the basis of your stock the excess of the amount included in income over the amount of the credit for the tax paid. See Pub. 550 for details.

## Installment Sales

If you sold property (other than publicly traded stocks or securities) at a gain and you will receive a payment in a tax year after the year of sale, you generally must report the sale on the installment method unless you elect not to. Use Form 6252 to report the sale on the installment method. Also use Form 6252 to report any payment received in 2012 from a sale made in an earlier year that you reported on the installment method.

To elect out of the installment method, report the full amount of the gain on Form 8949 on a timely filed return (including extensions) for the year of the sale. If your original return was filed on time, you can make the election on an amended return filed no later than 6 months after the due date of your return (excluding extensions). Write "Filed pursuant to section 301.9100-2" at the top of the amended return.

## Demutualization of Life Insurance Companies

Demutualization of a life insurance company occurs when a mutual life insurance company changes to a stock company. If you were a policyholder or annuitant of the mutual company, you may have received either stock in the stock company or cash in exchange for your equity interest in the mutual company. The basis of your equity interest in the mutual company is considered to be zero.

If the demutualization transaction qualifies as a tax-free reorganization, no gain is recognized on the exchange of your equity interest in the mutual company for stock. The company can advise you if the transaction is a tax-free reorganization. Because the basis of your equity interest in the mutual company is considered to be zero, your basis in the stock received is zero. Your holding period for the new stock includes the period you held an equity interest in the mutual company. If you received cash in exchange for your equity interest, you must recognize a capital gain in an amount equal to the cash received. If you held the equity interest for more than 1 year, report the gain as a long-term capital gain in Part II of Form 8949. If you held the equity interest for 1 year or less, report the gain as a short-term capital gain in Part I of Form 8949. Be sure the appropriate box is checked at the top of Form 8949.

If the demutualization transaction does not qualify as a tax-free reorganization, you must recognize a capital gain in an amount equal to the cash and fair market value of the stock received. If you held the equity interest for more than 1 year, report the gain as a long-term capital gain in Part II of Form 8949. If you held the equity interest for 1 year or less, report the gain as a short-term capital gain in Part I of Form 8949. Be sure the appropriate box is checked at the top of Form 8949. Your holding period for the new stock begins on the day after you received the stock.

## Small Business (Section 1244) Stock

Report an ordinary loss from the sale, exchange, or worthlessness of small business (section 1244) stock on Form 4797. However, if the total loss is more than the maximum amount that can be treated as an ordinary loss, also report the transaction on Form 8949 as follows.

1. In column (a), enter "Capital portion of section 1244 stock loss."
2. Complete columns (b) and (c) as you normally would.
3. In column (d), enter the entire sales price of the stock sold.
4. In column (e), enter the entire basis of the stock sold.
5. Enter "S" in column (f). See the instructions for Form 8949, columns (f), (g), and (h).
6. In column (g), enter the loss you claimed on Form 4797 for this transaction. Enter it as a positive number.
7. Complete column (h) according to its instructions.

Report the transaction in Part I or Part II of Form 8949 (depending on how long you held the stock) with the appropriate box (A, B, or C) checked.

***Example.*** You sold section 1244 stock for $1,000. Your basis was $60,000. You had held the stock for 3 years. You can claim $50,000 of your loss as an ordinary loss on Form 4797. To claim the rest of the loss on Form 8949, check the appropriate box at the top. Enter $1,000 on Form 8949, Part II, column (d). Enter $60,000 in column (e). Enter "S" in column (f) and $50,000 (the ordinary loss claimed on Form 4797) in column (g). In column (h), en-

ter ($9,000) ($1,000 − $60,000 + $50,000). Put it in parentheses to show it is a negative amount.

## Exclusion of Gain on Qualified Small Business (QSB) Stock

Section 1202 allows for an exclusion of up to 50% of the eligible gain on the sale or exchange of QSB stock. The section 1202 exclusion applies only to QSB stock held for more than 5 years. The exclusion can be up to 60% for certain empowerment zone business stock. See *Empowerment Zone Business Stock*, later.

To be QSB stock, the stock must meet all of the following tests.

1. It must be stock in a C corporation (that is, not S corporation stock).

2. It must have been originally issued after August 10, 1993.

3. As of the date the stock was issued, the corporation was a domestic C corporation with total gross assets of $50 million or less (a) at all times after August 9, 1993, and before the stock was issued, and (b) immediately after the stock was issued. Gross assets include those of any predecessor of the corporation. All corporations that are members of the same parent-subsidiary controlled group are treated as one corporation.

4. You must have acquired the stock at its original issue (either directly or through an underwriter), either in exchange for money or other property or as pay for services (other than as an underwriter) to the corporation. In certain cases, you may meet this test if you acquired the stock from another person who met the test (such as by gift or inheritance) or through a conversion or exchange of QSB stock you held.

5. During substantially all the time you held the stock:

a. The corporation was a C corporation,

b. At least 80% of the value of the corporation's assets were used in the active conduct of one or more qualified businesses (defined next), and

c. The corporation was not a foreign corporation, DISC, former DISC, regulated investment company, real estate investment trust, REMIC, FASIT, cooperative, or a corporation that has made (or that has a subsidiary that has made) a section 936 election.

**TIP** ***SSBIC.*** *A specialized small business investment company (SSBIC) is treated as having met test 5b.*

**Definition of qualified business.** A qualified business is any business that is not one of the following.

- A business involving services performed in the fields of health, law, engineering, architecture, accounting, actuarial science, performing arts, consulting, athletics, financial services, or brokerage services.
- A business whose principal asset is the reputation or skill of one or more employees.
- A banking, insurance, financing, leasing, investing, or similar business.
- A farming business (including the raising or harvesting of trees).
- A business involving the production of products for which percentage depletion can be claimed.
- A business of operating a hotel, motel, restaurant, or similar business.

For more details about limits and additional requirements that may apply, see Pub. 550 or section 1202.

### Empowerment Zone Business Stock

You generally can exclude up to 60% of your gain if you meet the following additional requirements.

1. The stock you sold or exchanged was stock in a corporation that qualified as an empowerment zone business during substantially all of the time you held the stock.

2. You acquired the stock after December 21, 2000.

Requirement 1 will still be met if the corporation ceased to qualify after the 5-year period that began on the date you acquired the stock. However, the gain that qualifies for the 60% exclusion cannot be more than the gain you would have had if you had sold the stock on the date the corporation ceased to qualify.

For more information about empowerment zone businesses, see section 1397C.

### Pass-Through Entities

If you held an interest in a pass-through entity (a partnership, S corporation, or mutual fund or other regulated investment company) that sold QSB stock, to qualify for the exclusion you must have held the interest on the date the pass-through entity acquired the QSB stock and at all times thereafter until the stock was sold.

### How To Report

Report the sale or exchange of the QSB stock on Form 8949, Part II, with the appropriate box checked, as you would if you were not taking the exclusion. Then enter "Q" in column (f) and enter the amount of the excluded gain as a negative number in column (g). Put it in parentheses to show it is negative. See the instructions for Form 8949, columns (f), (g), and (h). Complete all remaining columns. If you are completing line 18 of Schedule D, enter as a positive number the amount of your allowable exclusion on line 2 of the 28% Rate Gain Worksheet; if you excluded 60% of the gain, enter $^2/_3$ of the exclusion.

**Gain from Form 1099-DIV.** If you received a Form 1099-DIV with a gain in box 2c, part or all of that gain (which is also included in box 2a) may be eligible for the section 1202 exclusion. In column (a) of Form 8949, Part II, enter the name of the corporation whose stock was sold. In column (f), enter "Q" and in column (g) enter the amount of the excluded gain as a negative number. See the instructions for Form 8949, columns (f), (g), and (h). If you are completing line 18 of Schedule D, enter as a positive number the amount of your allowable exclusion on line 2 of the 28% Rate Gain Worksheet; if you excluded 60% of the gain, enter $^2/_3$ of the exclusion.

**Gain from Form 2439.** If you received a Form 2439 with a gain in box 1c, part or all of that gain (which is also included in box 1a) may be eligible for the section 1202 exclusion. In column (a) of Form 8949, Part II, enter the name of the corporation whose stock was sold. In column (f), enter "Q" and in column (g) enter the amount of the excluded gain as a negative number. See the instructions for Form 8949, columns (f), (g), and (h). If you are completing line 18 of Schedule D, enter as a positive number the

amount of your allowable exclusion on line 2 of the 28% Rate Gain Worksheet; if you excluded 60% of the gain, enter $^2/_3$ of the exclusion.

**Gain from an installment sale of QSB stock.** If all payments are not received in the year of sale, a sale of QSB stock that is not traded on an established securities market generally is treated as an installment sale and is reported on Form 6252. Figure the allowable section 1202 exclusion for the year by multiplying the total amount of the exclusion by a fraction, the numerator of which is the amount of eligible gain to be recognized for the tax year and the denominator of which is the total amount of eligible gain. In column (a) of Form 8949, Part II, enter the name of the corporation whose stock was sold. In column (f), enter "Q" and in column (g) enter the amount of the allowable exclusion for the year as a negative number. See the instructions for Form 8949, columns (f), (g), and (h). If you are completing line 18 of Schedule D, enter as a positive number the amount of your allowable exclusion for the year on line 2 of the 28% Rate Gain Worksheet; if you excluded 60% of the gain, enter $^2/_3$ of the allowable exclusion for the year.

**Alternative minimum tax.** You must enter 7% of your allowable exclusion for the year on line 13 of Form 6251.

## Rollover of Gain From QSB Stock

If you sold QSB stock (defined earlier) that you held for more than 6 months, you can elect to postpone gain if you buy other QSB stock during the 60-day period that began on the date of the sale. A pass-through entity also can make the election to postpone gain. The benefit of the postponed gain applies to your share of the entity's postponed gain if you held an interest in the entity for the entire period the entity held the QSB stock. If a pass-through entity sold QSB stock held for more than 6 months and you held an interest in the entity for the entire period the entity held the stock, you also can elect to postpone gain if you, rather than the pass-through entity, buy the replacement QSB stock within the 60-day period. If you were a partner in a partnership that sold or bought QSB stock, see box 11 of the Schedule K-1 (Form 1065) sent to you by the partnership and Regulations section 1.1045-1.

You must recognize gain to the extent the sale proceeds are more than the cost of the replacement stock. Reduce the basis of the replacement stock by any postponed gain.

You must make the election no later than the due date (including extensions) for filing your tax return for the tax year in which the QSB stock was sold. If your original return was filed on time, you can make the election on an amended return filed no later than 6 months after the due date of your return (excluding extensions). Write "Filed pursuant to section 301.9100-2" at the top of the amended return.

To make the election, report the sale in Part I or Part II (depending on how long you owned the stock) of Form 8949 as you would if you were not making the election. Then enter "R" in column (f). Enter the amount of the postponed gain as a negative number in column (g). Put it in parentheses to show it is negative. See the instructions for Form 8949, columns (f), (g), and (h). Complete all remaining columns.

## Exclusion of Gain From DC Zone Assets

If you sold or exchanged a District of Columbia Enterprise Zone (DC Zone) asset that you acquired after 1997 and held for more than 5 years, you may be able to exclude the amount of qualified capital gain that you would otherwise include in income. The exclusion applies to an interest in, or property of, certain businesses operating in the District of Columbia.

**DC Zone asset.** A DC Zone asset is any of the following.

- DC Zone business stock.
- DC Zone partnership interest.
- DC Zone business property.

**Qualified capital gain.** Qualified capital gain is any gain recognized on the sale or exchange of a DC Zone asset that is a capital asset or property used in a trade or business. It does not include any of the following gains.

- Gain treated as ordinary income under section 1245.
- Section 1250 gain figured as if section 1250 applied to all depreciation rather than the additional depreciation.
- Gain attributable to real property, or an intangible asset, that is not an integral part of a DC Zone business.
- Gain from a related-party transaction. See *Sales and Exchanges Between Related Persons* in chapter 2 of Pub. 544.

See section 1400B for more details.

**How to report.** Report the sale or exchange on Form 8949, Part II, as you would if you were not taking the exclusion. Then enter "X" in column (f). Enter the amount of the exclusion as a negative number in column (g). Put it in parentheses to show it is negative. See the instructions for Form 8949, columns (f), (g), and (h). Complete all remaining columns.

## Exclusion of Gain From Qualified Community Assets

If you sold or exchanged a qualified community asset that you acquired after 2001 and before 2010 and held for more than 5 years, you may be able to exclude the qualified capital gain that you would otherwise include in income. The exclusion applies to an interest in, or property of, certain renewal community businesses.

**Qualified community asset.** A qualified community asset is any of the following.

- Qualified community stock.
- Qualified community partnership interest.
- Qualified community business property.

**Qualified capital gain.** Qualified capital gain is any gain recognized on the sale or exchange of a qualified community asset but does not include any of the following.

- Gain treated as ordinary income under section 1245.
- Section 1250 gain figured as if section 1250 applied to all depreciation rather than the additional depreciation.
- Gain attributable to real property, or an intangible asset, that is not an integral part of a qualified community business.
- Gain from a related-party transaction. See *Sales and Exchanges Between Related Persons* in chapter 2 of Pub. 544.

See section 1400F for more details and special rules.

## Capital Loss Carryover Worksheet—Lines 6 and 14

*Keep for Your Records*

Use this worksheet to figure your capital loss carryovers from 2011 to 2012 if your 2011 Schedule D, line 21, is a loss and **(a)** that loss is a smaller loss than the loss on your 2011 Schedule D, line 16, **or (b)** the amount on your 2011 Form 1040, line 41 (or your 2011 Form 1040NR, line 39, if applicable) is less than zero. Otherwise, you do not have any carryovers.

If you and your spouse once filed a joint return and are filing separate returns for 2012, any capital loss carryover from the joint return can be deducted only on the return of the spouse who actually had the loss.

| | | | | |
|---|---|---|---|---|
| **1.** | Enter the amount from your 2011 Form 1040, line 41, or your 2011 Form 1040NR, line 39. If a loss, enclose the amount in parentheses | | | **1.** |
| **2.** | Enter the loss from your 2011 Schedule D, line 21, as a positive amount | | | **2.** |
| **3.** | Combine lines 1 and 2. If zero or less, enter -0- | | | **3.** |
| **4.** | Enter the **smaller** of line 2 or line 3 | **4.** | | |
| | **If line 7 of your 2011 Schedule D is a loss, go to line 5; otherwise, enter -0- on line 5 and go to line 9.** | | | |
| **5.** | Enter the loss from your 2011 Schedule D, line 7, as a positive amount | | | **5.** |
| **6.** | Enter any gain from your 2011 Schedule D, line 15. If a loss, enter -0- | **6.** | | |
| **7.** | Add lines 4 and 6 | | | **7.** |
| **8.** | **Short-term capital loss carryover for 2012.** Subtract line 7 from line 5. If zero or less, enter -0-. If more than zero, also enter this amount on Schedule D, line 6 | | | **8.** |
| | **If line 15 of your 2011 Schedule D is a loss, go to line 9; otherwise, skip lines 9 through 13.** | | | |
| **9.** | Enter the loss from your 2011 Schedule D, line 15, as a positive amount | | | **9.** |
| **10.** | Enter any gain from your 2011 Schedule D, line 7. If a loss, enter -0- | **10.** | | |
| **11.** | Subtract line 5 from line 4. If zero or less, enter -0- | **11.** | | |
| **12.** | Add lines 10 and 11 | | | **12.** |
| **13.** | **Long-term capital loss carryover for 2012.** Subtract line 12 from line 9. If zero or less, enter -0-. If more than zero, also enter this amount on Schedule D, line 14 | | | **13.** |

**How to report.** Report the sale or exchange on Form 8949, Part II, with the appropriate box checked, as you would if you were not taking the exclusion. Then enter "X" in column (f) and enter the amount of the exclusion as a negative number in column (g). Put it in parentheses to show it is negative. See the instructions for Form 8949, columns (f), (g), and (h). Complete all remaining columns.

### Rollover of Gain From Publicly Traded Securities

You can postpone all or part of any gain from the sale of publicly traded securities by buying common stock or a partnership interest in a specialized small business investment company during the 60-day period that began on the date of the sale. See Pub. 550. Also see the instructions for Form 8949, columns (f), (g), and (h).

### Rollover of Gain From Stock Sold to ESOPs or Certain Cooperatives

You can postpone all or part of any gain from the sale of qualified securities, held for at least 3 years, to an employee stock ownership plan (ESOP) or eligible worker-owned cooperative, if you buy qualified replacement property. See Pub. 550. Also see the instructions for Form 8949, columns (f), (g), and (h).

# Specific Instructions

### Rounding Off to Whole Dollars

You can round off cents to whole dollars on your Schedule D. If you do round to whole dollars, you must round all amounts. To round, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar. For example, $1.39 becomes $1 and $2.50 becomes $3.

If you have to add two or more amounts to figure the amount to enter on a line, include cents when adding the amounts and round off only the total.

### Lines 1, 2, 3, 8, 9, and 10, Column (h)—Gain or Loss

Figure gain or loss on each line. First, subtract the cost or other basis in column (e) from the proceeds (sales price) in column (d). Then combine the result with any adjustments in column (g). Enter the gain or loss in column (h). Enter negative amounts in parentheses.

***Example 1 – gain.*** Column (d) is $6,000 and column (e) is $2,000. Enter $4,000 in column (h).

***Example 2 – loss.*** Column (d) is $6,000 and column (e) is $8,000. Enter ($2,000) in column (h).

***Example 3 – adjustment.*** Column (d) is $6,000, column (e) is $2,000, and

column (g) is ($1,000). Enter $3,000 ($6,000 − $2,000 − $1,000) in column (h).

## Line 13

See *Capital Gain Distributions*, earlier.

## Line 18

If you checked "Yes" on line 17, complete the 28% Rate Gain Worksheet in these instructions if either of the following apply for 2012.

- You reported in Part II of Form 8949 a section 1202 exclusion from the eligible gain on qualified small business stock (see *Exclusion of Gain on Qualified Small Business (QSB) Stock,* earlier).
- You reported in Part II of Form 8949 a collectibles gain or (loss). A collectibles gain or (loss) is any long-term gain or deductible long-term loss from the sale or exchange of a collectible that is a capital asset.

Collectibles include works of art, rugs, antiques, metals (such as gold, silver, and platinum bullion), gems, stamps, coins, alcoholic beverages, and certain other tangible property.

Include on the worksheet any gain (but not loss) from the sale or exchange of an interest in a partnership, S corporation, or trust held for more than 1 year and attributable to unrealized appreciation of collectibles. For details, see Regulations section 1.1(h)-1. Also, attach the statement required under Regulations section 1.1(h)-1(e).

## Line 19

If you checked "Yes" on line 17, complete the Unrecaptured Section 1250 Gain Worksheet in these instructions if any of the following apply for 2012.

- You sold or otherwise disposed of section 1250 property (generally, real property that you depreciated) held more than 1 year.
- You received installment payments for section 1250 property held more than 1 year for which you are reporting gain on the installment method.
- You received a Schedule K-1 from an estate or trust, partnership, or S corporation that shows "unrecaptured section 1250 gain."
- You received a Form 1099-DIV or Form 2439 from a real estate investment trust or regulated investment company (including a mutual fund) that reports "unrecaptured section 1250 gain."
- You reported a long-term capital gain from the sale or exchange of an interest in a partnership that owned section 1250 property.

### Instructions for the Unrecaptured Section 1250 Gain Worksheet

**Lines 1 through 3.** If you had more than one property described on line 1, complete lines 1 through 3 for each property on a separate worksheet. Enter the total of the line 3 amounts for all properties on line 3 and go to line 4.

**Line 4.** To figure the amount to enter on line 4, follow the steps below for each installment sale of trade or business property held more than 1 year.

***Step 1.*** Figure the smaller of (a) the depreciation allowed or allowable, or (b) the total gain for the sale. This is the smaller of line 22 or line 24 of your 2012 Form 4797 (or the comparable lines of Form 4797 for the year of sale) for the property.

***Step 2.*** Reduce the amount figured in step 1 by any section 1250 ordinary income recapture for the sale. This is the amount from line 26g of your 2012 Form 4797 (or the comparable line of Form 4797 for the year of sale) for the property. The result is your total unrecaptured section 1250 gain that must be allocated to the installment payments received from the sale.

***Step 3.*** Generally, the amount of section 1231 gain on each installment payment is treated as unrecaptured section 1250 gain until the total unrecaptured section 1250 gain figured in step 2 has been used in full. Figure the amount of gain treated as unrecaptured section 1250 gain for installment payments received in 2012 as the smaller of (a) the amount from line 26 or line 37 of your 2012 Form 6252, whichever applies, or (b) the amount of unrecaptured section 1250 gain remaining to be reported. This amount is generally the total unrecaptured section 1250 gain for the sale reduced by all gain reported in prior years (excluding section 1250 ordinary income recapture). However, if you chose not to treat all of the gain from payments

## 28% Rate Gain Worksheet—Line 18

*Keep for Your Records*

| | | | |
|---|---|---|---|
| 1. | Enter the total of all collectibles gain or (loss) from items you reported on Form 8949, Part II | 1. | |
| 2. | Enter as a positive number the amount of any section 1202 exclusion you reported in column (g) of Form 8949, Part II, with code "Q" in column (f), for which you excluded 50% of the gain, plus $^{2}/_{3}$ of any section 1202 exclusion you reported in column (g) of Form 8949, Part II, with code "Q" in column (f), for which you excluded 60% of the gain | 2. | |
| 3. | Enter the total of all collectibles gain or (loss) from Form 4684, line 4 (but only if Form 4684, line 15, is more than zero); Form 6252; Form 6781, Part II; and Form 8824 | 3. | |
| 4. | Enter the total of any collectibles gain reported to you on: • Form 1099-DIV, box 2d; • Form 2439, box 1d; and • Schedule K-1 from a partnership, S corporation, estate, or trust. | 4. | |
| 5. | Enter your long-term capital loss carryovers from Schedule D, line 14, and Schedule K-1 (Form 1041), box 11, code C | 5. | ( ) |
| 6. | If Schedule D, line 7, is a (loss), enter that (loss) here. Otherwise, enter -0- | 6. | ( ) |
| 7. | Combine lines 1 through 6. If zero or less, enter -0-. If more than zero, also enter this amount on Schedule D, line 18 | 7. | |

received after May 6, 1997, and before August 24, 1999, as unrecaptured section 1250 gain, use only the amount you chose to treat as unrecaptured section 1250 gain for those payments to reduce the total unrecaptured section 1250 gain remaining to be reported for the sale. Include this amount on line 4.

**Line 10.** Include on line 10 your share of the partnership's unrecaptured section 1250 gain that would result if the partnership had transferred all of its section 1250 property in a fully taxable transaction immediately before you sold or exchanged your interest in that partnership. If you recognized less than all of the realized gain, the partnership will be treated as having transferred only a proportionate amount of each section 1250 property. For details, see Regulations section 1.1(h)-1. Also attach the statement required under Regulations section 1.1(h)-1(e).

**Line 12.** An example of an amount to include on line 12 is unrecaptured section 1250 gain from the sale of a vacation home you previously used as a rental property but converted to personal use prior to the sale. To figure the amount to enter on line 12, follow the applicable instructions below.

***Installment sales.*** To figure the amount to include on line 12, follow the steps below for each installment sale of property held more than 1 year for which you did not make an entry in Part I of your Form 4797 for the year of sale.

- Step 1. Figure the smaller of (a) the depreciation allowed or allowable, or (b) the total gain for the sale. This is the smaller of line 22 or line 24 of your 2012 Form 4797 (or the comparable lines of Form 4797 for the year of sale) for the property.
- Step 2. Reduce the amount figured in step 1 by any section 1250 ordinary income recapture for the sale. This is the amount from line 26g of your 2012 Form 4797 (or the comparable line of Form 4797 for the year of sale) for the property. The result is your total unrecaptured section 1250 gain that must be allocated to the installment payments received from the sale.
- Step 3. Generally, the amount of capital gain on each installment payment is treated as unrecaptured section 1250 gain until the total unrecaptured section 1250 gain figured in step 2 has been used in full. Figure the amount of gain treated as unrecaptured section 1250 gain for installment payments received in 2012 as the smaller of (a) the amount from line 26 or line 37 of your 2012 Form 6252, whichever applies, or (b) the amount of unrecaptured section 1250 gain remaining to be reported. This amount is generally the total unrecaptured section 1250 gain for the sale reduced by all gain reported in prior years (excluding section 1250 ordinary income recapture). However, if you chose not to treat all of the gain from payments received after May 6, 1997, and before August 24, 1999, as unrecaptured section 1250 gain, use only the amount you chose to treat as unrecaptured section 1250 gain for those payments to reduce the total unrecaptured section 1250 gain remaining to be reported for the sale. Include this amount on line 12.

## Unrecaptured Section 1250 Gain Worksheet—Line 19

*Keep for Your Records*

**If you are not reporting a gain on Form 4797, line 7, skip lines 1 through 9 and go to line 10.**

| | | | | |
|---|---|---|---|---|
| **1.** | If you have a section 1250 property in Part III of Form 4797 for which you made an entry in Part I of Form 4797 (but not on Form 6252), enter the **smaller** of line 22 or line 24 of Form 4797 for that property. If you did not have any such property, go to line 4. If you had more than one such property, see instructions | | **1.** | |
| **2.** | Enter the amount from Form 4797, line 26g, for the property for which you made an entry on line 1 | | **2.** | |
| **3.** | Subtract line 2 from line 1 | | **3.** | |
| **4.** | Enter the total unrecaptured section 1250 gain included on line 26 or line 37 of Form(s) 6252 from installment sales of trade or business property held more than 1 year (see instructions) | | **4.** | |
| **5.** | Enter the total of any amounts reported to you on a Schedule K-1 from a partnership or an S corporation as "unrecaptured section 1250 gain" | | **5.** | |
| **6.** | Add lines 3 through 5 | | **6.** | |
| **7.** | Enter the **smaller** of line 6 or the gain from Form 4797, line 7 | **7.** | | |
| **8.** | Enter the amount, if any, from Form 4797, line 8 | **8.** | | |
| **9.** | Subtract line 8 from line 7. If zero or less, enter -0- | | **9.** | |
| **10.** | Enter the amount of any gain from the sale or exchange of an interest in a partnership attributable to unrecaptured section 1250 gain (see instructions) | | **10.** | |
| **11.** | Enter the total of any amounts reported to you as "unrecaptured section 1250 gain" on a Schedule K-1, Form 1099-DIV, or Form 2439 from an estate, trust, real estate investment trust, or mutual fund (or other regulated investment company) or in connection with a Form 1099-R | | **11.** | |
| **12.** | Enter the total of any unrecaptured section 1250 gain from sales (including installment sales) or other dispositions of section 1250 property held more than 1 year for which you did not make an entry in Part I of Form 4797 for the year of sale (see instructions) | | **12.** | |
| **13.** | Add lines 9 through 12 | | **13.** | |
| **14.** | If you had any section 1202 gain or collectibles gain or (loss), enter the total of lines 1 through 4 of the **28% Rate Gain Worksheet**. Otherwise, enter -0- | **14.** | | |
| **15.** | Enter the (loss), if any, from Schedule D, line 7. If Schedule D, line 7, is zero or a gain, enter -0- | **15.** | ( ) | |
| **16.** | Enter your long-term capital loss carryovers from Schedule D, line 14, and Schedule K-1 (Form 1041), box 11, code C* | **16.** | ( ) | |
| **17.** | Combine lines 14 through 16. If the result is a (loss), enter it as a positive amount. If the result is zero or a gain, enter -0- | | **17.** | |
| **18.** | **Unrecaptured section 1250 gain.** Subtract line 17 from line 13. If zero or less, enter -0-. If more than zero, enter the result here and on Schedule D, line 19 | | **18.** | |

*If you are filing Form 2555 or 2555-EZ (relating to foreign earned income), see the footnote in the Foreign Earned Income Tax Worksheet in the Form 1040 instructions before completing this line.

***Other sales or dispositions of section 1250 property.*** For each sale of property held more than 1 year (for which you did not make an entry in Part I of Form 4797), figure the smaller of (a) the depreciation allowed or allowable, or (b) the total gain for the sale. This is the smaller of line 22 or line 24 of Form 4797 for the property. Next, reduce that amount by any section 1250 ordinary income recapture for the sale. This is the amount from line 26g of Form 4797 for the property. The result is the total unrecaptured section 1250 gain for the sale. Include this amount on line 12.

## Line 21

You have a capital loss carryover from 2012 to 2013 if you have a loss on line 16 and either:

- That loss is more than the loss on line 21, or
- The amount on Form 1040, line 41 (or Form 1040NR, line 39, if applicable), is less than zero.

To figure any capital loss carryover to 2013, you will use the Capital Loss Carryover Worksheet in the 2013 Instructions for Schedule D. If you want to figure your carryover to 2013 now, see Pub. 550.

**TIP** *You will need a copy of your 2012 Form 1040 and Schedule D to figure your capital loss carryover to 2013.*

## Schedule D Tax Worksheet

*Keep for Your Records*

**Complete this worksheet only if line 18 or line 19 of Schedule D is more than zero. Otherwise, complete the Qualified Dividends and Capital Gain Tax Worksheet in the Instructions for Form 1040, line 44 (or in the Instructions for Form 1040NR, line 42) to figure your tax. Before completing this worksheet, complete Form 1040 through line 43 (or Form 1040NR through line 41).**

**Exception: Do not** use the Qualified Dividends and Capital Gain Tax Worksheet **or** this worksheet to figure your tax if:

- Line 15 or line 16 of Schedule D is zero or less **and** you have no qualified dividends on Form 1040, line 9b (or Form 1040NR, line 10b); **or**
- Form 1040, line 43 (or Form 1040NR, line 41) is zero or less.

Instead, see the instructions for Form 1040, line 44 (or Form 1040NR, line 42).

