1040

NOTE: THIS BOOKLET DOES NOT CONTAIN TAX FORMS

INSTRUCTIONS

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

2013

IRS e-file makes doing your taxes faster and easier.

freefile 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.

2013 TAX CHANGES

See *What's New* in these instructions.

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*.

IRS

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

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Department of the Treasury

Internal Revenue Service

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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. As an independent organization within 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/sams*.

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/litc* 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

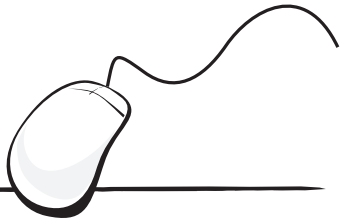
Taxpayer Advocacy Panel

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).

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 more than 120 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 $52,000 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 help with your tax return* near the end of these instructions for additional information or visit IRS.gov (Keyword: VITA) for a VITA/TCE site near you!

Do Your Taxes for Free

If your adjusted gross income was $58,000 or less in 2013, 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 14 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 of the approximately 14 software provider's criteria for free usage or use an online tool to find which free software products match your situation. Some software providers offer state tax return preparation for free. Free File 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.

What's New

For information about any additional changes to the 2013 tax law or any other developments affecting Form 1040 or its instructions, go to *www.irs.gov/form1040*.

Change in tax rates. The highest tax rate for 2013 is 39.6%. For details, see the 2013 Tax Computation Worksheet or the 2013 Tax Rate Schedules, later.

Tax rate on net capital gain and qualified dividends. The maximum tax rate of 15% on net capital gain and qualified dividends has increased to 20% for some taxpayers. The Qualified Dividends and Capital Gain Tax Worksheet in the line 44 instructions reflects this new, higher rate.

Additional Medicare Tax. Beginning in 2013, a 0.9% Additional Medicare Tax applies to Medicare wages, railroad retirement (RRTA) compensation, and self-employment income that are more than:

- $125,000 if married filing separately,
- $250,000 if married filing jointly, or
- $200,000 if single, head of household, or qualifying widow(er).

For more information, see the instructions for line 60 and Form 8959.

Net Investment Income Tax. Beginning in 2013, you may be subject to Net Investment Income Tax (NIIT). The NIIT is 3.8% of the smaller of (a) your net investment income or (b) the excess of your modified adjusted gross income over:

- $125,000 if married filing separately,
- $250,000 if married filing jointly or qualifying widow(er), or
- $200,000 if single or head of household.

For more information, see the instructions for line 60 and Form 8960.

Filing status for same-sex married couples. If you have a same-sex spouse whom you legally married in a state (or foreign country) that recognizes same-sex marriage, you and your spouse generally must use the married filing jointly or married filing separately filing status on your 2013 return, even if you and your spouse now live in a state (or foreign country) that does not recognize same-sex marriage. See *Filing Status*, later.

Medical and dental expenses. You can deduct only the part of your medical and dental expenses that is more than 10% of your adjusted gross income (7.5% if either you or your spouse was born before January 2, 1949). See the instructions for Schedule A.

Personal exemption amount increased for certain taxpayers. Your personal exemption is increased to $3,900. But the amount is reduced if your adjusted gross income is more than:

- $150,000 if married filing separately,
- $250,000 if single,
- $275,000 if head of household, or
- $300,000 if married filing jointly or qualifying widow(er).

See the instructions for line 42.

Limit on itemized deductions. You may not be able to deduct all of your itemized deductions if your adjusted gross income is more than:

- $150,000 if married filing separately,
- $250,000 if single,
- $275,000 if head of household, or
- $300,000 if married filing jointly or qualifying widow(er).

See the instructions for line 29 of Schedule A.

Credit for prior year minimum tax. The credit for prior year minimum tax is no longer partly refundable. See Form 8801 and its instructions.

Standard mileage rates. The 2013 rate for business use of your vehicle is increased to 56½ cents a mile. The 2013 rate for use of your vehicle to get medical care or to move is increased to 24 cents a mile.

Identity Protection Personal Identification Number (IP PIN). If you are filing electronically and both you and your spouse received an IP PIN, see *Identity Protection PIN* after the instructions for line 77 for more information.

A Special Note About the Affordable Care Act and Your 2014 Tax Return

The following information does not affect your 2013 tax return. However, when you file your 2014 tax return in 2015, you and your family will have to document that you had health care coverage throughout 2014. Under certain circumstances, you may be entitled to an exemption if you did not maintain coverage in 2014. Otherwise, you may need to make a payment with the 2014 return.

For more information on the payment or exemptions, visit *www.IRS.gov/aca*.

If you currently have qualifying health care coverage, you will not need to do anything more than maintain that coverage throughout 2014. If you buy insurance through the Health Insurance Marketplace, you may be eligible for an advance payment of the Premium Tax Credit to help pay for your insurance coverage.

If you are receiving an advance payment of the Premium Tax Credit during 2014, you should report changes in your income or family size to your Marketplace. By reporting changes promptly, you can make adjustments that will help you get the correct amount. Receiving too much or too little in advance will affect your refund or balance due when you file your 2014 tax return in 2015.

Visit *www.IRS.gov/aca* for information on the tax provisions of the Affordable Care Act and *www.HealthCare.gov* for Marketplace information.

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.*
- *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).

Premium Tax Credit. You do not need to file a 2013 federal tax return solely to establish eligibility or qualify for advance payment of the Premium Tax Credit. Visit *www.IRS.gov/aca* for information on the tax provisions of the Affordable Care Act and *www.HealthCare.gov* for Marketplace information.

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 2013 or was a full-time student under age 24 at the end of 2013. 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, 1990, is considered to be age 24 at the end of 2013. 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 2013.
- 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.*

When and Where Should You File?

File Form 1040 by **April 15, 2014.** 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 16, 2014, 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 2013 you were* . . .	THEN file a return if your gross income** was at least . . .
Single (see the instructions for line 1)	under 65 65 or older	$10,000 11,500
Married filing jointly*** (see the instructions for line 2)	under 65 (both spouses) 65 or older (one spouse) 65 or older (both spouses)	$20,000 21,200 22,400
Married filing separately (see the instructions for line 3)	any age	$3,900
Head of household (see the instructions for line 4)	under 65 65 or older	$12,850 14,350
Qualifying widow(er) with dependent child (see the instructions for line 5)	under 65 65 or older	$16,100 17,300

**If you were born on January 1, 1949, you are considered to be age 65 at the end of 2013.*

******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 2013 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 2013 (or on the date your spouse died) and your gross income was at least $3,900, 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 $1,000.
- Your earned income was over $6,100.
- Your gross income was more than the **larger** of—
  - $1,000, or
  - Your earned income (up to $5,750) plus $350.

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

- Your unearned income was over $2,500 ($4,000 if 65 or older **and** blind).
- Your earned income was over $7,600 ($9,100 if 65 or older **and** blind).
- Your gross income was more than the **larger** of—
  - $2,500 ($4,000 if 65 or older **and** blind), or
  - Your earned income (up to $5,750) plus $1,850 ($3,350 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 $1,000.
- Your earned income was over $6,100.
- 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—
  - $1,000, or
  - Your earned income (up to $5,750) plus $350.

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

- Your unearned income was over $2,200 ($3,400 if 65 or older **and** blind).
- Your earned income was over $7,300 ($8,500 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—
  - $2,200 ($3,400 if 65 or older **and** blind), or
  - Your earned income (up to $5,750) plus $1,550 ($2,750 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 2013.
1. You owe any special taxes, including any of the following. **a.** Alternative minimum tax. **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. **c.** Household employment taxes. But if you are filing a return only because you owe this tax, you can file **Schedule H** by itself. **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. **e.** Recapture of first-time homebuyer credit. See the instructions for line 59b. **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. **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 2013 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 20
	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) 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 (box 4)	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 or Schedule D, whichever applies; 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
	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) 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 9)	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 2012 and you are filing a joint return for 2013 with the same spouse, be sure to enter your names and SSNs in the same order as on your 2012 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.

Same-sex marriage. For federal tax purposes, individuals of the same sex are considered married if they were lawfully married in a state (or foreign country) whose laws authorize the marriage of two individuals of the same sex, even if the state (or foreign country) in which they now live does not recognize same-sex marriage. The term "spouse"

includes an individual married to a person of the same sex if the couple is lawfully married under state (or foreign) law. However, individuals who have entered into a registered domestic partnership, civil union, or other similar relationship that is not considered a marriage under state (or foreign) law are not considered married for federal tax purposes. For more details, see Pub. 501.

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, 2013.

- 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 2013, 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, 2013, and did not remarry before the end of 2013. 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 2013, even if you did not live with your spouse at the end of 2013.
- Your spouse died in 2013 and you did not remarry in 2013.
- You were married at the end of 2013, and your spouse died in 2014 before filing a 2013 return.

A married couple 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 married couple 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 2013, 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."

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 2013. 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 2013. But if, at the end of 2013, 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 2013 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 2013 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 2013, 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 2013 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 2013, you still may be able to file as head of household. If the person is your qualifying child, the child must have lived with you for more than half the part of the year he or she was alive. If the person is anyone else, see Pub. 501.

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 2013, you are considered unmarried if all of the following apply.

- You lived apart from your spouse for the last 6 months of 2013. 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 2013.
- Your home was the main home of your child, stepchild, or foster child for more than half of 2013 (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 2013 if all of the following apply.

- Your spouse died in 2011 or 2012 and you did not remarry before the end of 2013.
- You have a child or stepchild you can claim as a dependent. This does not include a foster child.
- This child lived in your home for all of 2013. 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 2013, 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 2013 if the child was born or died in 2013 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 usually can deduct $3,900 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 2013, 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 2013, you cannot take an exemption for your former spouse.

Death of your spouse. If your spouse died in 2013 and you did not remarry by the end of 2013, 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 2013 and younger than you (or your spouse, if filing jointly)

or

Under age 24 at the end of 2013, 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 2013 (see Pub. 501)

AND

Who is not filing a joint return for 2013 or is filing a joint return for 2013 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 2013. 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 2013, 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.

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 2013 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 2013?

☐ **Yes.** Continue ☐ **No.** STOP This child is not a qualifying child for the child tax credit.

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.

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 2013. 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 $3,900 in 2013. 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 2013. 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.

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 2013 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 2013 (whether or not they are or were married).

2. The child received over half of his or her support for 2013 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 2013.

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 2013, 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 2013.

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 2013. 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.

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.

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.

If the person meets all other requirements to be your qualifying child but was born or died in 2013, the person is considered to have lived with you for more than half of 2013 if your home was this person's home for more than half the time he or she was alive in 2013.

Any other person is considered to have lived with you for all of 2013 if the person was born or died in 2013 and your home was this person's home for the entire time he or she was alive in 2013.

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.

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).

Married person. If the person is married and files a joint return, you cannot claim that person as your dependent. 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.) In that case, 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 2013, 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 file a joint return together and can claim the child as a qualifying child, the child is treated as the qualifying child of the parents.
- 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 2013. 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 2013.
- 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 2013.
- 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 2013, 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.

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 2013 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 2013 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 2013, 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 generally must report half the combined community income of the individual and his or her domestic partner. 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 2013. 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 2013.

- 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 2013 under all plans was more than $17,500 (excluding catch-up contributions as explained later), include the excess on line 7. This limit is (a) $12,000 if you only have SIMPLE plans, or (b) $20,500 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 2013, 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, 2014. 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 2013 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 2013 income. For details, see Pub. 550.

TIP *If you get a 2013 Form 1099-INT for U.S. savings bond interest that includes amounts you reported before 2013, 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, 2013. XYZ Corp. paid a cash dividend of 10 cents per share. The ex-dividend date was July 16, 2013. 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, 2013. You held your shares of XYZ Corp. for only 34 days of the 121-day period (from July 9, 2013, through August 11, 2013). The 121-day period began on May 17, 2013 (60 days before the ex-dividend date), and ended on September 14, 2013. 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, 2013 (the day before the ex-dividend date), and you sold the stock on September 16, 2013. You held the stock for 63 days (from July 16, 2013, through September 16, 2013). 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, 2013, through September 14, 2013).

Example 3. You bought 10,000 shares of ABC Mutual Fund common stock on July 8, 2013. ABC Mutual Fund paid a cash dividend of 10 cents a share. The ex-dividend date was July 16, 2013. 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, 2013. 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 2013, 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 2013 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 2013 estimated state or local income tax, the amount applied is treated as received in 2013. If the refund was for a tax you paid in 2012 and you deducted state and local income taxes on line 5 of your 2012 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 2013 that is for a tax year other than 2012.

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

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 2012 Schedule A, line 5 . . . . . **1.** _____

2. Enter your total itemized deductions from your 2012 Schedule A, line 29 . . . . . **2.** _____

Note. If the filing status on your 2012 Form 1040 was married filing separately and your spouse itemized deductions in 2012, 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 **2012** Form 1040.

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

3. _____

4. Did you fill in line 39a on your 2012 Form 1040?

☐ **No.** Enter -0-.

☐ **Yes.** Multiply the number in the box on line 39a of your 2012 Form 1040 by $1,150 ($1,450 if your 2012 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.** _____

2013 of an amount deducted or credit claimed in an earlier year.

3. The amount on your 2012 Form 1040, line 42, was more than the amount on your 2012 Form 1040, line 41.

4. You had taxable income on your 2012 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 2012 state and local income tax refund is more than your 2012 state and local income tax deduction minus the amount you could have deducted as your 2012 state and local general sales taxes.

6. You made your last payment of 2012 estimated state or local income tax in 2013.

7. You owed alternative minimum tax in 2012.

8. You could not use the full amount of credits you were entitled to in 2012 because the total credits were more than the amount shown on your 2012 Form 1040, line 46.

9. You could be claimed as a dependent by someone else in 2012.

10. You received a refund because of a jointly filed state or local income tax return, but you are not filing a joint 2013 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 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 2012,
- A gain from Form 2439 or 6252 or Part I of Form 4797,
- A gain or loss from Form 4684, 6781, or 8824,
- A gain or loss from a partnership, S corporation, estate, or trust, or
- Gains and losses from transactions for which you received a Form 1099-B (or substitute statement) that shows basis was reported to the IRS and for which you do not need to make any adjustments in column (g) of Form 8949 or enter any codes in column (f) of Form 8949.

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 next, leave line 15a blank and enter the total distribution (from Form 1099-R, box 1) on line 15b.

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 2014, 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 2013 or an earlier year. If you made nondeductible contributions to these IRAs for 2013, 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 2008 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 2013.

4. You had a 2012 or 2013 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 2013.

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.

Generally, 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.) If you elected to treat a January 2013 QCD as made in 2012, report it on your 2013 return like any other 2013 QCD, as just

described. However, if you also made another 2013 QCD and the total was more than $100,000 per spouse, attach a brief explanation. For example: "Line 15b - Spouse One's 2012 QCD $75,000; Spouse One's 2013 QCD $70,000."

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.

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

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.

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, 1942, 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.

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 2013. 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 5. 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.

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 2013. 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 2013 and you repaid any of it in 2013, 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 2013, you repaid unemployment compensation that you

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.

More than one pension or annuity. 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 2013 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 2013. 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 . . .	AND your annuity starting date was— **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

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 2013. 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 2013 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 2013 and your total repayments (box 4) were more than your total benefits for 2013 (box 3). None of your benefits are taxable for 2013. 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.
- 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.
- 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 2013, 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 2013, 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 remain 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.

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

- Reemployment trade adjustment assistance (RTAA) payments. These payments should be shown in box 5 of Form 1099-G.
- 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 state-

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 2013, 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 2013, enter $25,000
- Married filing separately and you lived with your spouse at any time in 2013, 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 2013, 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 2013 . . . . **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 2013* ***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.*

ment 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 $15,102, 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 2013, you can deduct on line 23 up to $250 of qualified expenses you paid in 2013. 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 2013. 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

Self-Employed Health Insurance Deduction Worksheet—Line 29

Keep for Your Records

Before you begin:
- ✓ If, during 2013, 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 2013 for health insurance coverage established under your business (or the S corporation in which you were a more-than-2% shareholder) for 2013 for you, your spouse, and your dependents. Your insurance can also cover your child who was under age 27 at the end of 2013, 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.*

who was under age 27 at the end of 2013, 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 reported on Schedule C, C-EZ, or F.
- 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 2013 from an S corporation in which you were a more-than-2% shareholder. Health insurance 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 2013 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 2013, 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 2013, 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 2013, you must report them on Form 8606.*

If you made contributions to a traditional IRA for 2013, 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 June 2, 2014, that shows all contributions to your traditional IRA for 2013.

Use the IRA Deduction Worksheet to figure the amount, if any, of your IRA deduction. But read the following 11-item list before you fill in the worksheet.

1. If you were age 70½ or older at the end of 2013, you cannot deduct any contributions made to your traditional IRA for 2013 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.

3. If you are filing a joint return and you or your spouse made contributions to both a traditional IRA and a Roth IRA for 2013, do not use the IRA Deduction Worksheet in these instructions. Instead, see Pub. 590 to figure the amount, if any, of your IRA deduction.

4. 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.

5. If you made contributions to your IRA in 2013 that you deducted for 2012, do not include them in the worksheet.

6. 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.

7. 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.

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

9. 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.

10. 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.

11. 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 2013, 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 2013.

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

CAUTION *If you were age 70½ or older at the end of 2013, 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 2013. If you are married filing jointly and only one spouse was under age 70½ at the end of 2013, complete this worksheet only for that spouse.*

Before you begin:
- √ Be sure you have read the 11-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 2013, 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.
- $5,500, if under age 50 at the end of 2013.
- $6,500, if age 50 or older but under age 70½ at the end of 2013.

Otherwise, go to line 2.

2.	Enter the amount shown below that applies to you. • Single, head of household, or married filing separately and you **lived apart** from your spouse for all of 2013, enter $69,000. • Qualifying widow(er), enter $115,000. • Married filing jointly, enter $115,000 in both columns. But if you checked "No" on either line 1a or 1b, enter $188,000 for the person who was not covered by a plan. • Married filing separately and you lived with your spouse at any time in 2013, 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. **i.** $5,500, if under age 50 at the end of 2013. **ii.** $6,500, if age 50 or older but under age 70½ at the end of 2013. If the result is less than $10,000, go to line 7. • 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. **i.** $5,500, if under age 50 at the end of 2013. **ii.** $6,500 if age 50 or older but under age 70½ at the end of 2013. 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. • Single, head of household, or married filing separately, multiply by 55% (.55) (or by 65% (.65) in the column for the IRA of a person who is age 50 or older at the end of 2013). • Married filing jointly or qualifying widow(er), multiply by 27.5% (.275) (or by 32.5% (.325) in the column for the IRA of a person who is age 50 or older at the end of 2013). 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 55% (.55) (or by 65% (.65) if age 50 or older at the end of 2013).	**7a.**		**7b.**	
8.	Enter the total of your (and your spouse's if filing jointly): • 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. • Alimony and separate maintenance payments reported on Form 1040, line 11. • 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 $11,000 ($12,000 if one spouse is age 50 or older at the end of 2013; $13,000 if both spouses are age 50 or older at the end of 2013), **stop here** and use the worksheet in Pub. 590 to figure your IRA deduction.*

11.	Enter traditional IRA contributions made, or that will be made by April 15, 2014, for 2013 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 2013 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) 2013 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 ($3,900 for 2013), 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** in the instructions for this line to see if you can use this worksheet instead of Pub. 970 to figure your deduction.

1.	Enter the total interest you paid in 2013 on qualified student loans (see the instructions for line 33). **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.

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, 1949, or were blind at the end of 2013, 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, 1949, or was blind at the end of 2013, 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, 2013, 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 2013 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 2013 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, figure your standard deduction using the Standard Deduction Chart for People Who Were Born Before January 2, 1949, or Were Blind.

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, 1949, or were blind.

Line 42

Exemptions

If the amount on line 38 is over $150,000, use the Deduction for Exemptions Worksheet to figure your deduction for exemptions.

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 $350 to your earned income. Enter the total
- ☐ **No.** Enter $1,000

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

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

- Single or married filing separately—$6,100
- Married filing jointly or qualifying widow(er)—$12,200
- Head of household—$8,950

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

3. Standard deduction.

a. Enter the **smaller** of line 1 or line 2. If born after January 1, 1949, 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, 1949, or blind, multiply the number on Form 1040, line 39a, by $1,200 ($1,500 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, 1949, 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	$7,600
	2	9,100
Married filing jointly or Qualifying widow(er)	1	$13,400
	2	14,600
	3	15,800
	4	17,000
Married filing separately	1	$7,300
	2	8,500
	3	9,700
	4	10,900
Head of household	1	$10,450
	2	11,950

Deduction for Exemptions Worksheet—Line 42

Keep for Your Records

1. Is the amount on Form 1040, line 38, more than the amount shown on line 4 below for your filing status?

☐ **No.** STOP Multiply $3,900 by the total number of exemptions claimed on Form 1040, line 6d, and enter the result on line 42.

☐ **Yes. Continue.**

2. Multiply $3,900 by the total number of exemptions claimed on Form 1040, line 6d . . . . . **2.** _____

3. Enter the amount from Form 1040, line 38 . . . . . **3.** _____

4. Enter the amount shown below for your filing status.
- Single —$250,000
- Married filing jointly or qualifying widow(er)—$300,000
- Married filing separately—$150,000
- Head of household—$275,000

. . . . **4.** _____

5. Subtract line 4 from line 3. If the result is more than $122,500 ($61,250 if married filing separately) , STOP Enter -0- on line 42 . . . . . **5.** _____

6. Divide line 5 by $2,500 ($1,250 if married filing separately). If the result is not a whole number, increase it to the next higher whole number (for example, increase .00004 to 1) . . . . . **6.** _____

7. Multiply line 6 by 2% (.02) and enter the result as a decimal . . . . . **7.** _____

8. Multiply line 2 by line 7 . . . . . **8.** _____

9. **Deduction for exemptions.** Subtract line 8 from line 2. Enter the result here and on Form 1040, line 42 . . . . . **9.** _____

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(s) 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 box c and enter the amount and "962" in the space next to that box. 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 2013 for the student. See Form 8863 for more details. Check box c and enter the amount and "ECR" in the space next to that box.
- Any tax from Form 8621, line 16e, relating to a section 1291 fund. Check box c and enter the amount of the tax and "1291" in the space next to that box.

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

☐ **Yes.** See chapter 30 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 $2,000 of unearned 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 2013,

2. Was age 18 at the end of 2013 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 2013 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 2013 or if neither of the child's parents was alive at the end of 2013, do not use Form 8615 to figure the child's tax.

A child born on January 1, 1996, is considered to be age 18 at the end of 2013; a child born on January 1, 1995, is considered to be age 19 at the end of 2013; a child born on January 1, 1990, is considered to be age 24 at the end of 2013.

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.

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?* ☐ **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- ☐ **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: $36,250 if single or married filing separately, $72,500 if married filing jointly or qualifying widow(er), $48,600 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.	Enter: $400,000 if single, $225,000 if married filing separately, $450,000 if married filing jointly or qualifying widow(er), $425,000 if head of household.	**15.**		
16.	Enter the smaller of line 1 or line 15	**16.**		
17.	Add lines 7 and 11	**17.**		
18.	Subtract line 17 from line 16. If zero or less, enter -0-	**18.**		
19.	Enter the smaller of line 14 or line 18	**19.**		
20.	Multiply line 19 by 15% (.15)			**20.**
21.	Add lines 11 and 19	**21.**		
22.	Subtract line 21 from line 12	**22.**		
23.	Multiply line 22 by 20% (.20)			**23.**
24.	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 the tax. If the amount on line 7 is $100,000 or more, use the Tax Computation Worksheet			**24.**
25.	Add lines 20, 23, and 24			**25.**
26.	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			**26.**
27.	**Tax on all taxable income.** Enter the **smaller** of line 25 or line 26. 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			**27.**

**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.

TIP *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 2013 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) 2013 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 2013 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 $29,500 ($44,250 if head of household; $59,000 if married filing jointly).

2. The person(s) who made the qualified contribution or elective deferral (a) was born after January 1, 1996, (b) is claimed as a dependent on someone else's 2013 tax return, or (c) was a student (defined next).

You were a student if during any part of 5 calendar months of 2013 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.

2013 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 2013, 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. **3**

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

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

☐ **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.

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.

2013 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 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 30 + _____

Form 8910, line 15 + _____

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 2013.

- 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 2013 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 2013. See the Instructions for Form 8839.
- District of Columbia first-time homebuyer credit. You cannot claim this credit for a home you bought after 2011. You can claim it only if you have a credit carryforward from 2012. 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.
- Alternative motor vehicle credit. See Form 8910 if you placed a new fuel cell motor vehicle in service during 2013.
- 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.

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, 1942, 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 2013. 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 2013 and was a student.

2. You withheld federal income tax during 2013 at the request of any household employee.

3. You paid total cash wages of $1,000 or more in any calendar quarter of 2012 or 2013 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, housekeepers, 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 2013, you can enter your 2013 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 sold 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. Enter on line 60 the total of all of the following taxes you owe.

Additional Medicare Tax. See Form 8959 and its instructions if the total of your 2013 wages and self-employment income was more than:

- $125,000 if married filing separately,
- $250,000 if married filing jointly, or
- $200,000 if single, head of household, or qualifying widow(er).

Also see Form 8959 if you had railroad retirement (RRTA) compensation that was more than the amount just listed that applies to you.

If you are married filing jointly and either you or your spouse had wages or RRTA compensation of more than $200,000, your employer may have withheld Additional Medicare Tax even if you do not owe the tax. In that case, you may be able to get a refund of the tax withheld. See the Instructions for Form 8959 to find out how to report the withheld tax on Form 8959 and Form 1040.

Check box a if you owe the tax.

Net Investment Income Tax. See Form 8960 and its instructions if the amount on Form 1040, line 38, is more than:

- $125,000 if married filing separately,
- $250,000 if married filing jointly or qualifying widow(er), or
- $200,000 if single or head of household.

If you file Form 2555 or 2555-EZ, see Form 8960 and its instructions if the amount on Form 1040, line 38, is more than:

- $27,400 if married filing separately,
- $152,400 if married filing jointly or qualifying widow(er), or
- $102,400 if single or head of household.

Check box b if you owe the tax.

Other taxes. For the following taxes, check box c and, in the space next to that box, 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.

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

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

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

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

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

h. 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 2013 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 "8697" or "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 2013. 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 "1040NR."

21. Any interest amount from Form 8621, line 16f, relating to distributions from, and dispositions of, stock of a section 1291 fund. Identify as "1291."

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 and in box 4 of Form W-2G or 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 2013 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.

If you had Additional Medicare Tax withheld by your employer(s) in 2013, include the amount shown on Form 8959, line 24, in the total on line 62. Attach Form 8959.

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

Line 63

2013 Estimated Tax Payments

Enter any estimated federal income tax payments you made for 2013. Include any overpayment that you applied to your 2013 estimated tax from:

- Your 2012 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 2013. 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 2013 or in 2014 before filing a 2013 return.

Divorced taxpayers. If you got divorced in 2013 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 2013, 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 2013 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 or did not have any tax withheld.

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 2013:
   - 3 or more children lived with you, is the amount on Form 1040, line 38, less than $46,227 ($51,567 if married filing jointly)?
   - 2 children lived with you, is the amount on Form 1040, line 38, less than $43,038 ($48,378 if married filing jointly)?
   - 1 child lived with you, is the amount on Form 1040, line 38, less than $37,870 ($43,210 if married filing jointly)?
   - No children lived with you, is the amount on Form 1040, line 38, less than $14,340 ($19,680 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 2013?

   ☐ **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 $3,300?

   ☐ **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 2013?
   - 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 2013 and younger than you (or your spouse, if filing jointly)

or

Under age 24 at the end of 2013, 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 2013
or is filing a joint return for 2013 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 2013.
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 2013, 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 2013. If at least one qualifying child has a valid SSN (or was born or died in 2013), 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 2013?
   - ☐ **Yes.** Skip question 3 and Step 4; go to Step 5.
   - ☐ **No.** Continue

3. Could you be a qualifying child of another person for 2013? (Check "No" if the other person is not required to file, and is not filing, a 2013 tax return or is filing a 2013 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 $14,340 ($19,680 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 2013? (Check "Yes" if you, or your spouse if filing a joint return, were born after December 31, 1948, and before January 2, 1989.) If your spouse died in 2013, 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 2013? 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 2013?
   - ☐ **Yes.** Skip questions 5 and 6; go to Step 5.
   - ☐ **No.** Continue

5. Could you be a qualifying child of another person for 2013? (Check "No" if the other person is not required to file, and is not filing, a 2013 tax return or is filing a 2013 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 2013 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 2013, 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 $46,227 ($51,567 if married filing jointly)?
   - 2 qualifying children, is your earned income less than $43,038 ($48,378 if married filing jointly)?
   - 1 qualifying child, is your earned income less than $37,870 ($43,210 if married filing jointly)?
   - No qualifying children, is your earned income less than $14,340 ($19,680 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 (instead of entering the actual amount from Form 1040, line 7). 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 (instead of entering the actual amount from Form 1040, line 7).
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. In other words, if one of you makes the election, the other one can also make it but does not have to.

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*, earlier.

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 and *Members of the military*, later. A child is considered to have lived with you for more than half of 2013 if the child was born or died in 2013 and your home was this child's home for more than half the time he or she was alive in 2013.

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.

Married child. A child who was married at the end of 2013 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.

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 2013, 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 file a joint return together and can claim the child as a qualifying child, the child is treated as the qualifying child of the parents.
- 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 2013. 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 2013.
- 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 2013.
- 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 2013, 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 2013 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.

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—2013 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 $8,000 ($13,350 if married filing jointly)?
- 1 or more qualifying children, is the amount on line 3 less than $17,550 ($22,900 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.

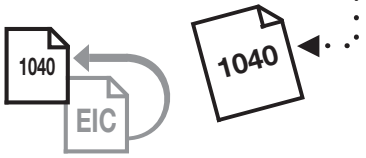
Part 3
Your Earned Income Credit

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 2013.*

Worksheet B—2013 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 $46,227 ($51,567 if married filing jointly)?
- 2 qualifying children, is line 4b less than $43,038 ($48,378 if married filing jointly)?
- 1 qualifying child, is line 4b less than $37,870 ($43,210 if married filing jointly)?
- No qualifying children, is line 4b less than $14,340 ($19,680 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—2013 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 $8,000 ($13,350 if married filing jointly)?
- 1 or more qualifying children, is the amount on line 8 less than $17,550 ($22,900 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

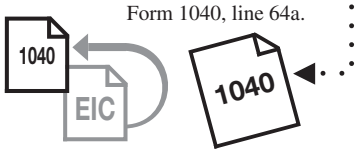
Your Earned Income Credit

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 2013.*

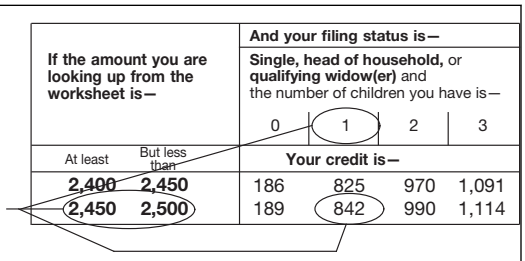
2013 Earned Income Credit (EIC) Table

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 the number of children you have is–				**Married filing jointly** and the number of children you have is–			
		0	1	2	3	0	1	2	3
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

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 the number of children you have is–				**Married filing jointly** and the number of children you have is–			
		0	1	2	3	0	1	2	3
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

(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 the number of children you have is–				**Married filing jointly** and the number of children you have is–			
		0	1	2	3	0	1	2	3
At least	But less than	Your credit is–				Your credit is–			
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
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**	476	2,117	2,490	2,801	476	2,117	2,490	2,801
6,250	**6,300**	480	2,134	2,510	2,824	480	2,134	2,510	2,824
6,300	**6,350**	484	2,151	2,530	2,846	484	2,151	2,530	2,846
6,350	**6,400**	487	2,168	2,550	2,869	487	2,168	2,550	2,869
6,400	**6,450**	487	2,185	2,570	2,891	487	2,185	2,570	2,891
6,450	**6,500**	487	2,202	2,590	2,914	487	2,202	2,590	2,914
6,500	**6,550**	487	2,219	2,610	2,936	487	2,219	2,610	2,936
6,550	**6,600**	487	2,236	2,630	2,959	487	2,236	2,630	2,959
6,600	**6,650**	487	2,253	2,650	2,981	487	2,253	2,650	2,981
6,650	**6,700**	487	2,270	2,670	3,004	487	2,270	2,670	3,004
6,700	**6,750**	487	2,287	2,690	3,026	487	2,287	2,690	3,026
6,750	**6,800**	487	2,304	2,710	3,049	487	2,304	2,710	3,049
6,800	**6,850**	487	2,321	2,730	3,071	487	2,321	2,730	3,071
6,850	**6,900**	487	2,338	2,750	3,094	487	2,338	2,750	3,094
6,900	**6,950**	487	2,355	2,770	3,116	487	2,355	2,770	3,116
6,950	**7,000**	487	2,372	2,790	3,139	487	2,372	2,790	3,139
7,000	**7,050**	487	2,389	2,810	3,161	487	2,389	2,810	3,161
7,050	**7,100**	487	2,406	2,830	3,184	487	2,406	2,830	3,184
7,100	**7,150**	487	2,423	2,850	3,206	487	2,423	2,850	3,206
7,150	**7,200**	487	2,440	2,870	3,229	487	2,440	2,870	3,229
7,200	**7,250**	487	2,457	2,890	3,251	487	2,457	2,890	3,251
7,250	**7,300**	487	2,474	2,910	3,274	487	2,474	2,910	3,274
7,300	**7,350**	487	2,491	2,930	3,296	487	2,491	2,930	3,296
7,350	**7,400**	487	2,508	2,950	3,319	487	2,508	2,950	3,319
7,400	**7,450**	487	2,525	2,970	3,341	487	2,525	2,970	3,341
7,450	**7,500**	487	2,542	2,990	3,364	487	2,542	2,990	3,364
7,500	**7,550**	487	2,559	3,010	3,386	487	2,559	3,010	3,386
7,550	**7,600**	487	2,576	3,030	3,409	487	2,576	3,030	3,409
7,600	**7,650**	487	2,593	3,050	3,431	487	2,593	3,050	3,431
7,650	**7,700**	487	2,610	3,070	3,454	487	2,610	3,070	3,454
7,700	**7,750**	487	2,627	3,090	3,476	487	2,627	3,090	3,476
7,750	**7,800**	487	2,644	3,110	3,499	487	2,644	3,110	3,499
7,800	**7,850**	487	2,661	3,130	3,521	487	2,661	3,130	3,521
7,850	**7,900**	487	2,678	3,150	3,544	487	2,678	3,150	3,544
7,900	**7,950**	487	2,695	3,170	3,566	487	2,695	3,170	3,566
7,950	**8,000**	487	2,712	3,190	3,589	487	2,712	3,190	3,589

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 the number of children you have is–				**Married filing jointly** and the number of children you have is–			
		0	1	2	3	0	1	2	3
At least	But less than	Your credit is–				Your credit is–			
8,000	**8,050**	483	2,729	3,210	3,611	487	2,729	3,210	3,611
8,050	**8,100**	479	2,746	3,230	3,634	487	2,746	3,230	3,634
8,100	**8,150**	475	2,763	3,250	3,656	487	2,763	3,250	3,656
8,150	**8,200**	472	2,780	3,270	3,679	487	2,780	3,270	3,679
8,200	**8,250**	468	2,797	3,290	3,701	487	2,797	3,290	3,701
8,250	**8,300**	464	2,814	3,310	3,724	487	2,814	3,310	3,724
8,300	**8,350**	460	2,831	3,330	3,746	487	2,831	3,330	3,746
8,350	**8,400**	456	2,848	3,350	3,769	487	2,848	3,350	3,769
8,400	**8,450**	452	2,865	3,370	3,791	487	2,865	3,370	3,791
8,450	**8,500**	449	2,882	3,390	3,814	487	2,882	3,390	3,814
8,500	**8,550**	445	2,899	3,410	3,836	487	2,899	3,410	3,836
8,550	**8,600**	441	2,916	3,430	3,859	487	2,916	3,430	3,859
8,600	**8,650**	437	2,933	3,450	3,881	487	2,933	3,450	3,881
8,650	**8,700**	433	2,950	3,470	3,904	487	2,950	3,470	3,904
8,700	**8,750**	430	2,967	3,490	3,926	487	2,967	3,490	3,926
8,750	**8,800**	426	2,984	3,510	3,949	487	2,984	3,510	3,949
8,800	**8,850**	422	3,001	3,530	3,971	487	3,001	3,530	3,971
8,850	**8,900**	418	3,018	3,550	3,994	487	3,018	3,550	3,994
8,900	**8,950**	414	3,035	3,570	4,016	487	3,035	3,570	4,016
8,950	**9,000**	410	3,052	3,590	4,039	487	3,052	3,590	4,039
9,000	**9,050**	407	3,069	3,610	4,061	487	3,069	3,610	4,061
9,050	**9,100**	403	3,086	3,630	4,084	487	3,086	3,630	4,084
9,100	**9,150**	399	3,103	3,650	4,106	487	3,103	3,650	4,106
9,150	**9,200**	395	3,120	3,670	4,129	487	3,120	3,670	4,129
9,200	**9,250**	391	3,137	3,690	4,151	487	3,137	3,690	4,151
9,250	**9,300**	387	3,154	3,710	4,174	487	3,154	3,710	4,174
9,300	**9,350**	384	3,171	3,730	4,196	487	3,171	3,730	4,196
9,350	**9,400**	380	3,188	3,750	4,219	487	3,188	3,750	4,219
9,400	**9,450**	376	3,205	3,770	4,241	487	3,205	3,770	4,241
9,450	**9,500**	372	3,222	3,790	4,264	487	3,222	3,790	4,264
9,500	**9,550**	368	3,239	3,810	4,286	487	3,239	3,810	4,286
9,550	**9,600**	365	3,250	3,830	4,309	487	3,250	3,830	4,309
9,600	**9,650**	361	3,250	3,850	4,331	487	3,250	3,850	4,331
9,650	**9,700**	357	3,250	3,870	4,354	487	3,250	3,870	4,354
9,700	**9,750**	353	3,250	3,890	4,376	487	3,250	3,890	4,376
9,750	**9,800**	349	3,250	3,910	4,399	487	3,250	3,910	4,399
9,800	**9,850**	345	3,250	3,930	4,421	487	3,250	3,930	4,421
9,850	**9,900**	342	3,250	3,950	4,444	487	3,250	3,950	4,444
9,900	**9,950**	338	3,250	3,970	4,466	487	3,250	3,970	4,466
9,950	**10,000**	334	3,250	3,990	4,489	487	3,250	3,990	4,489
10,000	**10,050**	330	3,250	4,010	4,511	487	3,250	4,010	4,511
10,050	**10,100**	326	3,250	4,030	4,534	487	3,250	4,030	4,534
10,100	**10,150**	322	3,250	4,050	4,556	487	3,250	4,050	4,556
10,150	**10,200**	319	3,250	4,070	4,579	487	3,250	4,070	4,579
10,200	**10,250**	315	3,250	4,090	4,601	487	3,250	4,090	4,601
10,250	**10,300**	311	3,250	4,110	4,624	487	3,250	4,110	4,624
10,300	**10,350**	307	3,250	4,130	4,646	487	3,250	4,130	4,646
10,350	**10,400**	303	3,250	4,150	4,669	487	3,250	4,150	4,669
10,400	**10,450**	299	3,250	4,170	4,691	487	3,250	4,170	4,691
10,450	**10,500**	296	3,250	4,190	4,714	487	3,250	4,190	4,714
10,500	**10,550**	292	3,250	4,210	4,736	487	3,250	4,210	4,736
10,550	**10,600**	288	3,250	4,230	4,759	487	3,250	4,230	4,759
10,600	**10,650**	284	3,250	4,250	4,781	487	3,250	4,250	4,781
10,650	**10,700**	280	3,250	4,270	4,804	487	3,250	4,270	4,804
10,700	**10,750**	277	3,250	4,290	4,826	487	3,250	4,290	4,826
10,750	**10,800**	273	3,250	4,310	4,849	487	3,250	4,310	4,849
10,800	**10,850**	269	3,250	4,330	4,871	487	3,250	4,330	4,871
10,850	**10,900**	265	3,250	4,350	4,894	487	3,250	4,350	4,894
10,900	**10,950**	261	3,250	4,370	4,916	487	3,250	4,370	4,916
10,950	**11,000**	257	3,250	4,390	4,939	487	3,250	4,390	4,939