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **1.** | Enter your taxable income from Form 1040, line 43 (or Form 1040NR, line 41). (However, if you are filing Form 2555 or 2555-EZ (relating to foreign earned income), enter instead the amount from line 3 of the Foreign Earned Income Tax Worksheet in the Instructions for Form 1040, line 44) | | | | | | **1.** |
| **2.** | Enter your qualified dividends from Form 1040, line 9b (or Form 1040NR, line 10b) | **2.** | | | | | |
| **3.** | Enter the amount from Form 4952 (used to figure investment interest expense deduction), line 4g | **3.** | | | | | |
| **4.** | Enter the amount from Form 4952, line 4e* | **4.** | | | | | |
| **5.** | Subtract line 4 from line 3. If zero or less, enter -0- | **5.** | | | | | |
| **6.** | Subtract line 5 from line 2. If zero or less, enter -0-** | | | **6.** | | | |
| **7.** | Enter the **smaller** of line 15 or line 16 of Schedule D | **7.** | | | | | |
| **8.** | Enter the **smaller** of line 3 or line 4 | **8.** | | | | | |
| **9.** | Subtract line 8 from line 7. If zero or less, enter -0-** | | | **9.** | | | |
| **10.** | Add lines 6 and 9 | | | | **10.** | | |
| **11.** | Add lines 18 and 19 of Schedule D** | | | **11.** | | | |
| **12.** | Enter the **smaller** of line 9 or line 11 | | | | **12.** | | |
| **13.** | Subtract line 12 from line 10 | | | | | | **13.** |
| **14.** | Subtract line 13 from line 1. If zero or less, enter -0- | | | | | | **14.** |
| **15.** | Enter:<br>• $35,350 if single or married filing separately;<br>• $70,700 if married filing jointly or qualifying widow(er); or<br>• $47,350 if head of household | | | **15.** | | | |
| **16.** | Enter the **smaller** of line 1 or line 15 | | | | **16.** | | |
| **17.** | Enter the **smaller** of line 14 or line 16 | | | **17.** | | | |
| **18.** | Subtract line 10 from line 1. If zero or less, enter -0- | **18.** | | | | | |
| **19.** | Enter the **larger** of line 17 or line 18 | | | | **19.** | | |
| **20.** | Subtract line 17 from line 16. This amount is taxed at 0%. | | | | **20.** | | |
| | **If lines 1 and 16 are the same, skip lines 21 through 33 and go to line 34. Otherwise, go to line 21.** | | | | | | |
| **21.** | Enter the **smaller** of line 1 or line 13 | | | **21.** | | | |
| **22.** | Enter the amount from line 20 (if line 20 is blank, enter -0-) | | | **22.** | | | |
| **23.** | Subtract line 22 from line 21. If zero or less, enter -0- | | | | **23.** | | |
| **24.** | Multiply line 23 by 15% (.15) | | | | | | **24.** |
| | **If Schedule D, line 19, is zero or blank, skip lines 25 through 30 and go to line 31. Otherwise, go to line 25.** | | | | | | |
| **25.** | Enter the **smaller** of line 9 above or Schedule D, line 19 | | | **25.** | | | |
| **26.** | Add lines 10 and 19 | **26.** | | | | | |
| **27.** | Enter the amount from line 1 above | **27.** | | | | | |
| **28.** | Subtract line 27 from line 26. If zero or less, enter -0- | | | **28.** | | | |
| **29.** | Subtract line 28 from line 25. If zero or less, enter -0- | | | | **29.** | | |
| **30.** | Multiply line 29 by 25% (.25) | | | | | | **30.** |
| | **If Schedule D, line 18, is zero or blank, skip lines 31 through 33 and go to line 34. Otherwise, go to line 31.** | | | | | | |
| **31.** | Add lines 19, 20, 23, and 29 | | | | **31.** | | |
| **32.** | Subtract line 31 from line 1 | | | | **32.** | | |
| **33.** | Multiply line 32 by 28% (.28) | | | | | | **33.** |
| **34.** | Figure the tax on the amount on **line 19.** If the amount on line 19 is less than $100,000, use the Tax Table to figure the tax. If the amount on line 19 is $100,000 or more, use the Tax Computation Worksheet | | | | | | **34.** |
| **35.** | Add lines 24, 30, 33, and 34 | | | | | | **35.** |
| **36.** | Figure the tax on the amount on **line 1.** If the amount on line 1 is less than $100,000, use the Tax Table to figure the tax. If the amount on line 1 is $100,000 or more, use the Tax Computation Worksheet | | | | | | **36.** |
| **37.** | **Tax on all taxable income (including capital gains and qualified dividends).** Enter the **smaller** of line 35 or line 36. Also include this amount on Form 1040, line 44 (or Form 1040NR, line 42). (If you are filing Form 2555 or 2555-EZ, do not enter this amount on Form 1040, line 44. Instead, enter it on line 4 of the Foreign Earned Income Tax Worksheet in the Form 1040 instructions) | | | | | | **37.** |

*If applicable, enter instead the smaller amount you entered on the dotted line next to line 4e of Form 4952.

**If you are filing Form 2555 or 2555-EZ, see the footnote in the Foreign Earned Income Tax Worksheet in the Instructions for Form 1040, line 44, before completing this line.

Department of the Treasury
**Internal Revenue Service**

# 2012 Instructions for Schedule E (Form 1040)

## Supplemental Income and Loss

Use Schedule E (Form 1040) to report income or loss from rental real estate, royalties, partnerships, S corporations, estates, trusts, and residual interests in REMICs.

You can attach your own schedule(s) to report income or loss from any of these sources. Use the same format as on Schedule E.

Enter separately on Schedule E the total income and the total loss for each part. Enclose loss figures in (parentheses).

Section references are to the Internal Revenue Code unless otherwise noted.

## Future Developments

For the latest information about developments related to Schedule E (Form 1040) and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/form1040*.

## What's New

**No separate payment card reporting requirements.** Gross receipts received via payment card (credit and debit cards) and third party network payments are not separately reported on Schedule E.

**Information reporting requirements.** Lines A and B, which address your required filing of Forms 1099 in 2012, have been moved to Part I. You only need to answer the questions on lines A and B if you are completing Part I.

**Standard mileage rate.** The standard mileage rate for miles driven in connection with your rental activities is 55.5 cents per mile.

## General Instructions

### Other Schedules and Forms You May Have To File

- Schedule A (Form 1040) to deduct interest, taxes, and casualty losses not related to your business.
- Form 3520 to report certain transactions with foreign trusts and receipt of certain large gifts or bequests from certain foreign persons.
- Form 4562 to claim depreciation (including the special allowance) on assets placed in service in 2012, to claim amortization that began in 2012, to make an election under section 179 to expense certain property, or to report information on listed property.
- Form 4684 to report a casualty or theft gain or loss involving property used in your trade or business or income-producing property.
- Form 4797 to report sales, exchanges, and involuntary conversions (not from a casualty or theft) of trade or business property.
- Form 6198 to figure your allowable loss from an at-risk activity.
- Form 8082 to notify the IRS of any inconsistent tax treatment for an item on your return.
- Form 8582 to figure allowable passive activity loss.
- Form 8824 to report like-kind exchanges.
- Form 8826 to claim a credit for expenditures to improve access to your business for individuals with disabilities.
- Form 8873 to figure your extraterritorial income exclusion.
- Form 8910 to claim a credit for placing a new alternative motor vehicle in service for business use.

**Single-member limited liability company (LLC).** In most cases, a single-member domestic LLC is not treated as a separate entity for federal income tax purposes. If you are the sole member of a domestic LLC, file Schedule E (or Schedule C, C-EZ, or F, if applicable). However, you can elect to treat a domestic LLC as a corporation. See Form 8832 for details on the election and the tax treatment of a foreign LLC.

**Information returns.** You may have to file information returns for wages paid to employees, certain payments of fees and other nonemployee compensation, interest, rents, royalties, real estate transactions, annuities, and pensions. You generally use Form 1099-MISC, Miscellaneous Income, to report rents and payments of fees and other nonemployee compensation. For details, see *Line A*, later, and the 2012 General Instructions for Certain Information Returns.

If you received cash of more than $10,000 in one or more related transactions in your trade or business, you may have to file Form 8300. For details, see Pub. 1544.

### Husband-Wife Qualified Joint Venture

If you and your spouse each materially participate (see *Material participation* in the Instructions for Schedule C) as the only members of a jointly owned and operated rental real estate business and you file a joint return for the tax year, you can elect to be treated as a qualified joint venture instead of a partnership. This election, in most cases, will not increase the total tax owed on the joint return. By making the election, you will not be required to file Form 1065 for any year the election is in effect and will instead report the income and deductions directly on your joint return. If you and your spouse filed Form 1065 for the year prior to the election, the partnership terminates at the end of the tax year immediately preceding the year the election takes effect.

**Note.** Mere joint ownership of property that is not a trade or business does not qualify for the election.

**Making the election.** To make this election for your rental real estate business, check the "QJV" box on line 2 for each property that is part of the qualified joint venture. You must divide all items of income, gain, loss, deduction, and credit attributable to the rental real estate business between you and your spouse in accordance with your respective



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interests in the venture. Although you and your spouse will not each file your own Schedule E as part of the qualified joint venture, each of you must report your interest as separate properties on line 1 of Schedule E. On lines 3 through 22 for each separate property interest, you must enter your share of the applicable income, deduction, or loss.

If you have more than three rental real estate or royalty properties, complete and attach as many Schedules E as you need to list them. But fill in lines 23a through 26 on only one Schedule E. The figures on lines 23a through 26 on that Schedule E should be the combined totals for all properties reported on your Schedules E.

Once made, the election can be revoked only with the permission of the IRS. However, the election technically remains in effect only for as long as the spouses filing as a qualified joint venture continue to meet the requirements to be treated as a qualified joint venture. If the spouses fail to meet the qualified joint venture requirements for a year, a new election will be necessary for any future year in which the spouses meet the requirements to be treated as a qualified joint venture.

Rental real estate income generally is not included in net earnings from self-employment subject to self-employment tax and generally is subject to passive loss limitation rules. Electing qualified joint venture status does not alter the application of the self-employment tax or the passive loss limitation rules.

For more information on qualified joint ventures, go to IRS.gov. Enter "qualified joint venture" in the search box and select "Election for Husband and Wife Unincorporated Businesses."

## Reportable Transaction Disclosure Statement

Use Form 8886 to disclose information for each reportable transaction in which you participated. Form 8886 must be filed for each tax year that your federal income tax liability is affected by your participation in the transaction. You may have to pay a penalty if you are required to file Form 8886 but do not do so. You may also have to pay interest and penalties on any reportable transaction understatements. The following are reportable transactions.

- Any listed transaction that is the same as or substantially similar to tax avoidance transactions identified by the IRS.
- Any transaction offered to you or a related party under conditions of confidentiality for which you paid an advisor a fee of at least $50,000.
- Certain transactions for which you or a related party have contractual protection against disallowance of the tax benefits.
- Certain transactions resulting in a loss of at least $2 million in any single tax year or $4 million in any combination of tax years. (At least $50,000 for a single tax year if the loss arose from a foreign currency transaction defined in section 988(c)(1), whether or not the loss flows through from an S corporation or partnership.)
- Certain transactions of interest entered into after November 1, 2006, that are the same or substantially similar to transactions that the IRS has identified by notice, regulation, or other form of published guidance as transactions of interest.

See the Instructions for Form 8886 for more details.

## At-Risk Rules

In most cases, you must complete Form 6198 to figure your allowable loss if you have:

- A loss from an activity carried on as a trade or business or for the production of income, and
- Amounts in the activity for which you are not at risk.

The at-risk rules in most cases limit the amount of loss (including loss on the disposition of assets) you can claim to the amount you could actually lose in the activity. However, the at-risk rules do not apply to losses from an activity of holding real property placed in service before 1987. They also do not apply to losses from your interest acquired before 1987 in a pass-through entity engaged in such activity. The activity of holding mineral property does not qualify for this exception.

In most cases, you are not at risk for amounts such as the following.

- Nonrecourse loans used to finance the activity, to acquire property used in the activity, or to acquire your interest in the activity that are not secured by your own property (other than property used in the activity). However, there is an exception for certain nonrecourse financing borrowed by you in connection with the activity of holding real property (other than mineral property). See *Qualified nonrecourse financing*, later.
- Cash, property, or borrowed amounts used in the activity (or contributed to the activity, or used to acquire your interest in the activity) that are protected against loss by a guarantee, stop-loss agreement, or other similar arrangement (excluding casualty insurance and insurance against tort liability).
- Amounts borrowed for use in the activity from a person who has an interest in the activity (other than as a creditor) or who is related under section 465(b)(3)(C) to a person (other than you) having such an interest.

**Qualified nonrecourse financing.** Qualified nonrecourse financing is treated as an amount at risk if it is secured by real property used in an activity of holding real property subject to the at-risk rules. Qualified nonrecourse financing is financing for which no one is personally liable for repayment and is:

- Borrowed by you in connection with the activity of holding real property (other than mineral property),
- Not convertible from a debt obligation to an ownership interest, and
- Loaned or guaranteed by any federal, state, or local government, or borrowed by you from a qualified person.

**Qualified person.** A qualified person is a person who actively and regularly engages in the business of lending money, such as a bank or savings and loan association. A qualified person cannot be:

- Related to you (unless the nonrecourse financing obtained is commercially reasonable and on substantially the same terms as loans involving unrelated persons),
- The seller of the property (or a person related to the seller), or
- A person who receives a fee due to your investment in real property (or a person related to that person).

For more details about the at-risk rules, see the Instructions for Form 6198 and Pub. 925.

## Passive Activity Loss Rules

The passive activity loss rules may limit the amount of losses you can deduct.

These rules apply to losses in Parts I, II, and III, and line 40 of Schedule E.

Losses from passive activities may be subject first to the at-risk rules. Losses deductible under the at-risk rules are then subject to the passive activity loss rules.

You can deduct losses from passive activities in most cases only to the extent of income from passive activities. An exception for certain rental real estate activities (explained later) may apply.

### Passive Activity

A passive activity is any business activity in which you did not materially participate and any rental activity, except as explained later. If you are a limited partner, in most cases, you are not treated as having materially participated in the partnership's activities for the year.

The rental of real or personal property is a rental activity under the passive activity loss rules in most cases, but exceptions apply. If your rental of property is not treated as a rental activity, you must determine whether it is a trade or business activity, and if so, whether you materially participated in the activity for the tax year.

See the Instructions for Form 8582 to determine whether you materially participated in the activity and for the definition of "rental activity."

See Pub. 925 for special rules that apply to rentals of:

- Substantially nondepreciable property,
- Property incidental to development activities, and
- Property related to activities in which you materially participate.

### Activities That Are Not Passive Activities

**Activities of real estate professionals.** If you were a real estate professional for 2012, any rental real estate activity in which you materially participated is not a passive activity. You were a real estate professional for the year only if you met both of the following conditions.

- More than half of the personal services you performed in trades or businesses during the year were performed in real property trades or businesses in which you materially participated.
- You performed more than 750 hours of services during the year in real property trades or businesses in which you materially participated.

If you are married filing jointly, either you or your spouse must meet both of the above conditions without taking into account services performed by the other spouse.

A real property trade or business is any real property development, redevelopment, construction, reconstruction, acquisition, conversion, rental, operation, management, leasing, or brokerage trade or business. Services you performed as an employee are not treated as performed in a real property trade or business unless you owned more than 5% of the stock (or more than 5% of the capital or profits interest) in the employer.

If you qualify as a real estate professional, rental real estate activities in which you materially participated are not passive activities. For purposes of determining whether you materially participated in your rental real estate activities, each interest in rental real estate is a separate activity unless you elect to treat all your interests in rental real estate as one activity. To make this election, attach a statement to your original tax return that declares you are a qualifying taxpayer for the year and you are making the election under section 469(c)(7)(A). The election applies for the year made and all later years in which you are a real estate professional. You can revoke the election only if your facts and circumstances materially change.

**TIP** *If you did not make this election on your timely filed return, you may be eligible to make a late election to treat all your interest in rental real estate as one activity. See Rev. Proc. 2011-34, 2011-24 I.R.B. 874, available at www.irs.gov/irb/2011-24_IRB/ar07.html.*

If you were a real estate professional for 2012, complete Schedule E, line 43.

**Other activities.** The rental of a dwelling unit that you used as a home is not subject to the passive loss limitation rules. See *Line 2*, later, to see if you used the dwelling unit as a home.

A working interest in an oil or gas well you held directly or through an entity that did not limit your liability is not a passive activity even if you did not materially participate.

Royalty income not derived in the ordinary course of a trade or business reported on Schedule E in most cases is not considered income from a passive activity.

For more details on passive activities, see the Instructions for Form 8582 and Pub. 925.

### Exception for Certain Rental Real Estate Activities

If you meet all of the following conditions, your rental real estate losses are not limited by the passive activity loss rules. If you do not meet all of these conditions, see the Instructions for Form 8582 to find out if you must complete and attach Form 8582 to figure any losses allowed.

1. Rental real estate activities are your only passive activities.

2. You do not have any prior year unallowed losses from any passive activities.

3. All of the following apply if you have an overall net loss from these activities:

a. You actively participated (defined later) in all of the rental real estate activities;

b. If married filing separately, you lived apart from your spouse all year;

c. Your overall net loss from these activities is $25,000 or less ($12,500 or less if married filing separately);

d. You have no current or prior year unallowed credits from passive activities; and

e. Your modified adjusted gross income (defined later) is $100,000 or less ($50,000 or less if married filing separately).

**Active participation.** You can meet the active participation requirement without regular, continuous, and substantial involvement in real estate activities. But you must have participated in making management decisions or arranging for others to provide services (such as repairs) in a significant and *bona fide* sense. Such management decisions include:

- Approving new tenants,
- Deciding on rental terms,

- Approving capital or repair expenditures, and
- Other similar decisions.

You are not considered to actively participate if, at any time during the tax year, your interest (including your spouse's interest) in the activity was less than 10% by value of all interests in the activity. If you are a limited partner, you are also not treated as actively participating in a partnership's rental real estate activities.

**Modified adjusted gross income.** This is your adjusted gross income from Form 1040, line 38, or Form 1040NR, line 37, without taking into account:

- Any allowable passive activity loss,
- Rental real estate losses allowed for real estate professionals (see *Activities of real estate professionals*, earlier),
- Taxable social security or tier 1 railroad retirement benefits,
- Deductible contributions to a traditional IRA or certain other qualified retirement plans under section 219,
- The student loan interest deduction,
- The tuition and fees deduction,
- The domestic production activities deduction,
- The deduction for a portion of self-employment tax,
- The exclusion from income of interest from series EE and I U.S. savings bonds used to pay higher education expenses, and
- Any excluded amounts under an employer's adoption assistance program.

### Recordkeeping

You must keep records to support items reported on Schedule E in case the IRS has questions about them. If the IRS examines your tax return, you may be asked to explain the items reported. Good records will help you explain any item and arrive at the correct tax with a minimum of effort. If you do not have records, you may have to spend time getting statements and receipts from various sources. If you cannot produce the correct documents, you may have to pay additional tax and be subject to penalties.

## Specific Instructions

**Filers of Form 1041.** If you are a fiduciary filing Schedule E with Form 1041, enter the estate's or trust's employer identification number (EIN) in the space for "Your social security number."

## Part I

CAUTION

*Before you begin, see* Line 3 *and* Line 4*, later, to determine if you should report your rental real estate and royalty income on Schedule C, Schedule C-EZ, or Form 4835, instead of Schedule E.*

### Line A

If you made any payments in 2012 that would require you to file any Forms 1099, check the "Yes" box. Otherwise, check the "No" box. See the 2012 General Instructions for Certain Information Returns if you are unsure whether you were required to file any Forms 1099. Also see the separate instructions for each Form 1099.

TIP

*Generally, you must file Form 1099-MISC if you paid at least $600 in rents, services, prizes, medical and health care payments, and other income payments. The* Guide to Information Returns *in the 2012 General Instructions for Certain Information Returns has more information, including the due dates for the various information returns.*

### Income or Loss From Rental Real Estate and Royalties

Use Part I to report the following.

- Income and expenses from rental real estate (including personal property leased with real estate).
- Royalty income and expenses.
- For an estate or trust **only**, farm rental income and expenses based on crops or livestock produced by the tenant. Estates and trusts **do not** use Form 4835 or Schedule F (Form 1040) for this purpose.

If you own a part interest in a rental real estate property, report only your part of the income and expenses on Schedule E.

Complete lines 1 and 2 for each rental real estate property. For royalty properties, line 2 and the address portion on line 1 should be left blank and you should enter code "6" for royalty property.

If you have more than three rental real estate or royalty properties, complete and attach as many Schedules E as you need to list them. But answer lines A and B and fill in lines 23a through 26 on only one Schedule E. The figures on lines 23a through 26 on that Schedule E should be the combined totals for all properties reported on your Schedules E. If you are also using page 2 of Schedule E, use the same Schedule E on which you entered the combined totals for Part I.

**Personal property.** Do not use Schedule E to report income and expenses from the rental of personal property, such as equipment or vehicles. Instead, use Schedule C or C-EZ if you are in the business of renting personal property. You are in the business of renting personal property if the primary purpose for renting the property is income or profit and you are involved in the rental activity with continuity and regularity.

If your rental of personal property is not a business, see the instructions for Form 1040, lines 21 and 36, to find out how to report the income and expenses.

**Extraterritorial income exclusion.** Except as otherwise provided in the Internal Revenue Code, gross income includes all income from whatever source derived. Gross income, however, does not include extraterritorial income that is qualifying foreign trade income under certain circumstances. Use Form 8873 to figure the extraterritorial income exclusion. Report it on Schedule E as explained in the Instructions for Form 8873.

**Chapter 11 bankruptcy cases.** If you were a debtor in a chapter 11 bankruptcy case, see *Chapter 11 Bankruptcy Cases* under *Income* in the Instructions for Form 1040.

## Line 1a

For rental real estate property only, show the street address, city or town, state, and ZIP code. If the property is located in a foreign country, enter the city, province or state, country, and postal code.

## Line 1b

For the type of property, enter one of the codes listed under "Type of Property" in Part I of the form.

**Self-rental.** Enter code type "7" for self-rental if you rent property to a trade or business in which you materially participated. See *Rental of Property to a Nonpassive Activity* in Pub. 925 for details about the tax treatment of income from this type of rental property.

**Other.** Enter code type "8" if the property is not one of the other types listed on the form. Attach a statement to your return describing the property.

## Line 2

If you rented out a dwelling unit that you also used for personal purposes during the year, you may not be able to deduct all the expenses for the rental part. "Dwelling unit" (unit) means a house, apartment, condominium, or similar property.

For each property listed on line 1a, report the number of days in the year each property was rented at fair rental value and the number of days of personal use.

A day of personal use is any day, or part of a day, that the unit was used by:

- You for personal purposes,
- Any other person for personal purposes, if that person owns part of the unit (unless rented to that person under a "shared equity" financing agreement),
- Anyone in your family (or in the family of someone else who owns part of the unit), unless the unit is rented at a fair rental price to that person as his or her main home,
- Anyone who pays less than a fair rental price for the unit, or
- Anyone under an agreement that lets you use some other unit.

Do not count as personal use:

- Any day you spent working substantially full time repairing and maintaining the unit, even if family members used it for recreational purposes on that day, or
- Any days you used the unit as your main home before or after renting it or offering it for rent, if you rented or tried to rent it for at least 12 consecutive months (or for a period of less than 12 consecutive months at the end of which you sold or exchanged it).

Whether or not you can deduct expenses for the unit depends on whether or not you used the property as a home in 2012. You used the property as a home if your personal use of the property was more than the greater of:

- 14 days, or
- 10% of the total days it was rented to others at a fair rental price.

If you did not use the property as a home, you can deduct all your expenses for the rental part, subject to the *At-Risk Rules* and the *Passive Activity Loss Rules* explained earlier.

If you did use the property as a home and rented the unit out for fewer than 15 days in 2012, do not report the rental income and do not deduct any rental expenses. If you itemize deductions on Schedule A, you can deduct allowable interest, taxes, and casualty losses.

If you did use the property as a home and rented the unit out for at least 15 days in 2012, you may not be able to deduct all your rental expenses. You can deduct all the following expenses for the rental part on Schedule E.

- Mortgage interest.
- Real estate taxes.
- Casualty losses.
- Other rental expenses not related to your use of the unit as a home, such as advertising expenses and rental agents' fees.

If any income is left after deducting these expenses, you can deduct other expenses, including depreciation, up to the amount of remaining income. You can carry over to 2013 the amounts you cannot deduct.

**CAUTION** *Regardless of whether you used the unit as a home, expenses related to days of personal use do not qualify as rental expenses. You must allocate your expenses based on the number of days of personal use to total use of the property. For example, you used your property for personal use for 7 days and rented it for 63 days. In most cases, 10% (7÷70) of your expenses are not rental expenses and cannot be deducted on Schedule E.*

See Pub. 527 for details.

**QJV.** Check the box for "QJV" if you owned the property as a member of a qualified joint venture reporting income not subject to self-employment tax. See *Husband-Wife Qualified Joint Venture*, earlier.

## Line 3

If you received rental income from real estate (including personal property leased with real estate), report the income on line 3. Use a separate column (A, B, or C) for each rental property. Include income received for renting a room or other space.

If you received services or property instead of money as rent, report the fair market value of what you received as rental income on line 3.

If you provided significant services to the renter, such as maid service, report the rental activity on Schedule C or C-EZ, not on Schedule E. Significant services do not include the furnishing of heat and light, cleaning of public areas, trash collection, or similar services.

If you were a real estate dealer, include only the rent received from real estate (including personal property leased with this real estate) you held for the primary purpose of renting to produce income. Do not use Schedule E to report income and expenses from rentals of real estate you held for sale to customers in the ordinary course of your business as a real estate dealer. Instead use Schedule C or C-EZ for those rentals.

For more details on rental income, use TeleTax topic 414 ( see *What is TeleTax?* in the Instructions for Form 1040), or see Pub. 527.

**Rental income from farm production or crop shares.** Report farm rental income and expenses on Form 4835 if:

- You are an individual,
- You received rental income based on crops or livestock produced by the tenant, and
- You did not materially participate in the management or operation of the farm.

## Line 4

Report on line 4 royalties from oil, gas, or mineral properties (not including operating interests); copyrights; and patents. Use a separate column (A, B, or C) for each royalty property.

If you received $10 or more in royalties during 2012, the payer should send you a Form 1099-MISC or similar statement by January 31, 2013, showing the amount you received. Report this amount on line 4.

If you are in business as a self-employed writer, inventor, artist, etc., report your royalty income and expenses on Schedule C.

You may be able to treat amounts received as "royalties" for the transfer of a patent or amounts received on the disposal of coal and iron ore as the sale of a capital asset. For details, see Pub. 544.

Enter on line 4 the gross amount of rent and royalty income, even if state or local taxes were withheld from oil or gas payments you received. Include taxes withheld by the producer on line 16.

## General Instructions for Lines 5 Through 21

Enter your rental and royalty expenses for each property in the appropriate column. You can deduct all ordinary and necessary expenses, such as taxes, interest, repairs, insurance, management fees, agents' commissions, and depreciation.

Do not deduct the value of your own labor or amounts paid for capital investments or capital improvements.

Enter your total expenses for mortgage interest (line 12), depreciation expenses and depletion (line 18), and total expenses (line 20) on lines 23c through 23e, respectively, even if you have only one property.

**Renting out part of your home.** If you rent out only part of your home or other property, deduct the part of your expenses that applies to the rented part.

**Credit or deduction for access expenditures.** You may be able to claim a tax credit for eligible expenditures paid or incurred in 2012 to provide access to your business for individuals with disabilities. See Form 8826 for details.

You can also elect to deduct up to $15,000 of qualified costs paid or incurred in 2012 to remove architectural or transportation barriers to individuals with disabilities and the elderly.

You cannot take both the credit and the deduction for the same expenditures.

## Line 6

You can deduct ordinary and necessary auto and travel expenses related to your rental activities, including 50% of meal expenses incurred while traveling away from home. In most cases you can either deduct your actual expenses or take the standard mileage rate. You must use actual expenses if you used more than four vehicles simultaneously in your rental activities (as in fleet operations). You cannot use actual expenses for a leased vehicle if you previously used the standard mileage rate for that vehicle.

You can use the standard mileage rate for 2012 only if you:

- Owned the vehicle and used the standard mileage rate for the first year you placed the vehicle in service, or
- Leased the vehicle and are using the standard mileage rate for the entire lease period (except the period, if any, before 1998).

If you take the standard mileage rate, multiply the number of miles driven in connection with your rental activities by 55.5 cents per mile. Include this amount and your parking fees and tolls on line 6.

*You cannot deduct rental or lease payments, depreciation, or your actual auto expenses if you use the standard mileage rate.*

If you deduct actual auto expenses:

- Include on line 6 the rental activity portion of the cost of gasoline, oil, repairs, insurance, tires, license plates, etc., and
- Show auto rental or lease payments on line 19 and depreciation on line 18.

If you claim any auto expenses (actual or the standard mileage rate), you must complete Part V of Form 4562 and attach Form 4562 to your tax return.

See Pub. 527 and Pub. 463 for details.

## Line 10

Include on line 10 fees for tax advice and the preparation of tax forms related to your rental real estate or royalty properties.

Do not deduct legal fees paid or incurred to defend or protect title to property, to recover property, or to develop or improve property. Instead, you must capitalize these fees and add them to the property's basis.

## Lines 12 and 13

In most cases, to determine the interest expense allocable to your rental activities, you must have records to show how the proceeds of each debt were used. Specific tracing rules apply for allocating debt proceeds and repayment. See Pub. 535 for details.

If you have a mortgage on your rental property, enter on line 12 the amount of interest you paid for 2012 to banks or other financial institutions.

Do not deduct prepaid interest when you paid it. You can deduct it only in the year to which it is properly allocable. Points, including loan origination fees, charged only for the use of money must be deducted over the life of the loan.

If you paid $600 or more in interest on a mortgage during 2012, the recipient should send you a Form 1098 or similar statement by January 31, 2013, showing the total interest received from you.

If you paid more mortgage interest than is shown on your Form 1098 or similar statement, see Pub. 535 to find out if you can deduct part or all of the additional interest. If you can, enter the entire deductible amount on line 12. Attach a statement to your return explaining the difference. In the space to the left of line 12, enter "See attached."

**Note.** If the recipient was not a financial institution or you did not receive a Form 1098 from the recipient, report your deductible mortgage interest on line 13.

If you and at least one other person (other than your spouse if you file a joint return) were liable for and paid interest on the mortgage, and the other person received Form 1098, report your share of the deductible interest on line 13. Attach a statement to your return showing the name and address of the person who received Form 1098. On the dotted line next to line 13, enter "See attached."

## Line 14

You can deduct the cost of repairs made to keep your property in good working condition. Repairs in most cases do not add significant value to the property or extend its life. Examples of repairs are fixing a broken lock or painting a room. Improvements that increase the value of the property or extend its life, such as replacing a roof or renovating a kitchen, must be capitalized and depreciated (that is, they cannot be deducted in full in the year they are paid or incurred). See *Line 18*, later.

## Line 17

You can deduct the cost of ordinary and necessary telephone calls related to your rental activities or royalty income (for example, calls to the renter). However, the base rate (including taxes and other charges) for local telephone service for the first telephone line into your residence is a personal expense and is not deductible.

## Line 18

Depreciation is the annual deduction you must take to recover the cost or other basis of business or investment property having a useful life substantially beyond the tax year. Land is not depreciable.

Depreciation starts when you first use the property in your business or for the production of income. It ends when you deduct all your depreciable cost or other basis or no longer use the property in your business or for the production of income.

See the Instructions for Form 4562 to figure the amount of depreciation to enter on line 18.

You must complete and attach Form 4562 only if you are claiming:

- Depreciation on property first placed in service during 2012,
- Depreciation on listed property (defined in the Instructions for Form 4562), including a vehicle, regardless of the date it was placed in service, or
- A section 179 expense deduction or amortization of costs that began in 2012.

See Pub. 527 for more information on depreciation of residential rental property. See Pub. 946 for a more comprehensive guide to depreciation.

If you have an economic interest in mineral property, you may be able to take a deduction for depletion. Mineral property includes oil and gas wells, mines, and other natural deposits (including geothermal deposits). See Pub. 535 for details.

**Separating cost of land and buildings.** If you buy buildings and your cost includes the cost of the land on which they stand, you must divide the cost between the land and the buildings to figure the basis for depreciation of the buildings. The part of the cost that you allocate to each asset is the ratio of the fair market value of that asset to the fair market value of the whole property at the time you buy it.

If you are not certain of the fair market values of the land and the buildings, you can divide the cost between them based on their assessed values for real estate tax purposes.

## Line 19

Enter on line 19 any ordinary and necessary expenses not listed on lines 5 through 18.

You may be able to deduct, on line 19, part or all of the cost of modifying existing commercial buildings to make them energy efficient. For details, see section 179D, Notice 2006-52, Notice 2008-40, and Notice 2012-26. You can find Notice 2006-52 on page 1175 of Internal Revenue Bulletin 2006-26 at *www.irs.gov/irb/2006-26_IRB/ar11.html*. You can find Notice 2008-40 on page 725 of Internal Revenue Bulletin 2008-14 at *www.irs.gov/irb/2008-14_IRB/ar12.html*. You can find Notice 2012-26 on page 847 of Internal Revenue Bulletin 2012-17 at *www.irs.gov/irb/2012-17_/IRB/ar08.html*.

## Line 21

If you have amounts for which you are not at risk, use Form 6198 to determine the amount of your deductible loss. Enter that amount in the appropriate column of Schedule E, line 21. In the space to the left of line 21, enter "Form 6198." Attach Form 6198 to your return. For details on the at-risk rules, see *At-Risk Rules*, earlier.

## Line 22

Do not complete line 22 if the amount on line 21 is from royalty properties.

If you have a rental real estate loss from a passive activity (defined earlier), the amount of loss you can deduct may be limited by the passive activity loss rules. You may need to complete Form 8582 to figure the amount of loss, if any, to enter on line 22. See the Instructions for Form 8582 to determine if your loss is limited.

If your rental real estate loss is not from a passive activity or you meet the exception for certain rental real estate activities (explained earlier), you do not have to complete Form 8582. Enter the loss from line 21 on line 22.

If you have an unallowed rental real estate loss from a prior year that after completing Form 8582 you can deduct this year, include that loss on line 22.

# Parts II and III

If you need more space in Part II or III to list your income or losses, attach a continuation sheet using the same format as shown in Part II or III. However, be sure to complete the "Totals" columns for lines 29a and 29b, or lines 34a and 34b, as appropriate. If you also completed Part I on more than one Schedule E, use the same Schedule E on which you entered the combined totals in Part I.

**Tax preference items.** If you are a partner, a shareholder in an S corporation, or a beneficiary of an estate or trust, you must take into account your share of preferences and adjustments from these entities for the alternative minimum tax on Form 6251 or Schedule I (Form 1041).

# Part II

## Income or Loss From Partnerships and S Corporations

If you are a member of a partnership or joint venture or a shareholder in an S corporation, use Part II to report your share of the partnership or S corporation income (even if not received) or loss.

*If you elected to be taxed as a qualified joint venture instead of a partnership, follow the reporting rules under* Husband-Wife Qualified Joint Venture*, earlier.*

You should receive a Schedule K-1 from the partnership or S corporation. You should also receive a copy of the Partner's or Shareholder's Instructions for Schedule K-1. Your copy of Schedule K-1 and its instructions will tell you where on your return to report your share of the items. If you did not receive these instructions with your Schedule K-1, see the instructions for Form 1040 or Form 1040NR for how to get tax forms, instructions, and publications. Do not attach Schedules K-1 to your return. Keep them for your records.

If you are treating items on your tax return differently from the way the partnership (other than an electing large partnership) or S corporation reported them on its return, you may have to file Form 8082. If you are a partner in an electing large partnership, you must report the items shown on Schedule K-1 (Form 1065-B) on your tax return the same way the partnership reported the items on Schedule K-1.

**Special rules that limit losses.** Please note the following.

- If you have an interest in a partnership or S corporation that is involved in a farming business, your losses may be limited if the partnership accepted certain subsidies. You will be notified on the K-1 if the partnership or S corporation received one of these subsidies. Use Worksheet 1 on the last page of these instructions to determine if you have an excess farm loss. See the Instructions for Schedule F for more details on how to complete the worksheet.

*If you have other farming businesses requiring you to file Schedule F or any Schedule C activity of processing a farm commodity, you should use one of the worksheets in the Instructions for Schedule F instead of Worksheet 1 on the last page of these instructions.*

- If you have a current year loss, or a prior year unallowed loss, from a partnership or an S corporation, see *At-Risk Rules* and *Passive Activity Loss Rules*, earlier.

Partners and S corporation shareholders should get a separate statement of income, expenses, deductions, and credits for each activity engaged in by the partnership and S corporation. If you are subject to the at-risk rules for any activity, check the box on the appropriate line in Part II, column (e) of Schedule E, and use Form 6198 to figure the amount of any deductible loss. If the activity is nonpassive, enter any deductible loss from Form 6198 on the appropriate line in Part II, column (h) of Schedule E.

- If you have a passive activity loss, in most cases you need to complete Form 8582 to figure the amount of the allowable loss to enter in Part II, column (f), for that activity. But if you are a general partner or an S corporation shareholder reporting your share of a partnership or an S corporation loss from a rental real estate activity and you meet all of the conditions listed earlier under *Exception for Certain Rental Real Estate Activities*, you do not have to complete Form 8582. Instead, enter your allowable loss in Part II, column (f).

If you have passive activity income, complete Part II, column (g), for that activity.

If you have nonpassive income or losses, complete Part II, columns (h) through (j), as appropriate.

### Domestic Partnerships

See the Schedule K-1 instructions before entering on your return other partnership items from a passive activity or income or loss from any publicly traded partnership.

You can deduct unreimbursed ordinary and necessary expenses you paid on behalf of the partnership if you were required to pay these expenses under the partnership agreement. See *Line 27*, later, for how to report these expenses.

Report allowable interest expense paid or incurred from debt-financed acquisitions in Part II or on Schedule A depending on the type of expenditure to which the interest is allocated. See Pub. 535 for details.

If you claimed a credit for federal tax on gasoline or other fuels on your 2011 Form 1040 or Form 1040NR based on information received from the partnership, enter as income in column (g) or column (j), whichever applies, the amount of the credit claimed for 2011.

Part or all of your share of partnership income or loss from the operation of the business may be considered net earnings from self-employment that must be reported on Schedule SE. Enter the amount from Schedule K-1 (Form 1065), box 14, code A (or from Schedule K-1 (Form 1065-B), box 9 (code J1)), on Schedule SE, after you reduce this amount by any allowable expenses attributable to that income.

### Foreign Partnerships

Follow the instructions below in addition to the instructions earlier for *Domestic Partnerships*.

If you are a U.S. person, you may have received Forms 1099-B, 1099-DIV, and 1099-INT reporting your share of certain partnership income, because payors of income to the foreign partnership in most cases are required to allocate and report payments of that income directly to each of the partners of the foreign partnership. If you received both Schedule K-1 and Form 1099 for the same type and source of partnership income, report only the income shown on Schedule K-1 in accordance with its instructions.

If you are not a U.S. person, you may have received Forms 1042-S reporting your share of certain partnership income, because payors of income to the foreign partnership in most cases are required to allocate and report payments of that income directly to each of the partners of the foreign partnership. If you received both Schedule K-1 and Form 1042-S for the same type and source of partnership income, report the income on your return as follows.

- For all income effectively connected with the conduct of a trade or business in the United States, report only the income shown on Schedule K-1 in accordance with its instructions.
- For all income **not** effectively connected with the conduct of a trade or business in the United States, report on page 4 of Form 1040NR only the income shown on Form 1042-S (if you are required to file Form 1040NR).

**Requirement to file Form 8865.** If you are a U.S. person, you may have to file Form 8865 if any of the following applies.

1. You controlled a foreign partnership (that is, you owned more than a

50% direct or indirect interest in the partnership).

2. You owned at least a 10% direct or indirect interest in a foreign partnership while U.S. persons controlled that partnership.

3. You had an acquisition, disposition, or change in proportional interest of a foreign partnership that:

a. Increased your direct interest to at least 10% or reduced your direct interest of at least 10% to less than 10%, or

b. Changed your direct interest by at least a 10% interest.

4. You contributed property to a foreign partnership in exchange for a partnership interest if:

a. Immediately after the contribution, you owned, directly or indirectly, at least a 10% interest in the partnership, or

b. The value of the property you contributed, when added to the value of any other property you or any related person contributed to the partnership during the 12-month period ending on the date of transfer, exceeds $100,000.

Also, you may have to file Form 8865 to report certain dispositions by a foreign partnership of property you previously contributed to that partnership if you were a partner at the time of the disposition.

For more details, including penalties for failing to file Form 8865, see Form 8865 and its separate instructions.

### S Corporations

If you are a shareholder in an S corporation, your share of the corporation's aggregate losses and deductions (combined income, losses, and deductions) is in most cases limited to the adjusted basis of your corporate stock and any debt the corporation owes you. Any loss or deduction not allowed this year because of the basis limitation can be carried forward and deducted in a later year subject to the basis limitation for that year.

If you are claiming a deduction for your share of an aggregate loss, attach to your return a computation of the adjusted basis of your corporate stock and of any debt the corporation owes you. See the Schedule K-1 instructions for details.

After applying the basis limitation, the deductible amount of your aggregate losses and deductions may be further reduced by the at-risk rules and the passive activity loss rules. See *At-Risk Rules* and *Passive Activity Loss Rules* earlier.

Distributions of prior year accumulated earnings and profits of S corporations are dividends and are reported on Form 1040, line 9a.

Interest expense relating to the acquisition of shares in an S corporation may be fully deductible on Schedule E. For details, see Pub. 535.

Your share of the net income of an S corporation is not subject to self-employment tax.

## Line 27

If you answered "Yes" on line 27, follow the instructions below. If you fail to follow these instructions, the IRS may send you a notice of additional tax due because the amounts reported by the partnership or S corporation on Schedule K-1 do not match the amounts you reported on your tax return.

### Losses Not Allowed in Prior Years Due to the At-Risk or Basis Limitations

- Enter your total prior year unallowed losses that are now deductible on a separate line in column (h) of line 28. Do not combine these losses with, or net them against, any current year amounts from the partnership or S corporation.
- Enter "PYA" in column (a) of the same line.

### Prior Year Unallowed Losses From a Passive Activity Not Reported on Form 8582

- Enter on a separate line in column (f) of line 28 your total prior year unallowed losses not reported on Form 8582. Such losses include prior year unallowed losses now deductible because you did not have an overall loss from all passive activities or you disposed of your entire interest in a passive activity in a fully taxable transaction. Do not combine these losses with, or net them against, any current year amounts from the partnership or S corporation.
- Enter "PYA" in column (a) of the same line.

### Unreimbursed Partnership Expenses

- You can deduct unreimbursed ordinary and necessary partnership expenses you paid on behalf of the partnership on Schedule E if you were required to pay these expenses under the partnership agreement (except amounts deductible only as itemized deductions, which you must enter on Schedule A).
- Enter unreimbursed partnership expenses from nonpassive activities on a separate line in column (h) of line 28. Do not combine these expenses with, or net them against, any other amounts from the partnership.
- If the expenses are from a passive activity and you are not required to file Form 8582, enter the expenses related to a passive activity on a separate line in column (f) of line 28. Do not combine these expenses with, or net them against, any other amounts from the partnership.
- Enter "UPE" in column (a) of the same line.

## Line 28

For nonpassive income or loss (and passive income or losses for which you are not filing Form 8582), enter in the applicable column of line 28 your current year ordinary income or loss from the partnership or S corporation. Report each related item required to be reported on Schedule E (including items of income or loss stated separately on Schedule K-1) in the applicable column of a separate line following the line on which you reported the current year ordinary income or loss. Also enter a description of the related item (for example, depletion) in column (a) of the same line.

If you are required to file Form 8582, see the Instructions for Form 8582 before completing Schedule E.

# Part III

## Income or Loss From Estates and Trusts

If you are a beneficiary of an estate or trust, use Part III to report your part of the income (even if not received) or loss. You should receive a Schedule K-1 (Form 1041) from the fiduciary. Your copy of Schedule K-1 and its instructions will tell you where on your return

to report the items from Schedule K-1. Do not attach Schedule K-1 to your return. Keep it for your records.

If you are treating items on your tax return differently from the way the estate or trust reported them on its return, you may have to file Form 8082.

If you have estimated taxes credited to you from a trust (Form 1041, Schedule K-1, box 13, code A), enter "ES payment claimed" and the amount on the dotted line next to line 37. Do not include this amount in the total on line 37. Instead, enter the amount on Form 1040, line 63, or Form 1040NR, line 62.

A U.S. person who transferred property to a foreign trust may have to report the income received by the trust as a result of the transferred property if, during 2012, the trust had a U.S. beneficiary. See section 679. An individual who received a distribution from, or who was the grantor of or transferor to, a foreign trust must also complete Part III of Schedule B (Form 1040A or 1040) and may have to file Form 3520. In addition, the owner of a foreign trust must ensure that the trust files an annual information return on Form 3520-A.

# Part IV

## Income or Loss From Real Estate Mortgage Investment Conduits (REMICs)

If you are the holder of a residual interest in a REMIC, use Part IV to report your total share of the REMIC's taxable income or loss for each quarter included in your tax year. You should receive Schedule Q (Form 1066) and instructions from the REMIC for each quarter. Do not attach Schedules Q to your return. Keep them for your records.

If you are treating REMIC items on your tax return differently from the way the REMIC reported them on its return, you may have to file Form 8082.

If you are the holder of a residual interest in more than one REMIC, attach a continuation sheet using the same format as in Part IV. Enter the combined totals of columns (d) and (e) on Schedule E, line 39. If you also completed Part I on more than one Schedule E, use the same Schedule E on which you entered the combined totals in Part I.

REMIC income or loss is not income or loss from a passive activity.

**Note.** If you are the holder of a regular interest in a REMIC, do not use Schedule E to report the income you received. Instead, report it on Form 1040, line 8a.

**Column (c).** Report the total of the amounts shown on Schedule(s) Q, line 2c. This is the smallest amount you are allowed to report as your taxable income (Form 1040, line 43). It is also the smallest amount you are allowed to report as your alternative minimum taxable income (AMTI) on Form 6251, line 28.

If the amount in column (c) is larger than your taxable income would otherwise be, enter the amount from column (c) on Form 1040, line 43. Similarly, if the amount in column (c) is larger than your AMTI would otherwise be, enter the amount from column (c) on Form 6251, line 28. Enter "Sch. Q" on the dotted line to the left of this amount on Form 1040, line 43, and Form 6251, line 28, if applicable.

**Note.** These rules also apply to estates and trusts that hold a residual interest in a REMIC. Be sure to make the appropriate entries on the comparable lines on Form 1041.

*Do not include the amount shown in column (c) in the total on Schedule E, line 39.*

**Column (e).** Report the total of the amounts shown on Schedule(s) Q, line 3b. If you itemize your deductions, include this amount on Schedule A (Form 1040), line 23.

# Part V Summary

## Line 42

You will not be charged a penalty for underpayment of estimated tax if:

1. Your gross farming or fishing income for 2011 or 2012 is at least two-thirds of your gross income, and

2. You file your 2012 tax return and pay the tax due by March 1, 2013.

## Worksheet 1 — Excess farm loss from an interest in a partnership or S corporation involved in farming business(es)

*Keep for Your Records*

CAUTION *In determining if you have an excess farm loss, do not take into account any deductions for losses arising by reason of fire, storm, or other casualty, or by reason of disease or drought, involving your farm businesses.*

| | | | | |
|---|---|---|---|---|
| **1.** | Enter the amount from your 2012 Schedule(s) E, line 31. If this amount is less than $300,000 ($150,000 if married filing separately), stop here; you do not have an excess farm loss in 2012. If more than $300,000 ($150,000 if married filing separately), continue to line 2 | **1.** | | |
| **2.** | Subtract $300,000 ($150,000 if married filing separately) from line 1 | | | **2.** |
| **3.** | Enter the amount from your 2012 Schedule(s) E, line 30 | **3.** | | |
| **4.** | Is line 3 greater than or equal to line 2? If yes, stop here; you do not have an excess farm loss in 2012. If no, continue to line 5 | | | |
| **5.** | Enter your net gain/loss from the sale of farming business property reported on Form 4797 | **5.** | | |
| **6.** | Enter your net gain/loss from the sale of farming business property reported on Schedule D | **6.** | | |
| **7.** | Combine line 5 and line 6. If zero or less, enter -0- | | | **7.** |
| **8.** | Add line 3 and line 7. Is this greater than or equal to line 2? If yes, stop here; you do not have an excess farm loss in 2012. If no, continue to line 9 | | | **8.** |
| **9.** | Enter the amount from your 2011 Schedule(s) E, line 32 | **9.** | | |
| **10.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2011 Form 4797 and Schedule D. If zero or less, enter -0- | **10.** | | |
| **11.** | Enter the amount from your 2010 Schedule(s) E, line 32 | **11.** | | |
| **12.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2010 Form 4797 and Schedule D. If zero or less, enter -0- | **12.** | | |
| **13.** | Enter the amount from your 2009 Schedule(s) E, line 32 | **13.** | | |
| **14.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2009 Form 4797 and Schedule D. If zero or less, enter -0- | **14.** | | |
| **15.** | Enter the amount from your 2008 Schedule(s) E, line 32 | **15.** | | |
| **16.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2008 Form 4797 and Schedule D. If zero or less, enter -0- | **16.** | | |
| **17.** | Enter the amount from your 2007 Schedule(s) E, line 32 | **17.** | | |
| **18.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2007 Form 4797 and Schedule D. If zero or less, enter -0- | **18.** | | |
| **19.** | Combine lines 9 through 18. If zero or less, enter -0- | | | **19.** |
| **20.** | Enter the greater of line 19 or $300,000 ($150,000 if married filing separately) | | | **20.** |
| **21.** | Add line 8 and line 20 | | | **21.** |
| **22.** | **Excess farm loss.** Subtract line 1 from line 21. If zero or less, you have an excess farm loss that reduces the amount of loss you can deduct this year. If you have more than one farming business with an overall loss this year, allocate the excess farm loss amount on a *pro rata* basis among those farming businesses. | | | **22.** |

Department of the Treasury
**Internal Revenue Service**

# 2012 Instructions for Schedule F

## Profit or Loss From Farming

Use Schedule F (Form 1040) to report farm income and expenses. File it with Form 1040, 1040NR, 1041, 1065, or 1065-B.

Your farming activity may subject you to state and local taxes and other requirements such as business licenses and fees. Check with your state and local governments for more information.

**Additional information.** Pub. 225 has more information and examples to help you complete your farm tax return. It also lists important dates that apply to farmers.

Section references are to the Internal Revenue Code unless otherwise noted.

## Future Developments

For the latest information about developments related to Schedule F (Form 1040) and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/form1040*.

## What's New

**No separate payment card reporting requirements.** Gross receipts received via payment card (credit and debit cards) and third party network payments are not separately reported on Schedule F.

**Standard mileage rate.** The standard mileage rate for business use of your vehicle for 2012 is 55.5 cents per mile.

**Heavy highway vehicle use tax.** This tax has been extended through September 30, 2017.

## General Instructions

### Other Schedules and Forms You May Have To File

- Schedule E (Form 1040), Part I, to report rental income from pastureland based on a flat charge. However, report on Schedule F (Form 1040), line 8, pasture income received from taking care of someone else's livestock. Also use Schedule E (Form 1040), Part I, to report farm rental income and expenses of a trust or estate based on crops or livestock produced by a tenant.
- Schedule J (Form 1040) to figure your tax by averaging your farm income over the previous 3 years. Doing so may reduce your tax.
- Schedule SE (Form 1040) to pay self-employment tax on income from your farming business.
- Form 3800 to claim any general business credits.
- Form 4562 to claim depreciation (including the special allowance) on assets placed in service in 2012, to claim amortization that began in 2012, to make an election under section 179 to expense certain property, or to report information on vehicles and other listed property.
- Form 4684 to report a casualty or theft gain or loss involving farm business property, including purchased livestock held for draft, breeding, sport, or dairy purposes. See Pub. 225 for more information on how to report various farm losses, such as losses due to death of livestock or damage to crops or other farm property.
- Form 4797 to report sales, exchanges, or involuntary conversions (other than from a casualty or theft) of certain farm property. Also use this form to report sales of livestock held for draft, breeding, sport, or dairy purposes.
- Form 4835 to report rental income based on crop or livestock shares produced by a tenant if you did not materially participate in the management or operation of a farm. This income is not subject to self-employment tax. See Pub. 225.
- Form 6198 to figure your allowable loss if you have a business loss and you have amounts invested in the business for which you are not at risk.
- Form 8582 to figure your allowable loss from passive activities.
- Form 8824 to report like-kind exchanges.
- Form 8903 to take a deduction for income from domestic production activities.

**Single-member limited liability company (LLC).** Generally, a single-member domestic LLC is not treated as a separate entity for federal income tax purposes. If you are the sole member of a domestic LLC engaged in the business of farming, file Schedule F (Form 1040). However, you can elect to treat a domestic LLC as a corporation. See Form 8832 for details on the election.

**Heavy highway vehicle use tax.** If you use certain highway trucks, truck-trailers, tractor trailers, or buses in your farming business, you may have to pay a federal highway motor vehicle use tax. See the Instructions for Form 2290 to find out if you owe this tax and go to *www.irs.gov/trucker* for the latest developments.

**Information returns.** You may have to file information returns for wages paid to employees, certain payments of fees and other nonemployee compensation, interest, rents, royalties, real estate transactions, annuities, and pensions. For details, see *Line F*, later, and the 2012 General Instructions for Certain Information Returns.

If you received cash of more than $10,000 in one or more related transactions in your farming business, you may have to file Form 8300. For details, see Pub. 1544.



Dec 11, 2012 Cat. No. 17152R

**Reportable transaction disclosure statement.** If you entered into a reportable transaction in 2012, you must file Form 8886 to disclose information if your federal income tax liability is affected by your participation in the transaction. You may have to pay a penalty if you are required to file Form 8886 but do not do so. You may also have to pay interest and penalties on any reportable transaction understatements. For more information on reportable transactions, see the Instructions for Form 8886.

## Husband-Wife Farm

If you and your spouse jointly own and operate a farm as an unincorporated business and share in the profits and losses, you can be taxed as a partnership and file Form 1065, or you each can file Schedule F (Form 1040) as a qualified joint venture.

### Qualified Joint Venture

If you and your spouse each materially participate as the only members of a jointly owned and operated farm, and you file a joint return for the tax year, you can elect to be treated as a qualified joint venture instead of a partnership. This election in most cases will not increase the total tax owed on the joint return, but it does give each of you credit for social security earnings on which retirement benefits are based and for Medicare coverage without filing a partnership return. For an explanation of "material participation," see the instructions for Schedule C (Form 1040), line G, and *Line E*, later, in these instructions.

**Making the election.** To make this election, you must divide all items of income, gain, loss, deduction, and credit attributable to the farming business between you and your spouse in accordance with your respective interests in the venture. Each of you must file a separate Schedule F (Form 1040). On each line of your separate Schedule F (Form 1040), you must enter your share of the applicable income, deduction, or loss. Each of you must also file a separate Schedule SE (Form 1040) to pay self-employment tax, as applicable.

As long as you remain qualified, your election cannot be revoked without IRS consent.

For more information on qualified joint ventures, go to IRS.gov. Enter "qualified joint venture" in the search box and select "Election for Husband and Wife Unincorporated Businesses."

### Exception—Community Income

If you and your spouse wholly own an unincorporated farming business as community property under the community property laws of a state, foreign country, or U.S. possession, the income and deductions are reported as follows.

- If only one spouse participates in the business, all of the income from that business is the self-employment earnings of the spouse who carried on the business.
- If both spouses participate, the income and deductions are allocated to the spouses based on their distributive shares.
- If either or both you and your spouse are partners in a partnership, see Pub. 541.
- If you and your spouse elected to treat the business as a qualifying joint venture, see *Qualified Joint Venture*, earlier, for how to report income and deductions.

The only states with community property laws are Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin. A change in your reporting position will be treated as a conversion of the entity.

## Estimated Tax

If you had to make estimated tax payments for 2012, and you underpaid your estimated tax, you will not be charged a penalty if both of the following apply.

- Your gross farming or fishing income for 2011 or 2012 is at least two-thirds of your gross income, and
- You file your 2012 tax return and pay the tax due by March 1, 2013.

For details, see chapter 15 of Pub. 225.

# Specific Instructions

**Filers of Forms 1041, 1065, and 1065-B.** Do not complete the block labeled "Social security number (SSN)." Instead, enter the employer identification number (EIN) issued to the estate, trust, or partnership on line D.

## Line B

On line B, enter one of the 14 principal agricultural activity codes listed in Part IV on page 2 of Schedule F (Form 1040). Select the code that best describes the source of most of your income.

## Line C

If you use the cash method, check the box for "Cash." Complete Schedule F (Form 1040), Parts I and II. In most cases, report income in the year in which you actually or constructively received it and deduct expenses in the year you paid them. However, if the payment of an expenditure creates an asset having a useful life that extends substantially beyond the close of the year, it may not be deductible or may be deductible only in part for the year of the payment. See chapter 2 of Pub. 225.

If you use an accrual method, check the box for "Accrual." Complete Schedule F (Form 1040), Parts II, III, and Part I, line 9. Generally, report income in the year in which you earned it and deduct expenses in the year you incurred them, even if you did not pay them in that year. Accrual basis taxpayers are put on a cash basis for deducting business expenses owed to a related cash-basis taxpayer. Other rules determine the timing of deductions based on economic performance. See Pub. 538.

**Farming syndicates.** Farming syndicates cannot use the cash method of accounting. A farming syndicate may be a partnership, LLC, S corporation, or any other enterprise other than a C corporation if:

- The interests in the business have at any time been offered for sale in a way that would require registration with any federal or state agency, or
- More than 35% of the loss during any tax year is shared by limited partners or limited entrepreneurs. A limited partner is one who can lose only the amount invested or required to be

invested in the partnership. A limited entrepreneur is a person who does not take any active part in managing the business.

## Line D

Enter on line D the employer identification number (EIN) that was issued to you on Form SS-4. Do not enter your SSN. Do not enter another taxpayer's EIN (for example, from any Forms 1099-MISC that you received.) **If you do not have an EIN, leave line D blank.**

You need an EIN only if you have a qualified retirement plan or are required to file employment, excise, alcohol, tobacco, or firearms returns, or if you are a payer of gambling winnings. If you need an EIN, see the Instructions for Form SS-4.

**Single-member LLCs.** If you are a sole owner of an LLC that is not treated as a separate entity for federal income tax purposes, you may have an EIN that was issued to the LLC (and in the LLC's legal name) if you are required to file employment tax returns and certain excise tax returns. However, you should **enter on line D only the EIN issued to you and in your name as the sole proprietor of your farming business.** If you do not have such an EIN, leave line D blank. Do not enter on line D the EIN issued to the LLC.

**Single-member limited liability companies (LLCs) with employees.** Single-member LLCs that are disregarded as entities separate from their owner for federal tax purposes are required to file employment tax returns using the LLC's name and employer identification number (EIN) rather than the LLC owner's name and EIN. Single-member LLCs not previously needing an EIN may need to obtain an EIN for the payment and reporting of these taxes. For more information, see the Instructions for Form SS-4.