(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 the number of children you have is–				**Married filing jointly** and the number of children you have is–			
		0	1	2	3	0	1	2	3
At least	But less than	**Your credit is–**				**Your credit is–**			
11,000	**11,050**	254	3,250	4,410	4,961	487	3,250	4,410	4,961
11,050	**11,100**	250	3,250	4,430	4,984	487	3,250	4,430	4,984
11,100	**11,150**	246	3,250	4,450	5,006	487	3,250	4,450	5,006
11,150	**11,200**	242	3,250	4,470	5,029	487	3,250	4,470	5,029
11,200	**11,250**	238	3,250	4,490	5,051	487	3,250	4,490	5,051
11,250	**11,300**	234	3,250	4,510	5,074	487	3,250	4,510	5,074
11,300	**11,350**	231	3,250	4,530	5,096	487	3,250	4,530	5,096
11,350	**11,400**	227	3,250	4,550	5,119	487	3,250	4,550	5,119
11,400	**11,450**	223	3,250	4,570	5,141	487	3,250	4,570	5,141
11,450	**11,500**	219	3,250	4,590	5,164	487	3,250	4,590	5,164
11,500	**11,550**	215	3,250	4,610	5,186	487	3,250	4,610	5,186
11,550	**11,600**	212	3,250	4,630	5,209	487	3,250	4,630	5,209
11,600	**11,650**	208	3,250	4,650	5,231	487	3,250	4,650	5,231
11,650	**11,700**	204	3,250	4,670	5,254	487	3,250	4,670	5,254
11,700	**11,750**	200	3,250	4,690	5,276	487	3,250	4,690	5,276
11,750	**11,800**	196	3,250	4,710	5,299	487	3,250	4,710	5,299
11,800	**11,850**	192	3,250	4,730	5,321	487	3,250	4,730	5,321
11,850	**11,900**	189	3,250	4,750	5,344	487	3,250	4,750	5,344
11,900	**11,950**	185	3,250	4,770	5,366	487	3,250	4,770	5,366
11,950	**12,000**	181	3,250	4,790	5,389	487	3,250	4,790	5,389
12,000	**12,050**	177	3,250	4,810	5,411	487	3,250	4,810	5,411
12,050	**12,100**	173	3,250	4,830	5,434	487	3,250	4,830	5,434
12,100	**12,150**	169	3,250	4,850	5,456	487	3,250	4,850	5,456
12,150	**12,200**	166	3,250	4,870	5,479	487	3,250	4,870	5,479
12,200	**12,250**	162	3,250	4,890	5,501	487	3,250	4,890	5,501
12,250	**12,300**	158	3,250	4,910	5,524	487	3,250	4,910	5,524
12,300	**12,350**	154	3,250	4,930	5,546	487	3,250	4,930	5,546
12,350	**12,400**	150	3,250	4,950	5,569	487	3,250	4,950	5,569
12,400	**12,450**	146	3,250	4,970	5,591	487	3,250	4,970	5,591
12,450	**12,500**	143	3,250	4,990	5,614	487	3,250	4,990	5,614
12,500	**12,550**	139	3,250	5,010	5,636	487	3,250	5,010	5,636
12,550	**12,600**	135	3,250	5,030	5,659	487	3,250	5,030	5,659
12,600	**12,650**	131	3,250	5,050	5,681	487	3,250	5,050	5,681
12,650	**12,700**	127	3,250	5,070	5,704	487	3,250	5,070	5,704
12,700	**12,750**	124	3,250	5,090	5,726	487	3,250	5,090	5,726
12,750	**12,800**	120	3,250	5,110	5,749	487	3,250	5,110	5,749
12,800	**12,850**	116	3,250	5,130	5,771	487	3,250	5,130	5,771
12,850	**12,900**	112	3,250	5,150	5,794	487	3,250	5,150	5,794
12,900	**12,950**	108	3,250	5,170	5,816	487	3,250	5,170	5,816
12,950	**13,000**	104	3,250	5,190	5,839	487	3,250	5,190	5,839
13,000	**13,050**	101	3,250	5,210	5,861	487	3,250	5,210	5,861
13,050	**13,100**	97	3,250	5,230	5,884	487	3,250	5,230	5,884
13,100	**13,150**	93	3,250	5,250	5,906	487	3,250	5,250	5,906
13,150	**13,200**	89	3,250	5,270	5,929	487	3,250	5,270	5,929
13,200	**13,250**	85	3,250	5,290	5,951	487	3,250	5,290	5,951
13,250	**13,300**	81	3,250	5,310	5,974	487	3,250	5,310	5,974
13,300	**13,350**	78	3,250	5,330	5,996	487	3,250	5,330	5,996
13,350	**13,400**	74	3,250	5,350	6,019	482	3,250	5,350	6,019
13,400	**13,450**	70	3,250	5,372	6,044	479	3,250	5,372	6,044
13,450	**13,500**	66	3,250	5,372	6,044	475	3,250	5,372	6,044
13,500	**13,550**	62	3,250	5,372	6,044	471	3,250	5,372	6,044
13,550	**13,600**	59	3,250	5,372	6,044	467	3,250	5,372	6,044
13,600	**13,650**	55	3,250	5,372	6,044	463	3,250	5,372	6,044
13,650	**13,700**	51	3,250	5,372	6,044	459	3,250	5,372	6,044
13,700	**13,750**	47	3,250	5,372	6,044	456	3,250	5,372	6,044
13,750	**13,800**	43	3,250	5,372	6,044	452	3,250	5,372	6,044
13,800	**13,850**	39	3,250	5,372	6,044	448	3,250	5,372	6,044
13,850	**13,900**	36	3,250	5,372	6,044	444	3,250	5,372	6,044
13,900	**13,950**	32	3,250	5,372	6,044	440	3,250	5,372	6,044
13,950	**14,000**	28	3,250	5,372	6,044	436	3,250	5,372	6,044
14,000	**14,050**	24	3,250	5,372	6,044	433	3,250	5,372	6,044
14,050	**14,100**	20	3,250	5,372	6,044	429	3,250	5,372	6,044
14,100	**14,150**	16	3,250	5,372	6,044	425	3,250	5,372	6,044
14,150	**14,200**	13	3,250	5,372	6,044	421	3,250	5,372	6,044
14,200	**14,250**	9	3,250	5,372	6,044	417	3,250	5,372	6,044
14,250	**14,300**	5	3,250	5,372	6,044	413	3,250	5,372	6,044
14,300	**14,350**	*	3,250	5,372	6,044	410	3,250	5,372	6,044
14,350	**14,400**	0	3,250	5,372	6,044	406	3,250	5,372	6,044
14,400	**14,450**	0	3,250	5,372	6,044	402	3,250	5,372	6,044
14,450	**14,500**	0	3,250	5,372	6,044	398	3,250	5,372	6,044
14,500	**14,550**	0	3,250	5,372	6,044	394	3,250	5,372	6,044
14,550	**14,600**	0	3,250	5,372	6,044	391	3,250	5,372	6,044
14,600	**14,650**	0	3,250	5,372	6,044	387	3,250	5,372	6,044
14,650	**14,700**	0	3,250	5,372	6,044	383	3,250	5,372	6,044
14,700	**14,750**	0	3,250	5,372	6,044	379	3,250	5,372	6,044
14,750	**14,800**	0	3,250	5,372	6,044	375	3,250	5,372	6,044
14,800	**14,850**	0	3,250	5,372	6,044	371	3,250	5,372	6,044
14,850	**14,900**	0	3,250	5,372	6,044	368	3,250	5,372	6,044
14,900	**14,950**	0	3,250	5,372	6,044	364	3,250	5,372	6,044
14,950	**15,000**	0	3,250	5,372	6,044	360	3,250	5,372	6,044
15,000	**15,050**	0	3,250	5,372	6,044	356	3,250	5,372	6,044
15,050	**15,100**	0	3,250	5,372	6,044	352	3,250	5,372	6,044
15,100	**15,150**	0	3,250	5,372	6,044	348	3,250	5,372	6,044
15,150	**15,200**	0	3,250	5,372	6,044	345	3,250	5,372	6,044
15,200	**15,250**	0	3,250	5,372	6,044	341	3,250	5,372	6,044
15,250	**15,300**	0	3,250	5,372	6,044	337	3,250	5,372	6,044
15,300	**15,350**	0	3,250	5,372	6,044	333	3,250	5,372	6,044
15,350	**15,400**	0	3,250	5,372	6,044	329	3,250	5,372	6,044
15,400	**15,450**	0	3,250	5,372	6,044	326	3,250	5,372	6,044
15,450	**15,500**	0	3,250	5,372	6,044	322	3,250	5,372	6,044
15,500	**15,550**	0	3,250	5,372	6,044	318	3,250	5,372	6,044
15,550	**15,600**	0	3,250	5,372	6,044	314	3,250	5,372	6,044
15,600	**15,650**	0	3,250	5,372	6,044	310	3,250	5,372	6,044
15,650	**15,700**	0	3,250	5,372	6,044	306	3,250	5,372	6,044
15,700	**15,750**	0	3,250	5,372	6,044	303	3,250	5,372	6,044
15,750	**15,800**	0	3,250	5,372	6,044	299	3,250	5,372	6,044
15,800	**15,850**	0	3,250	5,372	6,044	295	3,250	5,372	6,044
15,850	**15,900**	0	3,250	5,372	6,044	291	3,250	5,372	6,044
15,900	**15,950**	0	3,250	5,372	6,044	287	3,250	5,372	6,044
15,950	**16,000**	0	3,250	5,372	6,044	283	3,250	5,372	6,044
16,000	**16,050**	0	3,250	5,372	6,044	280	3,250	5,372	6,044
16,050	**16,100**	0	3,250	5,372	6,044	276	3,250	5,372	6,044
16,100	**16,150**	0	3,250	5,372	6,044	272	3,250	5,372	6,044
16,150	**16,200**	0	3,250	5,372	6,044	268	3,250	5,372	6,044
16,200	**16,250**	0	3,250	5,372	6,044	264	3,250	5,372	6,044
16,250	**16,300**	0	3,250	5,372	6,044	260	3,250	5,372	6,044
16,300	**16,350**	0	3,250	5,372	6,044	257	3,250	5,372	6,044
16,350	**16,400**	0	3,250	5,372	6,044	253	3,250	5,372	6,044
16,400	**16,450**	0	3,250	5,372	6,044	249	3,250	5,372	6,044
16,450	**16,500**	0	3,250	5,372	6,044	245	3,250	5,372	6,044
16,500	**16,550**	0	3,250	5,372	6,044	241	3,250	5,372	6,044
16,550	**16,600**	0	3,250	5,372	6,044	238	3,250	5,372	6,044
16,600	**16,650**	0	3,250	5,372	6,044	234	3,250	5,372	6,044
16,650	**16,700**	0	3,250	5,372	6,044	230	3,250	5,372	6,044
16,700	**16,750**	0	3,250	5,372	6,044	226	3,250	5,372	6,044
16,750	**16,800**	0	3,250	5,372	6,044	222	3,250	5,372	6,044
16,800	**16,850**	0	3,250	5,372	6,044	218	3,250	5,372	6,044
16,850	**16,900**	0	3,250	5,372	6,044	215	3,250	5,372	6,044
16,900	**16,950**	0	3,250	5,372	6,044	211	3,250	5,372	6,044
16,950	**17,000**	0	3,250	5,372	6,044	207	3,250	5,372	6,044

(Continued)

* If the amount you are looking up from the worksheet is at least $14,300 but less than $14,340, and you have no qualifying children, your credit is $2.
If the amount you are looking up from the worksheet is $14,340 or more, and you have no qualifying children, 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 the number of children you have is–				**Married filing jointly** and the number of children you have is–			
		0	1	2	3	0	1	2	3
At least	But less than	Your credit is–				Your credit is–			
17,000	**17,050**	0	3,250	5,372	6,044	203	3,250	5,372	6,044
17,050	**17,100**	0	3,250	5,372	6,044	199	3,250	5,372	6,044
17,100	**17,150**	0	3,250	5,372	6,044	195	3,250	5,372	6,044
17,150	**17,200**	0	3,250	5,372	6,044	192	3,250	5,372	6,044
17,200	**17,250**	0	3,250	5,372	6,044	188	3,250	5,372	6,044
17,250	**17,300**	0	3,250	5,372	6,044	184	3,250	5,372	6,044
17,300	**17,350**	0	3,250	5,372	6,044	180	3,250	5,372	6,044
17,350	**17,400**	0	3,250	5,372	6,044	176	3,250	5,372	6,044
17,400	**17,450**	0	3,250	5,372	6,044	173	3,250	5,372	6,044
17,450	**17,500**	0	3,250	5,372	6,044	169	3,250	5,372	6,044
17,500	**17,550**	0	3,250	5,372	6,044	165	3,250	5,372	6,044
17,550	**17,600**	0	3,243	5,363	6,034	161	3,250	5,372	6,044
17,600	**17,650**	0	3,235	5,352	6,023	157	3,250	5,372	6,044
17,650	**17,700**	0	3,227	5,341	6,013	153	3,250	5,372	6,044
17,700	**17,750**	0	3,219	5,331	6,002	150	3,250	5,372	6,044
17,750	**17,800**	0	3,211	5,320	5,992	146	3,250	5,372	6,044
17,800	**17,850**	0	3,203	5,310	5,981	142	3,250	5,372	6,044
17,850	**17,900**	0	3,195	5,299	5,971	138	3,250	5,372	6,044
17,900	**17,950**	0	3,187	5,289	5,960	134	3,250	5,372	6,044
17,950	**18,000**	0	3,179	5,278	5,950	130	3,250	5,372	6,044
18,000	**18,050**	0	3,171	5,268	5,939	127	3,250	5,372	6,044
18,050	**18,100**	0	3,163	5,257	5,929	123	3,250	5,372	6,044
18,100	**18,150**	0	3,155	5,247	5,918	119	3,250	5,372	6,044
18,150	**18,200**	0	3,147	5,236	5,908	115	3,250	5,372	6,044
18,200	**18,250**	0	3,139	5,226	5,897	111	3,250	5,372	6,044
18,250	**18,300**	0	3,131	5,215	5,887	107	3,250	5,372	6,044
18,300	**18,350**	0	3,123	5,205	5,876	104	3,250	5,372	6,044
18,350	**18,400**	0	3,115	5,194	5,866	100	3,250	5,372	6,044
18,400	**18,450**	0	3,107	5,184	5,855	96	3,250	5,372	6,044
18,450	**18,500**	0	3,099	5,173	5,844	92	3,250	5,372	6,044
18,500	**18,550**	0	3,091	5,162	5,834	88	3,250	5,372	6,044
18,550	**18,600**	0	3,083	5,152	5,823	85	3,250	5,372	6,044
18,600	**18,650**	0	3,075	5,141	5,813	81	3,250	5,372	6,044
18,650	**18,700**	0	3,067	5,131	5,802	77	3,250	5,372	6,044
18,700	**18,750**	0	3,059	5,120	5,792	73	3,250	5,372	6,044
18,750	**18,800**	0	3,051	5,110	5,781	69	3,250	5,372	6,044
18,800	**18,850**	0	3,043	5,099	5,771	65	3,250	5,372	6,044
18,850	**18,900**	0	3,035	5,089	5,760	62	3,250	5,372	6,044
18,900	**18,950**	0	3,027	5,078	5,750	58	3,250	5,372	6,044
18,950	**19,000**	0	3,019	5,068	5,739	54	3,250	5,372	6,044
19,000	**19,050**	0	3,011	5,057	5,729	50	3,250	5,372	6,044
19,050	**19,100**	0	3,004	5,047	5,718	46	3,250	5,372	6,044
19,100	**19,150**	0	2,996	5,036	5,708	42	3,250	5,372	6,044
19,150	**19,200**	0	2,988	5,026	5,697	39	3,250	5,372	6,044
19,200	**19,250**	0	2,980	5,015	5,687	35	3,250	5,372	6,044
19,250	**19,300**	0	2,972	5,005	5,676	31	3,250	5,372	6,044
19,300	**19,350**	0	2,964	4,994	5,665	27	3,250	5,372	6,044
19,350	**19,400**	0	2,956	4,983	5,655	23	3,250	5,372	6,044
19,400	**19,450**	0	2,948	4,973	5,644	20	3,250	5,372	6,044
19,450	**19,500**	0	2,940	4,962	5,634	16	3,250	5,372	6,044
19,500	**19,550**	0	2,932	4,952	5,623	12	3,250	5,372	6,044
19,550	**19,600**	0	2,924	4,941	5,613	8	3,250	5,372	6,044
19,600	**19,650**	0	2,916	4,931	5,602	4	3,250	5,372	6,044
19,650	**19,700**	0	2,908	4,920	5,592	*	3,250	5,372	6,044
19,700	**19,750**	0	2,900	4,910	5,581	0	3,250	5,372	6,044
19,750	**19,800**	0	2,892	4,899	5,571	0	3,250	5,372	6,044
19,800	**19,850**	0	2,884	4,889	5,560	0	3,250	5,372	6,044
19,850	**19,900**	0	2,876	4,878	5,550	0	3,250	5,372	6,044
19,900	**19,950**	0	2,868	4,868	5,539	0	3,250	5,372	6,044
19,950	**20,000**	0	2,860	4,857	5,529	0	3,250	5,372	6,044

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 the number of children you have is–				**Married filing jointly** and the number of children you have is–			
		0	1	2	3	0	1	2	3
At least	But less than	Your credit is–				Your credit is–			
20,000	**20,050**	0	2,852	4,847	5,518	0	3,250	5,372	6,044
20,050	**20,100**	0	2,844	4,836	5,508	0	3,250	5,372	6,044
20,100	**20,150**	0	2,836	4,825	5,497	0	3,250	5,372	6,044
20,150	**20,200**	0	2,828	4,815	5,486	0	3,250	5,372	6,044
20,200	**20,250**	0	2,820	4,804	5,476	0	3,250	5,372	6,044
20,250	**20,300**	0	2,812	4,794	5,465	0	3,250	5,372	6,044
20,300	**20,350**	0	2,804	4,783	5,455	0	3,250	5,372	6,044
20,350	**20,400**	0	2,796	4,773	5,444	0	3,250	5,372	6,044
20,400	**20,450**	0	2,788	4,762	5,434	0	3,250	5,372	6,044
20,450	**20,500**	0	2,780	4,752	5,423	0	3,250	5,372	6,044
20,500	**20,550**	0	2,772	4,741	5,413	0	3,250	5,372	6,044
20,550	**20,600**	0	2,764	4,731	5,402	0	3,250	5,372	6,044
20,600	**20,650**	0	2,756	4,720	5,392	0	3,250	5,372	6,044
20,650	**20,700**	0	2,748	4,710	5,381	0	3,250	5,372	6,044
20,700	**20,750**	0	2,740	4,699	5,371	0	3,250	5,372	6,044
20,750	**20,800**	0	2,732	4,689	5,360	0	3,250	5,372	6,044
20,800	**20,850**	0	2,724	4,678	5,350	0	3,250	5,372	6,044
20,850	**20,900**	0	2,716	4,668	5,339	0	3,250	5,372	6,044
20,900	**20,950**	0	2,708	4,657	5,329	0	3,250	5,372	6,044
20,950	**21,000**	0	2,700	4,646	5,318	0	3,250	5,372	6,044
21,000	**21,050**	0	2,692	4,636	5,307	0	3,250	5,372	6,044
21,050	**21,100**	0	2,684	4,625	5,297	0	3,250	5,372	6,044
21,100	**21,150**	0	2,676	4,615	5,286	0	3,250	5,372	6,044
21,150	**21,200**	0	2,668	4,604	5,276	0	3,250	5,372	6,044
21,200	**21,250**	0	2,660	4,594	5,265	0	3,250	5,372	6,044
21,250	**21,300**	0	2,652	4,583	5,255	0	3,250	5,372	6,044
21,300	**21,350**	0	2,644	4,573	5,244	0	3,250	5,372	6,044
21,350	**21,400**	0	2,636	4,562	5,234	0	3,250	5,372	6,044
21,400	**21,450**	0	2,628	4,552	5,223	0	3,250	5,372	6,044
21,450	**21,500**	0	2,620	4,541	5,213	0	3,250	5,372	6,044
21,500	**21,550**	0	2,612	4,531	5,202	0	3,250	5,372	6,044
21,550	**21,600**	0	2,604	4,520	5,192	0	3,250	5,372	6,044
21,600	**21,650**	0	2,596	4,510	5,181	0	3,250	5,372	6,044
21,650	**21,700**	0	2,588	4,499	5,171	0	3,250	5,372	6,044
21,700	**21,750**	0	2,580	4,489	5,160	0	3,250	5,372	6,044
21,750	**21,800**	0	2,572	4,478	5,150	0	3,250	5,372	6,044
21,800	**21,850**	0	2,564	4,467	5,139	0	3,250	5,372	6,044
21,850	**21,900**	0	2,556	4,457	5,128	0	3,250	5,372	6,044
21,900	**21,950**	0	2,548	4,446	5,118	0	3,250	5,372	6,044
21,950	**22,000**	0	2,540	4,436	5,107	0	3,250	5,372	6,044
22,000	**22,050**	0	2,532	4,425	5,097	0	3,250	5,372	6,044
22,050	**22,100**	0	2,524	4,415	5,086	0	3,250	5,372	6,044
22,100	**22,150**	0	2,516	4,404	5,076	0	3,250	5,372	6,044
22,150	**22,200**	0	2,508	4,394	5,065	0	3,250	5,372	6,044
22,200	**22,250**	0	2,500	4,383	5,055	0	3,250	5,372	6,044
22,250	**22,300**	0	2,492	4,373	5,044	0	3,250	5,372	6,044
22,300	**22,350**	0	2,484	4,362	5,034	0	3,250	5,372	6,044
22,350	**22,400**	0	2,476	4,352	5,023	0	3,250	5,372	6,044
22,400	**22,450**	0	2,468	4,341	5,013	0	3,250	5,372	6,044
22,450	**22,500**	0	2,460	4,331	5,002	0	3,250	5,372	6,044
22,500	**22,550**	0	2,452	4,320	4,992	0	3,250	5,372	6,044
22,550	**22,600**	0	2,444	4,310	4,981	0	3,250	5,372	6,044
22,600	**22,650**	0	2,436	4,299	4,970	0	3,250	5,372	6,044
22,650	**22,700**	0	2,428	4,288	4,960	0	3,250	5,372	6,044
22,700	**22,750**	0	2,420	4,278	4,949	0	3,250	5,372	6,044
22,750	**22,800**	0	2,412	4,267	4,939	0	3,250	5,372	6,044
22,800	**22,850**	0	2,404	4,257	4,928	0	3,250	5,372	6,044
22,850	**22,900**	0	2,396	4,246	4,918	0	3,250	5,372	6,044
22,900	**22,950**	0	2,388	4,236	4,907	0	3,242	5,360	6,032
22,950	**23,000**	0	2,380	4,225	4,897	0	3,234	5,350	6,021

(Continued)

* If the amount you are looking up from the worksheet is at least $19,650 but less than $19,680, and you have no qualifying children, your credit is $1.
If the amount you are looking up from the worksheet is $19,680 or more, and you have no qualifying children, 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 the number of children you have is–				**Married filing jointly** and the number of children you have is–			
		0	1	2	3	0	1	2	3
At least	But less than	**Your credit is–**				**Your credit is–**			
23,000	**23,050**	0	2,372	4,215	4,886	0	3,226	5,339	6,011
23,050	**23,100**	0	2,364	4,204	4,876	0	3,218	5,329	6,000
23,100	**23,150**	0	2,356	4,194	4,865	0	3,210	5,318	5,990
23,150	**23,200**	0	2,348	4,183	4,855	0	3,202	5,308	5,979
23,200	**23,250**	0	2,340	4,173	4,844	0	3,194	5,297	5,969
23,250	**23,300**	0	2,332	4,162	4,834	0	3,186	5,287	5,958
23,300	**23,350**	0	2,324	4,152	4,823	0	3,178	5,276	5,948
23,350	**23,400**	0	2,316	4,141	4,813	0	3,170	5,266	5,937
23,400	**23,450**	0	2,308	4,131	4,802	0	3,162	5,255	5,927
23,450	**23,500**	0	2,300	4,120	4,791	0	3,154	5,245	5,916
23,500	**23,550**	0	2,292	4,109	4,781	0	3,146	5,234	5,906
23,550	**23,600**	0	2,284	4,099	4,770	0	3,138	5,224	5,895
23,600	**23,650**	0	2,276	4,088	4,760	0	3,130	5,213	5,884
23,650	**23,700**	0	2,268	4,078	4,749	0	3,122	5,202	5,874
23,700	**23,750**	0	2,260	4,067	4,739	0	3,114	5,192	5,863
23,750	**23,800**	0	2,252	4,057	4,728	0	3,106	5,181	5,853
23,800	**23,850**	0	2,244	4,046	4,718	0	3,098	5,171	5,842
23,850	**23,900**	0	2,236	4,036	4,707	0	3,090	5,160	5,832
23,900	**23,950**	0	2,228	4,025	4,697	0	3,082	5,150	5,821
23,950	**24,000**	0	2,220	4,015	4,686	0	3,074	5,139	5,811
24,000	**24,050**	0	2,212	4,004	4,676	0	3,066	5,129	5,800
24,050	**24,100**	0	2,205	3,994	4,665	0	3,058	5,118	5,790
24,100	**24,150**	0	2,197	3,983	4,655	0	3,050	5,108	5,779
24,150	**24,200**	0	2,189	3,973	4,644	0	3,042	5,097	5,769
24,200	**24,250**	0	2,181	3,962	4,634	0	3,034	5,087	5,758
24,250	**24,300**	0	2,173	3,952	4,623	0	3,026	5,076	5,748
24,300	**24,350**	0	2,165	3,941	4,612	0	3,018	5,066	5,737
24,350	**24,400**	0	2,157	3,930	4,602	0	3,010	5,055	5,727
24,400	**24,450**	0	2,149	3,920	4,591	0	3,002	5,045	5,716
24,450	**24,500**	0	2,141	3,909	4,581	0	2,994	5,034	5,705
24,500	**24,550**	0	2,133	3,899	4,570	0	2,986	5,023	5,695
24,550	**24,600**	0	2,125	3,888	4,560	0	2,978	5,013	5,684
24,600	**24,650**	0	2,117	3,878	4,549	0	2,970	5,002	5,674
24,650	**24,700**	0	2,109	3,867	4,539	0	2,962	4,992	5,663
24,700	**24,750**	0	2,101	3,857	4,528	0	2,954	4,981	5,653
24,750	**24,800**	0	2,093	3,846	4,518	0	2,946	4,971	5,642
24,800	**24,850**	0	2,085	3,836	4,507	0	2,938	4,960	5,632
24,850	**24,900**	0	2,077	3,825	4,497	0	2,930	4,950	5,621
24,900	**24,950**	0	2,069	3,815	4,486	0	2,922	4,939	5,611
24,950	**25,000**	0	2,061	3,804	4,476	0	2,914	4,929	5,600
25,000	**25,050**	0	2,053	3,794	4,465	0	2,906	4,918	5,590
25,050	**25,100**	0	2,045	3,783	4,455	0	2,898	4,908	5,579
25,100	**25,150**	0	2,037	3,772	4,444	0	2,890	4,897	5,569
25,150	**25,200**	0	2,029	3,762	4,433	0	2,882	4,887	5,558
25,200	**25,250**	0	2,021	3,751	4,423	0	2,874	4,876	5,548
25,250	**25,300**	0	2,013	3,741	4,412	0	2,866	4,866	5,537
25,300	**25,350**	0	2,005	3,730	4,402	0	2,858	4,855	5,526
25,350	**25,400**	0	1,997	3,720	4,391	0	2,850	4,844	5,516
25,400	**25,450**	0	1,989	3,709	4,381	0	2,842	4,834	5,505
25,450	**25,500**	0	1,981	3,699	4,370	0	2,834	4,823	5,495
25,500	**25,550**	0	1,973	3,688	4,360	0	2,826	4,813	5,484
25,550	**25,600**	0	1,965	3,678	4,349	0	2,818	4,802	5,474
25,600	**25,650**	0	1,957	3,667	4,339	0	2,810	4,792	5,463
25,650	**25,700**	0	1,949	3,657	4,328	0	2,802	4,781	5,453
25,700	**25,750**	0	1,941	3,646	4,318	0	2,794	4,771	5,442
25,750	**25,800**	0	1,933	3,636	4,307	0	2,786	4,760	5,432
25,800	**25,850**	0	1,925	3,625	4,297	0	2,778	4,750	5,421
25,850	**25,900**	0	1,917	3,615	4,286	0	2,770	4,739	5,411
25,900	**25,950**	0	1,909	3,604	4,276	0	2,762	4,729	5,400
25,950	**26,000**	0	1,901	3,593	4,265	0	2,754	4,718	5,390
26,000	**26,050**	0	1,893	3,583	4,254	0	2,746	4,708	5,379
26,050	**26,100**	0	1,885	3,572	4,244	0	2,738	4,697	5,369
26,100	**26,150**	0	1,877	3,562	4,233	0	2,730	4,686	5,358
26,150	**26,200**	0	1,869	3,551	4,223	0	2,722	4,676	5,347
26,200	**26,250**	0	1,861	3,541	4,212	0	2,714	4,665	5,337
26,250	**26,300**	0	1,853	3,530	4,202	0	2,706	4,655	5,326
26,300	**26,350**	0	1,845	3,520	4,191	0	2,698	4,644	5,316
26,350	**26,400**	0	1,837	3,509	4,181	0	2,690	4,634	5,305
26,400	**26,450**	0	1,829	3,499	4,170	0	2,682	4,623	5,295
26,450	**26,500**	0	1,821	3,488	4,160	0	2,674	4,613	5,284
26,500	**26,550**	0	1,813	3,478	4,149	0	2,666	4,602	5,274
26,550	**26,600**	0	1,805	3,467	4,139	0	2,658	4,592	5,263
26,600	**26,650**	0	1,797	3,457	4,128	0	2,650	4,581	5,253
26,650	**26,700**	0	1,789	3,446	4,118	0	2,642	4,571	5,242
26,700	**26,750**	0	1,781	3,436	4,107	0	2,634	4,560	5,232
26,750	**26,800**	0	1,773	3,425	4,097	0	2,626	4,550	5,221
26,800	**26,850**	0	1,765	3,414	4,086	0	2,618	4,539	5,211
26,850	**26,900**	0	1,757	3,404	4,075	0	2,610	4,529	5,200
26,900	**26,950**	0	1,749	3,393	4,065	0	2,602	4,518	5,190
26,950	**27,000**	0	1,741	3,383	4,054	0	2,594	4,507	5,179
27,000	**27,050**	0	1,733	3,372	4,044	0	2,586	4,497	5,168
27,050	**27,100**	0	1,725	3,362	4,033	0	2,578	4,486	5,158
27,100	**27,150**	0	1,717	3,351	4,023	0	2,570	4,476	5,147
27,150	**27,200**	0	1,709	3,341	4,012	0	2,562	4,465	5,137
27,200	**27,250**	0	1,701	3,330	4,002	0	2,554	4,455	5,126
27,250	**27,300**	0	1,693	3,320	3,991	0	2,546	4,444	5,116
27,300	**27,350**	0	1,685	3,309	3,981	0	2,538	4,434	5,105
27,350	**27,400**	0	1,677	3,299	3,970	0	2,531	4,423	5,095
27,400	**27,450**	0	1,669	3,288	3,960	0	2,523	4,413	5,084
27,450	**27,500**	0	1,661	3,278	3,949	0	2,515	4,402	5,074
27,500	**27,550**	0	1,653	3,267	3,939	0	2,507	4,392	5,063
27,550	**27,600**	0	1,645	3,257	3,928	0	2,499	4,381	5,053
27,600	**27,650**	0	1,637	3,246	3,917	0	2,491	4,371	5,042
27,650	**27,700**	0	1,629	3,235	3,907	0	2,483	4,360	5,032
27,700	**27,750**	0	1,621	3,225	3,896	0	2,475	4,350	5,021
27,750	**27,800**	0	1,613	3,214	3,886	0	2,467	4,339	5,011
27,800	**27,850**	0	1,605	3,204	3,875	0	2,459	4,328	5,000
27,850	**27,900**	0	1,597	3,193	3,865	0	2,451	4,318	4,989
27,900	**27,950**	0	1,589	3,183	3,854	0	2,443	4,307	4,979
27,950	**28,000**	0	1,581	3,172	3,844	0	2,435	4,297	4,968
28,000	**28,050**	0	1,573	3,162	3,833	0	2,427	4,286	4,958
28,050	**28,100**	0	1,565	3,151	3,823	0	2,419	4,276	4,947
28,100	**28,150**	0	1,557	3,141	3,812	0	2,411	4,265	4,937
28,150	**28,200**	0	1,549	3,130	3,802	0	2,403	4,255	4,926
28,200	**28,250**	0	1,541	3,120	3,791	0	2,395	4,244	4,916
28,250	**28,300**	0	1,533	3,109	3,781	0	2,387	4,234	4,905
28,300	**28,350**	0	1,525	3,099	3,770	0	2,379	4,223	4,895
28,350	**28,400**	0	1,517	3,088	3,760	0	2,371	4,213	4,884
28,400	**28,450**	0	1,509	3,078	3,749	0	2,363	4,202	4,874
28,450	**28,500**	0	1,501	3,067	3,738	0	2,355	4,192	4,863
28,500	**28,550**	0	1,493	3,056	3,728	0	2,347	4,181	4,853
28,550	**28,600**	0	1,485	3,046	3,717	0	2,339	4,171	4,842
28,600	**28,650**	0	1,477	3,035	3,707	0	2,331	4,160	4,831
28,650	**28,700**	0	1,469	3,025	3,696	0	2,323	4,149	4,821
28,700	**28,750**	0	1,461	3,014	3,686	0	2,315	4,139	4,810
28,750	**28,800**	0	1,453	3,004	3,675	0	2,307	4,128	4,800
28,800	**28,850**	0	1,445	2,993	3,665	0	2,299	4,118	4,789
28,850	**28,900**	0	1,437	2,983	3,654	0	2,291	4,107	4,779
28,900	**28,950**	0	1,429	2,972	3,644	0	2,283	4,097	4,768
28,950	**29,000**	0	1,421	2,962	3,633	0	2,275	4,086	4,758

(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 the number of children you have is–				**Married filing jointly** and the number of children you have is–			
		0	1	2	3	0	1	2	3
At least	But less than	Your credit is–				Your credit is–			
29,000	**29,050**	0	1,413	2,951	3,623	0	2,267	4,076	4,747
29,050	**29,100**	0	1,406	2,941	3,612	0	2,259	4,065	4,737
29,100	**29,150**	0	1,398	2,930	3,602	0	2,251	4,055	4,726
29,150	**29,200**	0	1,390	2,920	3,591	0	2,243	4,044	4,716
29,200	**29,250**	0	1,382	2,909	3,581	0	2,235	4,034	4,705
29,250	**29,300**	0	1,374	2,899	3,570	0	2,227	4,023	4,695
29,300	**29,350**	0	1,366	2,888	3,559	0	2,219	4,013	4,684
29,350	**29,400**	0	1,358	2,877	3,549	0	2,211	4,002	4,674
29,400	**29,450**	0	1,350	2,867	3,538	0	2,203	3,992	4,663
29,450	**29,500**	0	1,342	2,856	3,528	0	2,195	3,981	4,652
29,500	**29,550**	0	1,334	2,846	3,517	0	2,187	3,970	4,642
29,550	**29,600**	0	1,326	2,835	3,507	0	2,179	3,960	4,631
29,600	**29,650**	0	1,318	2,825	3,496	0	2,171	3,949	4,621
29,650	**29,700**	0	1,310	2,814	3,486	0	2,163	3,939	4,610
29,700	**29,750**	0	1,302	2,804	3,475	0	2,155	3,928	4,600
29,750	**29,800**	0	1,294	2,793	3,465	0	2,147	3,918	4,589
29,800	**29,850**	0	1,286	2,783	3,454	0	2,139	3,907	4,579
29,850	**29,900**	0	1,278	2,772	3,444	0	2,131	3,897	4,568
29,900	**29,950**	0	1,270	2,762	3,433	0	2,123	3,886	4,558
29,950	**30,000**	0	1,262	2,751	3,423	0	2,115	3,876	4,547
30,000	**30,050**	0	1,254	2,741	3,412	0	2,107	3,865	4,537
30,050	**30,100**	0	1,246	2,730	3,402	0	2,099	3,855	4,526
30,100	**30,150**	0	1,238	2,719	3,391	0	2,091	3,844	4,516
30,150	**30,200**	0	1,230	2,709	3,380	0	2,083	3,834	4,505
30,200	**30,250**	0	1,222	2,698	3,370	0	2,075	3,823	4,495
30,250	**30,300**	0	1,214	2,688	3,359	0	2,067	3,813	4,484
30,300	**30,350**	0	1,206	2,677	3,349	0	2,059	3,802	4,473
30,350	**30,400**	0	1,198	2,667	3,338	0	2,051	3,791	4,463
30,400	**30,450**	0	1,190	2,656	3,328	0	2,043	3,781	4,452
30,450	**30,500**	0	1,182	2,646	3,317	0	2,035	3,770	4,442
30,500	**30,550**	0	1,174	2,635	3,307	0	2,027	3,760	4,431
30,550	**30,600**	0	1,166	2,625	3,296	0	2,019	3,749	4,421
30,600	**30,650**	0	1,158	2,614	3,286	0	2,011	3,739	4,410
30,650	**30,700**	0	1,150	2,604	3,275	0	2,003	3,728	4,400
30,700	**30,750**	0	1,142	2,593	3,265	0	1,995	3,718	4,389
30,750	**30,800**	0	1,134	2,583	3,254	0	1,987	3,707	4,379
30,800	**30,850**	0	1,126	2,572	3,244	0	1,979	3,697	4,368
30,850	**30,900**	0	1,118	2,562	3,233	0	1,971	3,686	4,358
30,900	**30,950**	0	1,110	2,551	3,223	0	1,963	3,676	4,347
30,950	**31,000**	0	1,102	2,540	3,212	0	1,955	3,665	4,337
31,000	**31,050**	0	1,094	2,530	3,201	0	1,947	3,655	4,326
31,050	**31,100**	0	1,086	2,519	3,191	0	1,939	3,644	4,316
31,100	**31,150**	0	1,078	2,509	3,180	0	1,931	3,633	4,305
31,150	**31,200**	0	1,070	2,498	3,170	0	1,923	3,623	4,294
31,200	**31,250**	0	1,062	2,488	3,159	0	1,915	3,612	4,284
31,250	**31,300**	0	1,054	2,477	3,149	0	1,907	3,602	4,273
31,300	**31,350**	0	1,046	2,467	3,138	0	1,899	3,591	4,263
31,350	**31,400**	0	1,038	2,456	3,128	0	1,891	3,581	4,252
31,400	**31,450**	0	1,030	2,446	3,117	0	1,883	3,570	4,242
31,450	**31,500**	0	1,022	2,435	3,107	0	1,875	3,560	4,231
31,500	**31,550**	0	1,014	2,425	3,096	0	1,867	3,549	4,221
31,550	**31,600**	0	1,006	2,414	3,086	0	1,859	3,539	4,210
31,600	**31,650**	0	998	2,404	3,075	0	1,851	3,528	4,200
31,650	**31,700**	0	990	2,393	3,065	0	1,843	3,518	4,189
31,700	**31,750**	0	982	2,383	3,054	0	1,835	3,507	4,179
31,750	**31,800**	0	974	2,372	3,044	0	1,827	3,497	4,168
31,800	**31,850**	0	966	2,361	3,033	0	1,819	3,486	4,158
31,850	**31,900**	0	958	2,351	3,022	0	1,811	3,476	4,147
31,900	**31,950**	0	950	2,340	3,012	0	1,803	3,465	4,137
31,950	**32,000**	0	942	2,330	3,001	0	1,795	3,454	4,126
32,000	**32,050**	0	934	2,319	2,991	0	1,787	3,444	4,115
32,050	**32,100**	0	926	2,309	2,980	0	1,779	3,433	4,105
32,100	**32,150**	0	918	2,298	2,970	0	1,771	3,423	4,094
32,150	**32,200**	0	910	2,288	2,959	0	1,763	3,412	4,084
32,200	**32,250**	0	902	2,277	2,949	0	1,755	3,402	4,073
32,250	**32,300**	0	894	2,267	2,938	0	1,747	3,391	4,063
32,300	**32,350**	0	886	2,256	2,928	0	1,739	3,381	4,052
32,350	**32,400**	0	878	2,246	2,917	0	1,732	3,370	4,042
32,400	**32,450**	0	870	2,235	2,907	0	1,724	3,360	4,031
32,450	**32,500**	0	862	2,225	2,896	0	1,716	3,349	4,021
32,500	**32,550**	0	854	2,214	2,886	0	1,708	3,339	4,010
32,550	**32,600**	0	846	2,204	2,875	0	1,700	3,328	4,000
32,600	**32,650**	0	838	2,193	2,864	0	1,692	3,318	3,989
32,650	**32,700**	0	830	2,182	2,854	0	1,684	3,307	3,979
32,700	**32,750**	0	822	2,172	2,843	0	1,676	3,297	3,968
32,750	**32,800**	0	814	2,161	2,833	0	1,668	3,286	3,958
32,800	**32,850**	0	806	2,151	2,822	0	1,660	3,275	3,947
32,850	**32,900**	0	798	2,140	2,812	0	1,652	3,265	3,936
32,900	**32,950**	0	790	2,130	2,801	0	1,644	3,254	3,926
32,950	**33,000**	0	782	2,119	2,791	0	1,636	3,244	3,915
33,000	**33,050**	0	774	2,109	2,780	0	1,628	3,233	3,905
33,050	**33,100**	0	766	2,098	2,770	0	1,620	3,223	3,894
33,100	**33,150**	0	758	2,088	2,759	0	1,612	3,212	3,884
33,150	**33,200**	0	750	2,077	2,749	0	1,604	3,202	3,873
33,200	**33,250**	0	742	2,067	2,738	0	1,596	3,191	3,863
33,250	**33,300**	0	734	2,056	2,728	0	1,588	3,181	3,852
33,300	**33,350**	0	726	2,046	2,717	0	1,580	3,170	3,842
33,350	**33,400**	0	718	2,035	2,707	0	1,572	3,160	3,831
33,400	**33,450**	0	710	2,025	2,696	0	1,564	3,149	3,821
33,450	**33,500**	0	702	2,014	2,685	0	1,556	3,139	3,810
33,500	**33,550**	0	694	2,003	2,675	0	1,548	3,128	3,800
33,550	**33,600**	0	686	1,993	2,664	0	1,540	3,118	3,789
33,600	**33,650**	0	678	1,982	2,654	0	1,532	3,107	3,778
33,650	**33,700**	0	670	1,972	2,643	0	1,524	3,096	3,768
33,700	**33,750**	0	662	1,961	2,633	0	1,516	3,086	3,757
33,750	**33,800**	0	654	1,951	2,622	0	1,508	3,075	3,747
33,800	**33,850**	0	646	1,940	2,612	0	1,500	3,065	3,736
33,850	**33,900**	0	638	1,930	2,601	0	1,492	3,054	3,726
33,900	**33,950**	0	630	1,919	2,591	0	1,484	3,044	3,715
33,950	**34,000**	0	622	1,909	2,580	0	1,476	3,033	3,705
34,000	**34,050**	0	614	1,898	2,570	0	1,468	3,023	3,694
34,050	**34,100**	0	607	1,888	2,559	0	1,460	3,012	3,684
34,100	**34,150**	0	599	1,877	2,549	0	1,452	3,002	3,673
34,150	**34,200**	0	591	1,867	2,538	0	1,444	2,991	3,663
34,200	**34,250**	0	583	1,856	2,528	0	1,436	2,981	3,652
34,250	**34,300**	0	575	1,846	2,517	0	1,428	2,970	3,642
34,300	**34,350**	0	567	1,835	2,506	0	1,420	2,960	3,631
34,350	**34,400**	0	559	1,824	2,496	0	1,412	2,949	3,621
34,400	**34,450**	0	551	1,814	2,485	0	1,404	2,939	3,610
34,450	**34,500**	0	543	1,803	2,475	0	1,396	2,928	3,599
34,500	**34,550**	0	535	1,793	2,464	0	1,388	2,917	3,589
34,550	**34,600**	0	527	1,782	2,454	0	1,380	2,907	3,578
34,600	**34,650**	0	519	1,772	2,443	0	1,372	2,896	3,568
34,650	**34,700**	0	511	1,761	2,433	0	1,364	2,886	3,557
34,700	**34,750**	0	503	1,751	2,422	0	1,356	2,875	3,547
34,750	**34,800**	0	495	1,740	2,412	0	1,348	2,865	3,536
34,800	**34,850**	0	487	1,730	2,401	0	1,340	2,854	3,526
34,850	**34,900**	0	479	1,719	2,391	0	1,332	2,844	3,515
34,900	**34,950**	0	471	1,709	2,380	0	1,324	2,833	3,505
34,950	**35,000**	0	463	1,698	2,370	0	1,316	2,823	3,494

(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 the number of children you have is–				**Married filing jointly** and the number of children you have is–			
		0	1	2	3	0	1	2	3
At least	But less than	**Your credit is–**				**Your credit is–**			
35,000	**35,050**	0	455	1,688	2,359	0	1,308	2,812	3,484
35,050	**35,100**	0	447	1,677	2,349	0	1,300	2,802	3,473
35,100	**35,150**	0	439	1,666	2,338	0	1,292	2,791	3,463
35,150	**35,200**	0	431	1,656	2,327	0	1,284	2,781	3,452
35,200	**35,250**	0	423	1,645	2,317	0	1,276	2,770	3,442
35,250	**35,300**	0	415	1,635	2,306	0	1,268	2,760	3,431
35,300	**35,350**	0	407	1,624	2,296	0	1,260	2,749	3,420
35,350	**35,400**	0	399	1,614	2,285	0	1,252	2,738	3,410
35,400	**35,450**	0	391	1,603	2,275	0	1,244	2,728	3,399
35,450	**35,500**	0	383	1,593	2,264	0	1,236	2,717	3,389
35,500	**35,550**	0	375	1,582	2,254	0	1,228	2,707	3,378
35,550	**35,600**	0	367	1,572	2,243	0	1,220	2,696	3,368
35,600	**35,650**	0	359	1,561	2,233	0	1,212	2,686	3,357
35,650	**35,700**	0	351	1,551	2,222	0	1,204	2,675	3,347
35,700	**35,750**	0	343	1,540	2,212	0	1,196	2,665	3,336
35,750	**35,800**	0	335	1,530	2,201	0	1,188	2,654	3,326
35,800	**35,850**	0	327	1,519	2,191	0	1,180	2,644	3,315
35,850	**35,900**	0	319	1,509	2,180	0	1,172	2,633	3,305
35,900	**35,950**	0	311	1,498	2,170	0	1,164	2,623	3,294
35,950	**36,000**	0	303	1,487	2,159	0	1,156	2,612	3,284
36,000	**36,050**	0	295	1,477	2,148	0	1,148	2,602	3,273
36,050	**36,100**	0	287	1,466	2,138	0	1,140	2,591	3,263
36,100	**36,150**	0	279	1,456	2,127	0	1,132	2,580	3,252
36,150	**36,200**	0	271	1,445	2,117	0	1,124	2,570	3,241
36,200	**36,250**	0	263	1,435	2,106	0	1,116	2,559	3,231
36,250	**36,300**	0	255	1,424	2,096	0	1,108	2,549	3,220
36,300	**36,350**	0	247	1,414	2,085	0	1,100	2,538	3,210
36,350	**36,400**	0	239	1,403	2,075	0	1,092	2,528	3,199
36,400	**36,450**	0	231	1,393	2,064	0	1,084	2,517	3,189
36,450	**36,500**	0	223	1,382	2,054	0	1,076	2,507	3,178
36,500	**36,550**	0	215	1,372	2,043	0	1,068	2,496	3,168
36,550	**36,600**	0	207	1,361	2,033	0	1,060	2,486	3,157
36,600	**36,650**	0	199	1,351	2,022	0	1,052	2,475	3,147
36,650	**36,700**	0	191	1,340	2,012	0	1,044	2,465	3,136
36,700	**36,750**	0	183	1,330	2,001	0	1,036	2,454	3,126
36,750	**36,800**	0	175	1,319	1,991	0	1,028	2,444	3,115
36,800	**36,850**	0	167	1,308	1,980	0	1,020	2,433	3,105
36,850	**36,900**	0	159	1,298	1,969	0	1,012	2,423	3,094
36,900	**36,950**	0	151	1,287	1,959	0	1,004	2,412	3,084
36,950	**37,000**	0	143	1,277	1,948	0	996	2,401	3,073
37,000	**37,050**	0	135	1,266	1,938	0	988	2,391	3,062
37,050	**37,100**	0	127	1,256	1,927	0	980	2,380	3,052
37,100	**37,150**	0	119	1,245	1,917	0	972	2,370	3,041
37,150	**37,200**	0	111	1,235	1,906	0	964	2,359	3,031
37,200	**37,250**	0	103	1,224	1,896	0	956	2,349	3,020
37,250	**37,300**	0	95	1,214	1,885	0	948	2,338	3,010
37,300	**37,350**	0	87	1,203	1,875	0	940	2,328	2,999
37,350	**37,400**	0	79	1,193	1,864	0	933	2,317	2,989
37,400	**37,450**	0	71	1,182	1,854	0	925	2,307	2,978
37,450	**37,500**	0	63	1,172	1,843	0	917	2,296	2,968
37,500	**37,550**	0	55	1,161	1,833	0	909	2,286	2,957
37,550	**37,600**	0	47	1,151	1,822	0	901	2,275	2,947
37,600	**37,650**	0	39	1,140	1,811	0	893	2,265	2,936
37,650	**37,700**	0	31	1,129	1,801	0	885	2,254	2,926
37,700	**37,750**	0	23	1,119	1,790	0	877	2,244	2,915
37,750	**37,800**	0	15	1,108	1,780	0	869	2,233	2,905
37,800	**37,850**	0	7	1,098	1,769	0	861	2,222	2,894
37,850	**37,900**	0	*	1,087	1,759	0	853	2,212	2,883
37,900	**37,950**	0	0	1,077	1,748	0	845	2,201	2,873
37,950	**38,000**	0	0	1,066	1,738	0	837	2,191	2,862

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 the number of children you have is–				**Married filing jointly** and the number of children you have is–			
		0	1	2	3	0	1	2	3
At least	But less than	**Your credit is–**				**Your credit is–**			
38,000	**38,050**	0	0	1,056	1,727	0	829	2,180	2,852
38,050	**38,100**	0	0	1,045	1,717	0	821	2,170	2,841
38,100	**38,150**	0	0	1,035	1,706	0	813	2,159	2,831
38,150	**38,200**	0	0	1,024	1,696	0	805	2,149	2,820
38,200	**38,250**	0	0	1,014	1,685	0	797	2,138	2,810
38,250	**38,300**	0	0	1,003	1,675	0	789	2,128	2,799
38,300	**38,350**	0	0	993	1,664	0	781	2,117	2,789
38,350	**38,400**	0	0	982	1,654	0	773	2,107	2,778
38,400	**38,450**	0	0	972	1,643	0	765	2,096	2,768
38,450	**38,500**	0	0	961	1,632	0	757	2,086	2,757
38,500	**38,550**	0	0	950	1,622	0	749	2,075	2,747
38,550	**38,600**	0	0	940	1,611	0	741	2,065	2,736
38,600	**38,650**	0	0	929	1,601	0	733	2,054	2,725
38,650	**38,700**	0	0	919	1,590	0	725	2,043	2,715
38,700	**38,750**	0	0	908	1,580	0	717	2,033	2,704
38,750	**38,800**	0	0	898	1,569	0	709	2,022	2,694
38,800	**38,850**	0	0	887	1,559	0	701	2,012	2,683
38,850	**38,900**	0	0	877	1,548	0	693	2,001	2,673
38,900	**38,950**	0	0	866	1,538	0	685	1,991	2,662
38,950	**39,000**	0	0	856	1,527	0	677	1,980	2,652
39,000	**39,050**	0	0	845	1,517	0	669	1,970	2,641
39,050	**39,100**	0	0	835	1,506	0	661	1,959	2,631
39,100	**39,150**	0	0	824	1,496	0	653	1,949	2,620
39,150	**39,200**	0	0	814	1,485	0	645	1,938	2,610
39,200	**39,250**	0	0	803	1,475	0	637	1,928	2,599
39,250	**39,300**	0	0	793	1,464	0	629	1,917	2,589
39,300	**39,350**	0	0	782	1,453	0	621	1,907	2,578
39,350	**39,400**	0	0	771	1,443	0	613	1,896	2,568
39,400	**39,450**	0	0	761	1,432	0	605	1,886	2,557
39,450	**39,500**	0	0	750	1,422	0	597	1,875	2,546
39,500	**39,550**	0	0	740	1,411	0	589	1,864	2,536
39,550	**39,600**	0	0	729	1,401	0	581	1,854	2,525
39,600	**39,650**	0	0	719	1,390	0	573	1,843	2,515
39,650	**39,700**	0	0	708	1,380	0	565	1,833	2,504
39,700	**39,750**	0	0	698	1,369	0	557	1,822	2,494
39,750	**39,800**	0	0	687	1,359	0	549	1,812	2,483
39,800	**39,850**	0	0	677	1,348	0	541	1,801	2,473
39,850	**39,900**	0	0	666	1,338	0	533	1,791	2,462
39,900	**39,950**	0	0	656	1,327	0	525	1,780	2,452
39,950	**40,000**	0	0	645	1,317	0	517	1,770	2,441
40,000	**40,050**	0	0	635	1,306	0	509	1,759	2,431
40,050	**40,100**	0	0	624	1,296	0	501	1,749	2,420
40,100	**40,150**	0	0	613	1,285	0	493	1,738	2,410
40,150	**40,200**	0	0	603	1,274	0	485	1,728	2,399
40,200	**40,250**	0	0	592	1,264	0	477	1,717	2,389
40,250	**40,300**	0	0	582	1,253	0	469	1,707	2,378
40,300	**40,350**	0	0	571	1,243	0	461	1,696	2,367
40,350	**40,400**	0	0	561	1,232	0	453	1,685	2,357
40,400	**40,450**	0	0	550	1,222	0	445	1,675	2,346
40,450	**40,500**	0	0	540	1,211	0	437	1,664	2,336
40,500	**40,550**	0	0	529	1,201	0	429	1,654	2,325
40,550	**40,600**	0	0	519	1,190	0	421	1,643	2,315
40,600	**40,650**	0	0	508	1,180	0	413	1,633	2,304
40,650	**40,700**	0	0	498	1,169	0	405	1,622	2,294
40,700	**40,750**	0	0	487	1,159	0	397	1,612	2,283
40,750	**40,800**	0	0	477	1,148	0	389	1,601	2,273
40,800	**40,850**	0	0	466	1,138	0	381	1,591	2,262
40,850	**40,900**	0	0	456	1,127	0	373	1,580	2,252
40,900	**40,950**	0	0	445	1,117	0	365	1,570	2,241
40,950	**41,000**	0	0	434	1,106	0	357	1,559	2,231

(Continued)

* If the amount you are looking up from the worksheet is at least $37,850 but less than $37,870, and you have one qualifying child, your credit is $2.
If the amount you are looking up from the worksheet is $37,870 or more, and you have one qualifying child, 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 the number of children you have is–				**Married filing jointly** and the number of children you have is–			
		0	1	2	3	0	1	2	3
At least	But less than	Your credit is–				Your credit is–			
41,000	**41,050**	0	0	424	1,095	0	349	1,549	2,220
41,050	**41,100**	0	0	413	1,085	0	341	1,538	2,210
41,100	**41,150**	0	0	403	1,074	0	333	1,527	2,199
41,150	**41,200**	0	0	392	1,064	0	325	1,517	2,188
41,200	**41,250**	0	0	382	1,053	0	317	1,506	2,178
41,250	**41,300**	0	0	371	1,043	0	309	1,496	2,167
41,300	**41,350**	0	0	361	1,032	0	301	1,485	2,157
41,350	**41,400**	0	0	350	1,022	0	293	1,475	2,146
41,400	**41,450**	0	0	340	1,011	0	285	1,464	2,136
41,450	**41,500**	0	0	329	1,001	0	277	1,454	2,125
41,500	**41,550**	0	0	319	990	0	269	1,443	2,115
41,550	**41,600**	0	0	308	980	0	261	1,433	2,104
41,600	**41,650**	0	0	298	969	0	253	1,422	2,094
41,650	**41,700**	0	0	287	959	0	245	1,412	2,083
41,700	**41,750**	0	0	277	948	0	237	1,401	2,073
41,750	**41,800**	0	0	266	938	0	229	1,391	2,062
41,800	**41,850**	0	0	255	927	0	221	1,380	2,052
41,850	**41,900**	0	0	245	916	0	213	1,370	2,041
41,900	**41,950**	0	0	234	906	0	205	1,359	2,031
41,950	**42,000**	0	0	224	895	0	197	1,348	2,020
42,000	**42,050**	0	0	213	885	0	189	1,338	2,009
42,050	**42,100**	0	0	203	874	0	181	1,327	1,999
42,100	**42,150**	0	0	192	864	0	173	1,317	1,988
42,150	**42,200**	0	0	182	853	0	165	1,306	1,978
42,200	**42,250**	0	0	171	843	0	157	1,296	1,967
42,250	**42,300**	0	0	161	832	0	149	1,285	1,957
42,300	**42,350**	0	0	150	822	0	141	1,275	1,946
42,350	**42,400**	0	0	140	811	0	134	1,264	1,936
42,400	**42,450**	0	0	129	801	0	126	1,254	1,925
42,450	**42,500**	0	0	119	790	0	118	1,243	1,915
42,500	**42,550**	0	0	108	780	0	110	1,233	1,904
42,550	**42,600**	0	0	98	769	0	102	1,222	1,894
42,600	**42,650**	0	0	87	758	0	94	1,212	1,883
42,650	**42,700**	0	0	76	748	0	86	1,201	1,873
42,700	**42,750**	0	0	66	737	0	78	1,191	1,862
42,750	**42,800**	0	0	55	727	0	70	1,180	1,852
42,800	**42,850**	0	0	45	716	0	62	1,169	1,841
42,850	**42,900**	0	0	34	706	0	54	1,159	1,830
42,900	**42,950**	0	0	24	695	0	46	1,148	1,820
42,950	**43,000**	0	0	13	685	0	38	1,138	1,809
43,000	**43,050**	0	0	*	674	0	30	1,127	1,799
43,050	**43,100**	0	0	0	664	0	22	1,117	1,788
43,100	**43,150**	0	0	0	653	0	14	1,106	1,778
43,150	**43,200**	0	0	0	643	0	6	1,096	1,767
43,200	**43,250**	0	0	0	632	0	**	1,085	1,757
43,250	**43,300**	0	0	0	622	0	0	1,075	1,746
43,300	**43,350**	0	0	0	611	0	0	1,064	1,736
43,350	**43,400**	0	0	0	601	0	0	1,054	1,725
43,400	**43,450**	0	0	0	590	0	0	1,043	1,715
43,450	**43,500**	0	0	0	579	0	0	1,033	1,704
43,500	**43,550**	0	0	0	569	0	0	1,022	1,694
43,550	**43,600**	0	0	0	558	0	0	1,012	1,683
43,600	**43,650**	0	0	0	548	0	0	1,001	1,672
43,650	**43,700**	0	0	0	537	0	0	990	1,662
43,700	**43,750**	0	0	0	527	0	0	980	1,651
43,750	**43,800**	0	0	0	516	0	0	969	1,641
43,800	**43,850**	0	0	0	506	0	0	959	1,630
43,850	**43,900**	0	0	0	495	0	0	948	1,620
43,900	**43,950**	0	0	0	485	0	0	938	1,609
43,950	**44,000**	0	0	0	474	0	0	927	1,599
44,000	**44,050**	0	0	0	464	0	0	917	1,588
44,050	**44,100**	0	0	0	453	0	0	906	1,578
44,100	**44,150**	0	0	0	443	0	0	896	1,567
44,150	**44,200**	0	0	0	432	0	0	885	1,557
44,200	**44,250**	0	0	0	422	0	0	875	1,546
44,250	**44,300**	0	0	0	411	0	0	864	1,536
44,300	**44,350**	0	0	0	400	0	0	854	1,525
44,350	**44,400**	0	0	0	390	0	0	843	1,515
44,400	**44,450**	0	0	0	379	0	0	833	1,504
44,450	**44,500**	0	0	0	369	0	0	822	1,493
44,500	**44,550**	0	0	0	358	0	0	811	1,483
44,550	**44,600**	0	0	0	348	0	0	801	1,472
44,600	**44,650**	0	0	0	337	0	0	790	1,462
44,650	**44,700**	0	0	0	327	0	0	780	1,451
44,700	**44,750**	0	0	0	316	0	0	769	1,441
44,750	**44,800**	0	0	0	306	0	0	759	1,430
44,800	**44,850**	0	0	0	295	0	0	748	1,420
44,850	**44,900**	0	0	0	285	0	0	738	1,409
44,900	**44,950**	0	0	0	274	0	0	727	1,399
44,950	**45,000**	0	0	0	264	0	0	717	1,388
45,000	**45,050**	0	0	0	253	0	0	706	1,378
45,050	**45,100**	0	0	0	243	0	0	696	1,367
45,100	**45,150**	0	0	0	232	0	0	685	1,357
45,150	**45,200**	0	0	0	221	0	0	675	1,346
45,200	**45,250**	0	0	0	211	0	0	664	1,336
45,250	**45,300**	0	0	0	200	0	0	654	1,325
45,300	**45,350**	0	0	0	190	0	0	643	1,314
45,350	**45,400**	0	0	0	179	0	0	632	1,304
45,400	**45,450**	0	0	0	169	0	0	622	1,293
45,450	**45,500**	0	0	0	158	0	0	611	1,283
45,500	**45,550**	0	0	0	148	0	0	601	1,272
45,550	**45,600**	0	0	0	137	0	0	590	1,262
45,600	**45,650**	0	0	0	127	0	0	580	1,251
45,650	**45,700**	0	0	0	116	0	0	569	1,241
45,700	**45,750**	0	0	0	106	0	0	559	1,230
45,750	**45,800**	0	0	0	95	0	0	548	1,220
45,800	**45,850**	0	0	0	85	0	0	538	1,209
45,850	**45,900**	0	0	0	74	0	0	527	1,199
45,900	**45,950**	0	0	0	64	0	0	517	1,188
45,950	**46,000**	0	0	0	53	0	0	506	1,178

(Continued)

* If the amount you are looking up from the worksheet is at least $43,000 but less than $43,038, and you have two qualifying children, your credit is $4.
If the amount you are looking up from the worksheet is $43,038 or more, and you have two qualifying children, you cannot take the credit.
** If the amount you are looking up from the worksheet is at least $43,200 but less than $43,210, and you have one qualifying child, your credit is $1.
If the amount you are looking up from the worksheet is $43,210 or more, and you have one qualifying child, 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 the number of children you have is–				**Married filing jointly** and the number of children you have is–			
		0	1	2	3	0	1	2	3
At least	But less than	Your credit is–				Your credit is–			
46,000	**46,050**	0	0	0	42	0	0	496	1,167
46,050	**46,100**	0	0	0	32	0	0	485	1,157
46,100	**46,150**	0	0	0	21	0	0	474	1,146
46,150	**46,200**	0	0	0	11	0	0	464	1,135
46,200	**46,250**	0	0	0	*	0	0	453	1,125
46,250	**46,300**	0	0	0	0	0	0	443	1,114
46,300	**46,350**	0	0	0	0	0	0	432	1,104
46,350	**46,400**	0	0	0	0	0	0	422	1,093
46,400	**46,450**	0	0	0	0	0	0	411	1,083
46,450	**46,500**	0	0	0	0	0	0	401	1,072
46,500	**46,550**	0	0	0	0	0	0	390	1,062
46,550	**46,600**	0	0	0	0	0	0	380	1,051
46,600	**46,650**	0	0	0	0	0	0	369	1,041
46,650	**46,700**	0	0	0	0	0	0	359	1,030
46,700	**46,750**	0	0	0	0	0	0	348	1,020
46,750	**46,800**	0	0	0	0	0	0	338	1,009
46,800	**46,850**	0	0	0	0	0	0	327	999
46,850	**46,900**	0	0	0	0	0	0	317	988
46,900	**46,950**	0	0	0	0	0	0	306	978
46,950	**47,000**	0	0	0	0	0	0	295	967
47,000	**47,050**	0	0	0	0	0	0	285	956
47,050	**47,100**	0	0	0	0	0	0	274	946
47,100	**47,150**	0	0	0	0	0	0	264	935
47,150	**47,200**	0	0	0	0	0	0	253	925
47,200	**47,250**	0	0	0	0	0	0	243	914
47,250	**47,300**	0	0	0	0	0	0	232	904
47,300	**47,350**	0	0	0	0	0	0	222	893
47,350	**47,400**	0	0	0	0	0	0	211	883
47,400	**47,450**	0	0	0	0	0	0	201	872
47,450	**47,500**	0	0	0	0	0	0	190	862
47,500	**47,550**	0	0	0	0	0	0	180	851
47,550	**47,600**	0	0	0	0	0	0	169	841
47,600	**47,650**	0	0	0	0	0	0	159	830
47,650	**47,700**	0	0	0	0	0	0	148	820
47,700	**47,750**	0	0	0	0	0	0	138	809
47,750	**47,800**	0	0	0	0	0	0	127	799
47,800	**47,850**	0	0	0	0	0	0	116	788
47,850	**47,900**	0	0	0	0	0	0	106	777
47,900	**47,950**	0	0	0	0	0	0	95	767
47,950	**48,000**	0	0	0	0	0	0	85	756
48,000	**48,050**	0	0	0	0	0	0	74	746
48,050	**48,100**	0	0	0	0	0	0	64	735
48,100	**48,150**	0	0	0	0	0	0	53	725
48,150	**48,200**	0	0	0	0	0	0	43	714
48,200	**48,250**	0	0	0	0	0	0	32	704
48,250	**48,300**	0	0	0	0	0	0	22	693
48,300	**48,350**	0	0	0	0	0	0	11	683
48,350	**48,400**	0	0	0	0	0	0	**	672
48,400	**48,450**	0	0	0	0	0	0	0	662
48,450	**48,500**	0	0	0	0	0	0	0	651
48,500	**48,550**	0	0	0	0	0	0	0	641
48,550	**48,600**	0	0	0	0	0	0	0	630
48,600	**48,650**	0	0	0	0	0	0	0	619
48,650	**48,700**	0	0	0	0	0	0	0	609
48,700	**48,750**	0	0	0	0	0	0	0	598
48,750	**48,800**	0	0	0	0	0	0	0	588
48,800	**48,850**	0	0	0	0	0	0	0	577
48,850	**48,900**	0	0	0	0	0	0	0	567
48,900	**48,950**	0	0	0	0	0	0	0	556
48,950	**49,000**	0	0	0	0	0	0	0	546
49,000	**49,050**	0	0	0	0	0	0	0	535
49,050	**49,100**	0	0	0	0	0	0	0	525
49,100	**49,150**	0	0	0	0	0	0	0	514
49,150	**49,200**	0	0	0	0	0	0	0	504
49,200	**49,250**	0	0	0	0	0	0	0	493
49,250	**49,300**	0	0	0	0	0	0	0	483
49,300	**49,350**	0	0	0	0	0	0	0	472
49,350	**49,400**	0	0	0	0	0	0	0	462
49,400	**49,450**	0	0	0	0	0	0	0	451
49,450	**49,500**	0	0	0	0	0	0	0	440
49,500	**49,550**	0	0	0	0	0	0	0	430
49,550	**49,600**	0	0	0	0	0	0	0	419
49,600	**49,650**	0	0	0	0	0	0	0	409
49,650	**49,700**	0	0	0	0	0	0	0	398
49,700	**49,750**	0	0	0	0	0	0	0	388
49,750	**49,800**	0	0	0	0	0	0	0	377
49,800	**49,850**	0	0	0	0	0	0	0	367
49,850	**49,900**	0	0	0	0	0	0	0	356
49,900	**49,950**	0	0	0	0	0	0	0	346
49,950	**50,000**	0	0	0	0	0	0	0	335
50,000	**50,050**	0	0	0	0	0	0	0	325
50,050	**50,100**	0	0	0	0	0	0	0	314
50,100	**50,150**	0	0	0	0	0	0	0	304
50,150	**50,200**	0	0	0	0	0	0	0	293
50,200	**50,250**	0	0	0	0	0	0	0	283
50,250	**50,300**	0	0	0	0	0	0	0	272
50,300	**50,350**	0	0	0	0	0	0	0	261
50,350	**50,400**	0	0	0	0	0	0	0	251
50,400	**50,450**	0	0	0	0	0	0	0	240
50,450	**50,500**	0	0	0	0	0	0	0	230
50,500	**50,550**	0	0	0	0	0	0	0	219
50,550	**50,600**	0	0	0	0	0	0	0	209
50,600	**50,650**	0	0	0	0	0	0	0	198
50,650	**50,700**	0	0	0	0	0	0	0	188
50,700	**50,750**	0	0	0	0	0	0	0	177
50,750	**50,800**	0	0	0	0	0	0	0	167
50,800	**50,850**	0	0	0	0	0	0	0	156
50,850	**50,900**	0	0	0	0	0	0	0	146
50,900	**50,950**	0	0	0	0	0	0	0	135
50,950	**51,000**	0	0	0	0	0	0	0	125
51,000	**51,050**	0	0	0	0	0	0	0	114
51,050	**51,100**	0	0	0	0	0	0	0	104
51,100	**51,150**	0	0	0	0	0	0	0	93
51,150	**51,200**	0	0	0	0	0	0	0	82
51,200	**51,250**	0	0	0	0	0	0	0	72
51,250	**51,300**	0	0	0	0	0	0	0	61
51,300	**51,350**	0	0	0	0	0	0	0	51
51,350	**51,400**	0	0	0	0	0	0	0	40
51,400	**51,450**	0	0	0	0	0	0	0	30
51,450	**51,500**	0	0	0	0	0	0	0	19
51,500	**51,550**	0	0	0	0	0	0	0	9
51,550	**51,567**	0	0	0	0	0	0	0	2

* If the amount you are looking up from the worksheet is at least $46,200 but less than $46,227, and you have three qualifying children, your credit is $3.
If the amount you are looking up from the worksheet is $46,227 or more, and you have three qualifying children, you cannot take the credit.
** If the amount you are looking up from the worksheet is at least $48,350 but less than $48,378, and you have two qualifying children, your credit is $3.
If the amount you are looking up from the worksheet is $48,378 or more, and you have two qualifying children, you cannot take the credit.

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 for the child tax credit (as defined in Steps 1, 2, and 3 of 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. To find out which education benefits you qualify for, go to *www.irs.gov/uac/Am-I-Eligible-to-Claim-an-Education-Credit%3F*.

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 2014 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 2013 and total wages of more than $113,700, 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 $7,049.40. But if any one employer withheld more than $7,049.40, 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 or 8885. (The health coverage tax credit claimed on Form 8885 expires at the end of 2013.)

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. Check box d and enter "I.R.C. 1341" in the space next to that box. See Pub. 525 for details about this credit.

If you made a tax payment that does not belong on any other line, include the payment on line 71. Check box d and enter "Tax" in the space next to that box.

If you check more than one box, enter the total of the line 71 credits and payments.

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 2014 *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 refun-

ded 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 2013 tax return handy so you can enter your social security number, your filing status, and the exact whole dollar amount of your refund.

Where's My Refund? includes 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.

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 2013). 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 2013 return during 2014 and do not notify the trustee or custodian in advance, the trustee or custodian can assume the deposit to your IRA is for 2014. If you designate your deposit to be for 2013, 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 2013. In that case, you must file an amended 2013 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 $5,500 ($6,500 if age 50 or older at the end of 2013) to a traditional IRA or Roth IRA for 2013. To find the limits for 2014, see Pub. 590. 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.publicdebt.treas.gov/index1.htm.

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 shown here, the routing number is 250250025. Charles and Mary Ellen Keys 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

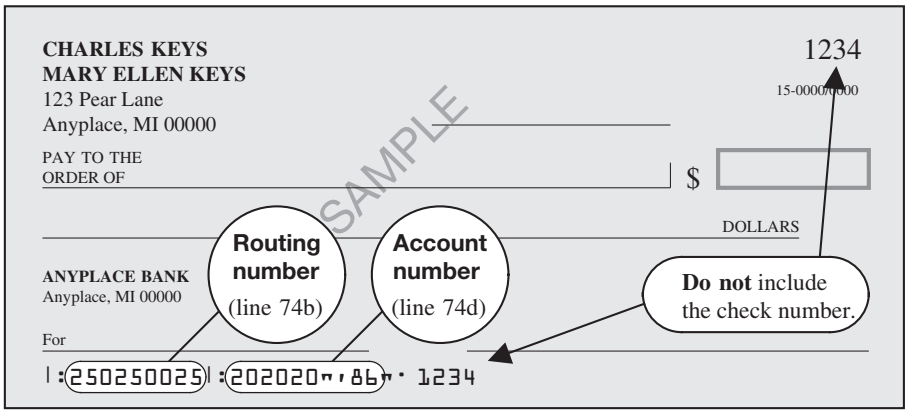
Check the appropriate box for the type of account. Do not check more than one box. If the deposit is to an account such as an IRA, health savings account, brokerage account, or other similar account, ask your financial institution whether you should check the "Checking" or "Savings" box. You must check 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 shown here, 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.

Sample Check—Lines 74b Through 74d



CAUTION *The routing and account numbers may be in different places on your check.*

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 2013 return after December 31, 2014.

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 2014 Estimated Tax

Enter on line 75 the amount, if any, of the overpayment on line 73 you want applied to your 2014 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 2014 estimated tax cannot be changed later.*

Amount You Owe

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, 2014. 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 2014 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

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 (Español). 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.

WorldPay
1-888-9-PAY-TAX™
(1-888-972-9829)
www.payUSAtax.com

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

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 "2013 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 2014. See* Income Tax Withholding and Estimated Tax Payments for 2014 *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, 2014. 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, 2014. An extension generally will not be granted for more than 6 months. If you pay after April 15, 2014, you will be charged interest on the tax not paid by April 15, 2014. 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 2013 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), 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 2012 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 2012 return and you were a U.S. citizen or resident for all of 2012.

2. The total of lines 62, 63, and 69 on your 2013 return is at least 100% of the tax shown on your 2012 return (110% of that amount if you are not a farmer or fisherman, and your adjusted gross income (AGI) shown on your 2012 return was more than $150,000 (more than $75,000 if married filing separately for 2013)). Your estimated tax payments for 2013 must have been made on time and for the required amount.

For most people, the "tax shown on your 2012 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 have owed the estimated tax penalty for 2012 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.

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 2013 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 2014 tax return. This is April 15, 2015, 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 2012 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 2012 Form 1040, line 38; Form 1040A, line 22; or Form 1040EZ, line 4. If you do not have your 2012 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 2012 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 2013.*

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 2013, if you received an Identity Protection Personal Identification Number (IP PIN) from the IRS, enter it in the IP PIN spaces provided below your daytime phone number. You must correctly enter all six numbers of your IP PIN. If you did not receive an IP PIN, leave these spaces blank.

CAUTION *New IP PINs are issued every year. Enter the latest IP PIN you received. IP PINs for 2013 tax returns generally were sent in December 2013.*

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. However, if you are filing electronically, both taxpayers must enter their IP PINs.

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*. If you received an IP PIN but misplaced it, call 1-800-908-4490, extension 245.

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.