**Filers of Forms 1041, 1065, and 1065-B.** Enter on line D the EIN issued to the estate, trust, or partnership.

## Line E

**Material participation.** For the definition of material participation for purposes of the passive activity rules, see the instructions for Schedule C (Form 1040), line G. If you meet any of the material participation tests described in those instructions, check the "Yes" box.

If you are a retired or disabled farmer, you are treated as materially participating in a farming business if you materially participated 5 or more of the 8 years preceding your retirement or disability. Also, a surviving spouse is treated as materially participating in a farming activity if he or she actively manages the farm and the real property used for farming meets the estate tax rules for special valuation of farm property passed from a qualifying decedent.

Check the "No" box if you did not materially participate. If you checked "No" and you have a loss from this business, see *Limit on passive losses* next. If you have a profit from this business activity but have current year losses from other passive activities or prior year unallowed passive activity losses, see the Instructions for Form 8582.

**Limit on passive losses.** If you checked the "No" box and you have a loss from this business, you may have to use Form 8582 to figure your allowable loss, if any, to enter on Schedule F (Form 1040), line 34. In most cases, you can deduct losses from passive activities only to the extent of income from passive activities. For details, see Pub. 925.

## Line F

If you made any payments in 2012 that would require you to file any Forms 1099, check the "Yes" box. Otherwise, check the "No" box. See the 2012 General Instructions for Certain Information Returns if you are unsure whether you are required to file any Forms 1099. Also see the separate specific instructions for each Form 1099.

**TIP** *Generally, you must file Form 1099-MISC if you paid at least $600 in rents, services, prizes, medical and health care payments, and other income payments. The* Guide to Information Returns *in the 2012 General Instructions for Certain Information Returns has more information, including the due dates for the various information returns.*

# Part I. Farm Income—Cash Method

In Part I, show income received for items listed on lines 1 through 8. In most cases, include both the cash actually or constructively received and the fair market value of goods or other property received for these items. Income is constructively received when it is credited to your account or set aside for you to use. However, direct payments or counter-cyclical payments received under the Food, Conservation, and Energy Act of 2008 are required to be included in income only in the year of actual receipt.

If you ran the farm yourself and received rents based on crop shares or farm production, report these rents as income on line 2.

**Sales of livestock because of weather-related conditions.** If you sold livestock because of drought, flood, or other weather-related conditions, you can elect to report the income from the sale in the year after the year of sale if all of the following apply.

- Your main business is farming.
- You can show that you sold the livestock only because of weather-related conditions.
- Your area qualified for federal aid.

See chapter 3 of Pub. 225 for details.

**Chapter 11 bankruptcy.** If you were a debtor in a chapter 11 bankruptcy case during 2012, see *Chapter 11 Bankruptcy Cases* under *Income* in the Instructions for Form 1040 and the Instructions for Schedule SE (Form 1040).

**Forms 1099 or CCC-1099-G.** If you received Forms 1099 or CCC-1099-G showing amounts paid to you, first determine if the amounts are to be included with farm income. Then use the following chart to determine where to report the income on Schedule F (Form 1040). Include the Form 1099 or CCC-1099-G amounts in the total amount reported on that line.

| Form | Where to report |
|---|---|
| 1099-PATR | Line 3a |
| 1099-A | Line 5b |
| 1099-MISC for crop insurance | Line 6a |
| 1099-G or CCC-1099-G | |
| • for disaster payments | Line 6a |
| • for other agricultural program payments | Line 4a |

You may receive Form 1099-MISC for other types of income. In this case, report it on whichever line best describes the income. For example, if you receive a Form 1099-MISC for custom farming work, include this amount on line 7.

## Lines 3a and 3b

If you received distributions from a cooperative in 2012, you should receive a Form 1099-PATR. On line 3a, show your total distributions from cooperatives. This includes patronage dividends, nonpatronage distributions, per-unit retain allocations, and redemptions of nonqualified written notices of allocation and per-unit retain certificates.

Show patronage dividends received in cash and the dollar amount of qualified written notices of allocation. If you received property as patronage dividends, report the fair market value of the property as income. Include cash advances received from a marketing cooperative. If you received per-unit retains in cash, show the amount of cash. If you received qualified per-unit retain certificates, show the stated dollar amount of the certificates.

Do not include as income on line 3b patronage dividends from buying personal or family items, capital assets, or depreciable assets. Enter these amounts on line 3a only. Because you do not report patronage dividends from these items as income, you must subtract the amount of the dividend from the cost or other basis of these items.

## Lines 4a and 4b

Enter on line 4a the total of the following amounts.

- Direct payments.
- Counter-cyclical payments.
- Price support payments.
- Market gain from the repayment of a secured Commodity Credit Corporation (CCC) loan for less than the original loan amount.
- Diversion payments.
- Cost-share payments (sight drafts).
- Payments in the form of materials (such as fertilizer or lime) or services (such as grading or building dams).

These amounts are government payments you received and are usually reported to you on Form 1099-G. You may also receive Form CCC-1099-G from the Department of Agriculture showing the amounts and types of payments made to you.

On line 4b, report only the taxable amount. For example, do not report the market gain shown on Form CCC-1099-G on line 4b if you elected to report CCC loan proceeds as income in the year received (see *Lines 5a Through 5c* next). No gain results from redemption of the commodity because you previously reported the CCC loan proceeds as income. You are treated as repurchasing the commodity for the amount of the loan repayment. However, if you did not report the CCC loan proceeds under the election, you must report the market gain on line 4b.

If you received a direct or counter-cyclical payment in 2012, your farm losses may be reduced. See *Excess farm loss rules,* later, for more details.

## Lines 5a Through 5c

**Commodity Credit Corporation (CCC) loans.** In most cases, you do not report CCC loan proceeds as income. However, if you pledge part or all of your production to secure a CCC loan, you can elect to report the loan proceeds as income in the year you receive them. If you make this election (or made the election in a prior year), report loan proceeds you received in 2012 on line 5a. Attach a statement to your return showing the details of the loan(s). See chapter 3 of Pub. 225.

**Forfeited CCC loans.** Include the full amount forfeited on line 5b, even if you reported the loan proceeds as income. This amount may be reported to you on Form 1099-A.

If you did not elect to report the loan proceeds as income, also include the forfeited amount on line 5c.

If you did elect to report the loan proceeds as income, you generally will not have an entry on line 5c. But if the amount forfeited is different from your basis in the commodity, you may have an entry on line 5c.

See chapter 3 of Pub. 225 for details on the tax consequences of electing to report CCC loan proceeds as income or forfeiting CCC loans.

If you received a CCC loan in 2012, your farm losses may be reduced. See *Excess farm loss rules,* later, for more details.

## Lines 6a Through 6d

In most cases, you must report crop insurance proceeds in the year you receive them. Federal crop disaster payments are treated as crop insurance proceeds. However, if 2012 was the year of damage, you can elect to include certain proceeds in income for 2013. To make this election, check the box on line 6c and attach a statement to your return. See chapter 3 of Pub. 225 for a description of the proceeds for which an election can be made and for what you must include in your statement.

In most cases, if you elect to defer any eligible crop insurance proceeds, you must defer all such crop insurance proceeds (including federal crop disaster payments).

Enter on line 6a the total crop insurance proceeds you received in 2012, even if you elect to include them in income for 2013.

Enter on line 6b the taxable amount of the proceeds you received in 2012. Do not include proceeds you elect to include in income for 2013.

Enter on line 6d the amount, if any, of crop insurance proceeds you received in 2011 and elected to include in income for 2012.

## Line 8

Enter on line 8 income not otherwise reportable on lines 1 through 7. This includes the following types of income.

- Illegal federal irrigation subsidies. See chapter 3 of Pub. 225.
- Bartering income.
- Income from cancellation of debt. In most cases, if a debt is canceled or forgiven, you must include the canceled amount in income. If a federal agency, financial institution, or credit union canceled or forgave a debt you owed of $600 or more, it should send you a Form 1099-C, or similar statement, by January 31, 2013, showing the amount of debt canceled in 2012. However, you may be able to exclude the canceled debt from income. See Pub. 4681 for details.
- State gasoline or fuel tax refunds you received in 2012.
- The amount of credit claimed on Form 6478 or Form 8864.
- The amount of credit for federal tax paid on fuels claimed on your 2011 Form 1040. For information on including the credit in income, see chapter 2 of Pub. 510.
- Any recapture of excess depreciation on any listed property, including any section 179 expense deduction, if the business use percentage of that property decreased to 50% or less in 2012. Use Part IV of Form 4797 to figure the recapture. See the instructions for Schedule C (Form 1040), line 13, for the definition of listed property.
- The inclusion amount on leased listed property (other than vehicles) when the business use percentage drops to 50% or less. See chapter 5 of Pub. 946 to figure the amount.
- Any recapture of the deduction or credit for clean-fuel vehicle refueling property or alternative fuel vehicle refueling property used in your farming business. For details on how to figure recapture, see Regulations section 1.179A-1.
- Any income from breeding fees, or fees from renting teams, machinery, or land.
- The gain or loss on the sale of commodity futures contracts if the contracts were made to protect you from price changes. These are a form of business insurance and are considered hedges. If you had a loss in a closed futures contract, enclose the amount of the loss in parentheses.

CAUTION *For property acquired and hedging positions established, you must clearly identify on your books and records both the hedging transaction and the item(s) or aggregate risk being hedged.*

Purchase or sales contracts are not true hedges if they offset losses that already occurred. If you bought or sold commodity futures with the hope of making a profit due to favorable price changes, report the profit or loss on Form 6781 instead of this line.

# Part II. Farm Expenses

Do not deduct the following.

- Personal or living expenses (such as taxes, insurance, or repairs on your home) that do not produce farm income.
- Expenses of raising anything you or your family used.
- The value of animals you raised that died.
- Inventory losses.
- Personal losses.

If you were repaid for any part of an expense, you must subtract the amount you were repaid from the deduction.

**Capitalizing costs of property.** If you produced real or tangible personal property or acquired property for resale, certain expenses must be included in inventory costs or capitalized. These expenses include the direct costs of the property and the share of any indirect costs allocable to that property. However, these rules generally do not apply to expenses of:

1. Producing any plant that has a preproductive period of 2 years or less,
2. Raising animals, or
3. Replanting certain crops if they were lost or damaged by reason of freezing temperatures, disease, drought, pests, or casualty.

CAUTION *Exceptions (1) and (2) do not apply to tax shelters, farming syndicates, partnerships, or corporations required to use the accrual method of accounting under section 447 or 448(a)(3).*

If you capitalize your expenses, do not reduce your deductions on lines 10 through 32e by the capitalized expenses. Instead, enter the total amount capitalized in parentheses on line 32f (to indicate a negative amount) and enter "263A" in the space to the left of the total. See *Preproductive period expenses*, later, for details.

But you may be able to currently deduct rather than capitalize the expenses of producing a plant with a preproductive period of more than 2 years. See *Election to deduct certain preproductive period expenses* next.

**Election to deduct certain preproductive period expenses.** If the preproductive period of any plant you produce is more than 2 years, you can elect to currently deduct the expenses rather than capitalize them. But you cannot make this election for the costs of planting or growing citrus or almond groves incurred before the end of the fourth tax year beginning with the tax year you planted them in their permanent grove. You are treated as having made the election by deducting the preproductive period expenses in the first tax year for which you can make this election and by applying the special rules, discussed later.

CAUTION *In the case of a partnership or S corporation, the election must be made by the partner, shareholder, or member. This election cannot be made by tax shelters, farming syndicates, partnerships, or corporations required to use the accrual method of accounting under section 447 or 448(a)(3).*

Unless you obtain IRS consent, you must make this election for the first tax year in which you engage in a farming business involving the production of property subject to the capitaliza-

tion rules. You cannot revoke this election without IRS consent.

***Special rules.*** If you make the election to deduct preproductive expenses for plants:

- Any gain you realize when disposing of the plants is ordinary income up to the amount of the preproductive expenses you deducted, and
- The alternative depreciation rules apply to property placed in service in any tax year your election is in effect.

For details, see *Uniform Capitalization Rules* in chapter 6 of Pub. 225.

**Prepaid farm supplies.** In most cases, if you use the cash method of accounting and your prepaid farm supplies are more than 50% of your other deductible farm expenses, your deduction for those supplies may be limited. Prepaid farm supplies include expenses for feed, seed, fertilizer, and similar farm supplies not used or consumed during the year.

They also include the cost of poultry that would be allowable as a deduction in a later tax year if you were to:

1. Capitalize the cost of poultry bought for use in your farming business and deduct it ratably over the lesser of 12 months or the useful life of the poultry, and
2. Deduct the cost of poultry bought for resale in the year you sell or otherwise dispose of it.

If the limit applies, you can deduct prepaid farm supplies that do not exceed 50% of your other deductible farm expenses in the year of payment. You can deduct the excess only in the year you use or consume the supplies (other than poultry, which is deductible as explained above). For details and exceptions to these rules, see chapter 4 of Pub. 225.

Whether or not this 50% limit applies, your expenses for livestock feed paid during the year but consumed in a later year may be subject to the rules explained in the line 16 instructions.

## Line 10

You can deduct the actual expenses of operating your car or truck or take the standard mileage rate. You must use actual expenses if you used five or more vehicles simultaneously in your farming business (such as in fleet operations). You cannot use actual expenses for a leased vehicle if you previously used the standard mileage rate for that vehicle.

You can take the standard mileage rate for 2012 only if you:

- Owned the vehicle and used the standard mileage rate for the first year you placed the vehicle in service, or
- Leased the vehicle and are using the standard mileage rate for the entire lease period.

If you take the standard mileage rate:

- Multiply the number of business miles driven by 55.5 cents, and
- Add to this amount your parking fees and tolls, and enter the total on line 10.

Do not deduct depreciation, rent or lease payments, or your actual operating expenses.

If you deduct actual expenses:

- Include on line 10 the business portion of expenses for gasoline, oil, repairs, insurance, license plates, etc., and
- Show depreciation on line 14 and rent or lease payments on line 24a.

If you claim any car or truck expenses (actual or the standard mileage rate), you must provide the information requested on Form 4562, Part V. Be sure to attach Form 4562 to your return.

For details, see chapter 4 of Pub. 463.

## Line 12

Deductible conservation expenses generally are those that are paid to conserve soil and water for land used in farming, to prevent erosion of land used for farming, or for endangered species recovery. These expenses include (but are not limited to) costs for the following.

- The treatment or movement of earth, such as leveling, grading, conditioning, terracing, contour furrowing, and the restoration of soil fertility.
- The construction, control, and protection of diversion channels, drainage ditches, irrigation ditches, earthen dams, watercourses, outlets, and ponds.
- The eradication of brush.
- The planting of windbreaks.
- The achievement of site-specific management actions recommended in recovery plans approved pursuant to the Endangered Species Act of 1973.

These expenses can be deducted only if they are consistent with a conservation plan approved by the Natural Resources Conservation Service of the Department of Agriculture or a recovery plan approved pursuant to the Endangered Species Act of 1973, for the area in which your land is located. If no plan exists, the expenses must be consistent with a plan of a comparable state agency. You cannot deduct the expenses if they were paid or incurred for land used in farming in a foreign country.

Do not deduct expenses you paid or incurred to drain or fill wetlands, or to prepare land for center pivot irrigation systems.

Your deduction cannot exceed 25% of your gross income from farming (excluding certain gains from selling assets such as farm machinery and land). If your conservation expenses are more than the limit, the excess can be carried forward and deducted in later tax years. However, the amount deductible for any one year cannot exceed the 25% gross income limit for that year.

For details, see chapter 5 of Pub. 225.

## Line 13

Enter amounts paid for custom hire or machine work (the machine operator furnished the equipment).

Do not include amounts paid for rental or lease of equipment you operated yourself. Instead, report those amounts on line 24a.

## Line 14

You can deduct depreciation of buildings, improvements, cars and trucks, machinery, and other farm equipment of a permanent nature.

Do not deduct depreciation on your home, furniture or other personal items, land, livestock you bought or raised for resale, or other property in your inventory.

You can also elect under section 179 to expense a portion of the cost of certain property you bought in 2012 for use in your farming business. The section 179 election is made on Form 4562.

For information about depreciation and the section 179 deduction, see Pub. 946 and chapter 7 of Pub. 225. For details on the special depreciation allowance, see chapter 3 of Pub. 946.

See the Instructions for Form 4562 for information on when you must complete and attach Form 4562.

## Line 15

Deduct contributions to employee benefit programs that are not an incidental part of a pension or profit-sharing plan included on line 23. Examples are accident and health plans, group-term life insurance, and dependent care assistance programs. If you made contributions on your behalf as a self-employed person to a dependent care assistance program, complete Form 2441, Parts I and III, to figure your deductible contributions to that program.

Contributions you made on your behalf as a self-employed person to an accident and health plan or for group-term life insurance are not deductible on Schedule F (Form 1040). However, you may be able to deduct on Form 1040, line 29 (or on Form 1040NR, line 29), the amount you paid for health insurance on behalf of yourself, your spouse, and dependent(s) even if you do not itemize your deductions. See the instructions for Form 1040, line 29, or Form 1040NR, line 29, for details.

You must reduce your line 15 deduction by the amount of any credit for small employer health insurance premiums determined on Form 8941. See Form 8941 and its instructions to determine which expenses are eligible for the credit.

## Line 16

If you use the cash method, you cannot deduct when paid the cost of feed your livestock will consume in a later year unless all of the following apply.

- The payment was for the purchase of feed rather than a deposit.
- The prepayment had a business purpose and was not made merely to avoid tax.
- Deducting the prepayment will not materially distort your income.

If all of the above apply, you can deduct the prepaid feed when paid, subject to the overall limit for *Prepaid farm supplies* explained earlier. If all of the above do not apply, you can deduct the prepaid feed only in the year it is consumed.

## Line 18

Do not include the cost of transportation incurred in purchasing livestock held for resale as freight paid. Instead, add these costs to the cost of the livestock.

## Line 20

Deduct on this line premiums paid for farm business insurance. Deduct on line 15 amounts paid for employee accident and health insurance. Amounts credited to a reserve for self-insurance or premiums paid for a policy that pays for your lost earnings due to sickness or disability are not deductible. For details, see chapter 6 of Pub. 535.

## Lines 21a and 21b

**Interest allocation rules.** The tax treatment of interest expense differs depending on its type. For example, home mortgage interest and investment interest are treated differently. "Interest allocation" rules require you to allocate (classify) your interest expense so it is deducted (or capitalized) on the correct line of your return and receives the right tax treatment. These rules could affect how much interest you are allowed to deduct on Schedule F (Form 1040).

In most cases, you allocate interest expense by tracing how the proceeds of the loan are used. See chapter 4 of Pub. 535 for details.

If you paid interest on a debt secured by your main home and any of the proceeds from that debt were used in your farming business, see chapter 4 of Pub. 535 to figure the amount to include on lines 21a and 21b.

**How to report.** If you have a mortgage on real property used in your farming business (other than your main home), enter on line 21a the interest you paid for 2012 to banks or other financial institutions for which you received a Form 1098 (or similar statement). If you did not receive a Form 1098, enter the interest on line 21b.

If you paid more mortgage interest than is shown on Form 1098, see chapter 4 of Pub. 535 to find out if you can deduct the additional interest. If you can, include the amount on line 21a. Attach a statement to your return explaining the difference and enter "See attached" in the margin next to line 21a.

If you and at least one other person (other than your spouse if you file a joint return) were liable for and paid interest on the mortgage and the other person received the Form 1098, include your share of the interest on line 21b. Attach a statement to your return showing the name and address of the person who received the Form 1098. In the margin next to line 21b, enter "See attached."

Do not deduct interest you prepaid in 2012 for later years; include only the part that applies to 2012.

## Line 22

Enter the amounts you paid for farm labor. Do not include amounts paid to yourself. Reduce your deduction by the amounts claimed on:

- Form 5884, Work Opportunity Credit;

- Form 8844, Empowerment Zone Employment Credit;
- Form 8845, Indian Employment Credit; and
- Form 8932, Credit for Employer Differential Wage Payments.

Include the cost of boarding farm labor but not the value of any products they used from the farm. Include only what you paid household help to care for farm laborers.

*If you provided taxable fringe benefits to your employees, such as personal use of a car, do not include in farm labor the amounts you depreciated or deducted elsewhere.*

## Line 23

Enter your deduction for contributions to employee pension, profit-sharing, or annuity plans. If the plan included you as a self-employed person, enter contributions made as an employer on your behalf on Form 1040, line 28 (or on Form 1040NR, line 28), not on Schedule F (Form 1040).

In most cases, you must file the applicable form listed next if you maintain a pension, profit-sharing, or other funded-deferred compensation plan. The filing requirement is not affected by whether or not the plan qualified under the Internal Revenue Code, or whether or not you claim a deduction for the current tax year. There is a penalty for failure to timely file these forms.

**Form 5500-EZ.** File this form if you have a one-participant retirement plan that meets certain requirements. A one-participant plan is a plan that covers only you (or you and your spouse).

**Form 5500-SF.** File this form if you have a small plan (fewer than 100 participants in most cases) that meets certain requirements.

**Form 5500.** File this form for a plan that does not meet the requirements for filing Form 5500-EZ or Form 5500-SF.

For details, see Pub. 560.

## Lines 24a and 24b

If you rented or leased vehicles, machinery, or equipment, enter on line 24a the business portion of your rental cost. But if you leased a vehicle for a term of 30 days or more, you may have to reduce your deduction by an inclusion amount. See *Leasing a Car* in chapter 4 of Pub. 463 to figure this amount.

Enter on line 24b amounts paid to rent or lease other property such as pasture or farmland.

## Line 25

Enter amounts you paid for incidental repairs and maintenance of farm buildings, machinery, and equipment that do not add to the property's value or appreciably prolong its life.

Do not deduct repairs or maintenance on your home.

## Line 29

You can deduct the following taxes on this line.

- Real estate and personal property taxes on farm business assets.
- Social security and Medicare taxes you paid to match what you are required to withhold from farm employees' wages without consideration for the temporary employee payroll tax cut for 2012.
- Federal unemployment tax.
- Federal highway use tax.
- Contributions to state unemployment insurance fund or disability benefit fund if they are considered taxes under state law.

Do not deduct the following taxes on this line.

- Federal income taxes, including your self-employment tax. However, you can deduct your employer-equivalent portion of self-employment tax on Form 1040, line 27 or Form 1040NR, line 27.
- Estate and gift taxes.
- Taxes assessed for improvements, such as paving and sewers.
- Taxes on your home or personal use property.
- State and local sales taxes on property purchased for use in your farming business. Instead, treat these taxes as part of the cost of the property.
- Other taxes not related to your farming business.

## Line 30

Enter amounts you paid for gas, electricity, water, and other utilities for business use on the farm. Do not include personal utilities. You cannot deduct the base rate (including taxes) of the first telephone line into your residence, even if you use it for your farming business. But you can deduct expenses you paid for your farming business that are more than the cost of the base rate for the first phone line. For example, if you had a second phone line, you can deduct the business percentage of the charges for that line, including the base rate charges.

## Lines 32a Through 32f

Include all ordinary and necessary farm expenses not deducted elsewhere on Schedule F (Form 1040), such as advertising, office supplies, etc. Do not include fines or penalties paid to a government for violating any law.

**At-risk loss deduction.** Any loss from this activity that was not allowed last year because of the at-risk rules is treated as a deduction allocable to this activity in 2012.

**Bad debts.** See chapter 10 of Pub. 535.

**Business start-up costs.** If your farming business began in 2012, you can elect to deduct up to $5,000 of certain business start-up costs paid or incurred after October 22, 2004. The $5,000 limit is reduced (but not below zero) by the amount by which your start-up costs exceed $50,000. Your remaining start-up costs can be amortized over a 180-month period, beginning with the month the farming business began. For details, see chapters 4 and 7 of Pub. 225. For amortization that begins in 2012, you must complete and attach Form 4562.

**Business use of your home.** You may be able to deduct certain expenses for business use of your home, subject to limitations. Use the worksheet in Pub. 587 to figure your allowable deduction. Do not use Form 8829.

**Excess farm loss deduction.** Any loss from this activity that was not allowed last year because of the excess farm loss rules is treated as a deduction allocable to this activity in 2012.

**Forestation and reforestation costs.** Reforestation costs are generally capital expenditures. However, for each qualified timber property, you can elect to expense up to $10,000 ($5,000 if married filing separately) of qualifying reforestation costs paid or incurred in 2012.

You can elect to amortize the remaining costs over 84 months. For amortization that begins in 2012, you must complete and attach Form 4562.

The amortization election does not apply to trusts, and the expense election does not apply to estates and trusts. For details on reforestation expenses, see chapters 4 and 7 of Pub. 225.

**Legal and professional fees.** You can include on this line fees charged by accountants and attorneys that are ordinary and necessary expenses directly related to your farming business. Include fees for tax advice and for the preparation of tax forms related to your farming business. Also include expenses incurred in resolving asserted tax deficiencies related to your farming business.

**Tools.** You can deduct the amount you paid for tools that have a short life or cost a small amount, such as shovels and rakes.

**Travel, meals, and entertainment.** In most cases, you can deduct expenses for farm business travel and 50% of your business meals and entertainment. But there are exceptions and limitations. See the instructions for Schedule C (Form 1040), lines 24a and 24b.

**Preproductive period expenses.** If you had preproductive period expenses in 2012 that you are capitalizing, enter the total of these expenses in parentheses on line 32f (to indicate a negative amount) and enter “263A” in the space to the left of the total.

For details, see *Capitalizing costs of property*, earlier, and *Uniform Capitalization Rules* in chapter 6 of Pub. 225.

## Line 33

If line 32f is a negative amount, subtract it from the total of lines 10 through 32e. Enter the result on line 33.

## Line 34

**Figuring your net profit or allowable loss.** If line 33 is more than line 9, do not enter your loss on line 34 until you have applied the excess farm loss rules, the at-risk rules, and the passive activity loss rules. To apply these rules, follow the instructions for lines 35 and 36, and the Instructions for Form 8582. After applying these rules, the amount on line 34 will be your allowable loss, and it may be smaller than the amount figured by subtracting line 33 from line 9.

If line 9 is more than line 33, and you do not have prior year unallowed passive activity losses, subtract line 33 from line 9. The result is your net profit.

If line 9 is more than line 33, and you have prior year unallowed passive activity losses, do not enter your net profit on line 34 until you have figured the amount of prior year unallowed passive activity losses you may claim this year for this activity. Use Form 8582 to figure the amount of prior year unallowed passive activity losses you may include on line 34. Make sure to indicate that you are including prior year passive activity losses by entering "PAL" to the left of the entry space.

If you checked the "No" box on line E, see the Instructions for Form 8582; you may need to include information from this schedule on that form, even if you have a net profit.

***Partnerships.*** Subtract line 33 from line 9. If the amount is a loss, the partners may need to apply the excess farm loss rules, the at-risk rules, and the passive activity loss rules to determine the amount of their allowable loss.

**Reporting your net profit or allowable loss.** Once you have figured your net profit or allowable loss, report it as follows.

***Individuals.*** Enter your net profit or allowable loss here and on Form 1040, line 18, and Schedule SE (Form 1040), line 1a.

***Nonresident aliens.*** Enter the net profit or allowable loss here and on Form 1040NR, line 19. You should also enter this amount on Schedule SE (Form 1040), line 1a if you are covered under the U.S. social security system due to an international social security agreement currently in effect. See the Schedule SE (Form 1040) instructions for information on international social security agreements.

***Partnerships.*** Enter the net profit or loss here and on Form 1065, line 5 (or Form 1065-B, line 7). Because the excess farm loss rules are applied at the partner level, the partnership will notify each partner on the Schedule K-1 if the partnership received one of the subsidies discussed later. Each partner should complete one of the excess farm loss worksheets to determine if there is an excess farm loss.

***Trusts and estates.*** Enter the net profit or allowable loss here and on Form 1041, line 6.

**Community income.** If you and your spouse had community income and are filing separate returns, see the Instructions for Schedule SE (Form 1040) before figuring self-employment tax.

**Earned income credit.** If you have a net profit on line 34, this amount is earned income and may qualify you for the earned income credit if you meet certain conditions. See the instructions for Form 1040, lines 64a and 64b, for details.

**Conservation Reserve Program (CRP) payments.** If you received social security retirement or disability benefits in addition to CRP payments, the CRP payments are not subject to self-employment tax. You will deduct these payments from your net farm profit or loss on Schedule SE (Form 1040), line 1b. Do not make any adjustment on Schedule F (Form 1040).

## Line 35

Line 35 should be answered with respect to your farming business (defined later), and not just for the farming activities reported on this Schedule F. You may also have reported farming activities on another Schedule F or on Form 4835.

Check the "Yes" box if you received one of the following subsidies in 2012.

- Any direct or counter-cyclical payments under title I of the Food, Conservation, and Energy Act of 2008 (or any payment you elected instead of this payment).
- Any Commodity Credit Corporation loan.

You are considered to have received one of these subsidies in 2012 if you are a partner or shareholder in a partnership or S corporation that received one of these subsidies during 2012. Check the "No" box if you did not receive one of these subsidies in 2012.

If you checked the "Yes" box, your farm loss may be reduced. You must apply the excess farm loss rules, discussed next.

*If you checked the "No" box, you do not have excess farm loss.*

**Excess farm loss rules.** If you received one of the subsidies listed above, part of your loss may be excess farm loss. Excess farm loss is not an allowable loss. Instead, excess farm loss is carried forward to the next year and treated as a deduction.

Your excess farm loss for a year is the amount by which your total deductions from your farming businesses exceed your total gross income or gain from your farming businesses, plus a threshold amount. The threshold amount is the greater of $300,000 ($150,000 if your filing status is married filing separately) or your total net profit or loss from farming businesses for the last five years (2007-2011), including for each of those years any net gain from the sale of property used in your farming businesses.

***Farming business defined.*** A farming business generally is the trade or business of farming, including operating a nursery or sod farm or raising or harvesting of trees bearing fruit, nuts, or other crops, or ornamental trees, such as evergreen trees, if they are cut within the first 6 years.