2013 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 $2,906. 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	3,338	2,891	3,338	3,146
25,250	25,300	3,345	2,899	3,345	3,154
25,300	25,350	3,353	2,906	3,353	3,161
25,350	25,400	3,360	2,914	3,360	3,169

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
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
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	873	873	873	873
8,750	8,800	878	878	878	878
8,800	8,850	883	883	883	883
8,850	8,900	888	888	888	888
8,900	8,950	893	893	893	893
8,950	9,000	900	898	900	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	908	903	908	903
9,050	9,100	915	908	915	908
9,100	9,150	923	913	923	913
9,150	9,200	930	918	930	918
9,200	9,250	938	923	938	923
9,250	9,300	945	928	945	928
9,300	9,350	953	933	953	933
9,350	9,400	960	938	960	938
9,400	9,450	968	943	968	943
9,450	9,500	975	948	975	948
9,500	9,550	983	953	983	953
9,550	9,600	990	958	990	958
9,600	9,650	998	963	998	963
9,650	9,700	1,005	968	1,005	968
9,700	9,750	1,013	973	1,013	973
9,750	9,800	1,020	978	1,020	978
9,800	9,850	1,028	983	1,028	983
9,850	9,900	1,035	988	1,035	988
9,900	9,950	1,043	993	1,043	993
9,950	10,000	1,050	998	1,050	998
10,000					
10,000	10,050	1,058	1,003	1,058	1,003
10,050	10,100	1,065	1,008	1,065	1,008
10,100	10,150	1,073	1,013	1,073	1,013
10,150	10,200	1,080	1,018	1,080	1,018
10,200	10,250	1,088	1,023	1,088	1,023
10,250	10,300	1,095	1,028	1,095	1,028
10,300	10,350	1,103	1,033	1,103	1,033
10,350	10,400	1,110	1,038	1,110	1,038
10,400	10,450	1,118	1,043	1,118	1,043
10,450	10,500	1,125	1,048	1,125	1,048
10,500	10,550	1,133	1,053	1,133	1,053
10,550	10,600	1,140	1,058	1,140	1,058
10,600	10,650	1,148	1,063	1,148	1,063
10,650	10,700	1,155	1,068	1,155	1,068
10,700	10,750	1,163	1,073	1,163	1,073
10,750	10,800	1,170	1,078	1,170	1,078
10,800	10,850	1,178	1,083	1,178	1,083
10,850	10,900	1,185	1,088	1,185	1,088
10,900	10,950	1,193	1,093	1,193	1,093
10,950	11,000	1,200	1,098	1,200	1,098
11,000					
11,000	11,050	1,208	1,103	1,208	1,103
11,050	11,100	1,215	1,108	1,215	1,108
11,100	11,150	1,223	1,113	1,223	1,113
11,150	11,200	1,230	1,118	1,230	1,118
11,200	11,250	1,238	1,123	1,238	1,123
11,250	11,300	1,245	1,128	1,245	1,128
11,300	11,350	1,253	1,133	1,253	1,133
11,350	11,400	1,260	1,138	1,260	1,138
11,400	11,450	1,268	1,143	1,268	1,143
11,450	11,500	1,275	1,148	1,275	1,148
11,500	11,550	1,283	1,153	1,283	1,153
11,550	11,600	1,290	1,158	1,290	1,158
11,600	11,650	1,298	1,163	1,298	1,163
11,650	11,700	1,305	1,168	1,305	1,168
11,700	11,750	1,313	1,173	1,313	1,173
11,750	11,800	1,320	1,178	1,320	1,178
11,800	11,850	1,328	1,183	1,328	1,183
11,850	11,900	1,335	1,188	1,335	1,188
11,900	11,950	1,343	1,193	1,343	1,193
11,950	12,000	1,350	1,198	1,350	1,198

(Continued)

*** This column must also be used by a qualifying widow(er).**

2013 Tax Table—*Continued*

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	1,358	1,203	1,358	1,203
12,050	12,100	1,365	1,208	1,365	1,208
12,100	12,150	1,373	1,213	1,373	1,213
12,150	12,200	1,380	1,218	1,380	1,218
12,200	12,250	1,388	1,223	1,388	1,223
12,250	12,300	1,395	1,228	1,395	1,228
12,300	12,350	1,403	1,233	1,403	1,233
12,350	12,400	1,410	1,238	1,410	1,238
12,400	12,450	1,418	1,243	1,418	1,243
12,450	12,500	1,425	1,248	1,425	1,248
12,500	12,550	1,433	1,253	1,433	1,253
12,550	12,600	1,440	1,258	1,440	1,258
12,600	12,650	1,448	1,263	1,448	1,263
12,650	12,700	1,455	1,268	1,455	1,268
12,700	12,750	1,463	1,273	1,463	1,273
12,750	12,800	1,470	1,278	1,470	1,279
12,800	12,850	1,478	1,283	1,478	1,286
12,850	12,900	1,485	1,288	1,485	1,294
12,900	12,950	1,493	1,293	1,493	1,301
12,950	13,000	1,500	1,298	1,500	1,309
13,000					
13,000	13,050	1,508	1,303	1,508	1,316
13,050	13,100	1,515	1,308	1,515	1,324
13,100	13,150	1,523	1,313	1,523	1,331
13,150	13,200	1,530	1,318	1,530	1,339
13,200	13,250	1,538	1,323	1,538	1,346
13,250	13,300	1,545	1,328	1,545	1,354
13,300	13,350	1,553	1,333	1,553	1,361
13,350	13,400	1,560	1,338	1,560	1,369
13,400	13,450	1,568	1,343	1,568	1,376
13,450	13,500	1,575	1,348	1,575	1,384
13,500	13,550	1,583	1,353	1,583	1,391
13,550	13,600	1,590	1,358	1,590	1,399
13,600	13,650	1,598	1,363	1,598	1,406
13,650	13,700	1,605	1,368	1,605	1,414
13,700	13,750	1,613	1,373	1,613	1,421
13,750	13,800	1,620	1,378	1,620	1,429
13,800	13,850	1,628	1,383	1,628	1,436
13,850	13,900	1,635	1,388	1,635	1,444
13,900	13,950	1,643	1,393	1,643	1,451
13,950	14,000	1,650	1,398	1,650	1,459
14,000					
14,000	14,050	1,658	1,403	1,658	1,466
14,050	14,100	1,665	1,408	1,665	1,474
14,100	14,150	1,673	1,413	1,673	1,481
14,150	14,200	1,680	1,418	1,680	1,489
14,200	14,250	1,688	1,423	1,688	1,496
14,250	14,300	1,695	1,428	1,695	1,504
14,300	14,350	1,703	1,433	1,703	1,511
14,350	14,400	1,710	1,438	1,710	1,519
14,400	14,450	1,718	1,443	1,718	1,526
14,450	14,500	1,725	1,448	1,725	1,534
14,500	14,550	1,733	1,453	1,733	1,541
14,550	14,600	1,740	1,458	1,740	1,549
14,600	14,650	1,748	1,463	1,748	1,556
14,650	14,700	1,755	1,468	1,755	1,564
14,700	14,750	1,763	1,473	1,763	1,571
14,750	14,800	1,770	1,478	1,770	1,579
14,800	14,850	1,778	1,483	1,778	1,586
14,850	14,900	1,785	1,488	1,785	1,594
14,900	14,950	1,793	1,493	1,793	1,601
14,950	15,000	1,800	1,498	1,800	1,609

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	1,808	1,503	1,808	1,616
15,050	15,100	1,815	1,508	1,815	1,624
15,100	15,150	1,823	1,513	1,823	1,631
15,150	15,200	1,830	1,518	1,830	1,639
15,200	15,250	1,838	1,523	1,838	1,646
15,250	15,300	1,845	1,528	1,845	1,654
15,300	15,350	1,853	1,533	1,853	1,661
15,350	15,400	1,860	1,538	1,860	1,669
15,400	15,450	1,868	1,543	1,868	1,676
15,450	15,500	1,875	1,548	1,875	1,684
15,500	15,550	1,883	1,553	1,883	1,691
15,550	15,600	1,890	1,558	1,890	1,699
15,600	15,650	1,898	1,563	1,898	1,706
15,650	15,700	1,905	1,568	1,905	1,714
15,700	15,750	1,913	1,573	1,913	1,721
15,750	15,800	1,920	1,578	1,920	1,729
15,800	15,850	1,928	1,583	1,928	1,736
15,850	15,900	1,935	1,588	1,935	1,744
15,900	15,950	1,943	1,593	1,943	1,751
15,950	16,000	1,950	1,598	1,950	1,759
16,000					
16,000	16,050	1,958	1,603	1,958	1,766
16,050	16,100	1,965	1,608	1,965	1,774
16,100	16,150	1,973	1,613	1,973	1,781
16,150	16,200	1,980	1,618	1,980	1,789
16,200	16,250	1,988	1,623	1,988	1,796
16,250	16,300	1,995	1,628	1,995	1,804
16,300	16,350	2,003	1,633	2,003	1,811
16,350	16,400	2,010	1,638	2,010	1,819
16,400	16,450	2,018	1,643	2,018	1,826
16,450	16,500	2,025	1,648	2,025	1,834
16,500	16,550	2,033	1,653	2,033	1,841
16,550	16,600	2,040	1,658	2,040	1,849
16,600	16,650	2,048	1,663	2,048	1,856
16,650	16,700	2,055	1,668	2,055	1,864
16,700	16,750	2,063	1,673	2,063	1,871
16,750	16,800	2,070	1,678	2,070	1,879
16,800	16,850	2,078	1,683	2,078	1,886
16,850	16,900	2,085	1,688	2,085	1,894
16,900	16,950	2,093	1,693	2,093	1,901
16,950	17,000	2,100	1,698	2,100	1,909
17,000					
17,000	17,050	2,108	1,703	2,108	1,916
17,050	17,100	2,115	1,708	2,115	1,924
17,100	17,150	2,123	1,713	2,123	1,931
17,150	17,200	2,130	1,718	2,130	1,939
17,200	17,250	2,138	1,723	2,138	1,946
17,250	17,300	2,145	1,728	2,145	1,954
17,300	17,350	2,153	1,733	2,153	1,961
17,350	17,400	2,160	1,738	2,160	1,969
17,400	17,450	2,168	1,743	2,168	1,976
17,450	17,500	2,175	1,748	2,175	1,984
17,500	17,550	2,183	1,753	2,183	1,991
17,550	17,600	2,190	1,758	2,190	1,999
17,600	17,650	2,198	1,763	2,198	2,006
17,650	17,700	2,205	1,768	2,205	2,014
17,700	17,750	2,213	1,773	2,213	2,021
17,750	17,800	2,220	1,778	2,220	2,029
17,800	17,850	2,228	1,783	2,228	2,036
17,850	17,900	2,235	1,789	2,235	2,044
17,900	17,950	2,243	1,796	2,243	2,051
17,950	18,000	2,250	1,804	2,250	2,059

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	2,258	1,811	2,258	2,066
18,050	18,100	2,265	1,819	2,265	2,074
18,100	18,150	2,273	1,826	2,273	2,081
18,150	18,200	2,280	1,834	2,280	2,089
18,200	18,250	2,288	1,841	2,288	2,096
18,250	18,300	2,295	1,849	2,295	2,104
18,300	18,350	2,303	1,856	2,303	2,111
18,350	18,400	2,310	1,864	2,310	2,119
18,400	18,450	2,318	1,871	2,318	2,126
18,450	18,500	2,325	1,879	2,325	2,134
18,500	18,550	2,333	1,886	2,333	2,141
18,550	18,600	2,340	1,894	2,340	2,149
18,600	18,650	2,348	1,901	2,348	2,156
18,650	18,700	2,355	1,909	2,355	2,164
18,700	18,750	2,363	1,916	2,363	2,171
18,750	18,800	2,370	1,924	2,370	2,179
18,800	18,850	2,378	1,931	2,378	2,186
18,850	18,900	2,385	1,939	2,385	2,194
18,900	18,950	2,393	1,946	2,393	2,201
18,950	19,000	2,400	1,954	2,400	2,209
19,000					
19,000	19,050	2,408	1,961	2,408	2,216
19,050	19,100	2,415	1,969	2,415	2,224
19,100	19,150	2,423	1,976	2,423	2,231
19,150	19,200	2,430	1,984	2,430	2,239
19,200	19,250	2,438	1,991	2,438	2,246
19,250	19,300	2,445	1,999	2,445	2,254
19,300	19,350	2,453	2,006	2,453	2,261
19,350	19,400	2,460	2,014	2,460	2,269
19,400	19,450	2,468	2,021	2,468	2,276
19,450	19,500	2,475	2,029	2,475	2,284
19,500	19,550	2,483	2,036	2,483	2,291
19,550	19,600	2,490	2,044	2,490	2,299
19,600	19,650	2,498	2,051	2,498	2,306
19,650	19,700	2,505	2,059	2,505	2,314
19,700	19,750	2,513	2,066	2,513	2,321
19,750	19,800	2,520	2,074	2,520	2,329
19,800	19,850	2,528	2,081	2,528	2,336
19,850	19,900	2,535	2,089	2,535	2,344
19,900	19,950	2,543	2,096	2,543	2,351
19,950	20,000	2,550	2,104	2,550	2,359
20,000					
20,000	20,050	2,558	2,111	2,558	2,366
20,050	20,100	2,565	2,119	2,565	2,374
20,100	20,150	2,573	2,126	2,573	2,381
20,150	20,200	2,580	2,134	2,580	2,389
20,200	20,250	2,588	2,141	2,588	2,396
20,250	20,300	2,595	2,149	2,595	2,404
20,300	20,350	2,603	2,156	2,603	2,411
20,350	20,400	2,610	2,164	2,610	2,419
20,400	20,450	2,618	2,171	2,618	2,426
20,450	20,500	2,625	2,179	2,625	2,434
20,500	20,550	2,633	2,186	2,633	2,441
20,550	20,600	2,640	2,194	2,640	2,449
20,600	20,650	2,648	2,201	2,648	2,456
20,650	20,700	2,655	2,209	2,655	2,464
20,700	20,750	2,663	2,216	2,663	2,471
20,750	20,800	2,670	2,224	2,670	2,479
20,800	20,850	2,678	2,231	2,678	2,486
20,850	20,900	2,685	2,239	2,685	2,494
20,900	20,950	2,693	2,246	2,693	2,501
20,950	21,000	2,700	2,254	2,700	2,509

(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**	2,708	2,261	2,708	2,516
21,050	**21,100**	2,715	2,269	2,715	2,524
21,100	**21,150**	2,723	2,276	2,723	2,531
21,150	**21,200**	2,730	2,284	2,730	2,539
21,200	**21,250**	2,738	2,291	2,738	2,546
21,250	**21,300**	2,745	2,299	2,745	2,554
21,300	**21,350**	2,753	2,306	2,753	2,561
21,350	**21,400**	2,760	2,314	2,760	2,569
21,400	**21,450**	2,768	2,321	2,768	2,576
21,450	**21,500**	2,775	2,329	2,775	2,584
21,500	**21,550**	2,783	2,336	2,783	2,591
21,550	**21,600**	2,790	2,344	2,790	2,599
21,600	**21,650**	2,798	2,351	2,798	2,606
21,650	**21,700**	2,805	2,359	2,805	2,614
21,700	**21,750**	2,813	2,366	2,813	2,621
21,750	**21,800**	2,820	2,374	2,820	2,629
21,800	**21,850**	2,828	2,381	2,828	2,636
21,850	**21,900**	2,835	2,389	2,835	2,644
21,900	**21,950**	2,843	2,396	2,843	2,651
21,950	**22,000**	2,850	2,404	2,850	2,659
22,000					
22,000	**22,050**	2,858	2,411	2,858	2,666
22,050	**22,100**	2,865	2,419	2,865	2,674
22,100	**22,150**	2,873	2,426	2,873	2,681
22,150	**22,200**	2,880	2,434	2,880	2,689
22,200	**22,250**	2,888	2,441	2,888	2,696
22,250	**22,300**	2,895	2,449	2,895	2,704
22,300	**22,350**	2,903	2,456	2,903	2,711
22,350	**22,400**	2,910	2,464	2,910	2,719
22,400	**22,450**	2,918	2,471	2,918	2,726
22,450	**22,500**	2,925	2,479	2,925	2,734
22,500	**22,550**	2,933	2,486	2,933	2,741
22,550	**22,600**	2,940	2,494	2,940	2,749
22,600	**22,650**	2,948	2,501	2,948	2,756
22,650	**22,700**	2,955	2,509	2,955	2,764
22,700	**22,750**	2,963	2,516	2,963	2,771
22,750	**22,800**	2,970	2,524	2,970	2,779
22,800	**22,850**	2,978	2,531	2,978	2,786
22,850	**22,900**	2,985	2,539	2,985	2,794
22,900	**22,950**	2,993	2,546	2,993	2,801
22,950	**23,000**	3,000	2,554	3,000	2,809
23,000					
23,000	**23,050**	3,008	2,561	3,008	2,816
23,050	**23,100**	3,015	2,569	3,015	2,824
23,100	**23,150**	3,023	2,576	3,023	2,831
23,150	**23,200**	3,030	2,584	3,030	2,839
23,200	**23,250**	3,038	2,591	3,038	2,846
23,250	**23,300**	3,045	2,599	3,045	2,854
23,300	**23,350**	3,053	2,606	3,053	2,861
23,350	**23,400**	3,060	2,614	3,060	2,869
23,400	**23,450**	3,068	2,621	3,068	2,876
23,450	**23,500**	3,075	2,629	3,075	2,884
23,500	**23,550**	3,083	2,636	3,083	2,891
23,550	**23,600**	3,090	2,644	3,090	2,899
23,600	**23,650**	3,098	2,651	3,098	2,906
23,650	**23,700**	3,105	2,659	3,105	2,914
23,700	**23,750**	3,113	2,666	3,113	2,921
23,750	**23,800**	3,120	2,674	3,120	2,929
23,800	**23,850**	3,128	2,681	3,128	2,936
23,850	**23,900**	3,135	2,689	3,135	2,944
23,900	**23,950**	3,143	2,696	3,143	2,951
23,950	**24,000**	3,150	2,704	3,150	2,959
24,000					
24,000	**24,050**	3,158	2,711	3,158	2,966
24,050	**24,100**	3,165	2,719	3,165	2,974
24,100	**24,150**	3,173	2,726	3,173	2,981
24,150	**24,200**	3,180	2,734	3,180	2,989
24,200	**24,250**	3,188	2,741	3,188	2,996
24,250	**24,300**	3,195	2,749	3,195	3,004
24,300	**24,350**	3,203	2,756	3,203	3,011
24,350	**24,400**	3,210	2,764	3,210	3,019
24,400	**24,450**	3,218	2,771	3,218	3,026
24,450	**24,500**	3,225	2,779	3,225	3,034
24,500	**24,550**	3,233	2,786	3,233	3,041
24,550	**24,600**	3,240	2,794	3,240	3,049
24,600	**24,650**	3,248	2,801	3,248	3,056
24,650	**24,700**	3,255	2,809	3,255	3,064
24,700	**24,750**	3,263	2,816	3,263	3,071
24,750	**24,800**	3,270	2,824	3,270	3,079
24,800	**24,850**	3,278	2,831	3,278	3,086
24,850	**24,900**	3,285	2,839	3,285	3,094
24,900	**24,950**	3,293	2,846	3,293	3,101
24,950	**25,000**	3,300	2,854	3,300	3,109
25,000					
25,000	**25,050**	3,308	2,861	3,308	3,116
25,050	**25,100**	3,315	2,869	3,315	3,124
25,100	**25,150**	3,323	2,876	3,323	3,131
25,150	**25,200**	3,330	2,884	3,330	3,139
25,200	**25,250**	3,338	2,891	3,338	3,146
25,250	**25,300**	3,345	2,899	3,345	3,154
25,300	**25,350**	3,353	2,906	3,353	3,161
25,350	**25,400**	3,360	2,914	3,360	3,169
25,400	**25,450**	3,368	2,921	3,368	3,176
25,450	**25,500**	3,375	2,929	3,375	3,184
25,500	**25,550**	3,383	2,936	3,383	3,191
25,550	**25,600**	3,390	2,944	3,390	3,199
25,600	**25,650**	3,398	2,951	3,398	3,206
25,650	**25,700**	3,405	2,959	3,405	3,214
25,700	**25,750**	3,413	2,966	3,413	3,221
25,750	**25,800**	3,420	2,974	3,420	3,229
25,800	**25,850**	3,428	2,981	3,428	3,236
25,850	**25,900**	3,435	2,989	3,435	3,244
25,900	**25,950**	3,443	2,996	3,443	3,251
25,950	**26,000**	3,450	3,004	3,450	3,259
26,000					
26,000	**26,050**	3,458	3,011	3,458	3,266
26,050	**26,100**	3,465	3,019	3,465	3,274
26,100	**26,150**	3,473	3,026	3,473	3,281
26,150	**26,200**	3,480	3,034	3,480	3,289
26,200	**26,250**	3,488	3,041	3,488	3,296
26,250	**26,300**	3,495	3,049	3,495	3,304
26,300	**26,350**	3,503	3,056	3,503	3,311
26,350	**26,400**	3,510	3,064	3,510	3,319
26,400	**26,450**	3,518	3,071	3,518	3,326
26,450	**26,500**	3,525	3,079	3,525	3,334
26,500	**26,550**	3,533	3,086	3,533	3,341
26,550	**26,600**	3,540	3,094	3,540	3,349
26,600	**26,650**	3,548	3,101	3,548	3,356
26,650	**26,700**	3,555	3,109	3,555	3,364
26,700	**26,750**	3,563	3,116	3,563	3,371
26,750	**26,800**	3,570	3,124	3,570	3,379
26,800	**26,850**	3,578	3,131	3,578	3,386
26,850	**26,900**	3,585	3,139	3,585	3,394
26,900	**26,950**	3,593	3,146	3,593	3,401
26,950	**27,000**	3,600	3,154	3,600	3,409
27,000					
27,000	**27,050**	3,608	3,161	3,608	3,416
27,050	**27,100**	3,615	3,169	3,615	3,424
27,100	**27,150**	3,623	3,176	3,623	3,431
27,150	**27,200**	3,630	3,184	3,630	3,439
27,200	**27,250**	3,638	3,191	3,638	3,446
27,250	**27,300**	3,645	3,199	3,645	3,454
27,300	**27,350**	3,653	3,206	3,653	3,461
27,350	**27,400**	3,660	3,214	3,660	3,469
27,400	**27,450**	3,668	3,221	3,668	3,476
27,450	**27,500**	3,675	3,229	3,675	3,484
27,500	**27,550**	3,683	3,236	3,683	3,491
27,550	**27,600**	3,690	3,244	3,690	3,499
27,600	**27,650**	3,698	3,251	3,698	3,506
27,650	**27,700**	3,705	3,259	3,705	3,514
27,700	**27,750**	3,713	3,266	3,713	3,521
27,750	**27,800**	3,720	3,274	3,720	3,529
27,800	**27,850**	3,728	3,281	3,728	3,536
27,850	**27,900**	3,735	3,289	3,735	3,544
27,900	**27,950**	3,743	3,296	3,743	3,551
27,950	**28,000**	3,750	3,304	3,750	3,559
28,000					
28,000	**28,050**	3,758	3,311	3,758	3,566
28,050	**28,100**	3,765	3,319	3,765	3,574
28,100	**28,150**	3,773	3,326	3,773	3,581
28,150	**28,200**	3,780	3,334	3,780	3,589
28,200	**28,250**	3,788	3,341	3,788	3,596
28,250	**28,300**	3,795	3,349	3,795	3,604
28,300	**28,350**	3,803	3,356	3,803	3,611
28,350	**28,400**	3,810	3,364	3,810	3,619
28,400	**28,450**	3,818	3,371	3,818	3,626
28,450	**28,500**	3,825	3,379	3,825	3,634
28,500	**28,550**	3,833	3,386	3,833	3,641
28,550	**28,600**	3,840	3,394	3,840	3,649
28,600	**28,650**	3,848	3,401	3,848	3,656
28,650	**28,700**	3,855	3,409	3,855	3,664
28,700	**28,750**	3,863	3,416	3,863	3,671
28,750	**28,800**	3,870	3,424	3,870	3,679
28,800	**28,850**	3,878	3,431	3,878	3,686
28,850	**28,900**	3,885	3,439	3,885	3,694
28,900	**28,950**	3,893	3,446	3,893	3,701
28,950	**29,000**	3,900	3,454	3,900	3,709
29,000					
29,000	**29,050**	3,908	3,461	3,908	3,716
29,050	**29,100**	3,915	3,469	3,915	3,724
29,100	**29,150**	3,923	3,476	3,923	3,731
29,150	**29,200**	3,930	3,484	3,930	3,739
29,200	**29,250**	3,938	3,491	3,938	3,746
29,250	**29,300**	3,945	3,499	3,945	3,754
29,300	**29,350**	3,953	3,506	3,953	3,761
29,350	**29,400**	3,960	3,514	3,960	3,769
29,400	**29,450**	3,968	3,521	3,968	3,776
29,450	**29,500**	3,975	3,529	3,975	3,784
29,500	**29,550**	3,983	3,536	3,983	3,791
29,550	**29,600**	3,990	3,544	3,990	3,799
29,600	**29,650**	3,998	3,551	3,998	3,806
29,650	**29,700**	4,005	3,559	4,005	3,814
29,700	**29,750**	4,013	3,566	4,013	3,821
29,750	**29,800**	4,020	3,574	4,020	3,829
29,800	**29,850**	4,028	3,581	4,028	3,836
29,850	**29,900**	4,035	3,589	4,035	3,844
29,900	**29,950**	4,043	3,596	4,043	3,851
29,950	**30,000**	4,050	3,604	4,050	3,859

(Continued)

*** This column must also be used by a qualifying widow(er).**

2013 Tax Table—*Continued*

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	4,058	3,611	4,058	3,866
30,050	30,100	4,065	3,619	4,065	3,874
30,100	30,150	4,073	3,626	4,073	3,881
30,150	30,200	4,080	3,634	4,080	3,889
30,200	30,250	4,088	3,641	4,088	3,896
30,250	30,300	4,095	3,649	4,095	3,904
30,300	30,350	4,103	3,656	4,103	3,911
30,350	30,400	4,110	3,664	4,110	3,919
30,400	30,450	4,118	3,671	4,118	3,926
30,450	30,500	4,125	3,679	4,125	3,934
30,500	30,550	4,133	3,686	4,133	3,941
30,550	30,600	4,140	3,694	4,140	3,949
30,600	30,650	4,148	3,701	4,148	3,956
30,650	30,700	4,155	3,709	4,155	3,964
30,700	30,750	4,163	3,716	4,163	3,971
30,750	30,800	4,170	3,724	4,170	3,979
30,800	30,850	4,178	3,731	4,178	3,986
30,850	30,900	4,185	3,739	4,185	3,994
30,900	30,950	4,193	3,746	4,193	4,001
30,950	31,000	4,200	3,754	4,200	4,009
31,000					
31,000	31,050	4,208	3,761	4,208	4,016
31,050	31,100	4,215	3,769	4,215	4,024
31,100	31,150	4,223	3,776	4,223	4,031
31,150	31,200	4,230	3,784	4,230	4,039
31,200	31,250	4,238	3,791	4,238	4,046
31,250	31,300	4,245	3,799	4,245	4,054
31,300	31,350	4,253	3,806	4,253	4,061
31,350	31,400	4,260	3,814	4,260	4,069
31,400	31,450	4,268	3,821	4,268	4,076
31,450	31,500	4,275	3,829	4,275	4,084
31,500	31,550	4,283	3,836	4,283	4,091
31,550	31,600	4,290	3,844	4,290	4,099
31,600	31,650	4,298	3,851	4,298	4,106
31,650	31,700	4,305	3,859	4,305	4,114
31,700	31,750	4,313	3,866	4,313	4,121
31,750	31,800	4,320	3,874	4,320	4,129
31,800	31,850	4,328	3,881	4,328	4,136
31,850	31,900	4,335	3,889	4,335	4,144
31,900	31,950	4,343	3,896	4,343	4,151
31,950	32,000	4,350	3,904	4,350	4,159
32,000					
32,000	32,050	4,358	3,911	4,358	4,166
32,050	32,100	4,365	3,919	4,365	4,174
32,100	32,150	4,373	3,926	4,373	4,181
32,150	32,200	4,380	3,934	4,380	4,189
32,200	32,250	4,388	3,941	4,388	4,196
32,250	32,300	4,395	3,949	4,395	4,204
32,300	32,350	4,403	3,956	4,403	4,211
32,350	32,400	4,410	3,964	4,410	4,219
32,400	32,450	4,418	3,971	4,418	4,226
32,450	32,500	4,425	3,979	4,425	4,234
32,500	32,550	4,433	3,986	4,433	4,241
32,550	32,600	4,440	3,994	4,440	4,249
32,600	32,650	4,448	4,001	4,448	4,256
32,650	32,700	4,455	4,009	4,455	4,264
32,700	32,750	4,463	4,016	4,463	4,271
32,750	32,800	4,470	4,024	4,470	4,279
32,800	32,850	4,478	4,031	4,478	4,286
32,850	32,900	4,485	4,039	4,485	4,294
32,900	32,950	4,493	4,046	4,493	4,301
32,950	33,000	4,500	4,054	4,500	4,309
33,000					
33,000	33,050	4,508	4,061	4,508	4,316
33,050	33,100	4,515	4,069	4,515	4,324
33,100	33,150	4,523	4,076	4,523	4,331
33,150	33,200	4,530	4,084	4,530	4,339
33,200	33,250	4,538	4,091	4,538	4,346
33,250	33,300	4,545	4,099	4,545	4,354
33,300	33,350	4,553	4,106	4,553	4,361
33,350	33,400	4,560	4,114	4,560	4,369
33,400	33,450	4,568	4,121	4,568	4,376
33,450	33,500	4,575	4,129	4,575	4,384
33,500	33,550	4,583	4,136	4,583	4,391
33,550	33,600	4,590	4,144	4,590	4,399
33,600	33,650	4,598	4,151	4,598	4,406
33,650	33,700	4,605	4,159	4,605	4,414
33,700	33,750	4,613	4,166	4,613	4,421
33,750	33,800	4,620	4,174	4,620	4,429
33,800	33,850	4,628	4,181	4,628	4,436
33,850	33,900	4,635	4,189	4,635	4,444
33,900	33,950	4,643	4,196	4,643	4,451
33,950	34,000	4,650	4,204	4,650	4,459
34,000					
34,000	34,050	4,658	4,211	4,658	4,466
34,050	34,100	4,665	4,219	4,665	4,474
34,100	34,150	4,673	4,226	4,673	4,481
34,150	34,200	4,680	4,234	4,680	4,489
34,200	34,250	4,688	4,241	4,688	4,496
34,250	34,300	4,695	4,249	4,695	4,504
34,300	34,350	4,703	4,256	4,703	4,511
34,350	34,400	4,710	4,264	4,710	4,519
34,400	34,450	4,718	4,271	4,718	4,526
34,450	34,500	4,725	4,279	4,725	4,534
34,500	34,550	4,733	4,286	4,733	4,541
34,550	34,600	4,740	4,294	4,740	4,549
34,600	34,650	4,748	4,301	4,748	4,556
34,650	34,700	4,755	4,309	4,755	4,564
34,700	34,750	4,763	4,316	4,763	4,571
34,750	34,800	4,770	4,324	4,770	4,579
34,800	34,850	4,778	4,331	4,778	4,586
34,850	34,900	4,785	4,339	4,785	4,594
34,900	34,950	4,793	4,346	4,793	4,601
34,950	35,000	4,800	4,354	4,800	4,609
35,000					
35,000	35,050	4,808	4,361	4,808	4,616
35,050	35,100	4,815	4,369	4,815	4,624
35,100	35,150	4,823	4,376	4,823	4,631
35,150	35,200	4,830	4,384	4,830	4,639
35,200	35,250	4,838	4,391	4,838	4,646
35,250	35,300	4,845	4,399	4,845	4,654
35,300	35,350	4,853	4,406	4,853	4,661
35,350	35,400	4,860	4,414	4,860	4,669
35,400	35,450	4,868	4,421	4,868	4,676
35,450	35,500	4,875	4,429	4,875	4,684
35,500	35,550	4,883	4,436	4,883	4,691
35,550	35,600	4,890	4,444	4,890	4,699
35,600	35,650	4,898	4,451	4,898	4,706
35,650	35,700	4,905	4,459	4,905	4,714
35,700	35,750	4,913	4,466	4,913	4,721
35,750	35,800	4,920	4,474	4,920	4,729
35,800	35,850	4,928	4,481	4,928	4,736
35,850	35,900	4,935	4,489	4,935	4,744
35,900	35,950	4,943	4,496	4,943	4,751
35,950	36,000	4,950	4,504	4,950	4,759
36,000					
36,000	36,050	4,958	4,511	4,958	4,766
36,050	36,100	4,965	4,519	4,965	4,774
36,100	36,150	4,973	4,526	4,973	4,781
36,150	36,200	4,980	4,534	4,980	4,789
36,200	36,250	4,988	4,541	4,988	4,796
36,250	36,300	4,998	4,549	4,998	4,804
36,300	36,350	5,010	4,556	5,010	4,811
36,350	36,400	5,023	4,564	5,023	4,819
36,400	36,450	5,035	4,571	5,035	4,826
36,450	36,500	5,048	4,579	5,048	4,834
36,500	36,550	5,060	4,586	5,060	4,841
36,550	36,600	5,073	4,594	5,073	4,849
36,600	36,650	5,085	4,601	5,085	4,856
36,650	36,700	5,098	4,609	5,098	4,864
36,700	36,750	5,110	4,616	5,110	4,871
36,750	36,800	5,123	4,624	5,123	4,879
36,800	36,850	5,135	4,631	5,135	4,886
36,850	36,900	5,148	4,639	5,148	4,894
36,900	36,950	5,160	4,646	5,160	4,901
36,950	37,000	5,173	4,654	5,173	4,909
37,000					
37,000	37,050	5,185	4,661	5,185	4,916
37,050	37,100	5,198	4,669	5,198	4,924
37,100	37,150	5,210	4,676	5,210	4,931
37,150	37,200	5,223	4,684	5,223	4,939
37,200	37,250	5,235	4,691	5,235	4,946
37,250	37,300	5,248	4,699	5,248	4,954
37,300	37,350	5,260	4,706	5,260	4,961
37,350	37,400	5,273	4,714	5,273	4,969
37,400	37,450	5,285	4,721	5,285	4,976
37,450	37,500	5,298	4,729	5,298	4,984
37,500	37,550	5,310	4,736	5,310	4,991
37,550	37,600	5,323	4,744	5,323	4,999
37,600	37,650	5,335	4,751	5,335	5,006
37,650	37,700	5,348	4,759	5,348	5,014
37,700	37,750	5,360	4,766	5,360	5,021
37,750	37,800	5,373	4,774	5,373	5,029
37,800	37,850	5,385	4,781	5,385	5,036
37,850	37,900	5,398	4,789	5,398	5,044
37,900	37,950	5,410	4,796	5,410	5,051
37,950	38,000	5,423	4,804	5,423	5,059
38,000					
38,000	38,050	5,435	4,811	5,435	5,066
38,050	38,100	5,448	4,819	5,448	5,074
38,100	38,150	5,460	4,826	5,460	5,081
38,150	38,200	5,473	4,834	5,473	5,089
38,200	38,250	5,485	4,841	5,485	5,096
38,250	38,300	5,498	4,849	5,498	5,104
38,300	38,350	5,510	4,856	5,510	5,111
38,350	38,400	5,523	4,864	5,523	5,119
38,400	38,450	5,535	4,871	5,535	5,126
38,450	38,500	5,548	4,879	5,548	5,134
38,500	38,550	5,560	4,886	5,560	5,141
38,550	38,600	5,573	4,894	5,573	5,149
38,600	38,650	5,585	4,901	5,585	5,156
38,650	38,700	5,598	4,909	5,598	5,164
38,700	38,750	5,610	4,916	5,610	5,171
38,750	38,800	5,623	4,924	5,623	5,179
38,800	38,850	5,635	4,931	5,635	5,186
38,850	38,900	5,648	4,939	5,648	5,194
38,900	38,950	5,660	4,946	5,660	5,201
38,950	39,000	5,673	4,954	5,673	5,209

(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	5,685	4,961	5,685	5,216
39,050	39,100	5,698	4,969	5,698	5,224
39,100	39,150	5,710	4,976	5,710	5,231
39,150	39,200	5,723	4,984	5,723	5,239
39,200	39,250	5,735	4,991	5,735	5,246
39,250	39,300	5,748	4,999	5,748	5,254
39,300	39,350	5,760	5,006	5,760	5,261
39,350	39,400	5,773	5,014	5,773	5,269
39,400	39,450	5,785	5,021	5,785	5,276
39,450	39,500	5,798	5,029	5,798	5,284
39,500	39,550	5,810	5,036	5,810	5,291
39,550	39,600	5,823	5,044	5,823	5,299
39,600	39,650	5,835	5,051	5,835	5,306
39,650	39,700	5,848	5,059	5,848	5,314
39,700	39,750	5,860	5,066	5,860	5,321
39,750	39,800	5,873	5,074	5,873	5,329
39,800	39,850	5,885	5,081	5,885	5,336
39,850	39,900	5,898	5,089	5,898	5,344
39,900	39,950	5,910	5,096	5,910	5,351
39,950	40,000	5,923	5,104	5,923	5,359
40,000					
40,000	40,050	5,935	5,111	5,935	5,366
40,050	40,100	5,948	5,119	5,948	5,374
40,100	40,150	5,960	5,126	5,960	5,381
40,150	40,200	5,973	5,134	5,973	5,389
40,200	40,250	5,985	5,141	5,985	5,396
40,250	40,300	5,998	5,149	5,998	5,404
40,300	40,350	6,010	5,156	6,010	5,411
40,350	40,400	6,023	5,164	6,023	5,419
40,400	40,450	6,035	5,171	6,035	5,426
40,450	40,500	6,048	5,179	6,048	5,434
40,500	40,550	6,060	5,186	6,060	5,441
40,550	40,600	6,073	5,194	6,073	5,449
40,600	40,650	6,085	5,201	6,085	5,456
40,650	40,700	6,098	5,209	6,098	5,464
40,700	40,750	6,110	5,216	6,110	5,471
40,750	40,800	6,123	5,224	6,123	5,479
40,800	40,850	6,135	5,231	6,135	5,486
40,850	40,900	6,148	5,239	6,148	5,494
40,900	40,950	6,160	5,246	6,160	5,501
40,950	41,000	6,173	5,254	6,173	5,509
41,000					
41,000	41,050	6,185	5,261	6,185	5,516
41,050	41,100	6,198	5,269	6,198	5,524
41,100	41,150	6,210	5,276	6,210	5,531
41,150	41,200	6,223	5,284	6,223	5,539
41,200	41,250	6,235	5,291	6,235	5,546
41,250	41,300	6,248	5,299	6,248	5,554
41,300	41,350	6,260	5,306	6,260	5,561
41,350	41,400	6,273	5,314	6,273	5,569
41,400	41,450	6,285	5,321	6,285	5,576
41,450	41,500	6,298	5,329	6,298	5,584
41,500	41,550	6,310	5,336	6,310	5,591
41,550	41,600	6,323	5,344	6,323	5,599
41,600	41,650	6,335	5,351	6,335	5,606
41,650	41,700	6,348	5,359	6,348	5,614
41,700	41,750	6,360	5,366	6,360	5,621
41,750	41,800	6,373	5,374	6,373	5,629
41,800	41,850	6,385	5,381	6,385	5,636
41,850	41,900	6,398	5,389	6,398	5,644
41,900	41,950	6,410	5,396	6,410	5,651
41,950	42,000	6,423	5,404	6,423	5,659
42,000					
42,000	42,050	6,435	5,411	6,435	5,666
42,050	42,100	6,448	5,419	6,448	5,674
42,100	42,150	6,460	5,426	6,460	5,681
42,150	42,200	6,473	5,434	6,473	5,689
42,200	42,250	6,485	5,441	6,485	5,696
42,250	42,300	6,498	5,449	6,498	5,704
42,300	42,350	6,510	5,456	6,510	5,711
42,350	42,400	6,523	5,464	6,523	5,719
42,400	42,450	6,535	5,471	6,535	5,726
42,450	42,500	6,548	5,479	6,548	5,734
42,500	42,550	6,560	5,486	6,560	5,741
42,550	42,600	6,573	5,494	6,573	5,749
42,600	42,650	6,585	5,501	6,585	5,756
42,650	42,700	6,598	5,509	6,598	5,764
42,700	42,750	6,610	5,516	6,610	5,771
42,750	42,800	6,623	5,524	6,623	5,779
42,800	42,850	6,635	5,531	6,635	5,786
42,850	42,900	6,648	5,539	6,648	5,794
42,900	42,950	6,660	5,546	6,660	5,801
42,950	43,000	6,673	5,554	6,673	5,809
43,000					
43,000	43,050	6,685	5,561	6,685	5,816
43,050	43,100	6,698	5,569	6,698	5,824
43,100	43,150	6,710	5,576	6,710	5,831
43,150	43,200	6,723	5,584	6,723	5,839
43,200	43,250	6,735	5,591	6,735	5,846
43,250	43,300	6,748	5,599	6,748	5,854
43,300	43,350	6,760	5,606	6,760	5,861
43,350	43,400	6,773	5,614	6,773	5,869
43,400	43,450	6,785	5,621	6,785	5,876
43,450	43,500	6,798	5,629	6,798	5,884
43,500	43,550	6,810	5,636	6,810	5,891
43,550	43,600	6,823	5,644	6,823	5,899
43,600	43,650	6,835	5,651	6,835	5,906
43,650	43,700	6,848	5,659	6,848	5,914
43,700	43,750	6,860	5,666	6,860	5,921
43,750	43,800	6,873	5,674	6,873	5,929
43,800	43,850	6,885	5,681	6,885	5,936
43,850	43,900	6,898	5,689	6,898	5,944
43,900	43,950	6,910	5,696	6,910	5,951
43,950	44,000	6,923	5,704	6,923	5,959
44,000					
44,000	44,050	6,935	5,711	6,935	5,966
44,050	44,100	6,948	5,719	6,948	5,974
44,100	44,150	6,960	5,726	6,960	5,981
44,150	44,200	6,973	5,734	6,973	5,989
44,200	44,250	6,985	5,741	6,985	5,996
44,250	44,300	6,998	5,749	6,998	6,004
44,300	44,350	7,010	5,756	7,010	6,011
44,350	44,400	7,023	5,764	7,023	6,019
44,400	44,450	7,035	5,771	7,035	6,026
44,450	44,500	7,048	5,779	7,048	6,034
44,500	44,550	7,060	5,786	7,060	6,041
44,550	44,600	7,073	5,794	7,073	6,049
44,600	44,650	7,085	5,801	7,085	6,056
44,650	44,700	7,098	5,809	7,098	6,064
44,700	44,750	7,110	5,816	7,110	6,071
44,750	44,800	7,123	5,824	7,123	6,079
44,800	44,850	7,135	5,831	7,135	6,086
44,850	44,900	7,148	5,839	7,148	6,094
44,900	44,950	7,160	5,846	7,160	6,101
44,950	45,000	7,173	5,854	7,173	6,109
45,000					
45,000	45,050	7,185	5,861	7,185	6,116
45,050	45,100	7,198	5,869	7,198	6,124
45,100	45,150	7,210	5,876	7,210	6,131
45,150	45,200	7,223	5,884	7,223	6,139
45,200	45,250	7,235	5,891	7,235	6,146
45,250	45,300	7,248	5,899	7,248	6,154
45,300	45,350	7,260	5,906	7,260	6,161
45,350	45,400	7,273	5,914	7,273	6,169
45,400	45,450	7,285	5,921	7,285	6,176
45,450	45,500	7,298	5,929	7,298	6,184
45,500	45,550	7,310	5,936	7,310	6,191
45,550	45,600	7,323	5,944	7,323	6,199
45,600	45,650	7,335	5,951	7,335	6,206
45,650	45,700	7,348	5,959	7,348	6,214
45,700	45,750	7,360	5,966	7,360	6,221
45,750	45,800	7,373	5,974	7,373	6,229
45,800	45,850	7,385	5,981	7,385	6,236
45,850	45,900	7,398	5,989	7,398	6,244
45,900	45,950	7,410	5,996	7,410	6,251
45,950	46,000	7,423	6,004	7,423	6,259
46,000					
46,000	46,050	7,435	6,011	7,435	6,266
46,050	46,100	7,448	6,019	7,448	6,274
46,100	46,150	7,460	6,026	7,460	6,281
46,150	46,200	7,473	6,034	7,473	6,289
46,200	46,250	7,485	6,041	7,485	6,296
46,250	46,300	7,498	6,049	7,498	6,304
46,300	46,350	7,510	6,056	7,510	6,311
46,350	46,400	7,523	6,064	7,523	6,319
46,400	46,450	7,535	6,071	7,535	6,326
46,450	46,500	7,548	6,079	7,548	6,334
46,500	46,550	7,560	6,086	7,560	6,341
46,550	46,600	7,573	6,094	7,573	6,349
46,600	46,650	7,585	6,101	7,585	6,356
46,650	46,700	7,598	6,109	7,598	6,364
46,700	46,750	7,610	6,116	7,610	6,371
46,750	46,800	7,623	6,124	7,623	6,379
46,800	46,850	7,635	6,131	7,635	6,386
46,850	46,900	7,648	6,139	7,648	6,394
46,900	46,950	7,660	6,146	7,660	6,401
46,950	47,000	7,673	6,154	7,673	6,409
47,000					
47,000	47,050	7,685	6,161	7,685	6,416
47,050	47,100	7,698	6,169	7,698	6,424
47,100	47,150	7,710	6,176	7,710	6,431
47,150	47,200	7,723	6,184	7,723	6,439
47,200	47,250	7,735	6,191	7,735	6,446
47,250	47,300	7,748	6,199	7,748	6,454
47,300	47,350	7,760	6,206	7,760	6,461
47,350	47,400	7,773	6,214	7,773	6,469
47,400	47,450	7,785	6,221	7,785	6,476
47,450	47,500	7,798	6,229	7,798	6,484
47,500	47,550	7,810	6,236	7,810	6,491
47,550	47,600	7,823	6,244	7,823	6,499
47,600	47,650	7,835	6,251	7,835	6,506
47,650	47,700	7,848	6,259	7,848	6,514
47,700	47,750	7,860	6,266	7,860	6,521
47,750	47,800	7,873	6,274	7,873	6,529
47,800	47,850	7,885	6,281	7,885	6,536
47,850	47,900	7,898	6,289	7,898	6,544
47,900	47,950	7,910	6,296	7,910	6,551
47,950	48,000	7,923	6,304	7,923	6,559

(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	7,935	6,311	7,935	6,566
48,050	48,100	7,948	6,319	7,948	6,574
48,100	48,150	7,960	6,326	7,960	6,581
48,150	48,200	7,973	6,334	7,973	6,589
48,200	48,250	7,985	6,341	7,985	6,596
48,250	48,300	7,998	6,349	7,998	6,604
48,300	48,350	8,010	6,356	8,010	6,611
48,350	48,400	8,023	6,364	8,023	6,619
48,400	48,450	8,035	6,371	8,035	6,626
48,450	48,500	8,048	6,379	8,048	6,634
48,500	48,550	8,060	6,386	8,060	6,641
48,550	48,600	8,073	6,394	8,073	6,649
48,600	48,650	8,085	6,401	8,085	6,659
48,650	48,700	8,098	6,409	8,098	6,671
48,700	48,750	8,110	6,416	8,110	6,684
48,750	48,800	8,123	6,424	8,123	6,696
48,800	48,850	8,135	6,431	8,135	6,709
48,850	48,900	8,148	6,439	8,148	6,721
48,900	48,950	8,160	6,446	8,160	6,734
48,950	49,000	8,173	6,454	8,173	6,746
49,000					
49,000	49,050	8,185	6,461	8,185	6,759
49,050	49,100	8,198	6,469	8,198	6,771
49,100	49,150	8,210	6,476	8,210	6,784
49,150	49,200	8,223	6,484	8,223	6,796
49,200	49,250	8,235	6,491	8,235	6,809
49,250	49,300	8,248	6,499	8,248	6,821
49,300	49,350	8,260	6,506	8,260	6,834
49,350	49,400	8,273	6,514	8,273	6,846
49,400	49,450	8,285	6,521	8,285	6,859
49,450	49,500	8,298	6,529	8,298	6,871
49,500	49,550	8,310	6,536	8,310	6,884
49,550	49,600	8,323	6,544	8,323	6,896
49,600	49,650	8,335	6,551	8,335	6,909
49,650	49,700	8,348	6,559	8,348	6,921
49,700	49,750	8,360	6,566	8,360	6,934
49,750	49,800	8,373	6,574	8,373	6,946
49,800	49,850	8,385	6,581	8,385	6,959
49,850	49,900	8,398	6,589	8,398	6,971
49,900	49,950	8,410	6,596	8,410	6,984
49,950	50,000	8,423	6,604	8,423	6,996
50,000					
50,000	50,050	8,435	6,611	8,435	7,009
50,050	50,100	8,448	6,619	8,448	7,021
50,100	50,150	8,460	6,626	8,460	7,034
50,150	50,200	8,473	6,634	8,473	7,046
50,200	50,250	8,485	6,641	8,485	7,059
50,250	50,300	8,498	6,649	8,498	7,071
50,300	50,350	8,510	6,656	8,510	7,084
50,350	50,400	8,523	6,664	8,523	7,096
50,400	50,450	8,535	6,671	8,535	7,109
50,450	50,500	8,548	6,679	8,548	7,121
50,500	50,550	8,560	6,686	8,560	7,134
50,550	50,600	8,573	6,694	8,573	7,146
50,600	50,650	8,585	6,701	8,585	7,159
50,650	50,700	8,598	6,709	8,598	7,171
50,700	50,750	8,610	6,716	8,610	7,184
50,750	50,800	8,623	6,724	8,623	7,196
50,800	50,850	8,635	6,731	8,635	7,209
50,850	50,900	8,648	6,739	8,648	7,221
50,900	50,950	8,660	6,746	8,660	7,234
50,950	51,000	8,673	6,754	8,673	7,246

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	8,685	6,761	8,685	7,259
51,050	51,100	8,698	6,769	8,698	7,271
51,100	51,150	8,710	6,776	8,710	7,284
51,150	51,200	8,723	6,784	8,723	7,296
51,200	51,250	8,735	6,791	8,735	7,309
51,250	51,300	8,748	6,799	8,748	7,321
51,300	51,350	8,760	6,806	8,760	7,334
51,350	51,400	8,773	6,814	8,773	7,346
51,400	51,450	8,785	6,821	8,785	7,359
51,450	51,500	8,798	6,829	8,798	7,371
51,500	51,550	8,810	6,836	8,810	7,384
51,550	51,600	8,823	6,844	8,823	7,396
51,600	51,650	8,835	6,851	8,835	7,409
51,650	51,700	8,848	6,859	8,848	7,421
51,700	51,750	8,860	6,866	8,860	7,434
51,750	51,800	8,873	6,874	8,873	7,446
51,800	51,850	8,885	6,881	8,885	7,459
51,850	51,900	8,898	6,889	8,898	7,471
51,900	51,950	8,910	6,896	8,910	7,484
51,950	52,000	8,923	6,904	8,923	7,496
52,000					
52,000	52,050	8,935	6,911	8,935	7,509
52,050	52,100	8,948	6,919	8,948	7,521
52,100	52,150	8,960	6,926	8,960	7,534
52,150	52,200	8,973	6,934	8,973	7,546
52,200	52,250	8,985	6,941	8,985	7,559
52,250	52,300	8,998	6,949	8,998	7,571
52,300	52,350	9,010	6,956	9,010	7,584
52,350	52,400	9,023	6,964	9,023	7,596
52,400	52,450	9,035	6,971	9,035	7,609
52,450	52,500	9,048	6,979	9,048	7,621
52,500	52,550	9,060	6,986	9,060	7,634
52,550	52,600	9,073	6,994	9,073	7,646
52,600	52,650	9,085	7,001	9,085	7,659
52,650	52,700	9,098	7,009	9,098	7,671
52,700	52,750	9,110	7,016	9,110	7,684
52,750	52,800	9,123	7,024	9,123	7,696
52,800	52,850	9,135	7,031	9,135	7,709
52,850	52,900	9,148	7,039	9,148	7,721
52,900	52,950	9,160	7,046	9,160	7,734
52,950	53,000	9,173	7,054	9,173	7,746
53,000					
53,000	53,050	9,185	7,061	9,185	7,759
53,050	53,100	9,198	7,069	9,198	7,771
53,100	53,150	9,210	7,076	9,210	7,784
53,150	53,200	9,223	7,084	9,223	7,796
53,200	53,250	9,235	7,091	9,235	7,809
53,250	53,300	9,248	7,099	9,248	7,821
53,300	53,350	9,260	7,106	9,260	7,834
53,350	53,400	9,273	7,114	9,273	7,846
53,400	53,450	9,285	7,121	9,285	7,859
53,450	53,500	9,298	7,129	9,298	7,871
53,500	53,550	9,310	7,136	9,310	7,884
53,550	53,600	9,323	7,144	9,323	7,896
53,600	53,650	9,335	7,151	9,335	7,909
53,650	53,700	9,348	7,159	9,348	7,921
53,700	53,750	9,360	7,166	9,360	7,934
53,750	53,800	9,373	7,174	9,373	7,946
53,800	53,850	9,385	7,181	9,385	7,959
53,850	53,900	9,398	7,189	9,398	7,971
53,900	53,950	9,410	7,196	9,410	7,984
53,950	54,000	9,423	7,204	9,423	7,996

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	9,435	7,211	9,435	8,009
54,050	54,100	9,448	7,219	9,448	8,021
54,100	54,150	9,460	7,226	9,460	8,034
54,150	54,200	9,473	7,234	9,473	8,046
54,200	54,250	9,485	7,241	9,485	8,059
54,250	54,300	9,498	7,249	9,498	8,071
54,300	54,350	9,510	7,256	9,510	8,084
54,350	54,400	9,523	7,264	9,523	8,096
54,400	54,450	9,535	7,271	9,535	8,109
54,450	54,500	9,548	7,279	9,548	8,121
54,500	54,550	9,560	7,286	9,560	8,134
54,550	54,600	9,573	7,294	9,573	8,146
54,600	54,650	9,585	7,301	9,585	8,159
54,650	54,700	9,598	7,309	9,598	8,171
54,700	54,750	9,610	7,316	9,610	8,184
54,750	54,800	9,623	7,324	9,623	8,196
54,800	54,850	9,635	7,331	9,635	8,209
54,850	54,900	9,648	7,339	9,648	8,221
54,900	54,950	9,660	7,346	9,660	8,234
54,950	55,000	9,673	7,354	9,673	8,246
55,000					
55,000	55,050	9,685	7,361	9,685	8,259
55,050	55,100	9,698	7,369	9,698	8,271
55,100	55,150	9,710	7,376	9,710	8,284
55,150	55,200	9,723	7,384	9,723	8,296
55,200	55,250	9,735	7,391	9,735	8,309
55,250	55,300	9,748	7,399	9,748	8,321
55,300	55,350	9,760	7,406	9,760	8,334
55,350	55,400	9,773	7,414	9,773	8,346
55,400	55,450	9,785	7,421	9,785	8,359
55,450	55,500	9,798	7,429	9,798	8,371
55,500	55,550	9,810	7,436	9,810	8,384
55,550	55,600	9,823	7,444	9,823	8,396
55,600	55,650	9,835	7,451	9,835	8,409
55,650	55,700	9,848	7,459	9,848	8,421
55,700	55,750	9,860	7,466	9,860	8,434
55,750	55,800	9,873	7,474	9,873	8,446
55,800	55,850	9,885	7,481	9,885	8,459
55,850	55,900	9,898	7,489	9,898	8,471
55,900	55,950	9,910	7,496	9,910	8,484
55,950	56,000	9,923	7,504	9,923	8,496
56,000					
56,000	56,050	9,935	7,511	9,935	8,509
56,050	56,100	9,948	7,519	9,948	8,521
56,100	56,150	9,960	7,526	9,960	8,534
56,150	56,200	9,973	7,534	9,973	8,546
56,200	56,250	9,985	7,541	9,985	8,559
56,250	56,300	9,998	7,549	9,998	8,571
56,300	56,350	10,010	7,556	10,010	8,584
56,350	56,400	10,023	7,564	10,023	8,596
56,400	56,450	10,035	7,571	10,035	8,609
56,450	56,500	10,048	7,579	10,048	8,621
56,500	56,550	10,060	7,586	10,060	8,634
56,550	56,600	10,073	7,594	10,073	8,646
56,600	56,650	10,085	7,601	10,085	8,659
56,650	56,700	10,098	7,609	10,098	8,671
56,700	56,750	10,110	7,616	10,110	8,684
56,750	56,800	10,123	7,624	10,123	8,696
56,800	56,850	10,135	7,631	10,135	8,709
56,850	56,900	10,148	7,639	10,148	8,721
56,900	56,950	10,160	7,646	10,160	8,734
56,950	57,000	10,173	7,654	10,173	8,746

(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**	10,185	7,661	10,185	8,759
57,050	**57,100**	10,198	7,669	10,198	8,771
57,100	**57,150**	10,210	7,676	10,210	8,784
57,150	**57,200**	10,223	7,684	10,223	8,796
57,200	**57,250**	10,235	7,691	10,235	8,809
57,250	**57,300**	10,248	7,699	10,248	8,821
57,300	**57,350**	10,260	7,706	10,260	8,834
57,350	**57,400**	10,273	7,714	10,273	8,846
57,400	**57,450**	10,285	7,721	10,285	8,859
57,450	**57,500**	10,298	7,729	10,298	8,871
57,500	**57,550**	10,310	7,736	10,310	8,884
57,550	**57,600**	10,323	7,744	10,323	8,896
57,600	**57,650**	10,335	7,751	10,335	8,909
57,650	**57,700**	10,348	7,759	10,348	8,921
57,700	**57,750**	10,360	7,766	10,360	8,934
57,750	**57,800**	10,373	7,774	10,373	8,946
57,800	**57,850**	10,385	7,781	10,385	8,959
57,850	**57,900**	10,398	7,789	10,398	8,971
57,900	**57,950**	10,410	7,796	10,410	8,984
57,950	**58,000**	10,423	7,804	10,423	8,996
58,000					
58,000	**58,050**	10,435	7,811	10,435	9,009
58,050	**58,100**	10,448	7,819	10,448	9,021
58,100	**58,150**	10,460	7,826	10,460	9,034
58,150	**58,200**	10,473	7,834	10,473	9,046
58,200	**58,250**	10,485	7,841	10,485	9,059
58,250	**58,300**	10,498	7,849	10,498	9,071
58,300	**58,350**	10,510	7,856	10,510	9,084
58,350	**58,400**	10,523	7,864	10,523	9,096
58,400	**58,450**	10,535	7,871	10,535	9,109
58,450	**58,500**	10,548	7,879	10,548	9,121
58,500	**58,550**	10,560	7,886	10,560	9,134
58,550	**58,600**	10,573	7,894	10,573	9,146
58,600	**58,650**	10,585	7,901	10,585	9,159
58,650	**58,700**	10,598	7,909	10,598	9,171
58,700	**58,750**	10,610	7,916	10,610	9,184
58,750	**58,800**	10,623	7,924	10,623	9,196
58,800	**58,850**	10,635	7,931	10,635	9,209
58,850	**58,900**	10,648	7,939	10,648	9,221
58,900	**58,950**	10,660	7,946	10,660	9,234
58,950	**59,000**	10,673	7,954	10,673	9,246
59,000					
59,000	**59,050**	10,685	7,961	10,685	9,259
59,050	**59,100**	10,698	7,969	10,698	9,271
59,100	**59,150**	10,710	7,976	10,710	9,284
59,150	**59,200**	10,723	7,984	10,723	9,296
59,200	**59,250**	10,735	7,991	10,735	9,309
59,250	**59,300**	10,748	7,999	10,748	9,321
59,300	**59,350**	10,760	8,006	10,760	9,334
59,350	**59,400**	10,773	8,014	10,773	9,346
59,400	**59,450**	10,785	8,021	10,785	9,359
59,450	**59,500**	10,798	8,029	10,798	9,371
59,500	**59,550**	10,810	8,036	10,810	9,384
59,550	**59,600**	10,823	8,044	10,823	9,396
59,600	**59,650**	10,835	8,051	10,835	9,409
59,650	**59,700**	10,848	8,059	10,848	9,421
59,700	**59,750**	10,860	8,066	10,860	9,434
59,750	**59,800**	10,873	8,074	10,873	9,446
59,800	**59,850**	10,885	8,081	10,885	9,459
59,850	**59,900**	10,898	8,089	10,898	9,471
59,900	**59,950**	10,910	8,096	10,910	9,484
59,950	**60,000**	10,923	8,104	10,923	9,496
60,000					
60,000	**60,050**	10,935	8,111	10,935	9,509
60,050	**60,100**	10,948	8,119	10,948	9,521
60,100	**60,150**	10,960	8,126	10,960	9,534
60,150	**60,200**	10,973	8,134	10,973	9,546
60,200	**60,250**	10,985	8,141	10,985	9,559
60,250	**60,300**	10,998	8,149	10,998	9,571
60,300	**60,350**	11,010	8,156	11,010	9,584
60,350	**60,400**	11,023	8,164	11,023	9,596
60,400	**60,450**	11,035	8,171	11,035	9,609
60,450	**60,500**	11,048	8,179	11,048	9,621
60,500	**60,550**	11,060	8,186	11,060	9,634
60,550	**60,600**	11,073	8,194	11,073	9,646
60,600	**60,650**	11,085	8,201	11,085	9,659
60,650	**60,700**	11,098	8,209	11,098	9,671
60,700	**60,750**	11,110	8,216	11,110	9,684
60,750	**60,800**	11,123	8,224	11,123	9,696
60,800	**60,850**	11,135	8,231	11,135	9,709
60,850	**60,900**	11,148	8,239	11,148	9,721
60,900	**60,950**	11,160	8,246	11,160	9,734
60,950	**61,000**	11,173	8,254	11,173	9,746
61,000					
61,000	**61,050**	11,185	8,261	11,185	9,759
61,050	**61,100**	11,198	8,269	11,198	9,771
61,100	**61,150**	11,210	8,276	11,210	9,784
61,150	**61,200**	11,223	8,284	11,223	9,796
61,200	**61,250**	11,235	8,291	11,235	9,809
61,250	**61,300**	11,248	8,299	11,248	9,821
61,300	**61,350**	11,260	8,306	11,260	9,834
61,350	**61,400**	11,273	8,314	11,273	9,846
61,400	**61,450**	11,285	8,321	11,285	9,859
61,450	**61,500**	11,298	8,329	11,298	9,871
61,500	**61,550**	11,310	8,336	11,310	9,884
61,550	**61,600**	11,323	8,344	11,323	9,896
61,600	**61,650**	11,335	8,351	11,335	9,909
61,650	**61,700**	11,348	8,359	11,348	9,921
61,700	**61,750**	11,360	8,366	11,360	9,934
61,750	**61,800**	11,373	8,374	11,373	9,946
61,800	**61,850**	11,385	8,381	11,385	9,959
61,850	**61,900**	11,398	8,389	11,398	9,971
61,900	**61,950**	11,410	8,396	11,410	9,984
61,950	**62,000**	11,423	8,404	11,423	9,996
62,000					
62,000	**62,050**	11,435	8,411	11,435	10,009
62,050	**62,100**	11,448	8,419	11,448	10,021
62,100	**62,150**	11,460	8,426	11,460	10,034
62,150	**62,200**	11,473	8,434	11,473	10,046
62,200	**62,250**	11,485	8,441	11,485	10,059
62,250	**62,300**	11,498	8,449	11,498	10,071
62,300	**62,350**	11,510	8,456	11,510	10,084
62,350	**62,400**	11,523	8,464	11,523	10,096
62,400	**62,450**	11,535	8,471	11,535	10,109
62,450	**62,500**	11,548	8,479	11,548	10,121
62,500	**62,550**	11,560	8,486	11,560	10,134
62,550	**62,600**	11,573	8,494	11,573	10,146
62,600	**62,650**	11,585	8,501	11,585	10,159
62,650	**62,700**	11,598	8,509	11,598	10,171
62,700	**62,750**	11,610	8,516	11,610	10,184
62,750	**62,800**	11,623	8,524	11,623	10,196
62,800	**62,850**	11,635	8,531	11,635	10,209
62,850	**62,900**	11,648	8,539	11,648	10,221
62,900	**62,950**	11,660	8,546	11,660	10,234
62,950	**63,000**	11,673	8,554	11,673	10,246
63,000					
63,000	**63,050**	11,685	8,561	11,685	10,259
63,050	**63,100**	11,698	8,569	11,698	10,271
63,100	**63,150**	11,710	8,576	11,710	10,284
63,150	**63,200**	11,723	8,584	11,723	10,296
63,200	**63,250**	11,735	8,591	11,735	10,309
63,250	**63,300**	11,748	8,599	11,748	10,321
63,300	**63,350**	11,760	8,606	11,760	10,334
63,350	**63,400**	11,773	8,614	11,773	10,346
63,400	**63,450**	11,785	8,621	11,785	10,359
63,450	**63,500**	11,798	8,629	11,798	10,371
63,500	**63,550**	11,810	8,636	11,810	10,384
63,550	**63,600**	11,823	8,644	11,823	10,396
63,600	**63,650**	11,835	8,651	11,835	10,409
63,650	**63,700**	11,848	8,659	11,848	10,421
63,700	**63,750**	11,860	8,666	11,860	10,434
63,750	**63,800**	11,873	8,674	11,873	10,446
63,800	**63,850**	11,885	8,681	11,885	10,459
63,850	**63,900**	11,898	8,689	11,898	10,471
63,900	**63,950**	11,910	8,696	11,910	10,484
63,950	**64,000**	11,923	8,704	11,923	10,496
64,000					
64,000	**64,050**	11,935	8,711	11,935	10,509
64,050	**64,100**	11,948	8,719	11,948	10,521
64,100	**64,150**	11,960	8,726	11,960	10,534
64,150	**64,200**	11,973	8,734	11,973	10,546
64,200	**64,250**	11,985	8,741	11,985	10,559
64,250	**64,300**	11,998	8,749	11,998	10,571
64,300	**64,350**	12,010	8,756	12,010	10,584
64,350	**64,400**	12,023	8,764	12,023	10,596
64,400	**64,450**	12,035	8,771	12,035	10,609
64,450	**64,500**	12,048	8,779	12,048	10,621
64,500	**64,550**	12,060	8,786	12,060	10,634
64,550	**64,600**	12,073	8,794	12,073	10,646
64,600	**64,650**	12,085	8,801	12,085	10,659
64,650	**64,700**	12,098	8,809	12,098	10,671
64,700	**64,750**	12,110	8,816	12,110	10,684
64,750	**64,800**	12,123	8,824	12,123	10,696
64,800	**64,850**	12,135	8,831	12,135	10,709
64,850	**64,900**	12,148	8,839	12,148	10,721
64,900	**64,950**	12,160	8,846	12,160	10,734
64,950	**65,000**	12,173	8,854	12,173	10,746
65,000					
65,000	**65,050**	12,185	8,861	12,185	10,759
65,050	**65,100**	12,198	8,869	12,198	10,771
65,100	**65,150**	12,210	8,876	12,210	10,784
65,150	**65,200**	12,223	8,884	12,223	10,796
65,200	**65,250**	12,235	8,891	12,235	10,809
65,250	**65,300**	12,248	8,899	12,248	10,821
65,300	**65,350**	12,260	8,906	12,260	10,834
65,350	**65,400**	12,273	8,914	12,273	10,846
65,400	**65,450**	12,285	8,921	12,285	10,859
65,450	**65,500**	12,298	8,929	12,298	10,871
65,500	**65,550**	12,310	8,936	12,310	10,884
65,550	**65,600**	12,323	8,944	12,323	10,896
65,600	**65,650**	12,335	8,951	12,335	10,909
65,650	**65,700**	12,348	8,959	12,348	10,921
65,700	**65,750**	12,360	8,966	12,360	10,934
65,750	**65,800**	12,373	8,974	12,373	10,946
65,800	**65,850**	12,385	8,981	12,385	10,959
65,850	**65,900**	12,398	8,989	12,398	10,971
65,900	**65,950**	12,410	8,996	12,410	10,984
65,950	**66,000**	12,423	9,004	12,423	10,996

(Continued)

*** This column must also be used by a qualifying widow(er).**

2013 Tax Table—*Continued*

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**	12,435	9,011	12,435	11,009
66,050	**66,100**	12,448	9,019	12,448	11,021
66,100	**66,150**	12,460	9,026	12,460	11,034
66,150	**66,200**	12,473	9,034	12,473	11,046
66,200	**66,250**	12,485	9,041	12,485	11,059
66,250	**66,300**	12,498	9,049	12,498	11,071
66,300	**66,350**	12,510	9,056	12,510	11,084
66,350	**66,400**	12,523	9,064	12,523	11,096
66,400	**66,450**	12,535	9,071	12,535	11,109
66,450	**66,500**	12,548	9,079	12,548	11,121
66,500	**66,550**	12,560	9,086	12,560	11,134
66,550	**66,600**	12,573	9,094	12,573	11,146
66,600	**66,650**	12,585	9,101	12,585	11,159
66,650	**66,700**	12,598	9,109	12,598	11,171
66,700	**66,750**	12,610	9,116	12,610	11,184
66,750	**66,800**	12,623	9,124	12,623	11,196
66,800	**66,850**	12,635	9,131	12,635	11,209
66,850	**66,900**	12,648	9,139	12,648	11,221
66,900	**66,950**	12,660	9,146	12,660	11,234
66,950	**67,000**	12,673	9,154	12,673	11,246
67,000					
67,000	**67,050**	12,685	9,161	12,685	11,259
67,050	**67,100**	12,698	9,169	12,698	11,271
67,100	**67,150**	12,710	9,176	12,710	11,284
67,150	**67,200**	12,723	9,184	12,723	11,296
67,200	**67,250**	12,735	9,191	12,735	11,309
67,250	**67,300**	12,748	9,199	12,748	11,321
67,300	**67,350**	12,760	9,206	12,760	11,334
67,350	**67,400**	12,773	9,214	12,773	11,346
67,400	**67,450**	12,785	9,221	12,785	11,359
67,450	**67,500**	12,798	9,229	12,798	11,371
67,500	**67,550**	12,810	9,236	12,810	11,384
67,550	**67,600**	12,823	9,244	12,823	11,396
67,600	**67,650**	12,835	9,251	12,835	11,409
67,650	**67,700**	12,848	9,259	12,848	11,421
67,700	**67,750**	12,860	9,266	12,860	11,434
67,750	**67,800**	12,873	9,274	12,873	11,446
67,800	**67,850**	12,885	9,281	12,885	11,459
67,850	**67,900**	12,898	9,289	12,898	11,471
67,900	**67,950**	12,910	9,296	12,910	11,484
67,950	**68,000**	12,923	9,304	12,923	11,496
68,000					
68,000	**68,050**	12,935	9,311	12,935	11,509
68,050	**68,100**	12,948	9,319	12,948	11,521
68,100	**68,150**	12,960	9,326	12,960	11,534
68,150	**68,200**	12,973	9,334	12,973	11,546
68,200	**68,250**	12,985	9,341	12,985	11,559
68,250	**68,300**	12,998	9,349	12,998	11,571
68,300	**68,350**	13,010	9,356	13,010	11,584
68,350	**68,400**	13,023	9,364	13,023	11,596
68,400	**68,450**	13,035	9,371	13,035	11,609
68,450	**68,500**	13,048	9,379	13,048	11,621
68,500	**68,550**	13,060	9,386	13,060	11,634
68,550	**68,600**	13,073	9,394	13,073	11,646
68,600	**68,650**	13,085	9,401	13,085	11,659
68,650	**68,700**	13,098	9,409	13,098	11,671
68,700	**68,750**	13,110	9,416	13,110	11,684
68,750	**68,800**	13,123	9,424	13,123	11,696
68,800	**68,850**	13,135	9,431	13,135	11,709
68,850	**68,900**	13,148	9,439	13,148	11,721
68,900	**68,950**	13,160	9,446	13,160	11,734
68,950	**69,000**	13,173	9,454	13,173	11,746
69,000					
69,000	**69,050**	13,185	9,461	13,185	11,759
69,050	**69,100**	13,198	9,469	13,198	11,771
69,100	**69,150**	13,210	9,476	13,210	11,784
69,150	**69,200**	13,223	9,484	13,223	11,796
69,200	**69,250**	13,235	9,491	13,235	11,809
69,250	**69,300**	13,248	9,499	13,248	11,821
69,300	**69,350**	13,260	9,506	13,260	11,834
69,350	**69,400**	13,273	9,514	13,273	11,846
69,400	**69,450**	13,285	9,521	13,285	11,859
69,450	**69,500**	13,298	9,529	13,298	11,871
69,500	**69,550**	13,310	9,536	13,310	11,884
69,550	**69,600**	13,323	9,544	13,323	11,896
69,600	**69,650**	13,335	9,551	13,335	11,909
69,650	**69,700**	13,348	9,559	13,348	11,921
69,700	**69,750**	13,360	9,566	13,360	11,934
69,750	**69,800**	13,373	9,574	13,373	11,946
69,800	**69,850**	13,385	9,581	13,385	11,959
69,850	**69,900**	13,398	9,589	13,398	11,971
69,900	**69,950**	13,410	9,596	13,410	11,984
69,950	**70,000**	13,423	9,604	13,423	11,996
70,000					
70,000	**70,050**	13,435	9,611	13,435	12,009
70,050	**70,100**	13,448	9,619	13,448	12,021
70,100	**70,150**	13,460	9,626	13,460	12,034
70,150	**70,200**	13,473	9,634	13,473	12,046
70,200	**70,250**	13,485	9,641	13,485	12,059
70,250	**70,300**	13,498	9,649	13,498	12,071
70,300	**70,350**	13,510	9,656	13,510	12,084
70,350	**70,400**	13,523	9,664	13,523	12,096
70,400	**70,450**	13,535	9,671	13,535	12,109
70,450	**70,500**	13,548	9,679	13,548	12,121
70,500	**70,550**	13,560	9,686	13,560	12,134
70,550	**70,600**	13,573	9,694	13,573	12,146
70,600	**70,650**	13,585	9,701	13,585	12,159
70,650	**70,700**	13,598	9,709	13,598	12,171
70,700	**70,750**	13,610	9,716	13,610	12,184
70,750	**70,800**	13,623	9,724	13,623	12,196
70,800	**70,850**	13,635	9,731	13,635	12,209
70,850	**70,900**	13,648	9,739	13,648	12,221
70,900	**70,950**	13,660	9,746	13,660	12,234
70,950	**71,000**	13,673	9,754	13,673	12,246
71,000					
71,000	**71,050**	13,685	9,761	13,685	12,259
71,050	**71,100**	13,698	9,769	13,698	12,271
71,100	**71,150**	13,710	9,776	13,710	12,284
71,150	**71,200**	13,723	9,784	13,723	12,296
71,200	**71,250**	13,735	9,791	13,735	12,309
71,250	**71,300**	13,748	9,799	13,748	12,321
71,300	**71,350**	13,760	9,806	13,760	12,334
71,350	**71,400**	13,773	9,814	13,773	12,346
71,400	**71,450**	13,785	9,821	13,785	12,359
71,450	**71,500**	13,798	9,829	13,798	12,371
71,500	**71,550**	13,810	9,836	13,810	12,384
71,550	**71,600**	13,823	9,844	13,823	12,396
71,600	**71,650**	13,835	9,851	13,835	12,409
71,650	**71,700**	13,848	9,859	13,848	12,421
71,700	**71,750**	13,860	9,866	13,860	12,434
71,750	**71,800**	13,873	9,874	13,873	12,446
71,800	**71,850**	13,885	9,881	13,885	12,459
71,850	**71,900**	13,898	9,889	13,898	12,471
71,900	**71,950**	13,910	9,896	13,910	12,484
71,950	**72,000**	13,923	9,904	13,923	12,496
72,000					
72,000	**72,050**	13,935	9,911	13,935	12,509
72,050	**72,100**	13,948	9,919	13,948	12,521
72,100	**72,150**	13,960	9,926	13,960	12,534
72,150	**72,200**	13,973	9,934	13,973	12,546
72,200	**72,250**	13,985	9,941	13,985	12,559
72,250	**72,300**	13,998	9,949	13,998	12,571
72,300	**72,350**	14,010	9,956	14,010	12,584
72,350	**72,400**	14,023	9,964	14,023	12,596
72,400	**72,450**	14,035	9,971	14,035	12,609
72,450	**72,500**	14,048	9,979	14,048	12,621
72,500	**72,550**	14,060	9,989	14,060	12,634
72,550	**72,600**	14,073	10,001	14,073	12,646
72,600	**72,650**	14,085	10,014	14,085	12,659
72,650	**72,700**	14,098	10,026	14,098	12,671
72,700	**72,750**	14,110	10,039	14,110	12,684
72,750	**72,800**	14,123	10,051	14,123	12,696
72,800	**72,850**	14,135	10,064	14,135	12,709
72,850	**72,900**	14,148	10,076	14,148	12,721
72,900	**72,950**	14,160	10,089	14,160	12,734
72,950	**73,000**	14,173	10,101	14,173	12,746
73,000					
73,000	**73,050**	14,185	10,114	14,185	12,759
73,050	**73,100**	14,198	10,126	14,198	12,771
73,100	**73,150**	14,210	10,139	14,210	12,784
73,150	**73,200**	14,223	10,151	14,223	12,796
73,200	**73,250**	14,235	10,164	14,236	12,809
73,250	**73,300**	14,248	10,176	14,250	12,821
73,300	**73,350**	14,260	10,189	14,264	12,834
73,350	**73,400**	14,273	10,201	14,278	12,846
73,400	**73,450**	14,285	10,214	14,292	12,859
73,450	**73,500**	14,298	10,226	14,306	12,871
73,500	**73,550**	14,310	10,239	14,320	12,884
73,550	**73,600**	14,323	10,251	14,334	12,896
73,600	**73,650**	14,335	10,264	14,348	12,909
73,650	**73,700**	14,348	10,276	14,362	12,921
73,700	**73,750**	14,360	10,289	14,376	12,934
73,750	**73,800**	14,373	10,301	14,390	12,946
73,800	**73,850**	14,385	10,314	14,404	12,959
73,850	**73,900**	14,398	10,326	14,418	12,971
73,900	**73,950**	14,410	10,339	14,432	12,984
73,950	**74,000**	14,423	10,351	14,446	12,996
74,000					
74,000	**74,050**	14,435	10,364	14,460	13,009
74,050	**74,100**	14,448	10,376	14,474	13,021
74,100	**74,150**	14,460	10,389	14,488	13,034
74,150	**74,200**	14,473	10,401	14,502	13,046
74,200	**74,250**	14,485	10,414	14,516	13,059
74,250	**74,300**	14,498	10,426	14,530	13,071
74,300	**74,350**	14,510	10,439	14,544	13,084
74,350	**74,400**	14,523	10,451	14,558	13,096
74,400	**74,450**	14,535	10,464	14,572	13,109
74,450	**74,500**	14,548	10,476	14,586	13,121
74,500	**74,550**	14,560	10,489	14,600	13,134
74,550	**74,600**	14,573	10,501	14,614	13,146
74,600	**74,650**	14,585	10,514	14,628	13,159
74,650	**74,700**	14,598	10,526	14,642	13,171
74,700	**74,750**	14,610	10,539	14,656	13,184
74,750	**74,800**	14,623	10,551	14,670	13,196
74,800	**74,850**	14,635	10,564	14,684	13,209
74,850	**74,900**	14,648	10,576	14,698	13,221
74,900	**74,950**	14,660	10,589	14,712	13,234
74,950	**75,000**	14,673	10,601	14,726	13,246