For purposes of calculating your excess farm loss for the year, a farm business also includes the following.

- A trade or business of processing a farm commodity, even if it is not incidental to your farm.
- Participating in a cooperative that processes a farm commodity.
- Any interest in a partnership or S corporation involved in a farming business.

**Figuring your excess farm loss.** To figure your excess farm loss, you can use one of the excess farm loss worksheets, later. You may need to adjust your income or deductions before figuring your excess farm loss.

If you file multiple copies of Schedule F (Form 1040), Schedule C (Form 1040), or Schedule E (Form 1040) as part of your farming businesses, you must combine the income, deductions, and net gain/loss for purposes of determining whether you have an excess farm loss on the worksheets. If you sold any property used in your farming businesses, you must include any gain or loss on the sale of that property (reported on Form 4797, Sales of Business Property, or Schedule D (Form 1040), Capital Gains and Losses). Be sure to include the gain or loss attributable to property used in your farming businesses (defined earlier). Do not include gain or loss attributable to property used in nonfarming businesses or nonbusiness property.

***Activities reported on other forms.*** Because your farming business includes any trade or business of processing a farm commodity that is not incidental to your farm, you may have farming business activities that are reported on Schedule C (Form 1040) that you must also include when figuring your excess farm loss. Any losses from a farming business activity reported on Schedule C (Form 1040) may be limited by the excess farm loss rules.

Because your farming business includes your interest in a partnership or S corporation, you may have farming business activities that are reported on Schedule E (Form 1040) that you must also include when figuring your excess farm loss. Any losses from a farming business activity reported on Schedule E (Form 1040) may be limited by the excess farm loss rules.

***Other deductions that must be included.*** Certain deductions, including the domestic production activities deduction under section 199 and the deduction for the employer-equivalent portion of self-employment tax, may need to be included when determining your excess farm loss if the deductions are attributable to your farming business (defined earlier).

In particular, the deduction for the employer-equivalent portion of self-employment tax will not be attributable to your farming business on Schedule F (Form 1040) or your business of processing a farm commodity on Schedule C (Form 1040) if the combined amounts on those schedules produce a loss. But the deduction for the employer-equivalent portion of self-employment tax should be taken into account when the combined amounts on those schedules produce income (or the farm optional method on Schedule SE (Form 1040) is used) and there is a large loss on Schedule E (Form 1040) passed through from a partnership or S corporation.

***Deductions that are not included.*** Any deduction for losses arising from fire, storm, or other casualty, or from disease or drought involving any farming business should not be included when determining your excess farm loss.

***Coordination with at-risk and passive activity loss rules.*** You must calculate and apply your excess farm loss before calculating any limits due to the at-risk rules or the passive activity loss rules.

***Excess farm loss worksheets.*** You may complete one of these worksheets to determine if you have an excess farm loss in 2012. Do not attach these worksheets to your return; keep them for your records. You will need them next year when any excess farm loss may be deducted. Which worksheet you should use depends on the nature and extent of your farming business.

- Use Worksheet 1 if your farming businesses include only profit or loss reported on one or more Schedules F (Form 1040).
- Use Worksheet 2 if your farming businesses include Schedule F (Form 1040) and any Schedule C (Form 1040) activity of processing a farm commodity.
- Use Worksheet 3 if your farming businesses include Schedule F (Form 1040) and a Schedule E (Form 1040) interest in a partnership or S corporation involved in a farming business.
- Use Worksheet 4 if your farming businesses include Schedule F (Form 1040), Schedule C (Form 1040) activity of processing a farm commodity, a Schedule E (Form 1040) interest in a partnership or S corporation involved in a farming business, and farm rental income or loss reported on Form 4835.
- Use Worksheet 5 if your farming business is limited to only farm rental income or loss reported on Form 4835.

**Applying your excess farm loss.** You must reduce your loss by the amount of your excess farm loss. Subtract line 33 from line 9 and reduce the number by your excess farm loss. Complete line 36 before entering an amount on line 34.

***Example.*** Subtracting line 33 from line 9 results in ($400,000). You have only one farming business and use Worksheet 1 to figure an excess farm loss of ($100,000). Your allowable loss is reduced to ($300,000). This will be the amount you enter on line 34 unless the at-risk or passive activity loss rules reduce it further.

Any loss from this activity not allowed for 2012 because of the excess farm loss rules is treated as a deduction allocable to the activity in 2013.

***At-risk and passive activity loss rules.*** Use your loss reduced by the excess farm loss to calculate any further limitations due to the at-risk rules or passive activity loss rules.

***More than one farming business.*** If you have more than one farming business with a loss this year, allocate the excess farm loss amount on a pro rata basis among those farming businesses. If you have more than one farming business, but only one has a loss, allocate all of the excess farm loss to the farming business with the loss. Do not allocate excess farm loss to a farming business that has a net profit.

## Line 36

TIP

*You do not need to complete line 36 if line 9 is more than line 33.*

**At-risk rules.** In most cases, if you have a loss from a farming activity and amounts invested in the activity for which you are not at risk, you must complete Form 6198 to figure your allowable loss. The at-risk rules generally limit the amount of loss (including loss on the disposition of assets) you can claim to the amount you could actually lose in the activity.

Check box 36b if you have amounts invested in this activity for which you are not at risk, such as the following.

- Nonrecourse loans used to finance the activity, to acquire property used in the activity, or to acquire the activity that are not secured by your own property (other than property used in the activity). However, there is an exception for certain nonrecourse financing borrowed by you in connection with holding real property.
- Cash, property, or borrowed amounts used in the activity (or contributed to the activity, or used to acquire the activity) that are protected against loss by a guarantee, stop-loss agreement, or other similar arrangement (excluding casualty insurance and insurance against tort liability).
- Amounts borrowed for use in the activity from a person who has an interest in the activity, other than as a creditor, or who is related under section 465(b)(3)(C) to a person (other than you) having such an interest.

**Figuring your allowable loss.** Before determining your allowable loss, you must check box 36a or 36b to determine if your loss from farming is limited by the at-risk rules. Follow the instructions below that apply to your box 36 activity.

If all your investment amounts are at risk in this activity, check box 36a. If you also checked the "Yes" box on Schedule F (Form 1040), line E, your remaining loss (after applying the excess farm loss rules) is your allowable loss. The at-risk rules and the passive activity loss rules do not apply. See *Line 34*, earlier, for how to report your allowable loss.

But if you checked the "No" box on Schedule F (Form 1040), line E, you may need to complete Form 8582 to figure your allowable loss to enter on line 34. See the Instructions for Form 8582.

If some investment is not at risk, check box 36b; the at-risk rules apply to your loss.

If you also checked the "Yes" box on Schedule F (Form 1040), line E, complete Form 6198 to determine the amount of your allowable loss. The passive activity loss rules do not apply. See *Line 34*, earlier, for how to report your allowable loss.

But if you checked the "No" box on Schedule F (Form 1040), line E, the passive activity loss rules may apply. First complete Form 6198 to figure the amount of your loss that is at-risk. If your at-risk amount is zero or less, enter -0- on line 34; then see *Line 34*, earlier, for where to report this amount. If your at-risk amount is more than zero, see the Instructions for Form 8582 to determine your passive activity loss limitation and the amount of your loss that will be allowed on line 34. Be sure to attach Form 6198 to your return.

CAUTION

*If you checked box 36b because some investment is not at risk and you do not attach Form 6198, the processing of your return may be delayed.*

Any loss from this activity not allowed for 2012 only because of the at-risk rules is treated as a deduction allocable to the activity in 2013.

For details, see Pub. 925 and the Instructions for Form 6198.

## Part III. Farm Income—Accrual Method

You may be required to use the accrual accounting method. If you use the accrual method, report farm income when you earn it, not when you receive it. In most cases, you must include animals and crops in your inventory if you use this method. See Pub. 225 for exceptions, inventory methods, how to change methods of accounting, and rules that require certain costs to be capitalized or included in inventory. For information about accounting periods, see Pub. 538, Accounting Periods and Methods.

**Chapter 11 bankruptcy.** If you were a debtor in a chapter 11 bankruptcy case during 2012, see *Chapter 11 Bankruptcy Cases* under *Income* in the Instructions for Form 1040 and the Instructions for Schedule SE (Form 1040).

## Lines 38a Through 40c

See the instructions for lines 3a through 5c.

## Line 43

See *Line 8*, earlier.

## Excess Farm Loss Worksheet 1—Schedule F (Form 1040) farming business only

*Keep for Your Records*

CAUTION: In determining if you have an excess farm loss, do not take into account any deductions for losses arising by reason of fire, storm, or other casualty, or by reason of disease or drought, involving your farming business.

| | | | |
|---|---|---|---|
| **1.** | Enter the amount from your 2012 Schedule(s) F (Form 1040), line 33. Is this amount less than $300,000 ($150,000 if married filing separately)? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 2 | **1.** | |
| **2.** | Subtract $300,000 ($150,000 if married filing separately) from line 1 | **2.** | |
| **3.** | Enter the amount from your 2012 Schedule(s) F (Form 1040), line 9 | **3.** | |
| **4.** | Is line 3 greater than or equal to line 2? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 5. | | |
| **5.** | Enter your net gain/loss from the sale of farming business property reported on Form 4797 | **5.** | |
| **6.** | Enter your net gain/loss from the sale of farming business property reported on Schedule D (Form 1040) | **6.** | |
| **7.** | Combine line 5 and line 6. If zero or less, enter -0- | | **7.** |
| **8.** | Add line 3 and line 7. Is this greater than or equal to line 2? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 9 | | **8.** |
| **9.** | Enter the amount from your 2011 Schedule(s) F (Form 1040), line 34 | **9.** | |
| **10.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2011 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **10.** | |
| **11.** | Enter the amount from your 2010 Schedule(s) F (Form 1040), line 36 | **11.** | |
| **12.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2010 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **12.** | |
| **13.** | Enter the amount from your 2009 Schedule(s) F (Form 1040), line 36 | **13.** | |
| **14.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2009 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **14.** | |
| **15.** | Enter the amount from your 2008 Schedule(s) F (Form 1040), line 36 | **15.** | |
| **16.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2008 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **16.** | |
| **17.** | Enter the amount from your 2007 Schedule(s) F (Form 1040), line 36 | **17.** | |
| **18.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2007 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **18.** | |
| **19.** | Combine lines 9 through 18. If zero or less, enter -0- | | **19.** |
| **20.** | Enter the greater of line 19 or $300,000 ($150,000 if married filing separately) | | **20.** |
| **21.** | Add line 8 and line 20 | | **21.** |
| **22.** | **Excess farm loss.** Subtract line 1 from line 21. If zero or less, you have an excess farm loss that reduces the amount of loss you can deduct this year. If you have more than one farming business with an overall loss this year, allocate the excess farm loss amount on a *pro rata* basis among those farming businesses | | **22.** |

## Excess Farm Loss Worksheet 2—Schedule F (Form 1040) farming businesses and Schedule C (Form 1040) activity of processing a farm commodity

*Keep for Your Records*

CAUTION: In determining if you have an excess farm loss, do not take into account any deductions for losses arising by reason of fire, storm, or other casualty, or by reason of disease or drought, involving your farming businesses.

| | | | |
|---|---|---|---|
| **1.** | Enter the amount from your 2012 Schedule(s) F (Form 1040), line 33 | **1.** | |
| **2.** | Enter the total amount from your 2012 Schedule(s) C (Form 1040), line 28 and line 30 | **2.** | |
| **3.** | Add lines 1 and 2. Is this amount less than $300,000 ($150,000 if married filing separately)? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 4 | | **3.** |
| **4.** | Subtract $300,000 ($150,000 if married filing separately) from line 3 | | **4.** |
| **5.** | Enter the amount from your 2012 Schedule(s) F (Form 1040), line 9 | **5.** | |
| **6.** | Enter the amount from your 2012 Schedule(s) C (Form 1040), line 7 | **6.** | |
| **7.** | Combine line 5 and line 6 | | **7.** |
| **8.** | Is line 7 greater than or equal to line 4? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 9. | | |
| **9.** | Enter your net gain/loss from the sale of farming business property reported on Form 4797 | **9.** | |
| **10.** | Enter your net gain/loss from the sale of farming business property reported on Schedule D (Form 1040) | **10.** | |
| **11.** | Combine line 9 and line 10. If zero or less, enter -0- | | **11.** |
| **12.** | Add line 7 and line 11. Is this greater than or equal to line 4? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 13 | | **12.** |
| **13.** | Enter the amount from your 2011 Schedule(s) F (Form 1040), line 34 | **13.** | |
| **14.** | Enter the amount from your 2011 Schedule(s) C (Form 1040), line 31 | **14.** | |
| **15.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2011 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **15.** | |
| **16.** | Enter the amount from your 2010 Schedule(s) F (Form 1040), line 36 | **16.** | |
| **17.** | Enter the amount from your 2010 Schedule(s) C (Form 1040), line 31 | **17.** | |
| **18.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2010 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **18.** | |
| **19.** | Enter the amount from your 2009 Schedule(s) F (Form 1040), line 36 | **19.** | |
| **20.** | Enter the amount from your 2009 Schedule(s) C (Form 1040), line 31 | **20.** | |

## Excess Farm Loss Worksheet 2 (Continued)

| | | | |
|---|---|---|---|
| **21.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2009 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **21.** | |
| **22.** | Enter the amount from your 2008 Schedule(s) F (Form 1040), line 36 | **22.** | |
| **23.** | Enter the amount from your 2008 Schedule(s) C (Form 1040), line 31 | **23.** | |
| **24.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2008 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **24.** | |
| **25.** | Enter the amount from your 2007 Schedule(s) F (Form 1040), line 36 | **25.** | |
| **26.** | Enter the amount from your 2007 Schedule(s) C (Form 1040), line 31 | **26.** | |
| **27.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2007 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **27.** | |
| **28.** | Combine lines 13 through 27. If zero or less, enter -0- | | **28.** |
| **29.** | Enter the greater of line 28 or $300,000 ($150,000 if married filing separately) | | **29.** |
| **30.** | Add lines 12 and 29 | | **30.** |
| **31.** | **Excess farm loss.** Subtract line 3 from line 30. If zero or less, you have an excess farm loss that reduces the amount of loss you can deduct this year. If you have more than one farming business with an overall loss this year, allocate the excess farm loss amount on a *pro rata* basis among those farming businesses | | **31.** |

## Excess Farm Loss Worksheet 3—Schedule F (Form 1040) farming businesses and Schedule E (Form 1040) partnership or S corporation income or loss from farming businesses

*Keep for Your Records*

CAUTION: In determining if you have an excess farm loss, do not take into account any deductions for losses arising by reason of fire, storm, or other casualty, or by reason of disease or drought, involving your farming businesses.

| | | | | |
|---|---|---|---|---|
| **1.** | Enter the amount from your 2012 Schedule(s) F (Form 1040), line 33 | **1.** | | |
| **2.** | Enter the amount from your 2012 Schedule(s) E (Form 1040), line 31 | **2.** | | |
| **3.** | Add lines 1 and 2. Is this amount less than $300,000 ($150,000 if married filing separately)? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 4 | | | **3.** |
| **4.** | Subtract $300,000 ($150,000 if married filing separately) from line 3 | | | **4.** |
| **5.** | Enter the amount from your 2012 Schedule(s) F (Form 1040), line 9 | **5.** | | |
| **6.** | Enter the amount from your 2012 Schedule(s) E (Form 1040), line 30 | **6.** | | |
| **7.** | Combine line 5 and line 6 | | | **7.** |
| **8.** | Is line 7 greater than or equal to line 4? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 9. | | | |
| **9.** | Enter your net gain/loss from the sale of farming business property reported on Form 4797 | **9.** | | |
| **10.** | Enter your net gain/loss from the sale of farming business property reported on Schedule D (Form 1040) | **10.** | | |
| **11.** | Combine line 9 and line 10. If zero or less, enter -0- | | | **11.** |
| **12.** | Add line 7 and line 11. Is this greater than or equal to line 4? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 13 | | | **12.** |
| **13.** | Enter the amount from your 2011 Schedule(s) F (Form 1040), line 34 | **13.** | | |
| **14.** | Enter the amount from your 2011 Schedule(s) E (Form 1040), line 32 | **14.** | | |
| **15.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2011 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **15.** | | |
| **16.** | Enter the amount from your 2010 Schedule(s) F (Form 1040), line 36 | **16.** | | |
| **17.** | Enter the amount from your 2010 Schedule(s) E (Form 1040), line 32 | **17.** | | |
| **18.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2010 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **18.** | | |
| **19.** | Enter the amount from your 2009 Schedule(s) F (Form 1040), line 36 | **19.** | | |
| **20.** | Enter the amount from your 2009 Schedule(s) E (Form 1040), line 32 | **20.** | | |

## Excess Farm Loss Worksheet 3 (Continued)

| | | | |
|---|---|---|---|
| **21.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2009 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **21.** | |
| **22.** | Enter the amount from your 2008 Schedule(s) F (Form 1040), line 36 | **22.** | |
| **23.** | Enter the amount from your 2008 Schedule(s) E (Form 1040), line 32 | **23.** | |
| **24.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2008 Form 4797 and Schedule D (Form (1040). If zero or less, enter -0- | **24.** | |
| **25.** | Enter the amount from your 2007 Schedule(s) F (Form 1040), line 36 | **25.** | |
| **26.** | Enter the amount from your 2007 Schedule(s) E (Form 1040), line 32 | **26.** | |
| **27.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2007 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **27.** | |
| **28.** | Combine lines 13 through 27. If zero or less, enter -0- | | **28.** |
| **29.** | Enter the greater of line 28 or $300,000 ($150,000 if married filing separately) | | **29.** |
| **30.** | Add lines 12 and 29 | | **30.** |
| **31.** | **Excess farm loss.** Subtract line 3 from line 30. If zero or less, you have an excess farm loss that reduces the amount of loss you can deduct this year. If you have more than one farming business with an overall loss this year, allocate the excess farm loss amount on a *pro rata* basis among those farming businesses | | **31.** |

## Excess Farm Loss Worksheet 4—Schedule F (Form 1040) farming businesses, Schedule C (Form 1040) activity of processing a farm commodity, Schedule E (Form 1040) partnership or S corporation income or loss from farming businesses, and Form 4835 rental income or loss

*Keep for Your Records*

CAUTION: In determining if you have an excess farm loss, do not take into account any deductions for losses arising by reason of fire, storm, or other casualty, or by reason of disease or drought, involving your farming businesses.

| | | | |
|---|---|---|---|
| **1.** | Enter the amount from your 2012 Schedule(s) F (Form 1040), line 33 | **1.** | |
| **2.** | Enter the total amount from your 2012 Schedule(s) C (Form 1040), line 28 and line 30, for activity of processing a farm commodity | **2.** | |
| **3.** | Enter the amount from your 2012 Schedule(s) E (Form 1040), line 31, for interest in a partnership or S corporation involved in farming businesses | **3.** | |
| **4.** | Enter the amount from your 2012 Form 4835, line 31 | **4.** | |
| **5.** | Add lines 1, 2, 3, and 4. Is this amount less than $300,000 ($150,000 if married filing separately)? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 6 | | **5.** |
| **6.** | Subtract $300,000 ($150,000 if married filing separately) from line 5 | | **6.** |
| **7.** | Enter the amount from your 2012 Schedule(s) F (Form 1040), line 9 | **7.** | |
| **8.** | Enter the amount from your 2012 Schedule(s) C (Form 1040), line 7 | **8.** | |
| **9.** | Enter the amount from your 2012 Schedule(s) E (Form 1040), line 30 | **9.** | |
| **10.** | Enter the amount from your 2012 Form 4835, line 7 | **10.** | |
| **11.** | Combine lines 7, 8, 9, and 10 | | **11.** |
| **12.** | Is line 11 greater than or equal to line 6? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 13. | | |
| **13.** | Enter your net gain/loss from the sale of farming business property reported on Form 4797 | **13.** | |
| **14.** | Enter your net gain/loss from the sale of farming business property reported on Schedule D (Form 1040) | **14.** | |
| **15.** | Combine line 13 and line 14. If zero or less, enter -0- | | **15.** |
| **16.** | Add lines 11 and 15. Is this greater than or equal to line 6? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 17 | | **16.** |
| | TIP: Lines 17 through 43 help you calculate the threshold amount discussed in the instructions. The threshold amount is the greater of $300,000 ($150,000 if married filing separately) or your total net profit or loss from farming businesses for the last five years (2007-2011), including for each of those years any net gain from the sale of property used in your farming businesses. | | |
| **17.** | Enter the amount from your 2011 Schedule(s) F (Form 1040), line 34 | **17.** | |
| **18.** | Enter the amount from your 2011 Schedule(s) C (Form 1040), line 31 | **18.** | |
| **19.** | Enter the amount from your 2011 Schedule(s) E (Form 1040), line 32 | **19.** | |
| **20.** | Enter the amount from your 2011 Form 4835, line 32 | **20.** | |
| **21.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2011 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **21.** | |
| **22.** | Enter the amount from your 2010 Schedule(s) F (Form 1040), line 36 | **22.** | |
| **23.** | Enter the amount from your 2010 Schedule(s) C (Form 1040), line 31 | **23.** | |
| **24.** | Enter the amount from your 2010 Schedule(s) E (Form 1040), line 32 | **24.** | |
| **25.** | Enter the amount from your 2010 Form 4835, line 32 | **25.** | |
| **26.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2010 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **26.** | |
| **27.** | Enter the amount from your 2009 Schedule(s) F (Form 1040), line 36 | **27.** | |
| **28.** | Enter the amount from your 2009 Schedule(s) C (Form 1040), line 31 | **28.** | |

*(Continued on next page)*

## Excess Farm Loss Worksheet 4 (Continued)

| | | | |
|---|---|---|---|
| **29.** | Enter the amount from your 2009 Schedule(s) E (Form 1040), line 32 | **29.** | |
| **30.** | Enter the amount from your 2009 Form 4835, line 32 | **30.** | |
| **31.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2009 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **31.** | |
| **32.** | Enter the amount from your 2008 Schedule(s) F (Form 1040), line 36 | **32.** | |
| **33.** | Enter the amount from your 2008 Schedule(s) C (Form 1040), line 31 | **33.** | |
| **34.** | Enter the amount from your 2008 Schedule(s) E (Form 1040), line 32 | **34.** | |
| **35.** | Enter the amount from your 2008 Form 4835, line 32 | **35.** | |
| **36.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2008 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **36.** | |
| **37.** | Enter the amount from your 2007 Schedule(s) F (Form 1040), line 36 | **37.** | |
| **38.** | Enter the amount from your 2007 Schedule(s) C (Form 1040), line 31 | **38.** | |
| **39.** | Enter the amount from your 2007 Schedule(s) E (Form 1040), line 32 | **39.** | |
| **40.** | Enter the amount from your 2007 Form 4835, line 32 | **40.** | |
| **41.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2007 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **41.** | |
| **42.** | Combine lines 17 through 41. If zero or less, enter -0- | | **42.** |
| **43.** | Enter the greater of line 42 or $300,000 ($150,000 if married filing separately) | | **43.** |
| **44.** | Add lines 16 and 43 | | **44.** |
| **45.** | **Excess farm loss.** Subtract line 5 from line 44. If zero or less, you have an excess farm loss that reduces the amount of loss you can deduct this year. If you have more than one farming business with an overall loss this year, allocate the excess farm loss amount on a *pro rata* basis among those farming businesses | | **45.** |

## Excess Farm Loss Worksheet 5—Form 4835 for farm rental income or loss from farming business

*Keep for Your Records*

CAUTION: In determining if you have an excess farm loss, do not take into account any deductions for losses arising by reason of fire, storm, or other casualty, or by reason of disease or drought, involving your farming business.

| | | | |
|---|---|---|---|
| **1.** | Enter the amount from your 2012 Form 4835, line 31. Is this amount less than $300,000 ($150,000 if married filing separately)? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 2 | **1.** | |
| **2.** | Subtract $300,000 ($150,000 if married filing separately) from line 1 | **2.** | |
| **3.** | Enter the amount from your 2012 Form 4835, line 7 | **3.** | |
| **4.** | Is line 3 greater than or equal to line 2? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 5. | | |
| **5.** | Enter your net gain/loss from the sale of farming business property reported on Form 4797 | **5.** | |
| **6.** | Enter your net gain/loss from the sale of farming business property reported on Schedule D (Form 1040) | **6.** | |
| **7.** | Combine line 5 and line 6. If zero or less, enter -0- | | **7.** |
| **8.** | Add line 3 and line 7. Is this greater than or equal to line 2? If yes, stop here. You do not have an excess farm loss in 2012. If no, continue to line 9 | | **8.** |
| **9.** | Enter the amount from your 2011 Form 4835, line 32 | **9.** | |
| **10.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2011 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **10.** | |
| **11.** | Enter the amount from your 2010 Form 4835, line 32 | **11.** | |
| **12.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2010 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **12.** | |
| **13.** | Enter the amount from your 2009 Form 4835, line 32 | **13.** | |
| **14.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2009 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **14.** | |
| **15.** | Enter the amount from your 2008 Form 4835, line 32 | **15.** | |
| **16.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2008 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **16.** | |
| **17.** | Enter the amount from your 2007 Form 4835, line 32 | **17.** | |
| **18.** | Enter your combined net gain/loss from the sale of farming business property reported on your 2007 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- | **18.** | |
| **19.** | Combine lines 9 through 18. If zero or less, enter -0- | | **19.** |
| **20.** | Enter the greater of line 19 or $300,000 ($150,000 if married filing separately) | | **20.** |
| **21.** | Add lines 8 and 20 | | **21.** |
| **22.** | **Excess farm loss.** Subtract line 1 from line 21. If zero or less, you have an excess farm loss that reduces the amount of loss you can deduct this year. If you have more than one farming business with an overall loss this year, allocate the excess farm loss amount on a *pro rata* basis among those farming businesses | | **22.** |

Department of the Treasury
**Internal Revenue Service**

# 2012 Instructions for Schedule J

## Income Averaging for Farmers and Fishermen

Use Schedule J (Form 1040) to elect to figure your 2012 income tax by averaging, over the previous 3 years (base years), all or part of your 2012 taxable income from your trade or business of farming or fishing. This election may give you a lower tax if your 2012 income from farming or fishing is high and your taxable income for one or more of the 3 prior years was low.

In order to qualify for this election, you are not required to have been in the business of farming or fishing during any of the base years.

You may elect to average farming or fishing income even if your filing status was not the same in the election year and the base years.

This election does not apply when figuring your alternative minimum tax on Form 6251. Also, you do not have to recompute, because of this election, the tax liability of any minor child who was required to use your tax rates in the prior years.

Section references are to the Internal Revenue Code unless otherwise noted.

## Future Developments

For the latest information about developments related to Schedule J (Form 1040) and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/form1040*.

## General Instructions

### Prior Year Tax Returns

You may need copies of your original or amended income tax returns for 2009, 2010, and 2011 to figure your tax on Schedule J.

If you need copies of your tax returns, use Form 4506. There is a $57 fee (subject to change) for each return requested. If your main home, principal place of business, or tax records are located in a federally declared disaster area, this fee will be waived. If you want a free transcript of your tax return or account, use Form 4506-T. See your Form 1040 instructions to find out how to get these forms.

Keep a copy of your 2012 income tax return to use for income averaging in 2013, 2014, or 2015.

### Definitions

**Farming business.** A farming business is the trade or business of cultivating land or raising or harvesting any agricultural or horticultural commodity. This includes:

1. Operating a nursery or sod farm;
2. Raising or harvesting of trees bearing fruits, nuts, or other crops;
3. Raising ornamental trees (but not evergreen trees that are more than 6 years old when severed from the roots);
4. Raising, shearing, feeding, caring for, training, and managing animals; and
5. Leasing land to a tenant engaged in a farming business, but only if the lease payments are (a) based on a share of the tenant's production (not a fixed amount), and (b) determined under a written agreement entered into before the tenant begins significant activities on the land.

A farming business does not include:

- Contract harvesting of an agricultural or horticultural commodity grown or raised by someone else, or
- Merely buying or reselling plants or animals grown or raised by someone else.

**Fishing business.** A fishing business is the trade or business of fishing in which the fish harvested, either in whole or in part, are intended to enter commerce or enter commerce through sale, barter, or trade. This includes:

1. The catching, taking, or harvesting of fish;
2. The attempted catching, taking, or harvesting of fish;
3. Any other activity which can reasonably be expected to result in the catching, taking, or harvesting of fish;
4. Any operations at sea in support of, or in preparation for, any activity described in (1) through (3) above;
5. Leasing a fishing vessel, but only if the lease payments are (a) based on a share of the catch (or a share of the proceeds from the sale of the catch) from the lessee's use of the vessel in a fishing business (not a fixed payment), and (b) determined under a written lease entered into before the lessee begins any significant fishing activities resulting in the catch; and
6. Compensation as a crew member on a vessel engaged in a fishing business, but only if the compensation is based on a share of the catch (or a share of the proceeds from the sale of the catch).

The word fish means finfish, mollusks, crustaceans, and all other forms of marine animal and plant life other than marine mammals and birds.

A fishing business does not include any scientific research activity conducted by a scientific research vessel.

***Settlement from Exxon Valdez litigation.*** You will be treated as engaged in a fishing business with respect to any qualified settlement income you received if either of the following applies.

1. You were a plaintiff in the civil action *In re Exxon Valdez,* No.

89-095-CV (HRH) (Consolidated) (D. Alaska); or

2. All of the following apply.

a. You were a beneficiary of a plaintiff described in (1) above,

b. You acquired the right to receive qualified settlement income from that plaintiff, and

c. You were the spouse or an immediate relative of that plaintiff.

Qualified settlement income is any taxable interest and punitive damage awards you received (whether as lump sums or periodic payments) in connection with the Exxon Valdez civil action described above. Qualified settlement income includes all such awards, whether received before or after the judgment and whether related to a settlement or a judgment.