(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**	14,685	10,614	14,740	13,259
75,050	**75,100**	14,698	10,626	14,754	13,271
75,100	**75,150**	14,710	10,639	14,768	13,284
75,150	**75,200**	14,723	10,651	14,782	13,296
75,200	**75,250**	14,735	10,664	14,796	13,309
75,250	**75,300**	14,748	10,676	14,810	13,321
75,300	**75,350**	14,760	10,689	14,824	13,334
75,350	**75,400**	14,773	10,701	14,838	13,346
75,400	**75,450**	14,785	10,714	14,852	13,359
75,450	**75,500**	14,798	10,726	14,866	13,371
75,500	**75,550**	14,810	10,739	14,880	13,384
75,550	**75,600**	14,823	10,751	14,894	13,396
75,600	**75,650**	14,835	10,764	14,908	13,409
75,650	**75,700**	14,848	10,776	14,922	13,421
75,700	**75,750**	14,860	10,789	14,936	13,434
75,750	**75,800**	14,873	10,801	14,950	13,446
75,800	**75,850**	14,885	10,814	14,964	13,459
75,850	**75,900**	14,898	10,826	14,978	13,471
75,900	**75,950**	14,910	10,839	14,992	13,484
75,950	**76,000**	14,923	10,851	15,006	13,496
76,000					
76,000	**76,050**	14,935	10,864	15,020	13,509
76,050	**76,100**	14,948	10,876	15,034	13,521
76,100	**76,150**	14,960	10,889	15,048	13,534
76,150	**76,200**	14,973	10,901	15,062	13,546
76,200	**76,250**	14,985	10,914	15,076	13,559
76,250	**76,300**	14,998	10,926	15,090	13,571
76,300	**76,350**	15,010	10,939	15,104	13,584
76,350	**76,400**	15,023	10,951	15,118	13,596
76,400	**76,450**	15,035	10,964	15,132	13,609
76,450	**76,500**	15,048	10,976	15,146	13,621
76,500	**76,550**	15,060	10,989	15,160	13,634
76,550	**76,600**	15,073	11,001	15,174	13,646
76,600	**76,650**	15,085	11,014	15,188	13,659
76,650	**76,700**	15,098	11,026	15,202	13,671
76,700	**76,750**	15,110	11,039	15,216	13,684
76,750	**76,800**	15,123	11,051	15,230	13,696
76,800	**76,850**	15,135	11,064	15,244	13,709
76,850	**76,900**	15,148	11,076	15,258	13,721
76,900	**76,950**	15,160	11,089	15,272	13,734
76,950	**77,000**	15,173	11,101	15,286	13,746
77,000					
77,000	**77,050**	15,185	11,114	15,300	13,759
77,050	**77,100**	15,198	11,126	15,314	13,771
77,100	**77,150**	15,210	11,139	15,328	13,784
77,150	**77,200**	15,223	11,151	15,342	13,796
77,200	**77,250**	15,235	11,164	15,356	13,809
77,250	**77,300**	15,248	11,176	15,370	13,821
77,300	**77,350**	15,260	11,189	15,384	13,834
77,350	**77,400**	15,273	11,201	15,398	13,846
77,400	**77,450**	15,285	11,214	15,412	13,859
77,450	**77,500**	15,298	11,226	15,426	13,871
77,500	**77,550**	15,310	11,239	15,440	13,884
77,550	**77,600**	15,323	11,251	15,454	13,896
77,600	**77,650**	15,335	11,264	15,468	13,909
77,650	**77,700**	15,348	11,276	15,482	13,921
77,700	**77,750**	15,360	11,289	15,496	13,934
77,750	**77,800**	15,373	11,301	15,510	13,946
77,800	**77,850**	15,385	11,314	15,524	13,959
77,850	**77,900**	15,398	11,326	15,538	13,971
77,900	**77,950**	15,410	11,339	15,552	13,984
77,950	**78,000**	15,423	11,351	15,566	13,996
78,000					
78,000	**78,050**	15,435	11,364	15,580	14,009
78,050	**78,100**	15,448	11,376	15,594	14,021
78,100	**78,150**	15,460	11,389	15,608	14,034
78,150	**78,200**	15,473	11,401	15,622	14,046
78,200	**78,250**	15,485	11,414	15,636	14,059
78,250	**78,300**	15,498	11,426	15,650	14,071
78,300	**78,350**	15,510	11,439	15,664	14,084
78,350	**78,400**	15,523	11,451	15,678	14,096
78,400	**78,450**	15,535	11,464	15,692	14,109
78,450	**78,500**	15,548	11,476	15,706	14,121
78,500	**78,550**	15,560	11,489	15,720	14,134
78,550	**78,600**	15,573	11,501	15,734	14,146
78,600	**78,650**	15,585	11,514	15,748	14,159
78,650	**78,700**	15,598	11,526	15,762	14,171
78,700	**78,750**	15,610	11,539	15,776	14,184
78,750	**78,800**	15,623	11,551	15,790	14,196
78,800	**78,850**	15,635	11,564	15,804	14,209
78,850	**78,900**	15,648	11,576	15,818	14,221
78,900	**78,950**	15,660	11,589	15,832	14,234
78,950	**79,000**	15,673	11,601	15,846	14,246
79,000					
79,000	**79,050**	15,685	11,614	15,860	14,259
79,050	**79,100**	15,698	11,626	15,874	14,271
79,100	**79,150**	15,710	11,639	15,888	14,284
79,150	**79,200**	15,723	11,651	15,902	14,296
79,200	**79,250**	15,735	11,664	15,916	14,309
79,250	**79,300**	15,748	11,676	15,930	14,321
79,300	**79,350**	15,760	11,689	15,944	14,334
79,350	**79,400**	15,773	11,701	15,958	14,346
79,400	**79,450**	15,785	11,714	15,972	14,359
79,450	**79,500**	15,798	11,726	15,986	14,371
79,500	**79,550**	15,810	11,739	16,000	14,384
79,550	**79,600**	15,823	11,751	16,014	14,396
79,600	**79,650**	15,835	11,764	16,028	14,409
79,650	**79,700**	15,848	11,776	16,042	14,421
79,700	**79,750**	15,860	11,789	16,056	14,434
79,750	**79,800**	15,873	11,801	16,070	14,446
79,800	**79,850**	15,885	11,814	16,084	14,459
79,850	**79,900**	15,898	11,826	16,098	14,471
79,900	**79,950**	15,910	11,839	16,112	14,484
79,950	**80,000**	15,923	11,851	16,126	14,496
80,000					
80,000	**80,050**	15,935	11,864	16,140	14,509
80,050	**80,100**	15,948	11,876	16,154	14,521
80,100	**80,150**	15,960	11,889	16,168	14,534
80,150	**80,200**	15,973	11,901	16,182	14,546
80,200	**80,250**	15,985	11,914	16,196	14,559
80,250	**80,300**	15,998	11,926	16,210	14,571
80,300	**80,350**	16,010	11,939	16,224	14,584
80,350	**80,400**	16,023	11,951	16,238	14,596
80,400	**80,450**	16,035	11,964	16,252	14,609
80,450	**80,500**	16,048	11,976	16,266	14,621
80,500	**80,550**	16,060	11,989	16,280	14,634
80,550	**80,600**	16,073	12,001	16,294	14,646
80,600	**80,650**	16,085	12,014	16,308	14,659
80,650	**80,700**	16,098	12,026	16,322	14,671
80,700	**80,750**	16,110	12,039	16,336	14,684
80,750	**80,800**	16,123	12,051	16,350	14,696
80,800	**80,850**	16,135	12,064	16,364	14,709
80,850	**80,900**	16,148	12,076	16,378	14,721
80,900	**80,950**	16,160	12,089	16,392	14,734
80,950	**81,000**	16,173	12,101	16,406	14,746
81,000					
81,000	**81,050**	16,185	12,114	16,420	14,759
81,050	**81,100**	16,198	12,126	16,434	14,771
81,100	**81,150**	16,210	12,139	16,448	14,784
81,150	**81,200**	16,223	12,151	16,462	14,796
81,200	**81,250**	16,235	12,164	16,476	14,809
81,250	**81,300**	16,248	12,176	16,490	14,821
81,300	**81,350**	16,260	12,189	16,504	14,834
81,350	**81,400**	16,273	12,201	16,518	14,846
81,400	**81,450**	16,285	12,214	16,532	14,859
81,450	**81,500**	16,298	12,226	16,546	14,871
81,500	**81,550**	16,310	12,239	16,560	14,884
81,550	**81,600**	16,323	12,251	16,574	14,896
81,600	**81,650**	16,335	12,264	16,588	14,909
81,650	**81,700**	16,348	12,276	16,602	14,921
81,700	**81,750**	16,360	12,289	16,616	14,934
81,750	**81,800**	16,373	12,301	16,630	14,946
81,800	**81,850**	16,385	12,314	16,644	14,959
81,850	**81,900**	16,398	12,326	16,658	14,971
81,900	**81,950**	16,410	12,339	16,672	14,984
81,950	**82,000**	16,423	12,351	16,686	14,996
82,000					
82,000	**82,050**	16,435	12,364	16,700	15,009
82,050	**82,100**	16,448	12,376	16,714	15,021
82,100	**82,150**	16,460	12,389	16,728	15,034
82,150	**82,200**	16,473	12,401	16,742	15,046
82,200	**82,250**	16,485	12,414	16,756	15,059
82,250	**82,300**	16,498	12,426	16,770	15,071
82,300	**82,350**	16,510	12,439	16,784	15,084
82,350	**82,400**	16,523	12,451	16,798	15,096
82,400	**82,450**	16,535	12,464	16,812	15,109
82,450	**82,500**	16,548	12,476	16,826	15,121
82,500	**82,550**	16,560	12,489	16,840	15,134
82,550	**82,600**	16,573	12,501	16,854	15,146
82,600	**82,650**	16,585	12,514	16,868	15,159
82,650	**82,700**	16,598	12,526	16,882	15,171
82,700	**82,750**	16,610	12,539	16,896	15,184
82,750	**82,800**	16,623	12,551	16,910	15,196
82,800	**82,850**	16,635	12,564	16,924	15,209
82,850	**82,900**	16,648	12,576	16,938	15,221
82,900	**82,950**	16,660	12,589	16,952	15,234
82,950	**83,000**	16,673	12,601	16,966	15,246
83,000					
83,000	**83,050**	16,685	12,614	16,980	15,259
83,050	**83,100**	16,698	12,626	16,994	15,271
83,100	**83,150**	16,710	12,639	17,008	15,284
83,150	**83,200**	16,723	12,651	17,022	15,296
83,200	**83,250**	16,735	12,664	17,036	15,309
83,250	**83,300**	16,748	12,676	17,050	15,321
83,300	**83,350**	16,760	12,689	17,064	15,334
83,350	**83,400**	16,773	12,701	17,078	15,346
83,400	**83,450**	16,785	12,714	17,092	15,359
83,450	**83,500**	16,798	12,726	17,106	15,371
83,500	**83,550**	16,810	12,739	17,120	15,384
83,550	**83,600**	16,823	12,751	17,134	15,396
83,600	**83,650**	16,835	12,764	17,148	15,409
83,650	**83,700**	16,848	12,776	17,162	15,421
83,700	**83,750**	16,860	12,789	17,176	15,434
83,750	**83,800**	16,873	12,801	17,190	15,446
83,800	**83,850**	16,885	12,814	17,204	15,459
83,850	**83,900**	16,898	12,826	17,218	15,471
83,900	**83,950**	16,910	12,839	17,232	15,484
83,950	**84,000**	16,923	12,851	17,246	15,496

(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**	16,935	12,864	17,260	15,509
84,050	**84,100**	16,948	12,876	17,274	15,521
84,100	**84,150**	16,960	12,889	17,288	15,534
84,150	**84,200**	16,973	12,901	17,302	15,546
84,200	**84,250**	16,985	12,914	17,316	15,559
84,250	**84,300**	16,998	12,926	17,330	15,571
84,300	**84,350**	17,010	12,939	17,344	15,584
84,350	**84,400**	17,023	12,951	17,358	15,596
84,400	**84,450**	17,035	12,964	17,372	15,609
84,450	**84,500**	17,048	12,976	17,386	15,621
84,500	**84,550**	17,060	12,989	17,400	15,634
84,550	**84,600**	17,073	13,001	17,414	15,646
84,600	**84,650**	17,085	13,014	17,428	15,659
84,650	**84,700**	17,098	13,026	17,442	15,671
84,700	**84,750**	17,110	13,039	17,456	15,684
84,750	**84,800**	17,123	13,051	17,470	15,696
84,800	**84,850**	17,135	13,064	17,484	15,709
84,850	**84,900**	17,148	13,076	17,498	15,721
84,900	**84,950**	17,160	13,089	17,512	15,734
84,950	**85,000**	17,173	13,101	17,526	15,746
85,000					
85,000	**85,050**	17,185	13,114	17,540	15,759
85,050	**85,100**	17,198	13,126	17,554	15,771
85,100	**85,150**	17,210	13,139	17,568	15,784
85,150	**85,200**	17,223	13,151	17,582	15,796
85,200	**85,250**	17,235	13,164	17,596	15,809
85,250	**85,300**	17,248	13,176	17,610	15,821
85,300	**85,350**	17,260	13,189	17,624	15,834
85,350	**85,400**	17,273	13,201	17,638	15,846
85,400	**85,450**	17,285	13,214	17,652	15,859
85,450	**85,500**	17,298	13,226	17,666	15,871
85,500	**85,550**	17,310	13,239	17,680	15,884
85,550	**85,600**	17,323	13,251	17,694	15,896
85,600	**85,650**	17,335	13,264	17,708	15,909
85,650	**85,700**	17,348	13,276	17,722	15,921
85,700	**85,750**	17,360	13,289	17,736	15,934
85,750	**85,800**	17,373	13,301	17,750	15,946
85,800	**85,850**	17,385	13,314	17,764	15,959
85,850	**85,900**	17,398	13,326	17,778	15,971
85,900	**85,950**	17,410	13,339	17,792	15,984
85,950	**86,000**	17,423	13,351	17,806	15,996
86,000					
86,000	**86,050**	17,435	13,364	17,820	16,009
86,050	**86,100**	17,448	13,376	17,834	16,021
86,100	**86,150**	17,460	13,389	17,848	16,034
86,150	**86,200**	17,473	13,401	17,862	16,046
86,200	**86,250**	17,485	13,414	17,876	16,059
86,250	**86,300**	17,498	13,426	17,890	16,071
86,300	**86,350**	17,510	13,439	17,904	16,084
86,350	**86,400**	17,523	13,451	17,918	16,096
86,400	**86,450**	17,535	13,464	17,932	16,109
86,450	**86,500**	17,548	13,476	17,946	16,121
86,500	**86,550**	17,560	13,489	17,960	16,134
86,550	**86,600**	17,573	13,501	17,974	16,146
86,600	**86,650**	17,585	13,514	17,988	16,159
86,650	**86,700**	17,598	13,526	18,002	16,171
86,700	**86,750**	17,610	13,539	18,016	16,184
86,750	**86,800**	17,623	13,551	18,030	16,196
86,800	**86,850**	17,635	13,564	18,044	16,209
86,850	**86,900**	17,648	13,576	18,058	16,221
86,900	**86,950**	17,660	13,589	18,072	16,234
86,950	**87,000**	17,673	13,601	18,086	16,246

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**	17,685	13,614	18,100	16,259
87,050	**87,100**	17,698	13,626	18,114	16,271
87,100	**87,150**	17,710	13,639	18,128	16,284
87,150	**87,200**	17,723	13,651	18,142	16,296
87,200	**87,250**	17,735	13,664	18,156	16,309
87,250	**87,300**	17,748	13,676	18,170	16,321
87,300	**87,350**	17,760	13,689	18,184	16,334
87,350	**87,400**	17,773	13,701	18,198	16,346
87,400	**87,450**	17,785	13,714	18,212	16,359
87,450	**87,500**	17,798	13,726	18,226	16,371
87,500	**87,550**	17,810	13,739	18,240	16,384
87,550	**87,600**	17,823	13,751	18,254	16,396
87,600	**87,650**	17,835	13,764	18,268	16,409
87,650	**87,700**	17,848	13,776	18,282	16,421
87,700	**87,750**	17,860	13,789	18,296	16,434
87,750	**87,800**	17,873	13,801	18,310	16,446
87,800	**87,850**	17,885	13,814	18,324	16,459
87,850	**87,900**	17,898	13,826	18,338	16,471
87,900	**87,950**	17,912	13,839	18,352	16,484
87,950	**88,000**	17,926	13,851	18,366	16,496
88,000					
88,000	**88,050**	17,940	13,864	18,380	16,509
88,050	**88,100**	17,954	13,876	18,394	16,521
88,100	**88,150**	17,968	13,889	18,408	16,534
88,150	**88,200**	17,982	13,901	18,422	16,546
88,200	**88,250**	17,996	13,914	18,436	16,559
88,250	**88,300**	18,010	13,926	18,450	16,571
88,300	**88,350**	18,024	13,939	18,464	16,584
88,350	**88,400**	18,038	13,951	18,478	16,596
88,400	**88,450**	18,052	13,964	18,492	16,609
88,450	**88,500**	18,066	13,976	18,506	16,621
88,500	**88,550**	18,080	13,989	18,520	16,634
88,550	**88,600**	18,094	14,001	18,534	16,646
88,600	**88,650**	18,108	14,014	18,548	16,659
88,650	**88,700**	18,122	14,026	18,562	16,671
88,700	**88,750**	18,136	14,039	18,576	16,684
88,750	**88,800**	18,150	14,051	18,590	16,696
88,800	**88,850**	18,164	14,064	18,604	16,709
88,850	**88,900**	18,178	14,076	18,618	16,721
88,900	**88,950**	18,192	14,089	18,632	16,734
88,950	**89,000**	18,206	14,101	18,646	16,746
89,000					
89,000	**89,050**	18,220	14,114	18,660	16,759
89,050	**89,100**	18,234	14,126	18,674	16,771
89,100	**89,150**	18,248	14,139	18,688	16,784
89,150	**89,200**	18,262	14,151	18,702	16,796
89,200	**89,250**	18,276	14,164	18,716	16,809
89,250	**89,300**	18,290	14,176	18,730	16,821
89,300	**89,350**	18,304	14,189	18,744	16,834
89,350	**89,400**	18,318	14,201	18,758	16,846
89,400	**89,450**	18,332	14,214	18,772	16,859
89,450	**89,500**	18,346	14,226	18,786	16,871
89,500	**89,550**	18,360	14,239	18,800	16,884
89,550	**89,600**	18,374	14,251	18,814	16,896
89,600	**89,650**	18,388	14,264	18,828	16,909
89,650	**89,700**	18,402	14,276	18,842	16,921
89,700	**89,750**	18,416	14,289	18,856	16,934
89,750	**89,800**	18,430	14,301	18,870	16,946
89,800	**89,850**	18,444	14,314	18,884	16,959
89,850	**89,900**	18,458	14,326	18,898	16,971
89,900	**89,950**	18,472	14,339	18,912	16,984
89,950	**90,000**	18,486	14,351	18,926	16,996

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**	18,500	14,364	18,940	17,009
90,050	**90,100**	18,514	14,376	18,954	17,021
90,100	**90,150**	18,528	14,389	18,968	17,034
90,150	**90,200**	18,542	14,401	18,982	17,046
90,200	**90,250**	18,556	14,414	18,996	17,059
90,250	**90,300**	18,570	14,426	19,010	17,071
90,300	**90,350**	18,584	14,439	19,024	17,084
90,350	**90,400**	18,598	14,451	19,038	17,096
90,400	**90,450**	18,612	14,464	19,052	17,109
90,450	**90,500**	18,626	14,476	19,066	17,121
90,500	**90,550**	18,640	14,489	19,080	17,134
90,550	**90,600**	18,654	14,501	19,094	17,146
90,600	**90,650**	18,668	14,514	19,108	17,159
90,650	**90,700**	18,682	14,526	19,122	17,171
90,700	**90,750**	18,696	14,539	19,136	17,184
90,750	**90,800**	18,710	14,551	19,150	17,196
90,800	**90,850**	18,724	14,564	19,164	17,209
90,850	**90,900**	18,738	14,576	19,178	17,221
90,900	**90,950**	18,752	14,589	19,192	17,234
90,950	**91,000**	18,766	14,601	19,206	17,246
91,000					
91,000	**91,050**	18,780	14,614	19,220	17,259
91,050	**91,100**	18,794	14,626	19,234	17,271
91,100	**91,150**	18,808	14,639	19,248	17,284
91,150	**91,200**	18,822	14,651	19,262	17,296
91,200	**91,250**	18,836	14,664	19,276	17,309
91,250	**91,300**	18,850	14,676	19,290	17,321
91,300	**91,350**	18,864	14,689	19,304	17,334
91,350	**91,400**	18,878	14,701	19,318	17,346
91,400	**91,450**	18,892	14,714	19,332	17,359
91,450	**91,500**	18,906	14,726	19,346	17,371
91,500	**91,550**	18,920	14,739	19,360	17,384
91,550	**91,600**	18,934	14,751	19,374	17,396
91,600	**91,650**	18,948	14,764	19,388	17,409
91,650	**91,700**	18,962	14,776	19,402	17,421
91,700	**91,750**	18,976	14,789	19,416	17,434
91,750	**91,800**	18,990	14,801	19,430	17,446
91,800	**91,850**	19,004	14,814	19,444	17,459
91,850	**91,900**	19,018	14,826	19,458	17,471
91,900	**91,950**	19,032	14,839	19,472	17,484
91,950	**92,000**	19,046	14,851	19,486	17,496
92,000					
92,000	**92,050**	19,060	14,864	19,500	17,509
92,050	**92,100**	19,074	14,876	19,514	17,521
92,100	**92,150**	19,088	14,889	19,528	17,534
92,150	**92,200**	19,102	14,901	19,542	17,546
92,200	**92,250**	19,116	14,914	19,556	17,559
92,250	**92,300**	19,130	14,926	19,570	17,571
92,300	**92,350**	19,144	14,939	19,584	17,584
92,350	**92,400**	19,158	14,951	19,598	17,596
92,400	**92,450**	19,172	14,964	19,612	17,609
92,450	**92,500**	19,186	14,976	19,626	17,621
92,500	**92,550**	19,200	14,989	19,640	17,634
92,550	**92,600**	19,214	15,001	19,654	17,646
92,600	**92,650**	19,228	15,014	19,668	17,659
92,650	**92,700**	19,242	15,026	19,682	17,671
92,700	**92,750**	19,256	15,039	19,696	17,684
92,750	**92,800**	19,270	15,051	19,710	17,696
92,800	**92,850**	19,284	15,064	19,724	17,709
92,850	**92,900**	19,298	15,076	19,738	17,721
92,900	**92,950**	19,312	15,089	19,752	17,734
92,950	**93,000**	19,326	15,101	19,766	17,746

(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**	19,340	15,114	19,780	17,759
93,050	**93,100**	19,354	15,126	19,794	17,771
93,100	**93,150**	19,368	15,139	19,808	17,784
93,150	**93,200**	19,382	15,151	19,822	17,796
93,200	**93,250**	19,396	15,164	19,836	17,809
93,250	**93,300**	19,410	15,176	19,850	17,821
93,300	**93,350**	19,424	15,189	19,864	17,834
93,350	**93,400**	19,438	15,201	19,878	17,846
93,400	**93,450**	19,452	15,214	19,892	17,859
93,450	**93,500**	19,466	15,226	19,906	17,871
93,500	**93,550**	19,480	15,239	19,920	17,884
93,550	**93,600**	19,494	15,251	19,934	17,896
93,600	**93,650**	19,508	15,264	19,948	17,909
93,650	**93,700**	19,522	15,276	19,962	17,921
93,700	**93,750**	19,536	15,289	19,976	17,934
93,750	**93,800**	19,550	15,301	19,990	17,946
93,800	**93,850**	19,564	15,314	20,004	17,959
93,850	**93,900**	19,578	15,326	20,018	17,971
93,900	**93,950**	19,592	15,339	20,032	17,984
93,950	**94,000**	19,606	15,351	20,046	17,996
94,000					
94,000	**94,050**	19,620	15,364	20,060	18,009
94,050	**94,100**	19,634	15,376	20,074	18,021
94,100	**94,150**	19,648	15,389	20,088	18,034
94,150	**94,200**	19,662	15,401	20,102	18,046
94,200	**94,250**	19,676	15,414	20,116	18,059
94,250	**94,300**	19,690	15,426	20,130	18,071
94,300	**94,350**	19,704	15,439	20,144	18,084
94,350	**94,400**	19,718	15,451	20,158	18,096
94,400	**94,450**	19,732	15,464	20,172	18,109
94,450	**94,500**	19,746	15,476	20,186	18,121
94,500	**94,550**	19,760	15,489	20,200	18,134
94,550	**94,600**	19,774	15,501	20,214	18,146
94,600	**94,650**	19,788	15,514	20,228	18,159
94,650	**94,700**	19,802	15,526	20,242	18,171
94,700	**94,750**	19,816	15,539	20,256	18,184
94,750	**94,800**	19,830	15,551	20,270	18,196
94,800	**94,850**	19,844	15,564	20,284	18,209
94,850	**94,900**	19,858	15,576	20,298	18,221
94,900	**94,950**	19,872	15,589	20,312	18,234
94,950	**95,000**	19,886	15,601	20,326	18,246
95,000					
95,000	**95,050**	19,900	15,614	20,340	18,259
95,050	**95,100**	19,914	15,626	20,354	18,271
95,100	**95,150**	19,928	15,639	20,368	18,284
95,150	**95,200**	19,942	15,651	20,382	18,296
95,200	**95,250**	19,956	15,664	20,396	18,309
95,250	**95,300**	19,970	15,676	20,410	18,321
95,300	**95,350**	19,984	15,689	20,424	18,334
95,350	**95,400**	19,998	15,701	20,438	18,346
95,400	**95,450**	20,012	15,714	20,452	18,359
95,450	**95,500**	20,026	15,726	20,466	18,371
95,500	**95,550**	20,040	15,739	20,480	18,384
95,550	**95,600**	20,054	15,751	20,494	18,396
95,600	**95,650**	20,068	15,764	20,508	18,409
95,650	**95,700**	20,082	15,776	20,522	18,421
95,700	**95,750**	20,096	15,789	20,536	18,434
95,750	**95,800**	20,110	15,801	20,550	18,446
95,800	**95,850**	20,124	15,814	20,564	18,459
95,850	**95,900**	20,138	15,826	20,578	18,471
95,900	**95,950**	20,152	15,839	20,592	18,484
95,950	**96,000**	20,166	15,851	20,606	18,496
96,000					
96,000	**96,050**	20,180	15,864	20,620	18,509
96,050	**96,100**	20,194	15,876	20,634	18,521
96,100	**96,150**	20,208	15,889	20,648	18,534
96,150	**96,200**	20,222	15,901	20,662	18,546
96,200	**96,250**	20,236	15,914	20,676	18,559
96,250	**96,300**	20,250	15,926	20,690	18,571
96,300	**96,350**	20,264	15,939	20,704	18,584
96,350	**96,400**	20,278	15,951	20,718	18,596
96,400	**96,450**	20,292	15,964	20,732	18,609
96,450	**96,500**	20,306	15,976	20,746	18,621
96,500	**96,550**	20,320	15,989	20,760	18,634
96,550	**96,600**	20,334	16,001	20,774	18,646
96,600	**96,650**	20,348	16,014	20,788	18,659
96,650	**96,700**	20,362	16,026	20,802	18,671
96,700	**96,750**	20,376	16,039	20,816	18,684
96,750	**96,800**	20,390	16,051	20,830	18,696
96,800	**96,850**	20,404	16,064	20,844	18,709
96,850	**96,900**	20,418	16,076	20,858	18,721
96,900	**96,950**	20,432	16,089	20,872	18,734
96,950	**97,000**	20,446	16,101	20,886	18,746
97,000					
97,000	**97,050**	20,460	16,114	20,900	18,759
97,050	**97,100**	20,474	16,126	20,914	18,771
97,100	**97,150**	20,488	16,139	20,928	18,784
97,150	**97,200**	20,502	16,151	20,942	18,796
97,200	**97,250**	20,516	16,164	20,956	18,809
97,250	**97,300**	20,530	16,176	20,970	18,821
97,300	**97,350**	20,544	16,189	20,984	18,834
97,350	**97,400**	20,558	16,201	20,998	18,846
97,400	**97,450**	20,572	16,214	21,012	18,859
97,450	**97,500**	20,586	16,226	21,026	18,871
97,500	**97,550**	20,600	16,239	21,040	18,884
97,550	**97,600**	20,614	16,251	21,054	18,896
97,600	**97,650**	20,628	16,264	21,068	18,909
97,650	**97,700**	20,642	16,276	21,082	18,921
97,700	**97,750**	20,656	16,289	21,096	18,934
97,750	**97,800**	20,670	16,301	21,110	18,946
97,800	**97,850**	20,684	16,314	21,124	18,959
97,850	**97,900**	20,698	16,326	21,138	18,971
97,900	**97,950**	20,712	16,339	21,152	18,984
97,950	**98,000**	20,726	16,351	21,166	18,996
98,000					
98,000	**98,050**	20,740	16,364	21,180	19,009
98,050	**98,100**	20,754	16,376	21,194	19,021
98,100	**98,150**	20,768	16,389	21,208	19,034
98,150	**98,200**	20,782	16,401	21,222	19,046
98,200	**98,250**	20,796	16,414	21,236	19,059
98,250	**98,300**	20,810	16,426	21,250	19,071
98,300	**98,350**	20,824	16,439	21,264	19,084
98,350	**98,400**	20,838	16,451	21,278	19,096
98,400	**98,450**	20,852	16,464	21,292	19,109
98,450	**98,500**	20,866	16,476	21,306	19,121
98,500	**98,550**	20,880	16,489	21,320	19,134
98,550	**98,600**	20,894	16,501	21,334	19,146
98,600	**98,650**	20,908	16,514	21,348	19,159
98,650	**98,700**	20,922	16,526	21,362	19,171
98,700	**98,750**	20,936	16,539	21,376	19,184
98,750	**98,800**	20,950	16,551	21,390	19,196
98,800	**98,850**	20,964	16,564	21,404	19,209
98,850	**98,900**	20,978	16,576	21,418	19,221
98,900	**98,950**	20,992	16,589	21,432	19,234
98,950	**99,000**	21,006	16,601	21,446	19,246
99,000					
99,000	**99,050**	21,020	16,614	21,460	19,259
99,050	**99,100**	21,034	16,626	21,474	19,271
99,100	**99,150**	21,048	16,639	21,488	19,284
99,150	**99,200**	21,062	16,651	21,502	19,296
99,200	**99,250**	21,076	16,664	21,516	19,309
99,250	**99,300**	21,090	16,676	21,530	19,321
99,300	**99,350**	21,104	16,689	21,544	19,334
99,350	**99,400**	21,118	16,701	21,558	19,346
99,400	**99,450**	21,132	16,714	21,572	19,359
99,450	**99,500**	21,146	16,726	21,586	19,371
99,500	**99,550**	21,160	16,739	21,600	19,384
99,550	**99,600**	21,174	16,751	21,614	19,396
99,600	**99,650**	21,188	16,764	21,628	19,409
99,650	**99,700**	21,202	16,776	21,642	19,421
99,700	**99,750**	21,216	16,789	21,656	19,434
99,750	**99,800**	21,230	16,801	21,670	19,446
99,800	**99,850**	21,244	16,814	21,684	19,459
99,850	**99,900**	21,258	16,826	21,698	19,471
99,900	**99,950**	21,272	16,839	21,712	19,484
99,950	**100,000**	21,286	16,851	21,726	19,496

$100,000 or over use the Tax Computation Worksheet

*** This column must also be used by a qualifying widow(er).**

* This column must also be used by a qualifying widow(er).

2013 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 $183,250	$	× 28% (.28)	$	$ 6,706.75	$
Over $183,250 but not over $398,350	$	× 33% (.33)	$	$ 15,869.25	$
Over $398,350 but not over $400,000	$	× 35% (.35)	$	$ 23,836.25	$
Over $400,000	$	× 39.6% (.396)	$	$ 42,236.25	$

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 $146,400	$	× 25% (.25)	$	$ 8,142.50	$
Over $146,400 but not over $223,050	$	× 28% (.28)	$	$ 12,534.50	$
Over $223,050 but not over $398,350	$	× 33% (.33)	$	$ 23,687.00	$
Over $398,350 but not over $450,000	$	× 35% (.35)	$	$ 31,654.00	$
Over $450,000	$	× 39.6% (.396)	$	$ 52,354.00	$

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 $111,525	$	× 28% (.28)	$	$ 6,267.25	$
Over $111,525 but not over $199,175	$	× 33% (.33)	$	$ 11,843.50	$
Over $199,175 but not over $225,000	$	× 35% (.35)	$	$ 15,827.00	$
Over $225,000	$	× 39.6% (.396)	$	$ 26,177.00	$

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 $125,450	$	× 25% (.25)	$	$ 5,497.50	$
Over $125,450 but not over $203,150	$	× 28% (.28)	$	$ 9,261.00	$
Over $203,150 but not over $398,350	$	× 33% (.33)	$	$ 19,418.50	$
Over $398,350 but not over $425,000	$	× 35% (.35)	$	$ 27,385.50	$
Over $425,000	$	× 39.6% (.396)	$	$ 46,935.50	$

General Information

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.

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 1-855-851-2009.

Income Tax Withholding and Estimated Tax Payments for 2014

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 2014 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 2014 Form 1040 will show a tax refund or a tax balance due of less than $1,000. If your total estimated tax for 2014 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 other 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. For more information, see Pub. 4535.

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.

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 Fiscal Service." You can send it to: Bureau of the Fiscal Service, Attn: Dept G, P.O. Box 2188, Parkersburg, WV 26106-2188. Or you can enclose the check with your income tax return when you file. In the memo section of the check, make a note that it is a gift to reduce the debt held by the public. 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/index1.htm* for information on how to make this type of gift online.

TIP *You may be able to deduct this gift on your 2014 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 fee for each return requested. See Form 4506 for the current fee. 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 2013, 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, ad-

ministrator, 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 2013 and you did not remarry in 2013, or if your spouse died in 2014 before filing a return for 2013, you can file a joint return. A joint return should show your spouse's 2013 income before death and your income for all of 2013. 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 2010 return in 2014, 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.

How To Get Tax Help

Whether it's help with a tax issue, preparing your tax return or a need for a free publication or form, get the help you need the way you want it: online, with a smart phone, or by calling or walking into an IRS office or volunteer site near you.

Free help with your tax return. You can get free help preparing your return nationwide from IRS-certified volunteers. The Volunteer Income Tax Assistance (VITA) program helps low-to-moderate income, elderly, people with disabilities, and limited English proficient taxpayers. The Tax Counseling for the Elderly (TCE) program helps taxpayers age 60 and older with their tax returns. Most VITA and TCE sites offer free electronic filing and all volunteers will let you know about credits and deductions you may be entitled to claim. In addition, some VITA and TCE sites provide taxpayers the opportunity to prepare their own return with help from an IRS-certified volunteer. To find the nearest VITA or TCE site, you can use the VITA Locator Tool on IRS.gov, download the IRS2Go app, or call 1-800-906-9887.

As part of the TCE program, AARP offers the Tax-Aide counseling program. To find the nearest AARP Tax-Aide site, visit AARP's website at *www.aarp.org/money/taxaide* or call 1-888-227-7669. For more information on these programs, go to IRS.gov and enter "VITA" in the search box.

Internet. IRS.gov and IRS2Go are ready when you are—24 hours a day, 7 days a week.

- Download the free IRS2Go app from the iTunes app store or from Google Play. Use it to check your refund status, order transcripts of your tax returns or tax account, watch the IRS YouTube channel, get IRS news as soon as it's released to the public, subscribe to filing season updates or daily tax tips, and follow the IRS Twitter news feed, @IRSnews, to get the latest federal tax news, including information about tax law changes and important IRS programs.
- Check the status of your 2013 refund with the *Where's My Refund?* application on IRS.gov or download the IRS2Go app and select the *Refund Status* option. The IRS issues more than 9 out of 10 refunds in less than 21 days. Using these applications, you can start checking on the status of your return within 24 hours after we receive your *e-filed* return or 4 weeks after you mail a paper return. You will also be given a personalized refund date as soon as the IRS processes your tax return and approves your refund. The IRS updates *Where's My Refund?* every 24 hours, usually overnight, so you only need to check once a day.
- Use the *Interactive Tax Assistant* (ITA) to research your tax questions. No need to wait on the phone or stand in line. The ITA is available 24 hours a day, 7 days a week, and provides you with a variety of tax information related to general filing topics, deductions, credits, and income. When you reach the response screen, you can print the entire interview and the final response for your records. New subject areas are added on a regular basis.

Answers not provided through ITA may be found in *Tax Trails*, one of the Tax Topics on IRS.gov which contain general individual and business tax information or by searching the *IRS Tax Map*, which includes an international subject index. You can use the IRS Tax Map to search publications and instructions by topic or keyword. The IRS Tax Map integrates forms and publications into one research tool and provides single-point access to tax law information by subject. When the user searches the IRS Tax Map, they will be provided with links to related content in existing IRS publications, forms and instructions, questions and answers, and Tax Topics.

- This filing season, you can immediately view and print for free all 5 types of individual federal tax transcripts (tax returns, tax account, record of account, wage and income statement, and certification of non-filing) using *Get Transcript*. You can also ask the IRS to mail a return or an account transcript to you. Only the mail option is available by choosing the *Tax Records* option on the IRS2Go app, by selecting *Mail Transcript* on IRS.gov, or by calling 1-800-908-9946. Tax return and tax

account transcripts are generally available for the current year and the past 3 years.

- Determine if you are eligible for the EIC and estimate the amount of the credit with the *Earned Income Tax Credit Assistant*.
- Visit *Understanding Your IRS Notice or Letter* to get answers to questions about a notice or letter you received from the IRS.
- If you received the First Time Homebuyer Credit, you can use the *First Time Homebuyer Credit Account Look-up* tool for information on your repayments and account balance.
- Check the status of your amended return using *Where's My Amended Return*. Go to IRS.gov and enter *Where's My Amended Return?* in the search box. You can generally expect your amended return to be processed up to 12 weeks from the date we receive it. It can take up to 3 weeks from the date you mailed it to show up in our system.
- Make a payment using one of several safe and convenient electronic payment options available on IRS.gov. Select the Payment tab on the front page of IRS.gov for more information.
- Determine if you are eligible and apply for an *online payment agreement*, if you owe more tax than you can pay today.
- Figure your income tax withholding with the *IRS Withholding Calculator* on IRS.gov. Use it if you've had too much or too little withheld, your personal situation has changed, you're starting a new job or you just want to see if you're having the right amount withheld.
- Determine if you might be subject to the Alternative Minimum Tax by using the *Alternative Minimum Tax Assistant* on IRS.gov.
- Request an Electronic Filing PIN by going to IRS.gov and entering *Electronic Filing PIN* in the search box.
- Download forms, instructions and publications, including accessible versions for people with disabilities.
- Locate the nearest Taxpayer Assistance Center (TAC) using the *Office Locator* tool on IRS.gov, or choose the *Contact Us* option on the IRS2Go app and search *Local Offices*. An employee can answer questions about your tax account or help you set up a payment plan. Before you visit, check the *Office Locator* on IRS.gov, or *Local Offices* under *Contact Us* on IRS2Go to confirm the address, phone number, days and hours of operation, and the services provided. If you have a special need, such as a disability, you can request an appointment. Call the local number listed in the Office Locator, or look in the phone book under United States Government, Internal Revenue Service.
- Apply for an Employer Identification Number (EIN). Go to IRS.gov and enter *Apply for an EIN* in the search box.
- Read the Internal Revenue Code, regulations, or other official guidance.
- Read Internal Revenue Bulletins.
- Sign up to receive local and national tax news and more by email. Just click on "subscriptions" above the search box on IRS.gov and choose from a variety of options.

Phone. You can call the IRS, or you can carry it in your pocket with the IRS2Go app on your smart phone or tablet. Download the free IRS2Go app from the iTunes app store or from Google Play.

- Call to locate the nearest volunteer help site, 1-800-906-9887 or you can use the VITA Locator Tool on IRS.gov, or download the IRS2Go app. Low-to-moderate income, elderly, people with disabilities, and limited English proficient taxpayers can get free help with their tax return from the nationwide Volunteer Income Tax Assistance (VITA) program. The Tax Counseling for the Elderly (TCE) program helps taxpayers age 60 and older with their tax returns. Most VITA and TCE sites offer free electronic filing. Some VITA and TCE sites provide IRS-certified volunteers who can help prepare your tax return. Through the TCE program, AARP offers the Tax-Aide counseling program; call 1-888-227-7669 to find the nearest Tax-Aide location.
- Call the automated *Where's My Refund?* information hotline to check the status of your 2013 refund 24 hours a day, 7 days a week at 1-800-829-1954. If you *e-file*, you can start checking on the status of your return within 24 hours after the IRS receives your tax return or 4 weeks after you've mailed a paper return. The IRS issues more than 9 out of 10 refunds in less than 21 days. *Where's My Refund?* will give you a personalized refund date as soon as the IRS processes your tax return and approves your refund. Before you call this automated hotline, have your 2013 tax return handy so you can enter your social security number, your filing status, and the exact whole dollar amount of your refund. The IRS updates *Where's My Refund?* every 24 hours, usually overnight, so you only need to check once a day. Note, the above information is for our automated hotline. Our live phone and walk-in assistors can research the status of your refund only if it's been 21 days or more since you filed electronically or more than 6 weeks since you mailed your paper return.
- Call the *Amended Return Hotline*, 1-866-464-2050, to check the status of your amended return. You can generally expect your amended return to be processed up to 12 weeks from the date we receive it. It can take up to 3 weeks from the date you mailed it to show up in our system.
- Call 1-800-TAX-FORM (1-800-829-3676) to order current-year forms, instructions, publications, and prior-year forms and instructions (limited to 5 years). You should receive your order within 10 business days.
- Call TeleTax, 1-800-829-4477, to listen to pre-recorded messages covering general and business tax information. See *What Is TeleTax* later, for a list of the topics covered. If, between January and April 15, you still have questions about the Form 1040, 1040A, or 1040EZ (like filing requirements, dependents, credits, Schedule D, pensions and IRAs or self-employment taxes), call 1-800-829-1040.
- Call 1-800-829-4059 to ask tax questions or order forms and publications using TTY/TDD equipment. The TTY/TDD telephone number is for people who are deaf, hard of hearing, or have a speech disability. These individuals can also contact the IRS through relay services such as the *Federal Relay Service*.

Walk-in. You can find a selection of forms, publications and services — in person.

- Products. You can walk into some post offices, libraries, and IRS offices to pick up certain forms, instructions, and publications. Some IRS offices, libraries, and city and county government

offices have a collection of products available to photocopy from reproducible proofs.

- Services. You can walk into your local TAC for face-to-face tax help. An employee can answer questions about your tax account or help you set up a payment plan. Before visiting, use the *Office Locator* tool on IRS.gov, or choose the *Contact Us* option on the IRS2Go app and search *Local Offices* for days and hours of operation, and services provided.

Mail. You can send your order for forms, instructions, and publications to the address below. You should receive a response within 10 business days after your request is received.

Internal Revenue Service
1201 N. Mitsubishi Motorway
Bloomington, IL 61705-6613

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.

Tax Information in Other Languages

For taxpayers whose native language is not English, we have the following resources available.

Over-the-phone interpreter service. The IRS Taxpayer Assistance Centers provide telephone interpreter service in over 170 languages, and the service is available free to taxpayers.

Language websites. Taxpayers can find information on IRS.gov in the following languages:

- *Spanish*.
- *Chinese*.
- *Vietnamese*.
- *Korean*.
- *Russian*.

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 enter 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? includes 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 free IRS2Go phone app.
- You can call 1-800-829-1954 24 hours a day, 7 days a week, for automated refund information. Our live phone and walk-in assistors can research the status of your refund only if it's been 21 days or more since you filed electronically or more than 6 weeks since you mailed your paper return.

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/Spanish* and 1-800-829-1954.

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 and hard of hearing
103	Tax help for small businesses and the 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 the 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, certain federal and state debts, 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
559	Net Investment Income Tax

TeleTax Topics

(Continued)

Topic No.	Subject
560	Additional Medicare Tax
	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	Highlights of the Affordable Care Act of 2010
	Electronic Media Filers—1099 Series and Related Information Returns
801	Who must file information returns electronically
802	Applications, forms, and information
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, 2014.

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*. 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.

If you want to check the status of your 2013 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.
- *Where's My Amended Return*—Check the status of your amended return.
- *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 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, or
- 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."

To get information, forms, and publications in Spanish, go to www.irs.gov/Spanish.

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 walk in to some post offices, libraries, and IRS offices to pick up certain forms, instructions, and publications. Some IRS offices, libraries, and city and county government offices have a collection of forms, instructions, and publications available to photocopy from reproducible proofs.

Mail

You can order forms, instructions, and publications by completing the order blank, later. You should receive your order within 10 business days after we receive your request.

Other ways to get help. See *How To Get Tax 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 send us comments from www.irs.gov/formspubs/. Click on "More Information" and then on "Comment on Tax Forms and Publications." Or you can send your comments to Internal Revenue Service, Tax Forms and Publications Division, 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 following table shows burden estimates based on current statutory requirements as of November 2013, for taxpayers filing a 2013 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 12 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 15 hours and $280; 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 $30.

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 7 hours and $120, while business taxpayers are expected to have an average burden of about 24 hours and $430. 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)					Average Cost (Dollars)**
		Total Time*	Record Keeping	Tax Planning	Form Completion and Submission	All Other	
All taxpayers	100	12	6	2	4	1	$210
Primary forms filed							
1040	68	15	8	2	4	1	280
1040A	19	7	2	1	3	1	90
1040EZ	13	4	1	***	2	1	30
Type of taxpayer							
Nonbusiness****	70	7	3	1	3	1	120
Business****	30	24	13	4	5	2	430

*Detail may not add to total time due to rounding.

**Dollars rounded to the nearest $10.

***Rounds to less than 1 hour.

****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 do 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. 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 we receive 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
( )

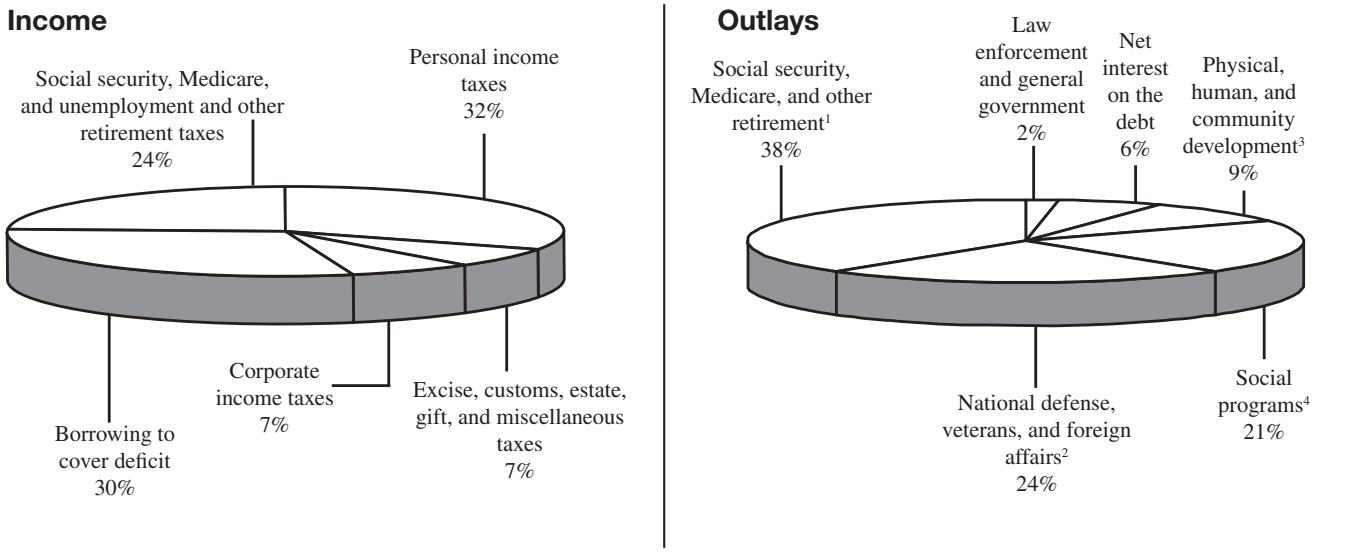
Circle the forms and publications you need. The instructions for any form you order will be included.

Use the **blank spaces** to order items not listed.

1040	Schedule F (1040)	1040-V	4868	8959	Pub. 523	Pub. 554	Pub. 972
Schedule A (1040)	Schedule H (1040)	1040X	5405	8960	Pub. 525	Pub. 575	Pub. 4681
Schedule B (1040A or 1040)	Schedule J (1040)	2106	6251	Pub. 1	Pub. 526	Pub. 583	
Schedule C (1040)	Schedule R (1040A or 1040)	2441	8283	Pub. 17	Pub. 527	Pub. 587	
Schedule C-EZ (1040)	Schedule SE (1040)	3903	8606	Pub. 334	Pub. 529	Pub. 590	
Schedule D (1040)	Schedule 8812 (1040A or 1040)	4506	8822	Pub. 463	Pub. 535	Pub. 596	
Form 8949	1040A	4506-T	8829	Pub. 501	Pub. 547	Pub. 915	
Schedule E (1040)	1040EZ	4562	8863	Pub. 502	Pub. 550	Pub. 946	
Schedule EIC (1040A or 1040)	1040-ES (2014)	4684	8917	Pub. 505	Pub. 551	Pub. 970	

Major Categories of Federal Income and Outlays for Fiscal Year 2012

Income and Outlays. These pie charts show the relative sizes of the major categories of federal income and outlays for fiscal year 2012.



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 2012 (which began on October 1, 2011, and ended on September 30, 2012), Federal income was $2.45 trillion and outlays were $3.537 trillion, leaving a deficit of $1.087 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 19% 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 14% 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 $104 billion in fiscal year 2012. 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.

2013 Tax Rate Schedules

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:		The tax is:	
Over—	*But not over—*		*of the amount over—*
$0	$8,925	..... **10%**	**$0**
8,925	36,250	**$892.50 + 15%**	**8,925**
36,250	87,850	**4,991.25 + 25%**	**36,250**
87,850	183,250	**17,891.25 + 28%**	**87,850**
183,250	398,350	**44,603.25 + 33%**	**183,250**
398,350	400,000	**115,586.25 + 35%**	**398,350**
400,000	.....	**116,163.75 + 39.6%**	**400,000**

Schedule Y-1—If your filing status is **Married filing jointly** or **Qualifying widow(er)**

If your taxable income is:		The tax is:	
Over—	*But not over—*		*of the amount over—*
$0	$17,850	..... **10%**	**$0**
17,850	72,500	**$1,785.00 + 15%**	**17,850**
72,500	146,400	**9,982.50 + 25%**	**72,500**
146,400	223,050	**28,457.50 + 28%**	**146,400**
223,050	398,350	**49,919.50 + 33%**	**223,050**
398,350	450,000	**107,768.50 + 35%**	**398,350**
450,000	.....	**125,846.00 + 39.6%**	**450,000**

Schedule Y-2—If your filing status is **Married filing separately**

If your taxable income is:		The tax is:	
Over—	*But not over—*		*of the amount over—*
$0	$8,925	..... **10%**	**$0**
8,925	36,250	**$892.50 + 15%**	**8,925**
36,250	73,200	**4,991.25 + 25%**	**36,250**
73,200	111,525	**14,228.75 + 28%**	**73,200**
111,525	199,175	**24,959.75 + 33%**	**111,525**
199,175	225,000	**53,884.25 + 35%**	**199,175**
225,000	.....	**62,923.00 + 39.6%**	**225,000**

Schedule Z—If your filing status is **Head of household**

If your taxable income is:		The tax is:	
Over—	*But not over—*		*of the amount over—*
$0	$12,750	..... **10%**	**$0**
12,750	48,600	**$1,275.00 + 15%**	**12,750**
48,600	125,450	**6,652.50 + 25%**	**48,600**
125,450	203,150	**25,865.00 + 28%**	**125,450**
203,150	398,350	**47,621.00 + 33%**	**203,150**
398,350	425,000	**112,037.00 + 35%**	**398,350**
425,000	.....	**121,364.50 + 39.6%**	**425,000**

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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 1/4" thick). Also, include your complete return address.*

IF you live in...	THEN use this address if you: Are not enclosing a check or money order...	Are enclosing a check or money order...
Florida, Louisiana, Mississippi, Texas	Department of the Treasury Internal Revenue Service Austin, TX 73301-0002	Internal Revenue Service P.O. Box 1214 Charlotte, NC 28201-1214
Alaska, Arizona, California, Colorado, Hawaii, Idaho, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming	Department of the Treasury Internal Revenue Service Fresno, CA 93888-0002	Internal Revenue Service P.O. Box 7704 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 Internal Revenue Service Fresno, CA 93888-0002	Internal Revenue Service P.O. Box 802501 Cincinnati, OH 45280-2501
Alabama, Georgia, Kentucky, Missouri, New Jersey, North Carolina, South Carolina, Tennessee, Virginia	Department of the Treasury Internal Revenue Service Kansas City, MO 64999-0002	Internal Revenue Service P.O. Box 931000 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 Internal Revenue Service Kansas City, MO 64999-0002	Internal Revenue Service P.O. Box 37008 Hartford, CT 06176-7008
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 Internal Revenue Service Austin, TX 73301-0215	Internal Revenue Service P.O. Box 1303 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.

2013

Instructions for Form 8949

Sales and Other Dispositions of Capital Assets

Department of the Treasury
Internal Revenue Service

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

Direct reporting on Schedule D. For 2013, you may be able to combine certain transactions and report the totals directly on Schedule D. If you choose to do that, you do not need to include these transactions on Form 8949. For additional information, see *Exception 3* under the instructions for line 1.

Estates and trusts. The use of Form 8949 by estates and trusts is new. Many transactions that, in previous years, would have been reported by estates and trusts on Schedule D or Schedule D-1 must be reported on Form 8949 if they have to be reported on a 2013 form.

General Instructions

File Form 8949 with the Schedule D for the return you are filing. This includes Schedule D of Forms 1040, 1041, 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.

Complete Form 8949 before you complete line 1b, 2, 3, 8b, 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.

If all Forms 1099-B you received (and all substitute statements) show basis was reported to the IRS and if no correction or adjustment is needed, you may not need to file Form 8949. See *Exception 3* under the instructions for line 1.

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.

If you are filing a joint return, complete as many copies of Form 8949 as you need to report all of your and your spouse's transactions. You and your spouse may list your transactions on separate forms or you may combine them. However, you must include on your Schedule D the totals from all Forms 8949 for both you and your spouse.

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.

Corporations also use Form 8949 to report their share of gain or (loss) from a partnership, estate, or trust.

For corporations and partnerships meeting certain criteria, an exception to some of the normal requirements for completing Form 8949 has been provided. See *Exception 2* under the instructions for line 1.

Estates and trusts. Estates and trusts use Form 8949 to report the sale or exchange of a capital asset not reported on another form or schedule.

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, corporations report this type of gain or (loss) on Form 8949.)
- To report transactions reported to you on a Form 1099-B (or substitute statement) showing basis was reported to the IRS and for which you have no adjustments, as explained under *Exception 3*, later.

Individuals, estates, and trusts 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, partnerships, estates, and trusts 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. If you receive a Form 1099-B (or substitute statement), your broker may have reported your basis for these securities in box 3.

The IRS partners with companies that offer Form 8949 software that can import trades from many brokerage firms and accounting software that can 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 (or line 1a of Schedule D if you can use *Exception 3* under the instructions for Form 8949, line 1).

The holding period for long-term capital gains and losses is more than 1 year. Report these transactions on Part II of Form 8949 (or line 8a of Schedule D if you can use *Exception 3* under the instructions for Form 8949, line 1).

To figure the holding period, begin counting on the day after you received the property and include the day you disposed of it. If you receive a Form 1099-B (or substitute statement), box 1c may help you determine whether the gain or loss is short-term or long-term.

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.

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 Gains and Losses from Partnerships, Estates, or Trusts

Report a corporation'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 F 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.

If more than one Schedule K-1 is received, report each on a separate row. Include additional identifying information, such as "Partnership X."

Rounding Off to Whole Dollars

You can round off cents to whole dollars on Form 8949. If you do round to whole dollars, 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.

Specific Instructions

Report short-term gains and losses on Part I. Report long-term gains and losses on Part II.

Line 1

Enter all sales and exchanges of capital assets, including stocks, bonds, and real estate (if not reported on line 1a or 8a of Schedule D or 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 one of the *Exceptions to reporting each transaction on a separate row* described later applies to you).

Part I. Use a separate Part I for each type of short-term transaction described in the text for one of the boxes (A, B, or C) at the top of Part I. Include on each Part I only transactions described in the text for the box you check (A, B, or C). Check only one box on each Part I. For example, if you check box A in one Part I, include on that Part I only short-term transactions reported to you on a statement showing basis was reported to the IRS. Complete as many copies of Part I as you need to report all transactions of each type (A, B, or C).

Box A. Report on a Part I with box A checked all 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. If your statement shows cost or other basis but indicates it was not reported to the IRS (for example, if box 6b of Form 1099-B is not checked), see *Box B*, below.

TIP *If you do not need to make any adjustments to the basis or type of gain or loss (short-term or long-term) reported to you on Form 1099-B (or substitute statement) or to your gain or loss for any transactions you normally would report on Form 8949 with box A checked, you do not have to include those transactions on Form 8949. Instead, you can report them directly on Schedule D. For more information, see Exception 3, later.*

Box B. Report on a Part I with box B checked all short-term transactions reported to you on Form 1099-B (or substitute statement) without an amount shown for cost or other basis or showing that cost or other basis was not reported to the IRS. If your statement shows cost or other basis for the transaction was reported to the IRS (for example, if box 6b of Form 1099-B is checked), see *Box A*, above.

Box C. Report on a Part I with box C checked all short-term transactions for which you cannot check box A or B because you did not receive a Form 1099-B (or substitute statement).

Part II. Use a separate Part II for each type of long-term transaction described in the text for one of the boxes (D, E, or F) at the top of Part II. Include on each Part II only transactions described in the text for the box you check (D, E, or F). Check only one box on each Part II. For example, if you check box D in one Part II, include on that Part II only long-term transactions reported to you on a statement showing basis was reported to the IRS. Complete as many copies of Part II as you need to report all transactions of each type (D, E, or F).

Box D. Report on a Part II with box D checked all 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. If your statement shows cost or other basis but indicates it was not reported to the IRS (for example,

if box 6b of Form 1099-B is not checked), see *Box E*.

TIP *If you do not need to make any adjustments to the basis or type of gain or loss (short-term or long-term) reported to you on Form 1099-B (or substitute statement) or to your gain or loss for any transactions you normally would report on Form 8949 with box D checked, you do not have to include those transactions on Form 8949. Instead, you can report them directly on Schedule D. For more information, see Exception 3, later.*

Box E. Report on a Part II with box E checked all long-term transactions reported to you on Form 1099-B (or substitute statement) without an amount shown for cost or other basis or showing that cost or other basis was not reported to the IRS. If your statement shows cost or other basis for the transaction was reported to the IRS (for example, if box 6b of Form 1099-B is checked), see *Box D*.

Box F. Report on a Part II with box F checked all long-term transactions for which you cannot check box D or E because you did not receive a Form 1099-B (or substitute statement).

You do not need to complete and file an entire copy of Form 8949 (Part I and Part II) if you can check a single box to describe all your transactions. In that case, complete and file either Part I or Part II and check the box that describes the transactions. Otherwise, complete a separate Part I or Part II for each category of your transactions, as described above.

Include on your Schedule D the totals from all your Parts I and Parts II. Form 8949 and Schedule D explain how to do this.

Exceptions to reporting each transaction on a separate row. There are three exceptions to the rule that you must report each of your transactions on a separate row of Part I or Part II.

Exception 1. 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 B checked all short-term gains and losses from transactions your broker reported to you on a statement showing basis was not reported to the IRS. Enter the name of the broker followed by the words "see attached statement" in column (a). Leave columns (b) and (c) blank. Enter "M" in column (f). If other codes also apply, enter all of them in column (f). Enter the totals that apply in columns (d), (e), (g), and (h). 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.

Exception 2. You may enter summary totals instead of reporting the details of each transaction on a separate row of Part I or II or on attached statements if:

1. You must report more than five transactions for that Part, and

2. You file Form 1120S, 1065, or 1065-B or are a taxpayer exempt from receiving Form 1099-B, such as a corporation or exempt organization, under Regulations section 1.6045-1(c)(3)(i)(B).

If this exception applies to you, enter the summary totals on line 1. For short-term transactions, check box C at the top of Part I even if the summary totals include transactions described in the text for box A or B. For long-term transactions, check box F at the top of Part II even if the summary totals include transactions described in the text for box D or E. Enter "Available upon request" in column (a). Leave columns (b) and (c) blank. Enter "M" in column (f). If other codes also apply, enter all of them in column (f). Enter the totals that apply in columns (d), (e), (g), and (h).

Do not use a separate row for the totals from each broker. Instead, enter the summary totals from all brokers on a single row of Part I (with box C checked) or Part II (with box F checked).

Exception 3. Form 8949 is not required for certain transactions. You may be able to aggregate those transactions and report them directly on either line 1a (for short-term transactions) or line 8a (for long-term transactions) of Schedule D. This option applies only to transactions (other than sales of collectibles) for which:

- You received a Form 1099-B (or substitute statement) that shows basis was reported to the IRS and does not show a nondeductible wash sale loss in box 5, and
- You do not need to make any adjustments to the basis or type of gain or loss (short-term or long-term) reported on Form 1099-B (or substitute statement), or to your gain or loss.

If you choose to report these transactions directly on Schedule D, you do not need to include them on Form 8949 and do not need to attach a statement. For more information, see the Schedule D instructions.

If you qualify to use *Exception 3* and also qualify to use *Exception 1* or *Exception 2*, you can use both (*Exception 3* plus either *Exception 1* or *Exception 2*). Report the transactions that qualify for *Exception 3* directly on either line 1a or 8a of Schedule D, whichever applies. Report the rest of your transactions as explained in *Exception 1* or *Exception 2*, whichever applies.

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.

However, this does not apply to transactions that qualify for *Exception 2* or *Exception 3*. In those cases, neither an attachment, a statement, nor Form 8453 is required.

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 F checked. Enter "Form 1099-R" in column (a). Enter the box 3 amount in column (d). Also complete column (h).

Form 2438. Enter any net short-term capital gain from line 4 of Form 2438 on a Part I with box C checked. Enter "Net short-term capital gain from Form 2438, line 4" in column (a), enter the gain in column (h), and leave all other columns blank.

Enter any amount from line 12 of Form 2438 on a Part II with box F checked. Enter "Undistributed capital gains not designated (from Form 2438)" in column (a), enter the amount of the gain in column (h), and leave all other columns blank.

Form 2439. Corporations and partnerships report undistributed long-term capital gains from Form 2439 on a Part II with box F 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). Estates and trusts report those amounts on line 11 of Schedule D (Form 1041).

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, but not below zero. After you have recovered your entire cost (or other basis), any later nondividend distribution is taxable as a capital gain. Enter the name of the payer of any taxable nondividend distributions in column (a) on a Part I with box C checked or Part II with box F checked (depending on how long you held the stock). 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 with box C checked or Part II with box F checked (depending on how long you held the property). 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.

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 property. Enter the trade date for stocks and bonds you purchased on an exchange or over-the-counter market. For a short sale, enter the date you acquired the property delivered to the broker or lender to close the short sale. For property you previously elected to treat as having been sold and reacquired on January 1, 2001 (or January 2, 2001, for readily tradeable stock), enter the date of the deemed sale and reacquisition.

Inherited property. Generally, if you disposed of property that you acquired by inheritance, report the sale or exchange on a Part II with the appropriate box checked (D, E, or F). Enter "INHERITED" in column (b).

Stock acquired on various dates. 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 property. Use the trade date for stocks and bonds traded on an exchange or over-the-counter market. For a short sale, enter the date you delivered the 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). If you sold a call option and it was exercised, you must also adjust the sales price of the property sold under the option 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

The basis of property you buy is usually its cost, including the purchase price and any costs of purchase, such as commissions. You may not be able to use the actual cost as the basis 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." If you do not use the actual cost, attach an explanation of your basis.

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.

If you elected to recognize gain on property held on January 1, 2001, your basis in the property 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.

For more details, see Pub. 551 or Pub. 550.

Adjustments to basis. Before you can figure any gain or loss on a sale, exchange, or other disposition of property, you usually must make certain adjustments (increases and decreases) to the basis of the property. Increase the basis of your property by capital improvements. Decrease it by depreciation, amortization, and depletion.

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.

Increase the cost or other basis of an original issue discount (OID) debt instrument by the amount of OID that you have included in gross income for that instrument. See Pub. 550 for details.

If you elect to currently include in income the market discount on a bond, increase the basis of the bond by the market discount that has been included in income for that bond. See Pub. 550 for details.

Reduce the basis of a taxable bond by any bond premium amortization that has been permitted for that bond as either an offset to interest income or as a deduction. See Pub. 550 for details. Reduce the basis of a tax-exempt bond by any bond premium amortization that has been permitted for that bond as an offset to interest. See Pub. 550 for details.

If a charitable contribution deduction is allowable because of a bargain sale of property to a charitable organization, you must allocate your basis in the property between the part sold and the part contributed based on the fair market value of each. See Pub. 544 for details.

Average basis. 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 figuring average basis, see Pub. 550 or Regulations section 1.1012-1(e).

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 2013 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 F 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 if box E is checked at the top of Part II, enter the correct basis in column (e), and enter -0- in column (g). • If box A is checked at the top of Part I or if box D is checked at the top of Part 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 also enter any resulting gain as a negative adjustment (in parentheses) in column (g) or any resulting loss as a positive adjustment in column (g). As a result of this adjustment, the amount in column (h) should be zero. 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. If you received a Form 1099-B (or substitute statement) and the amount of nondeductible wash sale loss shown (box 5 of Form 1099-B) is incorrect, enter the correct amount of the nondeductible loss as a positive number in column (g). If the amount of the nondeductible loss is less than the amount shown on Form 1099-B (or substitute statement), attach a statement explaining the difference. If no part of the loss is a nondeductible loss from a wash sale transaction, enter -0- in column (g).
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 1* or *Exception 2* under *Exceptions to reporting each transaction on a separate row*	M	See *Exception 1* and *Exception 2* under *Exceptions 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.**	

Line 2

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 1b of Schedule D. The total of the amounts in column (h) of line 2 of all your Forms 8949 with box E checked should equal the amount you get by combining columns (d), (e), and (g) on line 9 of Schedule D.

Department of the Treasury
Internal Revenue Service

2013 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/schedule8812*.

General Instructions

Who Should Use Part I

You only need to complete Part I if you are claiming the child tax credit for a child identified by an IRS individual taxpayer identification number (ITIN). When completing Part I, only answer the questions with regard to children identified by an ITIN; you do not need to complete Part I of Schedule 8812 for any child that is identified by a social security number (SSN) or an IRS adoption taxpayer identification number (ATIN).

TIP *If all the children for whom you checked the box in column 4 of line 6c on your Form 1040 or Form 1040A or column 4 of line 7c on your Form 1040NR are identified by an SSN or an ATIN, you do not need to complete Part 1 of Schedule 8812.*

Who Should Use Parts II–IV

Parts II–IV are unrelated to Part I. Parts II–IV help you figure your additional child tax credit. Generally, you should only complete Parts II–IV if you are instructed to do so after completing the Child Tax Credit Worksheet in your tax return instructions or Publication 972.

TIP *If all your children are identified by an SSN or an ATIN and you are not claiming the additional child tax credit, you do not need to complete any part of Schedule 8812.*

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 2013, and
2. 183 days during the 3-year period that includes 2013, 2012, and 2011, counting:
   a. All the days your child was present in 2013, and
   b. 1/3 of the days your child was present in 2012, and
   c. 1/6 of the days your child was present in 2011.

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 2013 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)

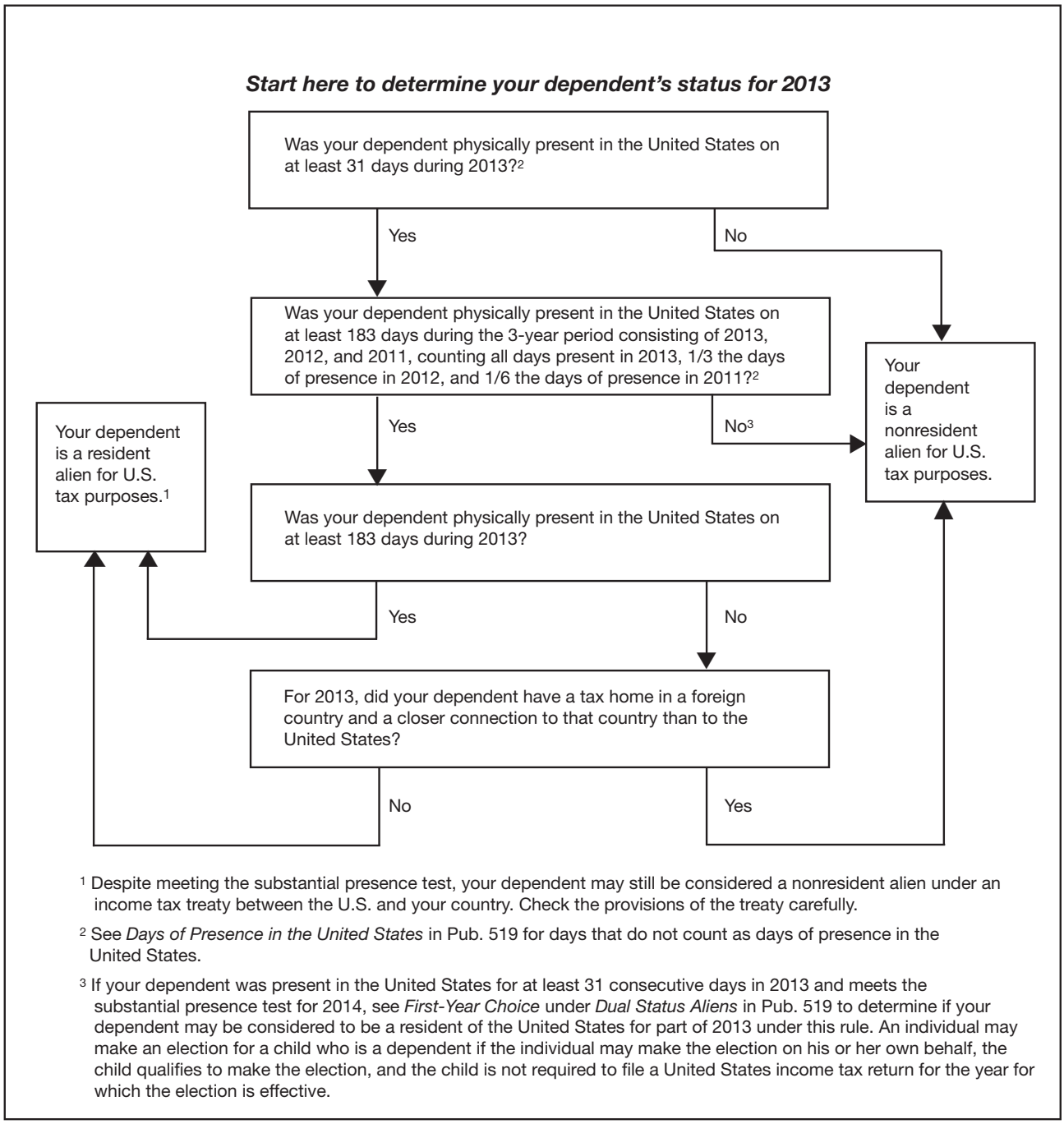
If any of your dependents is a qualifying child for purposes of the child tax credit (whether identified by an ITIN or not), you may qualify for the additional child tax credit. Before completing Parts II–IV of Schedule 8812, complete the Child Tax Credit Worksheet that applies to you. See the instructions 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 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

Nov 18, 2013 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 2013 and meets the substantial presence test for 2014, 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 2013 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.

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 benefits coordinator to find out if your refund will affect your benefits.

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 the box in 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 treated 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 2013 and meets the substantial presence test for 2014, your child may be considered a resident of the United States for part of 2013 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, later, 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 2013. This amount should be shown in Form W-2, box 12, with code Q.

Line 7 — Additional Medicare Tax and Tier 1 RRTA Tax. Use the Line 7 Worksheet to figure the amount to enter on line 7 if your employer withheld or you paid Additional Medicare Tax or tier 1 RRTA tax.

Line 10 — 1040A Filers. If you, or your spouse if filing jointly, had more than one employer for 2013 and total wages of over $113,700, figure any excess social security and tier 1 RRTA taxes withheld. See Pub. 505. Include any excess on Schedule 8812, line 10.

Earned Income Chart — Line 4a

<table>
<tr><th>IF you...</th><th>AND you...</th><th>THEN enter on line 4a...</th></tr>
<tr><td>have net earnings from self-employment</td><td>use either optional method to figure those net earnings,</td><td>the amount figured using Pub. 972 (even if you are also taking the EIC).</td></tr>
<tr><td rowspan="2">are taking the EIC on Form 1040, line 64a, or Form 1040A, line 38a</td><td>completed Worksheet B of the EIC instructions in your Form 1040 instructions,</td><td>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.</td></tr>
<tr><td>did not complete Worksheet B or filed Form 1040A,</td><td>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.</td></tr>
<tr><td rowspan="2">are not taking the EIC</td><td>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,</td><td>the amount figured using Pub. 972.</td></tr>
<tr><td>are not self-employed or filing Schedule SE, C, or C-EZ for the above reasons,</td><td>your earned income figured as follows:
Line 7 of Form 1040 or Form 1040A, or line 8 of Form 1040NR. _____
Subtract, if included on line 7 (line 8 for Form 1040NR), 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 (put "PRI" and the amount subtracted in the space next to line 7 of Form 1040 or 1040A (line 8 for Form 1040NR)). -
• 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.
• Amount from Form 2555, line 43, or Form 2555-EZ, line 18.
Add all your nontaxable combat pay from Form(s) W-2, box 12, with code Q. +
Earned Income =</td></tr>
</table>

Line 7 Worksheet

Keep for Your Records

If your employer withheld or you paid Additional Medicare Tax or Tier 1 RRTA taxes, use this worksheet to figure the amount to enter on line 7.

Social security tax, Medicare tax, and Additional Medicare Tax on Wages.

1. Enter the social security tax withheld (Form(s) W-2, box 4)	**1.**	
2. Enter the Medicare tax withheld (Form(s) W-2, box 6). Box 6 includes any Additional Medicare Tax withheld	**2.**	
3. Enter the Additional Medicare Tax, if any, on wages (Form 8959, line 7)	**3.**	
4. Add lines 1, 2, and 3	**4.**	
5. Enter the Additional Medicare Tax withheld (Form 8959, line 22)	**5.**	
6. Subtract line 5 from line 4	**6.**	

Additional Medicare Tax on Self-Employment Income.

7. Enter one-half of the Additional Medicare Tax, if any, on self-employment income (one-half of Form 8959, line 13)	**7.**	

Tier 1 RRTA taxes as an employee of a railroad (enter amounts on lines 8, 9, 10, and 11) **or employee representative** (enter amounts on lines 12, 13, 14, and 15). Do not include amounts in Form W-2, box 14 that are identified as Additional Medicare Tax or Tier 2 tax. Do not include amounts shown on Form CT-2 on line 3 for Additional Medicare Tax or line 4 for Tier 2 tax.

8. Enter the Tier 1 tax (Form(s) W-2, box 14)	**8.**	
9. Enter the Medicare Tax (Form(s) W-2, box 14)	**9.**	
10. Enter the Additional Medicare Tax, if any, on RRTA compensation as an employee (Form 8959, line 17). Do not use the same amount from Form 8959, line 17 for both this line 10 and line 14	**10.**	
11. Add lines 8, 9, and 10	**11.**	
12. Enter one-half of Tier 1 tax (one-half of Forms CT-2, line 1 for all 4 quarters of 2013)	**12.**	
13. Enter one-half of Tier 1 Medicare tax (one-half of Forms CT-2, line 2 for all 4 quarters of 2013)	**13.**	
14. Enter one-half of the Additional Medicare Tax, if any, on RRTA compensation as an employee representative (one-half of Form 8959, line 17). Do not use the same amount from Form 8959, line 17 for both this line 14 and line 10	**14.**	
15. Add lines 12, 13, and 14	**15.**	

Line 7 Amount

16. Add lines 6, 7, 11, and 15. Enter here and on Schedule 8812, line 7	**16.**	

Department of the Treasury
Internal Revenue Service

2013 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 2013, 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/schedulea*.

What's New

Medical and dental expenses. Beginning January 1, 2013, you can deduct only the part of your medical and dental expenses that exceeds 10% of your adjusted gross income (7.5% if either you or your spouse was born before January 2, 1949).

Limit on itemized deductions. Beginning January 1, 2013, itemized deductions for taxpayers with adjusted gross incomes above $150,000 may be reduced. See the instructions for line 29.

Standard mileage rates. The standard mileage rate allowed for operating expenses for a car when you use it for medical reasons is 24 cents per mile. The business standard mileage rate is 56.5 cents per mile. The 2013 rate for use of your vehicle to do volunteer work for certain charitable organizations remains at 14 cents per mile.

Ponzi-type investment schemes on Form 4684. There is a new Section C on Form 4684 for 2013. You must complete Section C if you are claiming a theft loss deduction due to a Ponzi-type investment scheme and are using Revenue Procedure 2009-20, as modified by Revenue Procedure 2011-58. Section C of Form 4684 replaces Appendix A in Revenue Procedure 2009-20. You do not need to complete Appendix A.

Medical and Dental Expenses

You generally can deduct only the part of your medical and dental expenses that exceeds 10% of the amount on Form 1040, line 38. However, if either you or your spouse was born before January 2, 1949, you can deduct the part of your medical and dental expenses that exceeds 7.5% of the amount on Form 1040, line 38. See the instructions for line 3.

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 2013, 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 2013, 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.

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- 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 24 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 2013, of the person for whom the premiums were paid. See the following chart for details.

IF the person was, at the end of 2013, age . . .	THEN the most you can deduct is . . .
40 or under	$ 360
41–50	$ 680
51–60	$ 1,360
61–70	$ 3,640
71 or older	$ 4,550

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 born before January 2, 1949, 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 2441.
- 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, other than insulin, (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 2013, 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 in 2013 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 $3,900 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 2013 return.

Example. You provided over half of your mother's support but cannot claim her as a dependent because she received wages of $3,900 in 2013. You can include on line 1 any medical and dental expenses you paid in 2013 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 2013 for medical or dental expenses you paid in 2013, reduce your 2013 expenses by this amount. If you received a reimbursement in 2013 for prior year medical or dental expenses, do not reduce your 2013 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.

Line 3

Multiply line 2 by 10%. But, if either you or your spouse was born before January 2, 1949, multiply line 2 by 7.5%. The 7.5% rate applies whether you file a joint or separate return as long as one spouse was born before January 2, 1949.

CAUTION *If you are claiming the 7.5% threshold amount for medical and dental expenses, make sure you check the appropriate box(es) on line 39a of Form 1040 for your situation. If your filing status is married filing separately or head of household, and you were **not** born before January 2, 1949, attach a statement to your return indicating that you are taking the 7.5% threshold because your spouse meets the requirements.*

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 next.