### Additional Information

See Pub. 225 and Regulations section 1.1301-1 for more information.

# Specific Instructions

## Line 2a

### Elected Farm Income

To figure your elected farm income, first figure your taxable income from farming or fishing. This includes all income, gains, losses, and deductions attributable to your farming or fishing business. If you conduct both farming and fishing businesses, you must figure your elected farm income by combining income, gains, losses, and deductions attributable to your farming and fishing businesses.

Elected farm income also includes any gain or loss from the sale or other disposition of property regularly used in your farming or fishing business for a substantial period of time. However, if such gain or loss is realized after cessation of the farming or fishing business, the gain or loss is treated as attributable to a farming or fishing business only if the property is sold within a reasonable time after cessation of the farming or fishing business. A sale or other disposition within 1 year of the cessation is considered to be within a reasonable time.

Elected farm income does not include income, gain, or loss from the sale or other disposition of land or from the sale of development rights, grazing rights, and other similar rights.

You should find your income, gains, losses, and deductions from farming or fishing reported on different tax forms, such as:

- 2012 Form 1040, line 7, or Form 1040NR, line 8, income from wages and other compensation you received (a) as a shareholder in an S corporation engaged in a farming or fishing business or (b) as a crew member on a vessel engaged in a fishing business (but see *Fishing business*, earlier);
- 2012 Form 1040, line 21, or Form 1040NR, line 21, income from Exxon Valdez litigation;
- 2012 Form 1040, line 27, or Form 1040NR, line 27, deductible part of self-employment tax, but only to the extent that deduction is attributable to your farming or fishing business;
- 2012 Form 1040, line 43, or Form 1040NR, line 41, CCF reduction, except to the extent that any earnings (without regard to the carryback of any net operating or net capital loss) from the operation of agreement vessels in the fisheries of the United States or in the foreign or domestic commerce of the United States are not attributable to your fishing business;
- Schedule C or C-EZ;
- Schedule D;
- Schedule E, Part II;
- Schedule F;
- Form 4797;
- Form 4835;
- Form 8903, domestic production activities deduction, but only to the extent that deduction is attributable to your farming or fishing business; and
- Form 8949.

Your elected farm income is the amount of your taxable income from farming or fishing that you elect to include on line 2a.

**TIP** *You do not have to include all of your taxable income from farming or fishing on line 2a. It may be to your advantage to include less than the entire amount, depending on how the amount you include on line 2a affects your tax bracket for the current and prior 3 tax years.*

If you received certain subsidies in 2012, your elected farm income cannot include excess farm losses. See the Instructions for Schedule F (Form 1040).

Your elected farm income cannot exceed your taxable income.

## Lines 2b and 2c

Complete lines 2b and 2c if the amount of your elected farm income on line 2a includes net capital gain. Net capital gain is the excess, if any, of net long-term capital gain over net short-term capital loss.

**Line 2b.** Enter on line 2b the portion of your elected farm income on line 2a treated as a net capital gain. The amount you enter on line 2b cannot exceed the **smaller** of your total net capital gain or the net capital gain attributable to your farming or fishing business.

**Line 2c.** Enter on line 2c the **smaller** of line 2b or the unrecaptured section 1250 gain attributable to your farming or fishing business, if any.

## Line 4

Figure the tax on the amount on line 3 using:

- The 2012 Tax Table, Tax Computation Worksheet, or Qualified Dividends and Capital Gain Tax Worksheet from the 2012 Instructions for Form 1040 or Form 1040NR;
- The 2012 Foreign Earned Income Tax Worksheet from the 2012 Instructions for Form 1040; or
- The Schedule D Tax Worksheet in the 2012 Instructions for Schedule D.

Enter the tax on line 4.

## Line 5

If you used Schedule J to figure your tax for:

- 2011 (that is, you entered the amount from the 2011 Schedule J, line 23, on line 44 of your 2011 Form 1040, on line 42 of your 2011 Form 1040NR, or on Form 1040X for 2011), enter on line 5 the amount from your 2011 Schedule J, line 11.
- 2010 but not 2011, enter on line 5 the amount from your 2010 Schedule J, line 15.
- 2009 but not 2010 or 2011, enter on line 5 the amount from your 2009 Schedule J, line 3.

If you figured your tax for 2009, 2010, and 2011 without using Schedule J, enter on line 5 the taxable income from your 2009 tax return (or as previously adjusted by the IRS, or corrected on an amended return). But if that amount is zero or less, complete the 2009 Taxable Income Worksheet to figure the amount to enter on line 5.

If you did not file a tax return for 2009, use the amount you would have reported as your taxable income had you been required to file a tax return. Be sure to keep all your records for 2009 for at least 3 years after April 15, 2013 (or the date you file your 2012 tax return, if later).

### Instructions for 2009 Taxable Income Worksheet

**Line 2.** Any net capital loss deduction on your 2009 Schedule D, line 21, is not allowed for income averaging purposes to the extent it did not reduce your capital loss carryover to 2010. This could happen if the taxable income before subtracting exemptions—shown on your 2009 Form 1040, line 41, or your 2009 Form 1040NR, line 38 (or as previously adjusted)—was less than zero. Enter on line 2 the amount by which your 2009 capital loss carryover to 2010 (the sum of your short- and long-term capital loss carryovers) exceeds the excess of the loss on your 2009 Schedule D, line 16, over the loss on your 2009 Schedule D, line 21. If you had any Net Operating Loss (NOL) carrybacks to 2009, be sure you refigured your 2009 capital loss carryover to 2010.

**Line 3.** If you had an NOL for 2009, enter the amount of that NOL from line 25 of the 2009 Form 1045, Schedule A, you filed with Form 1045 or Form 1040X. If you did not have an NOL for 2009, enter the portion, if any, of the NOL carryovers and carrybacks to 2009 that were not used in 2009 and were carried to years after 2009.

***Example.*** John Farmington, who is single, did not use income averaging for 2009, 2010, or 2011. For 2012, John has $18,000 of elected farm income on Schedule J, line 2a. The taxable income before subtracting exemptions on his 2009 Form 1040, line 41, is $4,500. A deduction for exemptions of $3,650 is shown on line 42, and line 43, taxable income, is $850. However, John had a $21,200 NOL for 2010, $9,000 of which was remaining to carry to 2009 after the NOL was carried back to 2008. To complete line 1 of the 2009 Taxable Income Worksheet, John combines the $9,000 NOL deduction with the $850 from his 2009 Form 1040, line 43. The result is a negative $8,150, John's 2009 taxable income, which he enters as a positive amount on line 1 of the 2009 Taxable Income Worksheet.

When John filed his 2009 tax return, he had a $3,000 net capital loss deduction on Schedule D, line 21 (which was also entered on Form 1040, line 13), a $7,000 loss on Schedule D, line 16, and a $4,000 capital loss carryover to 2010. However, when John carried back the 2010 NOL ($9,000 of which was carried to 2009), he refigured his 2009 capital loss carryover to 2010 as $7,000. John adds the $3,000 from Schedule D, line 21, and the $7,000 carryover. He subtracts from the $10,000 result the $7,000 loss on his Schedule D, line 16, and enters $3,000 on line 2 of the worksheet.

John had $850 of taxable income in 2009 that reduced the 2010 NOL carryback. The $3,650 exemption deduction and $3,000 net capital loss deduction also reduced the amount of the 2010 NOL carryback. As a result, only $1,500 was available to carry to 2011 and later years, as shown on line 10 of his 2010 Form 1045, Schedule B. John enters the $1,500 on line 3 of the worksheet, and $4,500 ($1,500 plus the $3,000 line 2 amount) on line 4. He then subtracts the $4,500 from the $8,150 on line 1 and enters the result, $3,650, on line 5 of the worksheet. He enters a negative $3,650 on Schedule J, line 5. He combines that amount with the $6,000 on Schedule J, line 6, and enters $2,350 on Schedule J, line 7.

## 2009 Taxable Income Worksheet—Line 5

*Keep for Your Records*

Complete this worksheet if you **did not** use Schedule J to figure your tax for 2010 and 2011 **and** your 2009 taxable income was zero or less. See the instructions above before completing this worksheet for line 5.

| | | | |
|---|---|---|---|
| **1.** Figure the taxable income from your 2009 tax return (or as previously adjusted) without limiting it to zero. If you had an NOL for 2009, **do not** include any NOL carryovers or carrybacks to 2009. Enter the result as a positive amount | | | **1.** _____ |
| **2.** If there is a loss on your 2009 Schedule D, line 21, add that loss (as a positive amount) and your 2009 capital loss carryover to 2010. Subtract from that sum the amount of the loss on your 2009 Schedule D, line 16, and enter the result | **2.** _____ | | |
| **3.** If you had an NOL for 2009, enter it as a positive amount. Otherwise, enter as a positive amount the portion, if any, of the NOL carryovers and carrybacks to 2009 that were not used in 2009 and were carried to years after 2009 | **3.** _____ | | |
| **4.** Add lines 2 and 3 | | | **4.** _____ |
| **5.** Subtract line 4 from line 1. Enter the result as a **negative** amount on Schedule J, line 5 | | | **5.** _____ |

## Line 8

If line 7 is zero, enter -0- on line 8. Otherwise, figure the tax on the amount on line 7 using:

- The 2009 Tax Rate Schedules below,
- The 2009 Qualified Dividends and Capital Gain Tax Worksheet, later,
- The 2009 Schedule D Tax Worksheet in the 2009 Schedule D instructions (but use the 2009 Tax Rate Schedules below when figuring the tax on lines 33 and 35 of the Schedule D Tax Worksheet), or
- The 2009 Foreign Earned Income Tax Worksheet, later.

If your elected farm income includes net capital gain, you must use the 2009 Schedule D Tax Worksheet to figure the tax on the amount on line 7. However, if you filed Form 2555 or 2555-EZ for 2009, you must first complete the 2009 Foreign Earned Income Tax Worksheet, and then use the 2009 Schedule D Tax Worksheet to figure the tax on the amount on line 3 of that worksheet.

When completing the Schedule D Tax Worksheet, you must allocate 1/3 of the amount on line 2b (and 1/3 of the amount on line 2c, if any) to 2009. If for 2009 you had a capital loss that resulted in a capital loss carryover to 2010, do not reduce the elected farm income allocated to 2009 by any part of the carryover.

### 2009 Tax Rate Schedules—Line 8

**Schedule X—**Use if your **2009** filing status was **Single** or you checked filing status box 1 or 2 on Form 1040NR

| If Schedule J, line 7, is: *Over—* | *But not over—* | Enter on Schedule J, line 8 | | *of the amount over—* |
|---|---|---|---|---|
| $0 | $8,350 | ..... | **10%** | **$0** |
| 8,350 | 33,950 | **$835.00 +** | **15%** | **8,350** |
| 33,950 | 82,250 | **4,675.00 +** | **25%** | **33,950** |
| 82,250 | 171,550 | **16,750.00 +** | **28%** | **82,250** |
| 171,550 | 372,950 | **41,754.00 +** | **33%** | **171,550** |
| 372,950 | ..... | **108,216.00+** | **35%** | **372,950** |

**Schedule Y-2—**Use if your **2009** filing status was **Married filing separately** or you checked filing status box 3, 4, or 5 on Form 1040NR

| If Schedule J, line 7, is: *Over—* | *But not over—* | Enter on Schedule J, line 8 | | *of the amount over—* |
|---|---|---|---|---|
| $0 | $8,350 | ..... | **10%** | **$0** |
| 8,350 | 33,950 | **$835.00 +** | **15%** | **8,350** |
| 33,950 | 68,525 | **4,675.00 +** | **25%** | **33,950** |
| 68,525 | 104,425 | **13,318.75+** | **28%** | **68,525** |
| 104,425 | 186,475 | **23,370.75+** | **33%** | **104,425** |
| 186,475 | ..... | **50,447.25+** | **35%** | **186,475** |

**Schedule Y-1—**Use if your **2009** filing status was **Married filing jointly** or **Qualifying widow(er)** or you checked filing status box 6 on Form 1040NR

| If Schedule J, line 7, is: *Over—* | *But not over—* | Enter on Schedule J, line 8 | | *of the amount over—* |
|---|---|---|---|---|
| $0 | $16,700 | ..... | **10%** | **$0** |
| 16,700 | 67,900 | **$1,670.00 +** | **15%** | **16,700** |
| 67,900 | 137,050 | **9,350.00 +** | **25%** | **67,900** |
| 137,050 | 208,850 | **26,637.50 +** | **28%** | **137,050** |
| 208,850 | 372,950 | **46,741.50 +** | **33%** | **208,850** |
| 372,950 | ..... | **100,894.50+** | **35%** | **372,950** |

**Schedule Z—**Use if your **2009** filing status was **Head of household**

| If Schedule J, line 7, is: *Over—* | *But not over—* | Enter on Schedule J, line 8 | | *of the amount over—* |
|---|---|---|---|---|
| $0 | $11,950 | ..... | **10%** | **$0** |
| 11,950 | 45,500 | **$1,195.00+** | **15%** | **11,950** |
| 45,500 | 117,450 | **6,227.50 +** | **25%** | **45,500** |
| 117,450 | 190,200 | **24,215.00+** | **28%** | **117,450** |
| 190,200 | 372,950 | **44,585.00+** | **33%** | **190,200** |
| 372,950 | ..... | **104,892.50+** | **35%** | **372,950** |

## 2009 Qualified Dividends and Capital Gain Tax Worksheet—Line 8

*Keep for Your Records*

Use this worksheet **only** if both of the following apply.

- Your elected farm income on your 2012 Schedule J, line 2a, does not include any net capital gain.
- You **(a)** entered qualified dividends on your 2009 Form 1040, line 9b (or your 2009 Form 1040A, line 9b, or 2009 Form 1040NR, line 10b); **(b)** entered capital gain distributions directly on your 2009 Form 1040, line 13 (or your 2009 Form 1040A, line 10, or 2009 Form 1040NR, line 14) and were not required to file Schedule D; or **(c)** filed Schedule D in 2009 and you answered "Yes" on lines 17 and 20 of that Schedule D.

**1.** Amount from your 2012 Schedule J, line 7. If for 2009 you filed Form 2555 or 2555-EZ, enter the amount from line 3 of the 2009 Foreign Earned Income Tax Worksheet . . . . . **1.** _____

**2.** Amount from your 2009 Form 1040, line 9b* (or your 2009 Form 1040A, line 9b, or 2009 Form 1040NR, line 10b) . . . . . **2.** _____

**3.** Did you file Schedule D in 2009?*

☐ **Yes.** Enter the **smaller** of line 15 or 16 of your 2009 Schedule D, but do not enter less than -0-

☐ **No.** Enter the amount from your 2009 Form 1040, line 13 (or your 2009 Form 1040A, line 10, or 2009 Form 1040NR, line 14)

. . **3.** _____

**4.** Add lines 2 and 3 . . . . . **4.** _____

**5.** Amount, if any, from your 2009 Form 4952, line 4g . . . . . **5.** _____

**6.** Subtract line 5 from line 4. If zero or less, enter -0- . . . . . **6.** _____

**7.** Subtract line 6 from line 1. If zero or less, enter -0- . . . . . **7.** _____

**8.** Enter the **smaller** of:

- The amount on line 1, or
- $33,950 if single or married filing separately or if you checked filing status box 1, 2, 3, 4, or 5 on Form 1040NR; $67,900 if married filing jointly or qualifying widow(er) or if you checked filing status box 6 on Form 1040NR; $45,500 if head of household.

. . . . . **8.** _____

**9.** Is the amount on line 7 equal to or more than the amount on line 8?

☐ **Yes.** Skip lines 9 and 10; go to line 11 and check the "No" box.

☐ **No.** Enter the amount from line 7 . . . . . **9.** _____

**10.** Subtract line 9 from line 8 . . . . . **10.** _____

**11.** Are the amounts on lines 6 and 10 the same?

☐ **Yes.** Skip lines 11 through 14; go to line 15.

☐ **No.** Enter the **smaller** of line 1 or line 6 . . . . . **11.** _____

**12.** Enter the amount from line 10 (if line 10 is blank, enter -0-) . . . . . **12.** _____

**13.** Subtract line 12 from line 11 . . . . . **13.** _____

**14.** Multiply line 13 by 15% (.15) . . . . . **14.** _____

**15.** Figure the tax on the amount on line 7. Use the 2009 Tax Rate Schedules . . . . . **15.** _____

**16.** Add lines 14 and 15 . . . . . **16.** _____

**17.** Figure the tax on the amount on line 1. Use the 2009 Tax Rate Schedules . . . . . **17.** _____

**18.** **Tax.** Enter the **smaller** of line 16 or line 17 here and on your 2012 Schedule J, line 8. If for 2009 you filed Form 2555 or 2555-EZ, do not enter this amount on Schedule J, line 8. Instead, enter it on line 4 of the 2009 Foreign Earned Income Tax Worksheet . . . . . **18.** _____

**If for 2009 you filed Form 2555 or 2555-EZ, see the footnote in the 2009 Foreign Earned Income Tax Worksheet before completing this line.*

## 2009 Foreign Earned Income Tax Worksheet—Line 8

*Keep for Your Records*

Use this worksheet if you claimed the foreign earned income exclusion or housing exclusion on your 2009 Form 1040 using Form 2555 or 2555-EZ. However, if Schedule J, line 7, is zero or less do not complete this worksheet.

| | | |
|---|---|---|
| **1.** Enter the amount from your 2012 Schedule J, line 7 | **1.** | _____ |
| **2.** Enter the amount from your (and your spouse's, if filing jointly) 2009 Form 2555, lines 45 and 50, or Form 2555-EZ, line 18 | **2.** | _____ |
| **3.** Add lines 1 and 2 | **3.** | _____ |
| **4.** **Tax on the amount on line 3**. Use the 2009 Tax Rate Schedules, the 2009 Qualified Dividends and Capital Gain Tax Worksheet,* or the 2009 Schedule D Tax Worksheet in the 2009 Schedule D instructions,* whichever applies. | **4.** | _____ |
| **5.** **Tax on the amount on line 2**. Use the 2009 Tax Rate Schedules. | **5.** | _____ |
| **6.** Subtract line 5 from line 4. Enter the result. If zero or less, enter -0-. Also include this amount on your 2012 Schedule J, line 8 | **6.** | _____ |

**Enter the amount from line 3 above on line 1 of the 2009 Qualified Dividends and Capital Gain Tax Worksheet or the 2009 Schedule D Tax Worksheet if you use either of those worksheets to figure the tax on line 4 above. Complete the rest of that worksheet through line 6 (line 10 if you use the Schedule D Tax Worksheet). Next, you must determine if you had a capital gain excess. To find out if you had a capital gain excess, subtract the amount from your 2012 Schedule J, line 7, from line 6 of your 2009 Qualified Dividends and Capital Gain Tax Worksheet (line 10 of your 2009 Schedule D Tax Worksheet). If the result is more than zero, that amount is your capital gain excess.*

*If you did not have a capital gain excess, complete the rest of either of those worksheets according to the worksheet's instructions. Then complete lines 5 and 6 above.*

*If you had a capital gain excess, complete a second 2009 Qualified Dividends and Capital Gain Tax Worksheet or 2009 Schedule D Tax Worksheet (whichever applies) as instructed above but in its entirety and with the following additional modifications. Then complete lines 5 and 6 above. These modifications are to be made only for purposes of filling out the 2009 Foreign Earned Income Tax Worksheet above.*

*1. Reduce (but not below zero) the amount you would otherwise enter on line 3 of your 2009 Qualified Dividends and Capital Gain Tax Worksheet or line 9 of your 2009 Schedule D Tax Worksheet by your capital gain excess.*

*2. Reduce (but not below zero) the amount you would otherwise enter on line 2 of your 2009 Qualified Dividends and Capital Gain Tax Worksheet or line 6 of your 2009 Schedule D Tax Worksheet by any of your capital gain excess not used in (1) above.*

*3. Reduce (but not below zero) the amount on your 2009 Schedule D (Form 1040), line 18, by your capital gain excess.*

*4. Include your capital gain excess as a loss on line 16 of your 2009 Unrecaptured Section 1250 Gain Worksheet in the 2009 Instructions for Schedule D (Form 1040).*

## Line 9

If you used Schedule J to figure your tax for:

- 2011 (that is, you entered the amount from the 2011 Schedule J, line 23, on line 44 of your 2011 Form 1040, on line 42 of 2011 Form 1040NR, or on Form 1040X for 2011), enter on line 9 the amount from your 2011 Schedule J, line 15.
- 2010 but not 2011, enter on line 9 the amount from your 2010 Schedule J, line 3.

If you figured your tax for both 2010 and 2011 without using Schedule J, enter on line 9 the taxable income from your 2010 tax return (or as previously adjusted by the IRS or corrected on an amended return). But if that amount is zero or less, complete the worksheet below to figure the amount to enter on line 9.

If you did not file a tax return for 2010, use the amount you would have reported as your taxable income had you been required to file a tax return. Be sure to keep all your records for 2010 until at least 3 years after April 15, 2013 (or the date you file your 2012 tax return, if later).

### Instructions for 2010 Taxable Income Worksheet

**Line 2.** Any net capital loss deduction on your 2010 Schedule D, line 21, is not allowed for income averaging purposes to the extent it did not reduce your capital loss carryover to 2011. This could happen if the taxable income before subtracting exemptions—shown on your 2010 Form 1040, line 41, or your 2010 Form 1040NR, line 39 (or as previously adjusted)—was less than zero. Enter on line 2 the amount by which your 2010 capital loss carryover to 2011 (the sum of your short- and long-term capital loss carryovers) exceeds the excess of the loss on your 2010 Schedule D, line 16, over the loss on your 2010 Schedule D, line 21. If you had any NOL carrybacks to 2010, be sure you refigured your 2010 capital loss carryover to 2011.

**Line 3.** If you had an NOL for 2010, enter the amount of that NOL from line 25 of the 2010 Form 1045, Schedule A, you filed with Form 1045 or Form 1040X. If you did not have an NOL for 2010, enter the portion, if any, of the NOL carryovers and carrybacks to 2010 that were not used in 2010 and were carried to years after 2010.

***Example.*** John Farmington did not use income averaging for 2009, 2010, or 2011. The taxable income before subtracting exemptions on his 2010 Form 1040, line 41, is a negative $29,900. A deduction for exemptions of $3,650 is shown on line 42, and line 43, taxable income, is limited to zero. John subtracts from the $29,900 loss the $3,650 deduction for exemptions. The result is a negative $33,550, John's 2010 taxable income, which he enters as a positive amount on line 1 of the 2010 Taxable Income Worksheet.

When John filed his 2010 tax return, he had a $3,000 net capital loss deduction on Schedule D, line 21 (which was also entered on Form 1040, line 13), and a $7,000 loss on Schedule D, line 16 (as adjusted). He also had a $7,000 capital loss carryover to 2011. John adds the $3,000 from Schedule D, line 21, and the $7,000 carryover. He subtracts from the $10,000 result the $7,000 loss on his Schedule D, line 16, and enters $3,000 on line 2 of the worksheet.

John enters $21,200 on line 3 of the worksheet, the 2010 NOL from his 2010 Form 1045, Schedule A, line 25. Of the $33,550 negative taxable income, the $3,650 deduction for exemptions, the $3,000 capital loss deduction, and his $5,700 standard deduction were not allowed in figuring the NOL. John had a $21,200 loss on his 2010 Schedule F, the only other item on his 2010 tax return.

John enters $24,200 (the $3,000 line 2 amount plus the $21,200 line 3 amount) on line 4 and $9,350 (the $33,550 line 1 amount minus the $24,200 line 4 amount) on line 5. He enters $9,350 as a negative amount on Schedule J, line 9. He enters $6,000 on Schedule J, line 10, and a negative $3,350 on Schedule J, line 11. If he uses Schedule J to figure his tax for 2013, he will enter the negative $3,350 amount on his 2013 Schedule J as his 2010 taxable income for income averaging purposes.

### 2010 Taxable Income Worksheet—Line 9

*Keep for Your Records*

Complete this worksheet if you **did not** use Schedule J to figure your tax for 2011 and your 2010 taxable income was zero or less. See the instructions above before completing this worksheet.

| | | | |
|---|---|---|---|
| **1.** | Figure the taxable income from your 2010 tax return (or as previously adjusted) without limiting it to zero. If you had an NOL for 2010, **do not** include any NOL carryovers or carrybacks to 2010. Enter the result as a positive amount | | **1.** _____ |
| **2.** | If there is a loss on your 2010 Schedule D, line 21, add that loss (as a positive amount) and your 2010 capital loss carryover to 2011. Subtract from that sum the amount of the loss on your 2010 Schedule D, line 16, and enter the result | **2.** _____ | |
| **3.** | If you had an NOL for 2010, enter it as a positive amount. Otherwise, enter as a positive amount the portion, if any, of the NOL carryovers and carrybacks to 2010 that were not used in 2010 and were carried to years after 2010 | **3.** _____ | |
| **4.** | Add lines 2 and 3 | | **4.** _____ |
| **5.** | Subtract line 4 from line 1. Enter the result as a **negative** amount on Schedule J, line 9 | | **5.** _____ |

## Line 12

If line 11 is zero or less, enter -0- on line 12. Otherwise, figure the tax on the amount on line 11 using:

- The 2010 Tax Rate Schedules below,
- The 2010 Qualified Dividends and Capital Gain Tax Worksheet, later,
- The 2010 Schedule D Tax Worksheet in the 2010 Schedule D instructions (but use the 2010 Tax Rate Schedules below when figuring the tax on the Schedule D Tax Worksheet, lines 34 and 36), or
- The 2010 Foreign Earned Income Tax Worksheet, later.

If your elected farm income includes net capital gain, you must use the 2010 Schedule D Tax Worksheet to figure the tax on the amount on line 11. However, if you filed Form 2555 or 2555-EZ for 2010, you must first complete the 2010 Foreign Earned Income Tax Worksheet, and then use the 2010 Schedule D Tax Worksheet to figure the tax on the amount on line 3 of that worksheet.

When completing the Schedule D Tax Worksheet, you must allocate 1/3 of the amount on line 2b (and 1/3 of the amount on line 2c, if any) to 2010. If for 2010 you had a capital loss that resulted in a capital loss carryover to 2011, do not reduce the elected farm income allocated to 2010 by any part of the carryover.

### 2010 Tax Rate Schedules—Line 12

**Schedule X**—Use if your **2010** filing status was **Single** or you checked filing status box 1 or 2 on Form 1040NR

| If Schedule J, line 11, is: *Over—* | *But not over—* | Enter on Schedule J, line 12 | | *of the amount over—* |
|---|---|---|---|---|
| $0 | $8,375 | ..... | **10%** | **$0** |
| 8,375 | 34,000 | **$837.50 +** | **15%** | **8,375** |
| 34,000 | 82,400 | **4,681.25 +** | **25%** | **34,000** |
| 82,400 | 171,850 | **16,781.25+** | **28%** | **82,400** |
| 171,850 | 373,650 | **41,827.25+** | **33%** | **171,850** |
| 373,650 | ..... | **108,421.25+** | **35%** | **373,650** |

**Schedule Y-2**—Use if your **2010** filing status was **Married filing separately** or you checked filing status box 3, 4, or 5 on Form 1040NR

| If Schedule J, line 11, is: *Over—* | *But not over—* | Enter on Schedule J, line 12 | | *of the amount over—* |
|---|---|---|---|---|
| $0 | $8,375 | ..... | **10%** | **$0** |
| 8,375 | 34,000 | **$837.50 +** | **15%** | **8,375** |
| 34,000 | 68,650 | **4,681.25 +** | **25%** | **34,000** |
| 68,650 | 104,625 | **13,343.75+** | **28%** | **68,650** |
| 104,625 | 186,825 | **23,416.75+** | **33%** | **104,625** |
| 186,825 | ..... | **50,542.75+** | **35%** | **186,825** |

**Schedule Y-1**—Use if your **2010** filing status was **Married filing jointly** or **Qualifying widow(er)** or you checked filing status box 6 on Form 1040NR

| If Schedule J, line 11, is: *Over—* | *But not over—* | Enter on Schedule J, line 12 | | *of the amount over—* |
|---|---|---|---|---|
| $0 | $16,750 | ..... | **10%** | **$0** |
| 16,750 | 68,000 | **$1,675.00+** | **15%** | **16,750** |
| 68,000 | 137,300 | **9,362.50 +** | **25%** | **68,000** |
| 137,300 | 209,250 | **26,687.50+** | **28%** | **137,300** |
| 209,250 | 373,650 | **46,833.50+** | **33%** | **209,250** |
| 373,650 | ..... | **101,085.50+** | **35%** | **373,650** |

**Schedule Z**—Use if your **2010** filing status was **Head of household**

| If Schedule J, line 11, is: *Over—* | *But not over—* | Enter on Schedule J, line 12 | | *of the amount over—* |
|---|---|---|---|---|
| $0 | $11,950 | ..... | **10%** | **$0** |
| 11,950 | 45,550 | **$1,195.00 +** | **15%** | **11,950** |
| 45,550 | 117,650 | **6,235.00 +** | **25%** | **45,550** |
| 117,650 | 190,550 | **24,260.00+** | **28%** | **117,650** |
| 190,550 | 373,650 | **44,672.00+** | **33%** | **190,550** |
| 373,650 | ..... | **105,095.00+** | **35%** | **373,650** |

## 2010 Qualified Dividends and Capital Gain Tax Worksheet—Line 12

*Keep for Your Records*

Use this worksheet **only** if both of the following apply.

- Your elected farm income on your 2012 Schedule J, line 2a, does not include any net capital gain.
- You **(a)** entered qualified dividends on your 2010 Form 1040, line 9b (or your 2010 Form 1040A, line 9b, or 2010 Form 1040NR, line 10b); **(b)** entered capital gain distributions directly on your 2010 Form 1040, line 13 (or your 2010 Form 1040A, line 10, or 2010 Form 1040NR, line 14) and were not required to file Schedule D; or **(c)** filed Schedule D in 2010 and you answered "Yes" on lines 17 and 20 of that Schedule D.

| | | | |
|---|---|---|---|
| **1.** | Amount from your 2012 Schedule J, line 11. If for 2010 you filed Form 2555 or 2555-EZ, enter the amount from line 3 of the 2010 Foreign Earned Income Tax Worksheet | **1.** | _____ |
| **2.** | Amount from your 2010 Form 1040, line 9b* (or your 2010 Form 1040A, line 9b, or 2010 Form 1040NR, line 10b) | **2.** | _____ |
| **3.** | Did you file Schedule D in 2010?*<br>☐ **Yes.** Enter the **smaller** of line 15 or 16 of your 2010 Schedule D, but do not enter less than -0-<br>☐ **No.** Enter the amount from your 2010 Form 1040, line 13 (or your 2010 Form 1040A, line 10, or 2010 Form 1040NR, line 14) | **3.** | _____ |
| **4.** | Add lines 2 and 3 | **4.** | _____ |
| **5.** | Amount, if any, from your 2010 Form 4952, line 4g | **5.** | _____ |
| **6.** | Subtract line 5 from line 4. If zero or less, enter -0- | **6.** | _____ |
| **7.** | Subtract line 6 from line 1. If zero or less, enter -0- | **7.** | _____ |
| **8.** | Enter one of the following three amounts depending on your filing status:<br>• $34,000 if single or married filing separately, or if you checked filing status box 1, 2, 3, 4, or 5 on Form 1040NR;<br>• $68,000 if married filing jointly or qualifying widow(er) or if you checked filing status box 6 on Form 1040NR;<br>• $45,550 if head of household. | **8.** | _____ |
| **9.** | Enter the smaller of line 1 or line 8 | **9.** | _____ |
| **10.** | Enter the smaller of line 7 or line 9 | **10.** | _____ |
| **11.** | Subtract line 10 from line 9. This amount is taxed at 0% | **11.** | _____ |
| **12.** | Enter the smaller of line 1 or line 6 | **12.** | _____ |
| **13.** | Enter the amount from line 11 | **13.** | _____ |
| **14.** | Subtract line 13 from line 12 | **14.** | _____ |
| **15.** | Multiply line 14 by 15% (.15) | **15.** | _____ |
| **16.** | Figure the tax on the amount on line 7. Use the 2010 Tax Rate Schedules | **16.** | _____ |
| **17.** | Add lines 15 and 16 | **17.** | _____ |
| **18.** | Figure the tax on the amount on line 1. Use the 2010 Tax Rate Schedules | **18.** | _____ |
| **19.** | **Tax.** Enter the **smaller** of line 17 or line 18 here and on your 2012 Schedule J, line 12. If for 2010 you filed Form 2555 or 2555-EZ, do not enter this amount on Schedule J, line 12. Instead, enter it on line 4 of the 2010 Foreign Earned Income Tax Worksheet | **19.** | _____ |

**If for 2010 you filed Form 2555 or 2555-EZ, see the footnote in the 2010 Foreign Earned Income Tax Worksheet before completing this line.*

## 2010 Foreign Earned Income Tax Worksheet—Line 12

*Keep for Your Records*

Use this worksheet if you claimed the foreign earned income exclusion or housing exclusion on your 2010 Form 1040 using Form 2555 or 2555-EZ. However, if Schedule J, line 11, is zero or less do not complete this worksheet.

| | | |
|---|---|---|
| **1.** Enter the amount from your 2012 Schedule J, line 11 | **1.** | _____ |
| **2.** Enter the amount from your (and your spouse's, if filing jointly) 2010 Form 2555, lines 45 and 50, or Form 2555-EZ, line 18 | **2.** | _____ |
| **3.** Add lines 1 and 2 | **3.** | _____ |
| **4.** **Tax on the amount on line 3**. Use the 2010 Tax Rate Schedules, the 2010 Qualified Dividends and Capital Gain Tax Worksheet,* or the 2010 Schedule D Tax Worksheet in the 2010 Schedule D instructions,* whichever applies. | **4.** | _____ |
| **5.** **Tax on the amount on line 2**. Use the 2010 Tax Rate Schedules. | **5.** | _____ |
| **6.** Subtract line 5 from line 4. Enter the result. If zero or less, enter -0-. Also include this amount on your 2012 Schedule J, line 12 | **6.** | _____ |

**Enter the amount from line 3 above on line 1 of the 2010 Qualified Dividends and Capital Gain Tax Worksheet or the 2010 Schedule D Tax Worksheet if you use either of those worksheets to figure the tax on line 4 above. Complete the rest of that worksheet through line 6 (line 10 if you use the Schedule D Tax Worksheet). Next, you must determine if you had a capital gain excess. To find out if you had a capital gain excess, subtract the amount from your 2012 Schedule J, line 11, from line 6 of your 2010 Qualified Dividends and Capital Gain Tax Worksheet (line 10 of your 2010 Schedule D Tax Worksheet). If the result is more than zero, that amount is your capital gain excess.*

*If you did not have a capital gain excess, complete the rest of either of those worksheets according to the worksheet's instructions. Then complete lines 5 and 6 above.*

*If you had a capital gain excess, complete a second 2010 Qualified Dividends and Capital Gain Tax Worksheet or 2010 Schedule D Tax Worksheet (whichever applies) as instructed above but in its entirety and with the following additional modifications. Then complete lines 5 and 6 above. These modifications are to be made only for purposes of filling out the 2010 Foreign Earned Income Tax Worksheet above.*

*1. Reduce (but not below zero) the amount you would otherwise enter on line 3 of your 2010 Qualified Dividends and Capital Gain Tax Worksheet or line 9 of your 2010 Schedule D Tax Worksheet by your capital gain excess.*

*2. Reduce (but not below zero) the amount you would otherwise enter on line 2 of your 2010 Qualified Dividends and Capital Gain Tax Worksheet or line 6 of your 2010 Schedule D Tax Worksheet by any of your capital gain excess not used in (1) above.*

*3. Reduce (but not below zero) the amount on your 2010 Schedule D (Form 1040), line 18, by your capital gain excess.*

*4. Include your capital gain excess as a loss on line 16 of your 2010 Unrecaptured Section 1250 Gain Worksheet in the 2010 Instructions for Schedule D (Form 1040).*

## Line 13

If you used Schedule J to figure your tax for 2011 (that is, you entered the amount from the 2011 Schedule J, line 23, on line 44 of your 2011 Form 1040, on line 42 of your 2011 Form 1040NR, or on Form 1040X for 2011), enter on line 13 the amount from your 2011 Schedule J, line 3.

If you did not use Schedule J to figure your tax for 2011, enter on line 13 the taxable income from your 2011 tax return (or as previously adjusted by the IRS or corrected on an amended return). But if that amount is zero or less, complete the worksheet below to figure the amount to enter on line 13.

If you did not file a tax return for 2011, use the amount you would have reported as your taxable income had you been required to file a tax return. Be sure to keep all your records for 2011 until at least 3 years after April 15, 2013 (or the date you file your 2012 tax return, if later).

### Instructions for 2011 Taxable Income Worksheet

**Line 2.** Any net capital loss deduction on your 2011 Schedule D, line 21, is not allowed for income averaging purposes to the extent it did not reduce your capital loss carryover to 2012. This could happen if the taxable income before subtracting exemptions—shown on your 2011 Form 1040, line 41, or your 2011 Form 1040NR, line 39 (or as previously adjusted)—was less than zero. Enter on line 2 the amount by which your 2011 capital loss carryover to 2012 (the sum of your short- and long-term capital loss carryovers) exceeds the excess of the loss on your 2011 Schedule D, line 16, over the loss on your 2011 Schedule D, line 21.

**Line 3.** If you had an NOL for 2011, enter the amount of that NOL from line 25 of the 2011 Form 1045, Schedule A, you filed with Form 1045 or Form 1040X. If you did not have an NOL for 2011, enter the portion, if any, of the NOL carryovers and carrybacks to 2011 that were not used in 2011 and were carried to years after 2011.

***Example.*** John Farmington did not use income averaging for 2009, 2010, or 2011. The taxable income before subtracting exemptions on his 2011 Form 1040, line 41, is a negative $1,000. This amount includes an NOL deduction on his 2011 Form 1040, line 21, of $1,500. The $1,500 is the portion of the 2010 NOL that was remaining from 2009 to be carried to 2011. See the examples, earlier. A deduction for exemptions of $3,700 is shown on Form 1040, line 42, and line 43, taxable income, is limited to zero. John does not have an NOL for 2011. John subtracts from the $1,000 negative amount on Form 1040, line 41, the $3,700 deduction for exemptions. The result is a negative $4,700, John's 2011 taxable income, which he enters as a positive amount on line 1 of the 2011 Taxable Income Worksheet.

When John filed his 2011 tax return, he had a $3,000 net capital loss deduction on Schedule D, line 21 (which was also entered on Form 1040, line 13), a $7,000 loss on Schedule D, line 16, and a $5,000 capital loss carryover to 2012 (his 2011 capital loss carryover to 2012 was $5,000, not $4,000, because the amount on his Form 1040, line 41, was a negative $1,000). John adds the $3,000 from Schedule D, line 21, and the $5,000 carryover. He subtracts from the $8,000 result the $7,000 loss on his Schedule D, line 16, and enters $1,000 on line 2 of the worksheet.

John enters -0- on line 3 of the worksheet because he does not have an NOL for 2011 and did not have an NOL carryover from 2011 available to carry to 2012 and later years. The NOL deduction for 2011 of $1,500 was reduced to zero because it did not exceed his modified taxable income of $3,500. Modified taxable income is figured by adding back the $3,000 net capital loss deduction and the $3,700 exemption deduction to negative taxable income (figured without regard to the NOL deduction) of $3,200. John enters $1,000 on line 4 and $3,700 on line 5. He enters $3,700 as a negative amount on Schedule J, line 13. He enters $6,000 on Schedule J, line 14, and $2,300 on Schedule J, line 15. If he uses Schedule J to figure his tax for 2013, he will enter $2,300 on his 2013 Schedule J as his 2011 taxable income for income averaging purposes.

### 2011 Taxable Income Worksheet—Line 13

*Keep for Your Records*

Complete this worksheet if your 2011 taxable income was zero or less. See the instructions above before completing this worksheet.

| | | | |
|---|---|---|---|
| **1.** | Figure the taxable income from your 2011 tax return (or as previously adjusted) without limiting it to zero. If you had an NOL for 2011, **do not** include any NOL carryovers or carrybacks to 2011. Enter the result as a positive amount | | **1.** _____ |
| **2.** | If there is a loss on your 2011 Schedule D, line 21, add that loss (as a positive amount) and your 2011 capital loss carryover to 2012. Subtract from that sum the amount of the loss on your 2011 Schedule D, line 16, and enter the result | **2.** _____ | |
| **3.** | If you had an NOL for 2011, enter it as a positive amount. Otherwise, enter as a positive amount the portion, if any, of the NOL carryovers and carrybacks to 2011 that were not used in 2011 and were carried to years after 2011 | **3.** _____ | |
| **4.** | Add lines 2 and 3 | | **4.** _____ |
| **5.** | Subtract line 4 from line 1. Enter the result as a **negative** amount on Schedule J, line 13 | | **5.** _____ |

## Line 16

If line 15 is zero or less, enter -0- on line 16. Otherwise, figure the tax on the amount on line 15 using:

- The 2011 Tax Rate Schedules below,
- The 2011 Qualified Dividends and Capital Gain Tax Worksheet, later,
- The 2011 Schedule D Tax Worksheet in the 2011 Schedule D instructions (but use the 2011 Tax Rate Schedules when figuring the tax on the Schedule D Tax Worksheet, lines 34 and 36), or
- The 2011 Foreign Earned Income Tax Worksheet, later.

If your elected farm income includes net capital gain, you must use the 2011 Schedule D Tax Worksheet to figure the tax on the amount on line 15. However, if you filed Form 2555 or 2555-EZ for 2011, you must first complete the 2011 Foreign Earned Income Tax Worksheet, and then use the 2011 Schedule D Tax Worksheet to figure the tax on the amount on line 3 of that worksheet.

When completing the Schedule D Tax Worksheet, you must allocate 1/3 of the amount on line 2b (and 1/3 of the amount on line 2c, if any) to 2011. If for 2011 you had a capital loss that resulted in a capital loss carryover to 2012, do not reduce the elected farm income allocated to 2011 by any part of the carryover.

### 2011 Tax Rate Schedules—Line 16

**Schedule X—**Use if your **2011** filing status was **Single** or you checked filing status box 1 or 2 on Form 1040NR

| If Schedule J, line 15, is: *Over—* | *But not over—* | Enter on Schedule J, line 16 | | *of the amount over—* |
|---|---|---|---|---|
| $0 | $8,500 | ..... | **10%** | **$0** |
| 8,500 | 34,500 | **$850.00 +** | **15%** | **8,500** |
| 34,500 | 83,600 | **4,750.00 +** | **25%** | **34,500** |
| 83,600 | 174,400 | **17,025.00+** | **28%** | **83,600** |
| 174,400 | 379,150 | **42,449.00+** | **33%** | **174,400** |
| 379,150 | ..... | **110,016.50+** | **35%** | **379,150** |

**Schedule Y-2—**Use if your **2011** filing status was **Married filing separately** or you checked filing status box 3, 4, or 5 on Form 1040NR

| If Schedule J, line 15, is: *Over—* | *But not over—* | Enter on Schedule J, line 16 | | *of the amount over—* |
|---|---|---|---|---|
| $0 | $8,500 | ..... | **10%** | **$0** |
| 8,500 | 34,500 | **$850.00 +** | **15%** | **8,500** |
| 34,500 | 69,675 | **4,750.00 +** | **25%** | **34,500** |
| 69,675 | 106,150 | **13,543.75+** | **28%** | **69,675** |
| 106,150 | 189,575 | **23,756.75+** | **33%** | **106,150** |
| 189,575 | ..... | **51,287.00+** | **35%** | **189,575** |

**Schedule Y-1—**Use if your **2011** filing status was **Married filing jointly** or **Qualifying widow(er)** or you checked filing status box 6 on Form 1040NR

| If Schedule J, line 15, is: *Over—* | *But not over—* | Enter on Schedule J, line 16 | | *of the amount over—* |
|---|---|---|---|---|
| $0 | $17,000 | ..... | **10%** | **$0** |
| 17,000 | 69,000 | **$1,700.00+** | **15%** | **17,000** |
| 69,000 | 139,350 | **9,500.00 +** | **25%** | **69,000** |
| 139,350 | 212,300 | **27,087.50+** | **28%** | **139,350** |
| 212,300 | 379,150 | **47,513.50+** | **33%** | **212,300** |
| 379,150 | ..... | **102,574.00+** | **35%** | **379,150** |

**Schedule Z—**Use if your **2011** filing status was **Head of household**

| If Schedule J, line 15, is: *Over—* | *But not over—* | Enter on Schedule J, line 16 | | *of the amount over—* |
|---|---|---|---|---|
| $0 | $12,150 | ..... | **10%** | **$0** |
| 12,150 | 46,250 | **$1,215.00+** | **15%** | **12,150** |
| 46,250 | 119,400 | **6,330.00 +** | **25%** | **46,250** |
| 119,400 | 193,350 | **24,617.50+** | **28%** | **119,400** |
| 193,350 | 379,150 | **45,323.50+** | **33%** | **193,350** |
| 379,150 | ..... | **106,637.50+** | **35%** | **379,150** |

## 2011 Qualified Dividends and Capital Gain Tax Worksheet—Line 16

*Keep for Your Records*

Use this worksheet **only** if both of the following apply.

- Your elected farm income on your 2012 Schedule J, line 2a, does not include any net capital gain.
- You **(a)** entered qualified dividends on your 2011 Form 1040, line 9b (or your 2011 Form 1040A, line 9b, or 2011 Form 1040NR, line 10b); **(b)** entered capital gain distributions directly on your 2011 Form 1040, line 13 (or your 2011 Form 1040A, line 10, or 2011 Form 1040NR, line 14) and were not required to file Schedule D; or **(c)** filed Schedule D in 2011 and you answered "Yes" on lines 17 and 20 of that Schedule D.

**1.** Amount from your 2012 Schedule J, line 15. If for 2011 you filed Form 2555 or 2555-EZ, enter the amount from line 3 of the 2011 Foreign Earned Income Tax Worksheet . . . . . **1.** _____

**2.** Amount from your 2011 Form 1040, line 9b* (or your 2011 Form 1040A, line 9b, or 2011 Form 1040NR, line 10b) . . . . . **2.** _____

**3.** Did you file Schedule D in 2011?*

☐ **Yes.** Enter the **smaller** of line 15 or 16 of your 2011 Schedule D, but do not enter less than -0-

☐ **No.** Enter the amount from your 2011 Form 1040, line 13 (or your 2011 Form 1040A, line 10, or 2011 Form 1040NR, line 14)

. . **3.** _____

**4.** Add lines 2 and 3 . . . . . **4.** _____

**5.** Amount, if any, from your 2011 Form 4952, line 4g . . . . . **5.** _____

**6.** Subtract line 5 from line 4. If zero or less, enter -0- . . . . . **6.** _____

**7.** Subtract line 6 from line 1. If zero or less, enter -0- . . . . . **7.** _____

**8.** Enter one of the following three amounts depending on your filing status:

- $34,500 if single or married filing separately, or if you checked filing status box 1, 2, 3, 4, or 5 on Form 1040NR;
- $69,000 if married filing jointly or qualifying widow(er) or if you checked filing status box 6 on Form 1040NR;
- $46,250 if head of household.

. . . . . **8.** _____

**9.** Enter the smaller of line 1 or line 8 . . . . . **9.** _____

**10.** Enter the smaller of line 7 or line 9 . . . . . **10.** _____

**11.** Subtract line 10 from line 9. This amount is taxed at 0% . . . . . **11.** _____

**12.** Enter the smaller of line 1 or line 6 . . . . . **12.** _____

**13.** Enter the amount from line 11 . . . . . **13.** _____

**14.** Subtract line 13 from line 12 . . . . . **14.** _____

**15.** Multiply line 14 by 15% (.15) . . . . . **15.** _____

**16.** Figure the tax on the amount on line 7. Use the 2011 Tax Rate Schedules . . . . . **16.** _____

**17.** Add lines 15 and 16 . . . . . **17.** _____

**18.** Figure the tax on the amount on line 1. Use the 2011 Tax Rate Schedules . . . . . **18.** _____

**19.** **Tax.** Enter the **smaller** of line 17 or line 18 here and on your 2012 Schedule J, line 16. If for 2011 you filed Form 2555 or 2555-EZ, do not enter this amount on Schedule J, line 16. Instead, enter it on line 4 of the 2011 Foreign Earned Income Tax Worksheet . . . . . **19.** _____

**If for 2011 you filed Form 2555 or 2555-EZ, see the footnote in the 2011 Foreign Earned Income Tax Worksheet before completing this line.*

## 2011 Foreign Earned Income Tax Worksheet—Line 16

*Keep for Your Records*

Use this worksheet if you claimed the foreign earned income exclusion or housing exclusion on your 2011 Form 1040 using Form 2555 or 2555-EZ. However, if Schedule J, line 15, is zero or less, do not complete this worksheet.

| | | |
|---|---|---|
| **1.** Enter the amount from your 2012 Schedule J, line 15 | **1.** | _____ |
| **2.** Enter the amount from your (and your spouse's, if filing jointly) 2011 Form 2555, lines 45 and 50, or Form 2555-EZ, line 18 | **2.** | _____ |
| **3.** Add lines 1 and 2 | **3.** | _____ |
| **4.** **Tax on the amount on line 3**. Use the 2011 Tax Rate Schedules, the 2011 Qualified Dividends and Capital Gain Tax Worksheet,* or the 2011 Schedule D Tax Worksheet in the 2011 Schedule D instructions,* whichever applies. | **4.** | _____ |
| **5.** **Tax on the amount on line 2**. Use the 2011 Tax Rate Schedules. | **5.** | _____ |
| **6.** Subtract line 5 from line 4. Enter the result. If zero or less, enter -0-. Also include this amount on your 2012 Schedule J, line 16 | **6.** | _____ |

**Enter the amount from line 3 above on line 1 of the 2011 Qualified Dividends and Capital Gain Tax Worksheet or the 2011 Schedule D Tax Worksheet if you use either of those worksheets to figure the tax on line 4 above. Complete the rest of that worksheet through line 6 (line 10 if you use the Schedule D Tax Worksheet). Next, you must determine if you had a capital gain excess. To find out if you had a capital gain excess, subtract the amount from your 2012 Schedule J, line 15, from line 6 of your 2011 Qualified Dividends and Capital Gain Tax Worksheet (line 10 of your 2011 Schedule D Tax Worksheet). If the result is more than zero, that amount is your capital gain excess.*

*If you did not have a capital gain excess, complete the rest of either of those worksheets according to the worksheet's instructions. Then complete lines 5 and 6 above.*

*If you had a capital gain excess, complete a second 2011 Qualified Dividends and Capital Gain Tax Worksheet or 2011 Schedule D Tax Worksheet (whichever applies) as instructed above but in its entirety and with the following additional modifications. Then complete lines 5 and 6 above. These modifications are to be made only for purposes of filling out the 2011 Foreign Earned Income Tax Worksheet above.*

*1. Reduce (but not below zero) the amount you would otherwise enter on line 3 of your 2011 Qualified Dividends and Capital Gain Tax Worksheet or line 9 of your 2011 Schedule D Tax Worksheet by your capital gain excess.*

*2. Reduce (but not below zero) the amount you would otherwise enter on line 2 of your 2011 Qualified Dividends and Capital Gain Tax Worksheet or line 6 of your 2011 Schedule D Tax Worksheet by any of your capital gain excess not used in (1) above.*

*3. Reduce (but not below zero) the amount on your 2011 Schedule D (Form 1040), line 18, by your capital gain excess.*

*4. Include your capital gain excess as a loss on line 16 of your 2011 Unrecaptured Section 1250 Gain Worksheet in the 2011 Instructions for Schedule D (Form 1040).*

## Lines 19, 20, and 21

For reporting purposes, the “tax” line of your tax return may include amounts that are not tax imposed by section 1 of the Internal Revenue Code. For example, your "tax" line may, in addition to the tax imposed by section 1, include amounts from Forms 8814 or 4972; alternative minimum tax if you filed Form 1040A; or amounts from the recapture of an education credit. Do not include these other tax amounts on lines 19 through 21.

If you amended your return or the IRS made changes to it, make sure you enter the corrected amount.

Department of the Treasury
**Internal Revenue Service**

# 2012 Instructions for Schedule R (Form 1040A or 1040)

## Credit for the Elderly or the Disabled

Use Schedule R (Form 1040A or 1040) to figure the credit for the elderly or the disabled.

**Future Developments.** For the latest information about developments related to Schedule R (Form 1040A or Form 1040) and it's instructions, such as legislation enacted after they were published, go to *www.irs.gov/form1040*.

**Additional information.** See Pub. 524 for more details.

## Who Can Take the Credit

The credit is based on your filing status, age, and income. If you are married filing a joint return, it is also based on your spouse's age and income. You may be able to take this credit if either of the following applies.

1. You were age 65 or older at the end of 2012, or
2. You were under age 65 at the end of 2012 and you meet all of the following.

a. You were permanently and totally disabled on the date you retired. If you retired before 1977, you must have been permanently and totally disabled on January 1, 1976, or January 1, 1977.

b. You received taxable disability income for 2012.

c. On January 1, 2012, you had not reached mandatory retirement age (the age when your employer's retirement program would have required you to retire).

For the definition of permanent and total disability, see *What Is Permanent and Total Disability?*, later. Also, see the instructions for Part II.

### Age 65

You are considered age 65 on the day before your 65th birthday. As a result, if you were born on January 1, 1948, you are considered to be age 65 at the end of 2012.

### Married Persons Filing Separate Returns

If your filing status is married filing separately and you lived with your spouse at any time during 2012, you cannot take the credit.

### Nonresident Aliens

If you were a nonresident alien at any time during 2012, you may be able to take the credit only if your filing status is married filing jointly.

### Income Limits

See *Income Limits for the Elderly or the Disabled*, later.

### Want the IRS To Figure Your Credit?

If you can take the credit and you want us to figure it for you, check the box in Part I of Schedule R (Form 1040A or 1040) for your filing status and age. Fill in Part II and lines 11 and 13 of Part III if they apply to you. If you file Form 1040A, enter "CFE" in the space to the left of Form 1040A, line 30. If you file Form 1040, check box **c** on Form 1040, line 53, and enter "CFE" on the line next to that box. Attach Schedule R (Form 1040A or 1040) to your return.

### What Is Permanent and Total Disability?

A person is permanently and totally disabled if both 1 and 2 below apply.

1. He or she cannot engage in any substantial gainful activity because of a physical or mental condition.
2. A qualified physician determines that the condition has lasted or can be expected to last continuously for at least a year or can lead to death.

Examples 1 and 2, next, show situations in which the individuals are considered engaged in a substantial gainful activity. Example 3 shows a person who might not be considered engaged in a substantial gainful activity. In each example, the person was under age 65 at the end of the year.



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### Income Limits for the Credit for the Elderly or the Disabled

| IF you are . . . | THEN you generally cannot take the credit if: The amount on Form 1040A, line 22, or Form 1040, line 38, is . . . | Or you received . . . |
|---|---|---|
| Single, head of household, or qualifying widow(er) with dependent child | $17,500 or more | $5,000 or more of nontaxable social security or other nontaxable pensions, annuities, or disability income |
| Married filing jointly and only one spouse is eligible for the credit | $20,000 or more | $5,000 or more of nontaxable social security or other nontaxable pensions, annuities, or disability income |
| Married filing jointly and both spouses are eligible for the credit | $25,000 or more | $7,500 or more of nontaxable social security or other nontaxable pensions, annuities, or disability income |
| Married filing separately and you lived apart from your spouse for all of 2012 | $12,500 or more | $3,750 or more of nontaxable social security or other nontaxable pensions, annuities, or disability income |

**Example 1.** Sue retired on disability as a sales clerk. She now works as a full-time babysitter earning minimum wage. Although she does different work, Sue babysits on ordinary terms for the minimum wage. She cannot take the credit because she is engaged in a substantial gainful activity.

**Example 2.** Mary, the president of XYZ Corporation, retired on disability because of her terminal illness. On her doctor's advice, she works part time as a manager and is paid more than the minimum wage. Her employer sets her days and hours. Although Mary's illness is terminal and she works part time, the work is done at her employer's convenience. Mary is considered engaged in a substantial gainful activity and cannot take the credit.

**Example 3.** John, who retired on disability, took a job with a former employer on a trial basis. The purpose of the job was to see if John could do the work. The trial period lasted for some time during which John was paid at a rate equal to the minimum wage. But because of John's disability, he was given only light duties of a nonproductive, make-work nature. Unless the activity is both substantial and gainful, John is not engaged in a substantial gainful activity. The activity was gainful because John was paid at a rate at or above the minimum wage. However, the activity was not substantial because the duties were of a nonproductive, make-work nature. More facts are needed to determine if John is able to engage in a substantial gainful activity.

## Disability Income

Generally, disability income is the total amount you were paid under your employer's accident and health plan or pension plan that is included in your income as wages or payments instead of wages for the time you were absent from work because of permanent and total disability. However, any payment you received from a plan that does not provide for disability retirement is not disability income.

In figuring the credit, disability income does not include any amount you received from your employer's pension plan after you have reached mandatory retirement age.

For more details on disability income, see Pub. 525.

# Part II. Statement of Permanent and Total Disability

If you checked box 2, 4, 5, 6, or 9 in Part I and you did not file a physician's statement for 1983 or an earlier year, or you filed or got a statement for tax years after 1983 and your physician signed on line A of the statement, you must have your physician complete a statement certifying that:

- You were permanently and totally disabled on the date you retired, or
- If you retired before 1977, you were permanently and totally disabled on January 1, 1976, or January 1, 1977.

You do not have to file this statement with your tax return. But you must keep it for your records. You can use the physician's statement later in these instructions for this purpose. Your physician should show on the statement if the disability has lasted or can be expected to last continuously for at least a year, or if there is no reasonable probability that the disabled condition will ever improve. If you file a joint return and you checked box 5 in Part I, you and your spouse must each get a statement.

If you filed a physician's statement for 1983 or an earlier year, or you filed or got a statement for tax

years after 1983 and your physician signed on line B of the statement, you do not have to get another statement for 2012. But you must check the box on line 2 in Part II to certify all three of the following.

1. You filed or got a physician's statement in an earlier year.

2. You were permanently and totally disabled during 2012.

3. You were unable to engage in any substantial gainful activity during 2012 because of your physical or mental condition.

If you checked box 4, 5, or 6 in Part I, enter in the space above the box on line 2 in Part II the first name(s) of the spouse(s) for whom the box is checked.

If the Department of Veterans Affairs (VA) certifies that you are permanently and totally disabled, you can use VA Form 21-0172 instead of the physician's statement. VA Form 21-0172 must be signed by a person authorized by the VA to do so. You can get this form from your local VA regional office.

# Part III. Figure Your Credit

## Line 11

If you checked box 2, 4, 5, 6, or 9 in Part I, use the following chart to complete line 11.

| IF you checked . . . | THEN enter on line 11 . . . |
|---|---|
| Box 6 | The total of $5,000 plus the disability income you reported on Form 1040A or 1040 for the spouse who was under age 65. |
| Box 2, 4, or 9 | The total amount of disability income you reported on Form 1040A or 1040. |
| Box 5 | The total amount of disability income you reported on Form 1040A or 1040 for both you and your spouse. |

**Example 1.** Bill, age 63, retired on permanent and total disability in 2012. He received $4,000 of taxable disability income that he reports on Form 1040, line 7. He is filing jointly with his wife who was age 67 in 2012, and he checked box 6 in Part I. On line 11, Bill enters $9,000 ($5,000 plus the $4,000 of disability income he reports on Form 1040, line 7).

**Example 2.** John checked box 2 in Part I and enters $5,000 on line 10. He received $3,000 of taxable disability income, which he enters on line 11. John also enters $3,000 on line 12 (the smaller of line 10 or line 11). The largest amount he can use to figure the credit is $3,000.

## Lines 13a Through 18

The amount on which you figure your credit can be reduced if you received certain types of nontaxable pensions, annuities, or disability income. The amount can also be reduced if your adjusted gross income is over a certain amount, depending on which box you checked in Part I.

**Line 13a.** Enter any social security benefits (before deduction of Medicare premiums) you (and your spouse if filing jointly) received for 2012 that are not taxable. Also, enter any tier 1 railroad retirement benefits treated as social security that are not taxable.

If any of your social security or equivalent railroad retirement benefits are taxable, the amount to enter on this line is generally the difference between the amounts entered on Form 1040A, line 14a and line 14b, or Form 1040, line 20a and line 20b.

CAUTION *If your social security or equivalent railroad retirement benefits are reduced because of workers' compensation benefits, treat the workers' compensation benefits as social security benefits when completing Schedule R (Form 1040A or 1040), line 13a.*

**Line 13b.** Enter the total of the following types of income that you (and your spouse if filing jointly) received for 2012.

- Veterans' pensions (but not military disability pensions).
- Any other pension, annuity, or disability benefit that is excluded from income under any provision of federal law other than the Internal Revenue Code. Do not include amounts that are treated as a return of your cost of a pension or annuity.

### Credit Limit Worksheet—Line 21

*Keep for Your Records*

Use this worksheet to figure your credit limit.

| | | |
|---|---|---|
| 1. | Enter the amount from Form 1040A, line 28; or Form 1040, line 46 | 1. _____ |
| 2. | Enter the amount from Form 1040A, line 29; or Form 1040, lines 47 and 48 | 2. _____ |
| 3. | Subtract line 2 from line 1. Enter this amount on Schedule R (Form 1040A or 1040), line 21. But if zero or less, **STOP**, you cannot take this credit. | 3. _____ |

Do not include on line 13b any pension, annuity, or similar allowance for personal injuries or sickness resulting from active service in the armed forces of any country, or in the National Oceanic and Atmospheric Administration or the Public Health Service. Also, do not include a disability annuity payable under section 808 of the Foreign Service Act of 1980.

## Instructions for Physician's Statement

**Taxpayer**

If you retired after 1976, enter the date you retired in the space provided on the statement below.

**Physician**

A person is permanently and totally disabled if both of the following apply.

1. He or she cannot engage in any substantial gainful activity because of a physical or mental condition.
2. A physician determines that the disability has lasted or can be expected to last continuously for at least a year or can lead to death.

## Physician's Statement

*Keep for Your Records*

I certify that

_____

Name of disabled person

was permanently and totally disabled on January 1, 1976, or January 1, 1977, or was permanently and totally disabled on the

date he or she retired. If retired after 1976, enter the date retired. ▶ _____

**Physician:** Sign your name on either line A or B below.

A The disability has lasted or can be expected to last continuously for at least a year ..... _____

Physician's signature Date

B There is no reasonable probability that the disabled condition will ever improve ..... _____

Physician's signature Date

| Physician's name | Physician's address |
|---|---|
| | |

Department of the Treasury
**Internal Revenue Service**

# 2012 Instructions for Schedule SE (Form 1040)

## Self-Employment Tax

Use Schedule SE (Form 1040) to figure the tax due on net earnings from self-employment. The Social Security Administration uses the information from Schedule SE to figure your benefits under the social security program. This tax applies no matter how old you are and even if you are already getting social security or Medicare benefits.

**Additional information.** See Pub. 225 or Pub. 334.

Section references are to the Internal Revenue Code unless otherwise noted.

## Future Developments

For the latest information about developments related to Schedule SE (Form 1040) and its instructions, such as legislation enacted after they were published, go to *www.irs.gov/form1040*.

## What's New

**Maximum income subject to social security tax.** For 2012, the maximum amount of self-employment income subject to social security tax is $110,100.

## General Instructions

### Who Must File Schedule SE

You must file Schedule SE if:

- The amount on line 4 of Short Schedule SE or line 4c of Long Schedule SE is $400 or more, **or**
- You had church employee income of $108.28 or more. Income from services you performed as a minister or a member of a religious order **is not** church employee income. See *Employees of Churches and Church Organizations*.

**Note.** Even if you had a loss or a small amount of income from self-employment, it may be to your benefit to file Schedule SE and use either "optional method" in Part II of Long Schedule SE (discussed later).

**Exception.** If your only self-employment income was from earnings as a minister, member of a religious order, or Christian Science practitioner, see *Ministers and Members of Religious Orders*.

### Who Must Pay Self-Employment (SE) Tax

#### Self-Employed Persons

You must pay SE tax if you had net earnings of $400 or more as a self-employed person. If you are in business (farm or nonfarm) for yourself, you are self-employed.

You must also pay SE tax on your share of certain partnership income and your guaranteed payments. See *Partnership Income or Loss*, later.

#### Employees of Churches and Church Organizations

If you had church employee income of $108.28 or more, you must pay SE tax. Church employee income is wages you received as an employee (other than as a minister or member of a religious order) of a church or qualified church-controlled organization that has a certificate in effect electing an exemption from employer social security and Medicare taxes.

#### Ministers and Members of Religious Orders

In most cases, you must pay SE tax on salaries and other income for services you performed as a minister, a member of a religious order who has not taken a vow of poverty, or a Christian Science practitioner. But if you filed Form 4361 and received IRS approval, you will be exempt from paying SE tax on those net earnings. If you had no other income subject to SE tax, enter “Exempt—Form 4361” on Form 1040, line 56, or Form 1040NR, line 54. However, if you had other earnings of $400 or more subject to SE tax, see line A at the top of Long Schedule SE.

**CAUTION** *If you have ever filed Form 2031 to elect social security coverage on your earnings as a minister, you cannot revoke that election.*

If you must pay SE tax, include this income on either Short or Long Schedule SE, line 2. But do not report it on Long Schedule SE, line 5a; it is not considered church employee income. Also, include on line 2:

- The rental value of a home or an allowance for a home furnished to you (including payments for utilities), and
- The value of meals and lodging provided to you, your spouse, and your dependents for your employer's convenience.

However, do not include on line 2:

- Retirement benefits you received from a church plan after retirement, or
- The rental value of a home or an allowance for a home furnished to you (including payments for utilities) after retirement.

If you were a duly ordained minister who was an employee of a church and you must pay SE tax, the unreimbursed business expenses that you incurred as a church employee are allowed only as an itemized deduction for income tax purposes. However, when figuring SE tax, subtract on line 2 the allowable expenses from your self-employment earnings and attach an explanation.

If you were a U.S. citizen or resident alien serving outside the United States as a minister or member of a religious order and you must pay SE tax, you cannot reduce your net earnings by the foreign earned income exclusion or the foreign housing exclusion or deduction.

See Pub. 517 for details.



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### Members of Certain Religious Sects

If you have conscientious objections to social security insurance because of your membership in and belief in the teachings of a religious sect recognized as being in existence at all times since December 31, 1950, and which has provided a reasonable level of living for its dependent members, you are exempt from SE tax if you received IRS approval by filing Form 4029. In this case, do not file Schedule SE. Instead, enter "Exempt—Form 4029" on Form 1040, line 56, or Form 1040NR, line 54. See Pub. 517 for details.

### U.S. Citizens Employed by Foreign Governments or International Organizations

You must pay SE tax on income you earned as a U.S. citizen employed by a foreign government (or, in certain cases, by a wholly owned instrumentality of a foreign government or an international organization under the International Organizations Immunities Act) for services performed in the United States, Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or the U.S. Virgin Islands. Report income from this employment on either Short or Long Schedule SE, line 2. If you performed services elsewhere as an employee of a foreign government or an international organization, those earnings are exempt from SE tax.

**Exception—Dual citizens.** A person with dual U.S.-foreign citizenship is generally considered to be a U.S. citizen for social security purposes. However, if you are a U.S. citizen and also a citizen of a country with which the United States has a bilateral social security agreement, other than Canada or Italy, your work for the government of that foreign country is always exempt from U.S. social security taxes. For further information about these agreements, see the exception shown in the next section.

### U.S. Citizens or Resident Aliens Living Outside the United States

If you are a self-employed U.S. citizen or resident alien living outside the United States, in most cases you must pay SE tax. You cannot reduce your foreign earnings from self-employment by your foreign earned income exclusion.

**Exception.** The United States has social security agreements with many countries to eliminate dual taxes under two social security systems. Under these agreements, you must generally pay social security and Medicare taxes to only the country you live in.

The United States now has social security agreements with the following countries: Australia, Austria, Belgium, Canada, Chile, Czech Republic, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Japan, Luxembourg, the Netherlands, Norway, Poland, Portugal, South Korea, Spain, Sweden, Switzerland, and the United Kingdom. Additional agreements are expected in the future.

If you have questions about international social security agreements, you can:

1. Visit the Social Security Administration's (SSA's) International Programs website at *www.socialsecurity.gov/international*;

2. Call the SSA's Office of International Programs at:

a. (410) 965-3322 for questions on benefits under agreements, or

b. (410) 965-7306 for questions on the coverage rules of the agreements; or

3. Write to:

a. Social Security Administration, Office of International Programs, P.O. Box 17741, Baltimore, MD 21235-7741 USA for information about an agreement, or

b. Social Security Administration, OIO—Totalization, P.O. Box 17769, Baltimore, MD 21235-7769 USA for information about a claim for benefits.

If your self-employment income is exempt from SE tax, you should get a statement from the appropriate agency of the foreign country verifying that your self-employment income is subject to social security coverage in that country. If the foreign country will not issue the statement, contact the SSA at the address shown in (3a) above. Do not complete Schedule SE. Instead, attach a copy of the statement to Form 1040 and enter "Exempt, see attached statement" on Form 1040, line 56.

### Nonresident Alien

If you are a self-employed nonresident alien living in the United States, you must pay SE tax if an international social security agreement in effect determines that you are covered under the U.S. social security system. See *Exception* under *U.S. Citizens or Resident Aliens Living Outside the United States*, earlier, for information about international social security agreements. If your self-employment income is subject to SE tax, complete Schedule SE and file it with your Form 1040NR.

### Chapter 11 Bankruptcy Cases

While you are a debtor in a chapter 11 bankruptcy case, your net profit or loss from self-employment (for example, from Schedule C or Schedule F) will not be included in your Form 1040 income. Instead, it will be included on the income tax return (Form 1041) of the bankruptcy estate. However, you (not the bankruptcy estate) are responsible for paying SE tax on your net earnings from self-employment.

Enter on the dotted line to the left of Schedule SE, line 3, "Chap. 11 bankruptcy income" and the amount of your net profit or (loss). Combine that amount with the total of lines 1a, 1b, and 2 (if any) and enter the result on line 3.

For other reporting requirements, see *Chapter 11 Bankruptcy Cases* in the instructions for Form 1040.

## More Than One Business

If you had two or more businesses, your net earnings from self-employment are the combined net earnings from all of your businesses. If you had a loss in one business, it reduces the income from another. Figure the combined SE tax on one Schedule SE.

## Joint Returns

Show the name of the spouse with self-employment income on Schedule SE. If both spouses have self-employment income, each must file a separate Schedule SE. However, if one spouse qualifies to use Short Schedule SE (front of form) and the other must use Long Schedule SE (back of form), both can use the same form. One spouse should complete the front and the other the back.

Include the total profits or losses from all businesses on Form 1040. Enter the combined SE tax on Form 1040, line 56.

### Community Income

If any of the income from a business (including farming) is community income, then the income and deductions are reported based on the following.

- If only one spouse participates in the business, all of the income from that business is the self-employment earnings of the spouse who carried on the business.
- If both spouses participate, the income and deductions are allocated to the spouses based on their distributive shares.
- If either or both you and your spouse are partners in a partnership, see *Partnership Income or Loss*, later.
- If you and your spouse elected to treat the business as a qualifying joint venture, see *Qualified Joint Ventures*, later.

**Married filing separately.** If you and your spouse had community income and file separate returns, attach Schedule SE to the return of the spouse with the self-employment income. Also, attach Schedule(s) C, C-EZ, or F (showing the spouse's share of community income and expenses) to the return of each spouse.

If you are the spouse who carried on the business, you must include on Schedule SE, line 3, the net profit or (loss) reported on the other spouse's Schedule C, C-EZ, or F (except in those cases described later under *Income and Losses Not Included in Net Earnings From Self-Employment*). Enter on the dotted line to the left of Schedule SE, line 3, "Community income taxed to spouse" and the amount of any net profit or (loss) allocated to your spouse as community income. Combine that amount with the total of lines 1a, 1b, and 2 and enter the result on line 3.

If you are not the spouse who carried on the business and you had no other income subject to SE tax, enter "Exempt community income" on Form 1040, line 56, or Form 1040NR, line 54. Do not file Schedule SE. However, if you had $400 or more of other earnings subject to SE tax, include on Schedule SE, line 1a or 2, the net profit or (loss) from Schedule(s) C, C-EZ, or F allocated to you as community income. Also, enter on the dotted line to the left of Schedule SE, line 3, "Exempt community income" and the allocated amount. If that amount is a net profit, subtract it from the total of lines 1a, 1b, and 2, and enter the result on line 3. If that amount is a loss, treat it as a positive amount, add it to the total of lines 1a, 1b, and 2, and enter the result on line 3.

CAUTION *Community income included on Schedule(s) C, C-EZ, or F must be divided for income tax purposes based on the community property laws of your state. See Pub. 555 for more information.*

### Qualified Joint Ventures

If you and your spouse materially participate (see *Material participation* in the 2012 Instructions for Schedule C) as the only members of a jointly owned and operated business, and you file a joint return for the tax year, you can make a joint election to be taxed as a qualified joint venture instead of a partnership.

To make this election, you must divide all items of income, gain, loss, deduction, and credit attributable to the business between you and your spouse in accordance with your respective interests in the venture. Each of you must file a separate Schedule C, C-EZ, or F. On each line of your separate Schedule C, C-EZ, or F, you must enter your share of the applicable income, deduction, or loss. Each of you also must file a separate Schedule SE to pay SE tax, as applicable.

For more information on qualified joint ventures, go to IRS.gov. Enter "qualified joint venture" in the search box and select "Election for Husband and Wife Unincorporated Businesses."

**Rental real estate business.** If you and your spouse make the election for your rental real estate business, the income generally is not subject to SE tax. To indicate that election, be sure to check the "QJV" box in Part I, line 2, of each Schedule E that the rental property is listed on. Do not file Schedule SE unless you have other income subject to SE tax. For an exception to this income not being subject to SE tax, see item 3 under *Other Income and Losses Included in Net Earnings From Self-Employment*, later).

If the election is made for a farm rental business that is not included in self-employment, file two Forms 4835, Farm Rental Income and Expenses.

### Fiscal Year Filers

If your tax year is a fiscal year, use the tax rate and earnings base that apply at the time the fiscal year begins. Do not prorate the tax or earnings base for a fiscal year that overlaps the date of a rate or earnings base change.

## Line Instructions

Read the flowchart on page 1 of Schedule SE to see if you can use Section A—Short Schedule SE, or if you must use Section B—Long Schedule SE. For either section, you will need to know what your net earnings from self-employment are. To find out what is included as net earnings from self-employment, see *Net Earnings From Self-Employment*.

TIP *Enter all negative amounts in parentheses.*

### You Have Only Church Employee Income Subject to SE Tax

If your only income subject to SE tax is church employee income (described earlier under *Employees of Churches and Church Organizations*), skip lines 1 through 4b. Enter -0- on line 4c and go to line 5a.

**Note.** Income from services you perform as a minister or member of a religious order is **not** church employee income.

### Line 1b (Short or Long Schedule SE)

If you were receiving social security retirement or social security disability benefits at the time you received your Conservation Reserve Program (CRP) payment(s), enter the amount of your taxable CRP payment(s) on line 1b. These payments are included on Schedule F, line 4b, or listed on Schedule K-1 (Form 1065), box 20, code Y.

### Line 4 (Short Schedule SE)

If line 4 is less than $400 and you have an amount on line 1b, combine lines 1a and 2.

- If the total of lines 1a and 2 is $434 or more, file Schedule SE (completed through line 4) with your tax return. Enter -0- on Form 1040, line 56, or Form 1040NR, line 54.
- If the total of lines 1a and 2 is less than $434, **do not** file Schedule SE unless you choose to use an optional method for figuring your SE tax.

### Lines 4a Through 4c (Long Schedule SE)

If both lines 4a and 4c are less than $400 and you have an amount on line 1b, combine lines 1a and 2.

- If the total of lines 1a and 2 is $434 or more, file Schedule SE (completed through line 4c) with your tax return. Enter -0- on Form 1040, line 56,* or Form 1040NR, line 54.*
- If the total of lines 1a and 2 is less than $434, **do not** file Schedule SE unless you choose to use an optional method to figure your SE tax.

**If you also have church employee income (described earlier under* Employees of Churches and Church Organizations*), also complete lines 5a and 5b. Complete the rest of Schedule SE, as appropriate.*

## Net Earnings From Self-Employment

In most cases, net earnings include your net profit from a farm or nonfarm business.

### Partnership Income or Loss

If you were a general or limited partner in a partnership, include on line 1a or line 2, whichever applies, the amount of net earnings from self-employment from Schedule K-1 (Form 1065), box 14, code A, and Schedule K-1 (Form 1065-B), box 9, code J1. General partners should reduce this amount by certain expenses before entering it on Schedule SE. See your Schedule K-1 instructions. If you reduce the amount you enter on Schedule SE, you must attach an explanation. Limited partners include only guaranteed payments for services actually rendered to or on behalf of the partnership.

If a partner died and the partnership continued, include in self-employment income the deceased's distributive share of the partnership's ordinary income or loss through the end of the month in which he or she died. See section 1402(f).

If you were married and both you and your spouse were partners in a partnership, each of you must report your net earnings from self-employment from the partnership. Each of you must file a separate Schedule SE and report the partnership income or loss on Schedule E (Form 1040), Part II, for income tax purposes. If only one of you was a partner in a partnership, the spouse who was the partner must report his or her net earnings from self-employment from the partnership.

**Community income.** Your own distributive share of partnership income is included in figuring your net earnings from self-employment. Unlike the division of that income between spouses for figuring income tax, no part of your share can be included in figuring your spouse's net earnings from self-employment.

### Share Farming

You are considered self-employed if you produced crops or livestock on someone else's land for a share of the crops or livestock produced (or a share of the proceeds from the sale of them). This applies even if you paid another person (an agent) to do the actual work or management for you. Report your net earnings for income tax purposes on Schedule F (Form 1040) and for SE tax purposes on Schedule SE. See Pub. 225 for details.

### Other Income and Losses Included in Net Earnings From Self-Employment

1. Rental income from a farm if, as landlord, you materially participated in the production or management of the production of farm products on this land. This income is farm earnings. To determine whether you materially participated in farm management or production, do not consider the activities of any agent who acted for you. The material participation tests for landlords are explained in chapter 12 of Pub. 225.

2. Cash or a payment-in-kind from the Department of Agriculture for participating in a land diversion program.

3. Payments for the use of rooms or other space when you also provided substantial services for the convenience of your tenants. Examples are hotel rooms, boarding houses, tourist camps or homes, trailer parks, parking lots, warehouses, and storage garages. See chapter 5 of Pub. 334 for more information.

4. Income from the retail sale of newspapers and magazines if you were age 18 or older and kept the profits.

5. Income you receive as a direct seller. Newspaper carriers or distributors of any age are direct sellers if certain conditions apply. See chapter 5 of Pub. 334 for details.

6. Amounts received by current or former self-employed insurance agents and salespersons that are:

a. Paid after retirement but figured as a percentage of commissions received from the paying company before retirement,

b. Renewal commissions, or

c. Deferred commissions paid after retirement for sales made before retirement.

However, certain termination payments received by former insurance salespersons are not included in net earnings from self-employment (as explained in item 10 under *Income and Losses Not Included in Net Earnings From Self-Employment*).

7. Income of certain crew members of fishing vessels with crews of normally fewer than 10 people. See chapter 10 of Pub. 334 for details.

8. Fees as a state or local government employee if you were paid only on a fee basis and the job was not covered under a federal-state social security coverage agreement.

9. Interest received in the course of any trade or business, such as interest on notes or accounts receivable.

10. Fees and other payments received by you for services as a director of a corporation.

11. Recapture amounts under sections 179 and 280F that you included in gross income because the business use of the property dropped to 50% or less. Do not

include amounts you recaptured on the disposition of property. See Form 4797.

12. Fees you received as a professional fiduciary. This may also apply to fees paid to you as a nonprofessional fiduciary if the fees relate to active participation in the operation of the estate's business, or the management of an estate that required extensive management activities over a long period of time.

13. Gain or loss from section 1256 contracts or related property by an options or commodities dealer in the normal course of dealing in or trading section 1256 contracts.

## Income and Losses Not Included in Net Earnings From Self-Employment

1. Salaries, fees, etc., subject to social security or Medicare tax that you received for performing services as an employee, including services performed as an employee under the railroad retirement system. This includes services performed as a public official (except as a fee basis government employee as explained in item 8 under *Other Income and Losses Included in Net Earnings From Self-Employment*, earlier).

2. Fees received for services performed as a notary public. If you had no other income subject to SE tax, enter "Exempt—Notary" on Form 1040, line 56. Do not file Schedule SE. However, if you had other earnings of $400 or more subject to SE tax, enter "Exempt—Notary" and the amount of your net profit as a notary public from Schedule C or Schedule C-EZ on the dotted line to the left of Schedule SE, line 3. Subtract that amount from the total of lines 1a, 1b, and 2, and enter the result on line 3.

3. Income you received as a retired partner under a written partnership plan that provides for lifelong periodic retirement payments if you had no other interest in the partnership and did not perform services for it during the year.

4. Income from real estate rentals if you did not receive the income in the course of a trade or business as a real estate dealer. Report this income on Schedule E.

5. Income from farm rentals (including rentals paid in crop shares) if, as landlord, you did not materially participate in the production or management of the production of farm products on the land. See chapter 12 of Pub. 225 for details. Report this income on Form 4835. Use two Forms 4835 if you and your spouse made an election to be taxed as a qualified joint venture.

6. Payments you receive from the Conservation Reserve Program if you are receiving social security benefits for retirement or disability. Deduct these payments on line 1b of Schedule SE.

7. Dividends on shares of stock and interest on bonds, notes, etc., if you did not receive the income in the course of your trade or business as a dealer in stocks or securities.

8. Gain or loss from:

a. The sale or exchange of a capital asset;

b. The sale, exchange, involuntary conversion, or other disposition of property unless the property is stock in trade or other property that would be includible in inventory, or held primarily for sale to customers in the ordinary course of the business; or

c. Certain transactions in timber, coal, or domestic iron ore.

9. Net operating losses from other years.

10. Termination payments you received as a former insurance salesperson if all of the following conditions are met.

a. The payment was received from an insurance company because of services you performed as an insurance salesperson for the company.

b. The payment was received after termination of your agreement to perform services for the company.

c. You did not perform any services for the company after termination and before the end of the year in which you received the payment.

d. You entered into a covenant not to compete against the company for at least a 1-year period beginning on the date of termination.

e. The amount of the payment depended primarily on policies sold by or credited to your account during the last year of the agreement, or the extent to which those policies remain in force for some period after termination, or both.

f. The amount of the payment did not depend to any extent on length of service or overall earnings from services performed for the company (regardless of whether eligibility for the payment depended on length of service).

## Statutory Employee Income

If you were a statutory employee, do not include the net profit or (loss) from Schedule C, line 31 (or the net profit from Schedule C-EZ, line 3), on Short or Long Schedule SE, line 2. But if you file Long Schedule SE, be sure to include statutory employee social security wages and tips from Form W-2 on line 8a.

## Optional Methods

### How Can the Optional Methods Help You

**Social security coverage.** The optional methods may give you credit toward your social security coverage even though you have a loss or a small amount of income from self-employment.

**Earned income credit (EIC).** Using the optional methods may qualify you to claim the EIC or give you a larger credit if your net earnings from self-employment (determined without using the optional methods) are less than $4,520. Figure the EIC with and without using the optional methods to see if the optional methods will benefit you.

**Additional child tax credit.** Using the optional methods may qualify you to claim the additional child tax credit or give you a larger credit if your net earnings from self-employment (determined without using the optional methods) are less than $4,520. Figure the additional child tax credit with and without using the optional methods to see if the optional methods will benefit you.

**Child and dependent care credit.** The optional methods may help you qualify for this credit or give you a larger credit if your net earnings from self-employment (determined without using the optional methods) are less than $4,520. Figure this credit with and without using the optional methods to see if the optional methods will benefit you.

**Self-employed health insurance deduction.** The optional methods of computing net earnings from self-employment may be used to figure your self-employed health insurance deduction.

*Using the optional methods may give you the benefits described above, but they may also increase your SE tax.*

## Changing Your Method

You can change the method after you file your return. That is, you can change from the regular to the optional method or from the optional to the regular method. To do this, file Form 1040X.

## Farm Optional Method

You may use this method to figure your net earnings from farm self-employment if your gross farm income was $6,780 or less or your net farm profits were less than $4,894. Net farm profits are:

- The total of the amounts from Schedule F (Form 1040), line 34, and Schedule K-1 (Form 1065), box 14, code A, minus
- The amount you would have entered on Schedule SE, line 1b, had you not used the optional method.

There is no limit on how many years you can use this method.

Under this method, report in Part II, line 15, two-thirds of your gross farm income, up to $4,520, as your net earnings. This method can increase or decrease your net earnings from farm self-employment even if the farming business had a loss.

For a farm partnership, figure your share of gross income based on the partnership agreement. With guaranteed payments, your share of the partnership's gross income is your guaranteed payments plus your share of the gross income after it is reduced by all guaranteed payments made by the partnership. If you were a limited partner, include only guaranteed payments for services you actually rendered to or on behalf of the partnership.

## Nonfarm Optional Method

You may be able to use this method to figure your net earnings from nonfarm self-employment if your net nonfarm profits were less than $4,894 and also less than 72.189% of your gross nonfarm income. Net nonfarm profits are the total of the amounts from:

- Schedule C (Form 1040), line 31,
- Schedule C-EZ (Form 1040), line 3,
- Schedule K-1 (Form 1065), box 14, code A (from other than farm partnerships), and
- Schedule K-1 (Form 1065-B), box 9, code J1.

To use this method, you also must be regularly self-employed. You meet this requirement if your actual net earnings from self-employment were $400 or more in 2 of the 3 years preceding the year you use the nonfarm optional method. The net earnings of $400 or more could be from either farm or nonfarm earnings or both. The net earnings include your distributive share of partnership income or loss subject to SE tax.

Use of the nonfarm optional method from nonfarm self-employment is limited to 5 years. The 5 years do not have to be consecutive.

Under this method, report in Part II, line 17, two-thirds of your gross nonfarm income, up to the amount on line 16, as your net earnings. But you cannot report less than your actual net earnings from nonfarm self-employment.

Figure your share of gross income from a nonfarm partnership in the same manner as a farm partnership. See *Farm Optional Method* for details.

## Using Both Optional Methods

If you can use both methods, you can report less than your total actual net earnings from farm and nonfarm self-employment, but you cannot report less than your actual net earnings from nonfarm self-employment alone.

If you use both methods to figure net earnings, you cannot report more than $4,520 of net earnings from self-employment.

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# Where Do You File?

Mail your return to the address shown below that applies to you. If you want to use a private delivery service, see *Private Delivery Services* under *Filing Requirements*, earlier.

TIP

*Envelopes without enough postage will be returned to you by the post office. Your envelope may need additional postage if it contains more than five pages or is oversized (for example, it is over ¼" thick). Also, include your complete return address.*

| IF you live in... | THEN use this address: | |
|---|---|---|
| | **Are not enclosing a check or money order...** | **Are enclosing a check or money order...** |
| **Florida, Louisiana, Mississippi, Texas** | Department of the Treasury<br>Internal Revenue Service<br>Austin, TX 73301-0002 | Internal Revenue Service<br>P.O. Box 1214<br>Charlotte, NC 28201-1214 |
| **Alaska, Arizona, California, Colorado, Hawaii, Idaho, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming** | Department of the Treasury<br>Internal Revenue Service<br>Fresno, CA 93888-0002 | Internal Revenue Service<br>P.O. Box 7704<br>San Francisco, CA 94120-7704 |
| **Arkansas, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Montana, Nebraska, North Dakota, Ohio, Oklahoma, South Dakota, Wisconsin** | Department of the Treasury<br>Internal Revenue Service<br>Fresno, CA 93888-0002 | Internal Revenue Service<br>P.O. Box 802501<br>Cincinnati, OH 45280-2501 |
| **Alabama, Georgia, Kentucky, Missouri, New Jersey, North Carolina, South Carolina, Tennessee, Virginia** | Department of the Treasury<br>Internal Revenue Service<br>Kansas City, MO 64999-0002 | Internal Revenue Service<br>P.O. Box 931000<br>Louisville, KY 40293-1000 |
| **Connecticut, Delaware, District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New York, Pennsylvania, Rhode Island, Vermont, West Virginia** | Department of the Treasury<br>Internal Revenue Service<br>Kansas City, MO 64999-0002 | Internal Revenue Service<br>P.O. Box 37008<br>Hartford, CT 06176-0008 |
| **A foreign country, U.S. possession or territory*, or use an APO or FPO address, or file Form 2555, 2555-EZ, 4563, or 8891, or are a dual-status alien** | Department of the Treasury<br>Internal Revenue Service<br>Austin, TX 73301-0215 | Internal Revenue Service<br>P.O. Box 1303<br>Charlotte, NC 28201-1303 |

*If you live in American Samoa, Puerto Rico, Guam, the U.S. Virgin Islands, or the Northern Mariana Islands, see Pub. 570.