- State and local income taxes withheld from your salary during 2013. 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 2013 for a prior year, such as taxes paid with your 2012 state or local income tax return. Do not include penalties or interest.
- State and local estimated tax payments made during 2013, including any part of a prior year refund that you chose to have credited to your 2013 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 2013, or
- Refund of, or credit for, prior year state and local income taxes you actually received in 2013. 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 2013 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, motor-

cycles, 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.

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 2013 for amounts paid in 2013, reduce your **actual** 2013 state and local general sales taxes by this amount. If you received a refund of state or local general sales taxes in 2013 for prior year purchases, do not reduce your 2013 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 2013 Optional State and Certain Local Sales Tax Table and the 2013 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 at www.irs.gov/Individuals/Sales-Tax-Deduction-Calculator.

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 2013, enter the applicable amount, based on your 2013 income and exemptions, from the 2013 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 2013 income. If married filing separately, do not include your spouse's income. Your 2013 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.
- 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 2013, look up the table amount for each state using the rules stated earlier. 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 2013 and the denominator is the total number of days in the year (365). Enter the total of the prorated table amounts for each state on line 1. However, if you also lived in a locality during 2013 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, 2013 (243 days), and in State B from September 1 through December 31, 2013 (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 243/365 =	$333
State B:	$400 x 122/365 =	134
Total	=	$467

If none of the localities in which you lived during 2013 imposed a local general sales tax, enter $467 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 $134 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 2013, enter the applicable amount, based on your 2013 income and exemptions, from the 2013 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 2013 income. See the instructions for line 1 of the worksheet to figure your 2013 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 2013, look up the table amount for each locality using the rules stated earlier. 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 2013 and the denominator is the total number of days in the year (365). 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, 2013 (243 days), and in Locality 2 from September 1 through December 31, 2013 (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 243/365 =	$ 67
Locality 2:	$150 x 122/365 =	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 7.5000%. Otherwise, check the "Yes" box and include on line 3 only the part of the

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 2013, or
- √ Had any **nontaxable** income in 2013.

1. Enter your **state** general sales taxes from the 2013 Optional State and Certain Local Sales Tax Table . . . . . **1.** $

Next. If, for all of 2013, you lived only in Connecticut, the District of Columbia, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, New Jersey, or Rhode Island, 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 West Virginia in 2013?

☐ **No.** Enter -0-

☐ **Yes.** Enter your base **local** general sales taxes from the 2013 Optional Local Sales Tax Tables for Certain Local Jurisdictions . . . . . **2.** $

3. Did your locality impose a **local** general sales tax in 2013? 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 2013, 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 2013, 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.** $

combined rate that is more than 7.5000%.

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 2013? If you checked the "Yes" box and your local general sales tax rate changed during 2013, 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 2013 and the denominator is the total number of days in the year (365). 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, 2013 (273 days). The rate increased to 1.75% for the period from October 1 through December 31, 2013 (92 days). You would enter "1.189" on line 3, figured as follows.

January 1 – September 30:	1.00 x 273/365 =	0.748
October 1 – December 31:	1.75 x 92/365 =	0.441
Total	=	1.189

What if you lived in more than one locality in the same state during 2013? 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 2013 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 2013 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 2013 and the denominator is the total number of days in the year (365).

Example. You lived in Locality 1 from January 1 through August 31, 2013 (243 days), and in Locality 2 from September 1 through December 31, 2013 (122 days). The local general sales tax rate for Locality 1 is 1%. The rate for Locality 2 is 1.75%. You would enter "0.666" on line 3 for the Locality 1 worksheet and "0.585" for the Locality 2 worksheet, figured as follows.

Locality 1:	1.00 x 243/365 =	0.666
Locality 2:	1.75 x 122/365 =	0.585

Line 6. If you lived in more than one locality in the same state during 2013, 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 2013. 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 2013, 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 2013.

If you sold your home in 2013, 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 earlier, 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 2013 of real estate taxes you paid in 2013, reduce your deduction by the amount of the refund or rebate. If you received a refund or rebate in 2013 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 2013 that applies to any period after 2013, you can deduct only amounts that apply for 2013.

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) next 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 2013. 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 2013. 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. If your Form 1098 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 the other person's Form 1098, 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 to your paper return 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 paid home mortgage insurance interest and it was not reported to you on Form 1098, report your deductible mortgage interest on line 11.

If you paid home mortgage insurance interest to the person from whom you bought the home, write that person's name, identifying number, and address on the dotted lines next to line 11. If the recipient of your home mortgage interest payment(s) 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 home mortgage interest paid was reported on the other person's Form 1098, attach a statement to your paper return listing 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 2013. 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 the other person's Form 1098, 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 2013.

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 2013 if the mortgage insurance contract was issued in 2013. 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 2013, 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 2012.

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-

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 2013 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* on IRS.gov. Click on "Tools" then on Exempt Organizations Select Check.
- 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 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.
- Most nonprofit educational organizations, such as colleges, but only if your contribution is not a substitute for tuition or other enrollment fees.
- 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

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 2013 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.	

$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 more information on gambling losses.
- 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 expense 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 value of 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 on line 17 the total value of your contributions of property other than by cash or check. 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 paper return. The organization may use Form 1098-C to provide the required information. If your total deduction is over $5,000 ($500 for certain contributions of clothing and household items (discussed next)), you may also have to get appraisals of the values of the donated property. 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.

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)) 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 and its instructions 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.

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 to your paper return showing the type and amount of each expense. Enter the total of all these expenses on line 21.

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 to your paper return 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 gambling 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.
- A deduction for amortizable bond premium (for example, a deduction for 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 29

Use the Itemized Deductions Worksheet, later, to figure the amount to enter on line 29 if the amount on Form 1040, line 38, is over $300,000 if married filing jointly or qualifying widow(er); $275,000 if head of household; $250,000 if single; or $150,000 if married filing separately.

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.

Itemized Deductions Worksheet—Line 29

Keep for Your Records

1. Enter the total of the amounts from Schedule A, lines 4, 9, 15, 19, 20, 27, and 28 . . . . . **1.** _____

2. Enter the total of the amount from Schedule A, lines 4, 14, and 20, plus any gambling and casualty or theft losses included on line 28 . . . . . **2.** _____

CAUTION Be sure your total gambling and casualty or theft losses are clearly identified on the dotted lines next to line 28.

3. Is the amount on line 2 less than the amount on line 1?

☐ **No.** STOP Your deduction is not limited. Enter the amount from line 1 above on Schedule A, line 29. **Do not** complete the rest of this worksheet.

☐ **Yes.** Subtract line 2 from line 1 . . . . . 3. _____

4. Multiply line 3 by 80% (.80) . . . . . **4.** _____

5. Enter the amount from Form 1040, line 38 . . . . . **5.** _____

6. Enter $300,000 if married filing jointly or qualifying widow(er); $275,000 if head of household; $250,000 if single; or $150,000 if married filing separately . . . . . **6.** _____

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

☐ **No.** STOP Your deduction is not limited. Enter the amount from line 1 above on Schedule A, line 29. **Do not** complete the rest of this worksheet.

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

8. Multiply line 7 by 3% (.03) . . . . . **8.** _____

9. Enter the **smaller** of line 4 or line 8 . . . . . **9.** _____

10. **Total itemized deductions.** Subtract line 9 from line 1. Enter the result here and on Schedule A, line 29 . . . . . **10.** _____

2013 Optional State Sales Tax Tables (State Sales Tax Rate Shown Next to State Name)

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
		Alabama[1]					**4.0000%**	**Arizona[2]**					**6.0137%**	**Arkansas[2]**					**6.2521%**	**California[3]**					**7.5000%**	**Colorado[2]**					**2.9000%**
$0	$20,000	217	256	282	302	319	343	206	228	242	253	261	273	273	304	324	339	351	367	257	282	298	309	319	331	108	121	129	135	140	147
20,000	30,000	329	387	426	456	482	517	364	403	428	447	462	483	461	513	547	572	593	621	446	489	516	536	553	575	174	194	207	217	225	236
30,000	40,000	384	451	497	532	561	602	449	497	528	552	570	596	559	623	664	695	720	754	547	599	632	657	677	705	208	232	247	259	269	282
40,000	50,000	431	506	556	596	628	674	524	581	617	644	666	697	644	718	766	801	830	870	635	696	735	764	787	819	237	264	282	295	306	321
50,000	60,000	472	554	609	652	687	737	593	657	698	729	754	789	722	805	858	898	931	976	716	785	828	861	887	923	263	293	313	327	339	356
60,000	70,000	509	597	656	702	741	794	657	728	774	808	836	874	793	885	943	987	1023	1072	791	866	915	951	980	1019	287	320	341	357	370	388
70,000	80,000	544	638	701	750	790	848	719	796	846	884	914	956	861	960	1024	1072	1111	1164	862	944	997	1036	1068	1111	310	345	367	385	399	418
80,000	90,000	576	675	741	793	836	897	776	860	914	954	987	1032	924	1031	1099	1151	1193	1250	928	1017	1074	1116	1151	1197	330	368	392	410	425	446
90,000	100,000	606	710	780	834	879	942	831	921	979	1022	1058	1106	985	1098	1171	1226	1271	1332	992	1087	1148	1193	1230	1280	350	390	415	435	450	472
100,000	120,000	646	755	830	887	935	1002	905	1002	1065	1113	1151	1204	1064	1187	1266	1326	1374	1441	1076	1180	1246	1295	1335	1389	376	418	446	467	484	507
120,000	140,000	699	818	897	960	1011	1084	1007	1116	1186	1239	1282	1340	1174	1310	1398	1464	1517	1590	1194	1308	1381	1436	1480	1540	412	458	488	511	529	554
140,000	160,000	746	871	956	1022	1077	1154	1097	1216	1293	1350	1397	1461	1271	1419	1513	1585	1643	1722	1297	1422	1501	1561	1609	1674	443	492	525	549	569	596
160,000	180,000	792	924	1014	1084	1142	1223	1188	1317	1400	1463	1514	1583	1368	1527	1629	1706	1769	1854	1401	1536	1622	1686	1738	1809	474	527	561	587	608	637
180,000	200,000	833	972	1066	1139	1200	1285	1271	1410	1499	1566	1620	1694	1456	1625	1734	1816	1883	1974	1496	1640	1732	1800	1856	1931	501	558	594	621	644	674
200,000	or more	1034	1204	1319	1409	1483	1588	1697	1882	2001	2091	2164	2264	1900	2122	2264	2372	2459	2579	1978	2168	2290	2381	2454	2554	640	711	757	792	821	859
Income		**Connecticut[4]**					**6.3500%**	**District of Columbia[4]**					**5.9370%**	**Florida[1]**					**6.0000%**	**Georgia[2]**					**4.0000%**	**Hawaii[1, 7]**					**4.0000%**
$0	$20,000	254	279	295	306	316	329	162	174	182	188	193	200	230	252	267	277	286	298	146	163	173	181	188	196	212	247	269	287	302	322
20,000	30,000	432	475	503	523	539	562	285	307	322	333	342	353	396	435	459	478	493	514	241	267	285	298	308	323	356	414	453	483	507	542
30,000	40,000	527	579	613	637	658	685	351	379	397	411	422	437	484	532	562	585	603	629	290	321	342	358	370	388	431	502	549	585	615	657
40,000	50,000	609	670	709	738	761	793	410	443	464	480	493	510	562	617	652	678	700	729	332	368	392	410	424	444	497	578	632	674	709	757
50,000	60,000	684	753	796	829	855	891	463	501	526	544	558	578	632	694	734	764	788	821	370	410	436	456	472	494	556	647	708	755	794	848
60,000	70,000	754	829	877	913	942	981	513	556	583	603	619	641	697	766	810	843	869	906	404	449	477	499	517	541	610	711	778	829	872	932
70,000	80,000	819	902	954	993	1025	1068	561	608	637	659	677	701	759	834	882	918	947	987	437	485	516	539	558	584	662	771	844	900	946	1011
80,000	90,000	881	969	1026	1068	1102	1148	606	656	688	712	732	758	817	898	949	988	1020	1063	468	519	552	577	597	625	710	827	905	965	1015	1085
90,000	100,000	940	1034	1094	1139	1176	1225	649	703	737	763	784	812	872	958	1014	1055	1089	1135	497	551	586	613	634	663	756	880	964	1028	1081	1155
100,000	120,000	1017	1120	1185	1234	1273	1327	706	765	803	831	854	884	946	1039	1099	1144	1181	1231	535	593	631	660	683	714	817	951	1041	1111	1168	1248
120,000	140,000	1125	1239	1311	1365	1409	1468	786	852	894	925	951	985	1047	1151	1218	1268	1308	1364	587	652	693	724	749	784	900	1049	1148	1225	1288	1377
140,000	160,000	1220	1343	1422	1481	1528	1593	857	929	975	1009	1037	1074	1137	1250	1323	1377	1421	1481	634	703	747	781	808	845	974	1134	1242	1325	1394	1490
160,000	180,000	1315	1449	1533	1597	1648	1718	928	1007	1056	1094	1124	1165	1227	1350	1428	1487	1534	1599	679	753	801	837	866	906	1047	1220	1336	1426	1500	1603
180,000	200,000	1402	1544	1634	1702	1757	1831	993	1077	1131	1171	1203	1247	1309	1440	1523	1586	1637	1707	721	799	850	888	919	962	1114	1298	1421	1517	1595	1705
200,000	or more	1840	2028	2147	2236	2309	2407	1327	1440	1513	1567	1610	1670	1726	1898	2009	2092	2160	2252	929	1029	1094	1143	1183	1237	1449	1690	1851	1976	2078	2222
Income		**Idaho[1]**					**6.0000%**	**Illinois[2]**					**6.2500%**	**Indiana[4]**					**7.0000%**	**Iowa[1]**					**6.0000%**	**Kansas[1]**					**6.2244%**
$0	$20,000	327	385	424	454	480	515	244	273	292	307	319	335	279	312	333	349	361	379	237	264	281	293	304	318	343	401	439	469	494	528
20,000	30,000	501	588	647	693	731	784	389	435	465	488	507	533	448	500	534	559	579	607	408	454	484	506	524	549	546	637	699	746	785	840
30,000	40,000	587	688	757	810	854	916	462	516	552	579	602	633	534	596	635	665	690	723	498	555	592	619	642	672	649	757	830	886	932	997
40,000	50,000	660	773	850	909	959	1028	525	586	627	657	683	718	607	677	723	757	784	822	578	644	687	719	745	781	736	859	941	1005	1058	1132
50,000	60,000	724	848	932	997	1051	1127	582	649	693	727	755	794	673	751	801	838	869	911	651	725	773	810	839	879	815	950	1041	1112	1170	1252
60,000	70,000	782	916	1006	1076	1134	1216	633	706	754	791	821	863	733	817	872	913	946	992	718	800	853	893	926	971	886	1033	1132	1209	1272	1361
70,000	80,000	837	979	1075	1150	1212	1299	681	759	811	851	883	928	789	880	939	983	1019	1068	781	872	930	974	1009	1058	953	1111	1218	1300	1368	1464
80,000	90,000	887	1037	1139	1218	1283	1375	725	809	864	906	941	989	841	938	1001	1048	1086	1138	841	939	1001	1048	1087	1139	1015	1183	1297	1384	1457	1559
90,000	100,000	934	1092	1199	1282	1351	1447	768	856	914	958	995	1045	890	993	1059	1109	1149	1205	898	1002	1069	1120	1161	1217	1073	1252	1371	1464	1541	1648
100,000	120,000	996	1164	1278	1366	1439	1541	823	917	979	1027	1066	1120	955	1065	1136	1190	1233	1293	974	1087	1160	1215	1260	1321	1150	1341	1469	1569	1651	1766
120,000	140,000	1080	1262	1384	1479	1558	1669	899	1001	1069	1121	1163	1222	1044	1164	1242	1300	1347	1412	1079	1205	1286	1347	1397	1465	1255	1463	1603	1712	1801	1927
140,000	160,000	1153	1346	1477	1578	1662	1780	965	1075	1147	1202	1248	1311	1121	1250	1333	1396	1447	1517	1172	1309	1397	1464	1518	1592	1346	1570	1720	1836	1932	2067
160,000	180,000	1225	1430	1568	1675	1764	1889	1031	1147	1225	1284	1332	1399	1198	1336	1425	1492	1546	1621	1266	1414	1509	1581	1639	1719	1437	1676	1836	1960	2062	2206
180,000	200,000	1290	1505	1650	1762	1856	1987	1090	1213	1294	1357	1408	1479	1267	1413	1507	1578	1635	1714	1351	1509	1611	1687	1750	1835	1518	1771	1940	2071	2179	2331
200,000	or more	1607	1871	2050	2189	2304	2465	1383	1538	1640	1718	1783	1872	1610	1796	1915	2005	2078	2178	1783	1993	2128	2230	2313	2427	1922	2241	2455	2621	2758	2950
Income		**Kentucky[4]**					**6.0000%**	**Louisiana[2]**					**4.0000%**	**Maine[4]**					**5.1260%**	**Maryland[4]**					**6.0000%**	**Massachusetts[4]**					**6.2500%**
$0	$20,000	227	253	270	283	294	308	155	169	178	184	189	197	141	153	161	166	171	177	200	221	235	246	254	266	195	212	223	231	238	247
20,000	30,000	371	414	442	462	479	503	267	291	306	318	327	340	246	267	281	291	299	311	344	380	404	422	437	458	317	345	363	376	387	402
30,000	40,000	445	496	530	554	575	603	327	356	375	389	400	416	302	329	346	358	368	382	420	464	494	516	534	560	380	413	435	451	464	481
40,000	50,000	509	568	605	634	657	689	379	413	435	451	465	482	352	383	403	417	429	445	486	538	572	598	619	649	434	472	496	515	530	550
50,000	60,000	567	632	673	705	731	766	427	465	490	508	523	543	398	433	455	471	485	503	547	605	644	673	697	730	482	525	552	572	589	611
60,000	70,000	619	690	736	770	798	837	471	514	541	561	577	600	440	478	503	521	536	556	603	667	710	742	768	805	527	573	603	625	643	667
70,000	80,000	669	745	794	832	862	904	513	559	589	611	629	653	480	522	549	569	585	607	656	726	773	808	837	876	568	619	650	674	693	720
80,000	90,000	715	797	849	889	921	966	552	602	634	658	677	703	518	563	592	614	631	655	706	782	831	869	900	943	607	661	695	720	741	769
90,000	100,000	759	845	901	943	977	1024	590	643	677	703	723	751	554	603	634	657	676	701	753	834	887	928	961	1007	644	701	737	764	785	815
100,000	120,000	817	909	969	1014	1051	1102	639	698	735	762	785	815	602	655	689	714	734	762	816	904	962	1006	1042	1092	693	753	792	821	844	876
120,000	140,000	896	997	1063	1112	1153	1208	708	773	814	845	870	903	668	728	765	793	816	846	903	1001	1065	1114	1154	1209	759	826	868	900	925	960
140,000	160,000	965	1074	1145	1198	1241	1301	769	840	884	918	945	981	727	792	833	863	888	921	980	1086	1156	1209	1252	1312	817	889	934	969	996	1034
160,000	180,000	1034	1151	1226	1284	1330	1394	830	906	955	991	1020	1060	787	857	901	934	961	997	1058	1172	1247	1305	1351	1416	875	952	1001	1037	1067	1107
180,000	200,000	1097	1220	1300	1361	1410	1477	886	967	1019	1057	1089	1131	841	916	963	998	1027	1065	1128	1250	1330	1391	1441	1511	928	1009	1060	1099	1130	1173
200,000	or more	1409	1566	1668	1746	1808	1895	1168	1276	1344	1396	1437	1493	1117	1216	1279	1326	1364	1416	1484	1645	1751	1832	1898	1989	1189	1292	1358	1407	1447	1501
Income		**Michigan[4]**					**6.0000%**	**Minnesota[1]**					**6.8750%**	**Mississippi[1]**					**7.0000%**	**Missouri[2]**					**4.2250%**	**Nebraska[1]**					**5.5000%**
$0	$20,000	219	243	258	269	279	291	226	244	256	264	271	280	401	462	502	533	559	594	166	189	205	216	226	239	216	238	252	263	272	284
20,000	30,000	357	395	419	438	453	473	394	426	446	461	473	490	642	739	804	853	894	951	272	309	334	353	369	390	371	411	436	455	470	491
30,000	40,000	427	473	502	524	542	567	483	523	548	567	582	602	764	880	957	1016	1064	1131	326	371	400	423	442	468	454	503	534	557	576	602
40,000	50,000	488	540	573	598	619	647	563	609	639	660	678	702	869	1000	1087	1154	1209	1286	373	424	458	484	505	534	527	584	620	647	669	699
50,000	60,000	543	600	637	665	688	719	635	688	721	746	766	793	962	1108	1204	1279	1340	1424	415	472	509	538	562	594	594	658	699	729	754	788
60,000	70,000	593	655	696	726	751	785	702	761	798	825	847	877	1047	1206	1311	1392	1458	1550	453	515	556	588	614	649	655	726	771	805	833	870
70,000	80,000	640	708	751	784	810	847	766	830	871	901	925	957	1127	1298	1411	1498	1569	1669	490	557	601	635	663	701	714	791	841	878	908	949
80,000	90,000	684	756	802	837	865	904	826	896	939	972	998	1033	1201	1383	1504	1596	1672	1778	523	595	642	678	708	749	769	852	905	945	978	1022
90,000	100,000	725	802	851	888	918	959	884	958	1005	1040	1068	1105	1271	1464	1592	1689	1770	1882	555	631	681	720	751	795	821	910	967	1010	1045	1092
100,000	120,000	780	862	915	954	987	1031	960	1041	1092	1130	1161	1202	1363	1570	1707	1812	1898	2018	598	679	733	774	808	855	891	988	1050	1097	1134	1186
120,000	140,000	855	945	1003	1046	1081	1130	1066	1157	1214	1256	1290	1336	1489	1715	1864	1979	2073	2205	656	745	804	849	886	937	988	1095	1164	1216	1258	1315
140,000	160,000	921	1017	1079	1126	1164	1216	1161	1259	1321	1367	1404	1455	1599	1841	2002	2125	2226	2367	706	802	866	914	954	1009	1073	1190	1265	1322	1367	1430
160,000	180,000	986	1089	1156	1206	1246	1302	1255	1362	1429	1479	1520	1574	1708	1967	2138	2270	2378	2529	757	860	928	980	1022	1081	1159	1286	1367	1428	1477	1545
180,000	200,000	1045	1154	1225	1278	1320	1379	1342	1456	1528	1582	1625	1683	1807	2080	2261	2400	2515	2674	803	912	983	1038	1083	1146	1237	1373	1460	1525	1578	1650
200,000	or more	1340	1479	1569	1636	1691	1766	1783	1936	2033	2105	2162	2241	2293	2641	2871	3047	3192	3394	1031	1170	1262	1332	1390	1470	1635	1815	1931	2018	2088	2184

(Continued)

2013 Optional State 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[5]							**6.8500%**	**New Jersey[4, 6]**					**7.0000%**	**New Mexico[1]**					**5.1250%**	**New York[2]**					**4.0000%**	**North Carolina[2]**					**4.7500%**
$0	$20,000	257	284	301	315	325	340	239	257	268	276	283	292	188	209	222	232	240	252	139	149	155	160	164	169	213	242	261	276	288	304
20,000	30,000	412	455	483	504	520	544	413	444	463	478	490	505	337	376	401	420	435	456	239	257	268	276	283	292	350	398	429	453	472	499
30,000	40,000	491	542	575	599	620	647	505	544	568	586	600	620	420	468	499	523	542	568	292	314	328	338	347	358	421	478	515	544	567	599
40,000	50,000	558	616	654	682	704	736	587	631	659	680	697	720	493	550	587	615	638	669	339	364	381	393	402	416	481	547	590	622	649	686
50,000	60,000	619	683	724	755	780	815	661	711	743	767	786	812	561	626	669	700	726	762	381	410	429	442	453	468	536	609	657	693	723	764
60,000	70,000	674	744	789	822	850	887	729	785	820	847	868	896	624	697	744	780	809	849	421	453	473	488	500	517	586	666	718	758	790	835
70,000	80,000	726	801	849	885	915	955	795	856	894	923	946	977	685	765	818	857	889	933	458	493	516	532	545	563	633	720	776	819	854	902
80,000	90,000	774	854	905	944	975	1018	856	922	963	994	1019	1053	742	830	887	929	964	1012	493	531	555	573	587	607	677	769	830	876	913	965
90,000	100,000	820	904	958	999	1032	1077	914	985	1029	1063	1089	1126	797	892	953	999	1036	1088	527	567	593	612	628	648	719	817	881	930	969	1024
100,000	120,000	880	970	1028	1072	1107	1156	992	1069	1117	1153	1182	1222	871	975	1042	1092	1133	1190	571	616	643	664	681	704	774	879	948	1001	1044	1103
120,000	140,000	962	1061	1124	1171	1210	1263	1100	1185	1239	1279	1312	1355	975	1091	1166	1223	1269	1333	633	682	713	736	755	780	849	965	1041	1098	1145	1210
140,000	160,000	1034	1140	1207	1258	1300	1356	1195	1288	1347	1391	1426	1474	1067	1195	1277	1340	1390	1460	688	741	775	800	820	848	915	1040	1122	1184	1234	1305
160,000	180,000	1105	1218	1290	1345	1389	1449	1291	1391	1455	1503	1541	1592	1160	1300	1390	1458	1513	1589	742	800	837	864	886	916	981	1115	1202	1269	1323	1399
180,000	200,000	1169	1289	1365	1422	1469	1533	1378	1486	1554	1604	1645	1701	1246	1396	1493	1566	1626	1708	792	854	893	923	946	978	1041	1183	1275	1346	1404	1483
200,000	or more	1489	1639	1736	1808	1867	1948	1821	1965	2056	2123	2178	2251	1689	1895	2028	2129	2210	2323	1046	1128	1180	1219	1250	1293	1338	1520	1640	1731	1805	1908
Income		**North Dakota[1]**					**5.0000%**	**Ohio[1]**					**5.5836%**	**Oklahoma[1]**					**4.5000%**	**Pennsylvania[1]**					**6.0000%**	**Rhode Island[4]**					**7.0000%**
$0	$20,000	182	204	218	229	238	251	217	237	249	259	266	276	235	270	294	312	327	348	187	203	213	220	226	234	247	270	284	294	303	315
20,000	30,000	295	330	353	371	385	406	371	405	426	442	455	473	379	435	473	502	526	560	319	346	363	376	387	401	397	433	455	472	486	504
30,000	40,000	353	394	422	443	460	485	453	494	520	539	555	577	452	519	564	599	628	668	389	422	443	459	472	489	473	515	542	562	579	601
40,000	50,000	402	450	481	505	525	552	524	571	602	624	643	668	515	592	643	682	715	761	450	488	513	531	546	566	538	586	617	640	658	683
50,000	60,000	447	499	534	561	583	613	589	642	676	702	722	750	572	656	713	757	793	843	505	548	576	597	614	636	596	649	683	709	729	757
60,000	70,000	487	545	583	612	635	669	648	707	745	773	796	827	623	715	777	824	864	919	556	604	634	657	676	701	649	707	744	772	794	824
70,000	80,000	526	587	628	659	685	721	705	769	810	841	866	899	672	771	837	888	931	990	604	657	690	715	735	763	698	761	801	831	855	888
80,000	90,000	561	627	671	704	731	769	758	827	871	904	931	967	717	822	893	948	993	1056	650	706	742	769	791	821	745	812	854	886	911	946
90,000	100,000	595	665	711	746	775	815	809	883	930	965	993	1032	759	871	946	1004	1051	1118	693	753	792	820	844	876	788	859	904	938	965	1002
100,000	120,000	639	714	763	801	832	876	876	956	1007	1045	1076	1118	815	935	1015	1077	1128	1200	750	816	857	889	914	948	846	922	970	1006	1035	1075
120,000	140,000	700	782	836	877	911	958	968	1057	1114	1156	1190	1237	892	1023	1110	1178	1234	1312	830	902	948	983	1011	1049	924	1007	1060	1099	1131	1174
140,000	160,000	753	841	899	943	980	1031	1050	1147	1208	1254	1291	1342	959	1099	1193	1266	1326	1410	900	978	1029	1066	1097	1139	992	1082	1138	1181	1215	1261
160,000	180,000	806	900	962	1009	1048	1103	1132	1237	1303	1352	1392	1447	1025	1175	1276	1354	1418	1508	970	1055	1109	1150	1183	1228	1061	1156	1216	1262	1298	1348
180,000	200,000	854	953	1018	1069	1110	1167	1207	1318	1389	1441	1484	1542	1085	1244	1350	1433	1501	1595	1033	1124	1182	1226	1261	1309	1122	1223	1287	1334	1373	1425
200,000	or more	1092	1217	1301	1364	1417	1490	1584	1731	1824	1893	1950	2026	1384	1585	1720	1825	1911	2031	1356	1476	1553	1611	1657	1721	1426	1554	1635	1696	1745	1811
Income		**South Carolina[2]**					**6.0000%**	**South Dakota[1]**					**4.0000%**	**Tennessee[2]**					**7.0000%**	**Texas[1]**					**6.2500%**	**Utah[2]**					**4.7000%**
$0	$20,000	225	248	263	274	283	295	228	263	286	305	319	340	354	403	436	460	481	509	246	273	291	304	315	330	228	259	279	294	307	324
20,000	30,000	386	426	451	470	485	505	367	424	462	491	515	548	579	659	711	752	785	831	419	467	497	521	539	565	376	426	459	484	505	533
30,000	40,000	471	520	550	573	592	617	437	505	551	585	614	654	694	790	853	902	941	996	511	569	607	635	658	690	452	512	552	582	607	641
40,000	50,000	546	602	638	664	686	715	498	576	627	667	699	745	794	903	975	1031	1076	1139	591	659	703	736	763	799	518	587	632	667	695	734
50,000	60,000	613	677	717	747	772	805	553	639	696	740	776	826	884	1005	1085	1147	1197	1267	664	741	790	827	857	899	578	654	705	743	775	818
60,000	70,000	676	746	790	824	850	887	602	696	758	806	845	900	965	1098	1185	1253	1308	1384	732	816	871	912	945	991	632	716	771	813	847	895
70,000	80,000	736	812	860	896	926	966	649	750	817	868	911	970	1043	1186	1280	1353	1412	1494	796	888	947	992	1028	1078	683	774	833	879	916	968
80,000	90,000	791	873	926	965	996	1039	692	800	871	926	972	1035	1114	1267	1368	1445	1509	1597	856	955	1019	1067	1106	1160	731	828	892	940	980	1035
90,000	100,000	845	932	988	1030	1063	1109	733	847	923	981	1029	1096	1182	1345	1452	1534	1601	1694	913	1019	1087	1139	1181	1238	776	879	947	998	1041	1099
100,000	120,000	915	1010	1071	1116	1152	1202	787	909	991	1053	1105	1177	1272	1446	1562	1650	1722	1822	989	1104	1178	1234	1279	1342	836	947	1020	1075	1121	1184
120,000	140,000	1013	1118	1185	1235	1276	1331	861	995	1084	1152	1208	1287	1395	1586	1712	1809	1888	1998	1094	1222	1304	1366	1416	1485	918	1040	1120	1181	1231	1300
140,000	160,000	1099	1213	1286	1341	1385	1445	925	1069	1165	1238	1299	1383	1503	1709	1844	1948	2034	2152	1187	1325	1415	1482	1537	1612	990	1121	1208	1273	1327	1402
160,000	180,000	1185	1309	1388	1447	1494	1559	989	1143	1245	1324	1389	1479	1610	1830	1976	2087	2179	2306	1280	1430	1526	1599	1658	1739	1062	1203	1295	1366	1423	1503
180,000	200,000	1264	1396	1480	1543	1593	1663	1047	1210	1318	1401	1470	1565	1707	1940	2095	2213	2310	2444	1365	1524	1627	1705	1768	1855	1127	1276	1374	1449	1510	1595
200,000	or more	1663	1837	1948	2031	2098	2189	1333	1541	1679	1785	1872	1994	2190	2490	2687	2838	2962	3135	1793	2004	2141	2243	2327	2442	1452	1643	1770	1866	1945	2054
Income		**Vermont[1]**					**6.0000%**	**Virginia[2]**					**4.1512%**	**Washington[1]**					**6.5000%**	**West Virginia[2]**					**6.0000%**	**Wisconsin[1]**					**5.0000%**
$0	$20,000	158	168	175	180	184	189	173	196	212	224	233	247	251	277	293	306	316	329	241	269	287	301	312	327	204	225	239	249	257	268
20,000	30,000	253	270	281	288	295	303	274	310	334	353	368	389	432	476	505	526	544	567	413	461	493	516	535	562	347	383	405	423	436	455
30,000	40,000	302	322	334	343	351	361	324	367	396	417	435	460	528	582	617	643	665	694	504	564	602	631	655	687	422	466	494	514	531	554
40,000	50,000	343	366	380	391	399	410	368	416	448	473	493	520	612	675	716	746	771	805	584	653	698	732	759	797	488	538	571	595	614	641
50,000	60,000	380	405	421	433	442	455	406	460	495	522	544	575	688	759	805	840	868	906	657	735	785	823	854	897	547	604	640	668	690	720
60,000	70,000	414	441	459	471	481	495	441	499	538	567	591	624	759	837	888	926	957	1000	724	810	866	908	942	989	602	665	705	735	759	792
70,000	80,000	446	475	494	507	518	533	474	537	578	609	634	670	826	912	967	1009	1042	1089	788	882	943	989	1026	1077	654	722	766	799	825	861
80,000	90,000	475	507	526	541	552	568	505	571	615	648	675	712	889	981	1041	1086	1122	1172	848	949	1015	1064	1104	1160	703	776	823	859	887	926
90,000	100,000	503	536	557	573	585	601	534	604	649	684	713	753	949	1048	1111	1159	1198	1252	905	1014	1083	1136	1179	1238	749	828	878	915	946	987
100,000	120,000	540	575	598	614	627	645	572	646	695	733	763	806	1029	1136	1205	1257	1299	1357	981	1099	1175	1232	1279	1343	811	896	950	991	1024	1069
120,000	140,000	590	629	653	671	686	705	624	705	758	798	832	878	1139	1258	1335	1393	1439	1504	1086	1217	1301	1365	1417	1488	896	990	1050	1095	1132	1182
140,000	160,000	633	675	702	721	736	757	669	755	812	856	891	940	1237	1366	1449	1512	1563	1633	1179	1321	1413	1482	1538	1616	971	1073	1139	1187	1227	1281
160,000	180,000	677	722	750	770	787	809	713	806	866	912	950	1003	1334	1474	1564	1632	1687	1762	1272	1426	1525	1600	1661	1744	1046	1157	1227	1280	1322	1381
180,000	200,000	716	763	793	815	832	856	754	851	915	964	1003	1059	1423	1573	1669	1741	1800	1880	1357	1521	1627	1707	1772	1861	1114	1232	1307	1364	1409	1471
200,000	or more	910	970	1008	1035	1058	1087	953	1075	1155	1216	1266	1335	1875	2072	2199	2295	2373	2479	1787	2004	2144	2251	2337	2456	1460	1615	1714	1788	1848	1929
Income		**Wyoming[1]**					**4.0000%**																								
$0	$20,000	155	169	178	184	190	197																								
20,000	30,000	266	290	305	317	326	339																								
30,000	40,000	325	354	373	387	399	414																								
40,000	50,000	376	411	433	449	462	480																								
50,000	60,000	423	462	487	505	520	541																								
60,000	70,000	466	509	537	557	574	596																								
70,000	80,000	508	554	584	606	624	649																								
80,000	90,000	546	597	629	653	672	698																								
90,000	100,000	583	637	671	697	717	746																								
100,000	120,000	632	690	727	755	778	808																								
120,000	140,000	699	764	805	836	861	895																								
140,000	160,000	759	829	874	908	935	972																								
160,000	180,000	819	895	943	979	1009	1049																								
180,000	200,000	873	954	1006	1045	1076	1118																								
200,000	or more	1149	1256	1325	1376	1417	1473																								

Note. Residents of **Alaska** do not have a state sales tax, but should follow the instructions on the next page to determine their local sales tax amount.

1 Use the Ratio Method to determine your local sales tax deduction, then add that to the appropriate amount in the state table. Your state sales tax rate is provided next to the state name.

2 Follow the instructions on the next page to determine your local sales tax deduction, then add that to the appropriate amount in the state table.

3 The California table includes the 1.25% uniform local sales tax rate in addition to the 6.25% state sales tax rate for a total of 7.50%. Some California localities impose a larger local sales tax. Taxpayers who reside in those jurisdictions should use the Ratio Method to determine their local sales tax deduction, then add that to the appropriate amount in the state table. The denominator of the correct ratio is 7.50%, and the numerator is the total sales tax rate minus 7.50%.

4 This state does not have a local general sales tax, so the amount in the state table is the only amount to be deducted.

5 The Nevada table includes the 2.25% uniform local sales tax rate in addition to the 4.6000% state sales tax rate for a total of 6.85%. Some Nevada localities impose a larger local sales tax. Taxpayers who reside in those jurisdictions should use the Ratio Method to determine their local sales tax deduction, then add that to the appropriate amount in the state table. The denominator of the correct ratio is 6.85%, and the numerator is the total sales tax rate minus 6.85%.

6 Residents of Salem County, New Jersey should deduct only half of the amount in the state table.

7 The 4.0% rate for Hawaii is actually an excise tax but is treated as a sales tax for purpose 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	Glendale, Mesa or Tucson	A
	Chandler, Gilbert, Peoria, Phoenix, Scottsdale, Tempe, Yuma, or any other locality	B
Arkansas	Any locality	B
Colorado	Adams County, Arapahoe County, Boulder County, Centennial, Colorado Springs, Denver City/Denver County, El Paso County, Jefferson County, Larimer County, Pueblo County, or any other locality	A
	Aurora, Lakewood, or Longmont	B
	Arvada, Boulder, Fort Collins, Greeley, Thornton, or Westminster	C
Georgia	Any locality	B
Illinois	Any locality	A
Louisiana	Ascension Parish, Bossier Parish, Caddo Parish, Calcasieu Parish, East Baton Rouge Parish, Iberia Parish, Jefferson Parish, Lafayette Parish, Lafourche Parish, Livingston Parish, Orleans Parish, Ouachita Parish, Rapides Parish, St. Bernard Parish, St. Landry Parish, St. Tammany Parish, Tangipahoa Parish, or Terrebonne Parish	C
	Any other locality	B
Missouri	Any locality	B
New York	Chautauqua County, Chenango County, Columbia County, Delaware County, Greene County, Hamilton County, Tioga County, Wayne County, New York City, or Norwich City	A
	Counties: Albany, Allegany, Broome, Cattaraugus, Cayuga, Chemung, Clinton, Cortland, Dutchess, Erie, Essex, Franklin, Fulton, Genesee, Herkimer, Jefferson, Lewis, Livingston, Madison, 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	B
	Any other locality	D*
North Carolina	Any locality	A
South Carolina	Aiken County, Cherokee County, Chesterfield County, Darlington County, Dillon County, Horry County, Jasper County, Lexington County, Marlboro County, Newberry County, Orangeburg County, York County, or Myrtle Beach	A
	Bamberg County, Charleston County, Hampton County, Lee County, Marion County, or any other locality	B
Tennessee	Any locality	B
Utah	Any locality	A
Virginia	Any locality	C
West Virginia	Any locality	C

2013 Optional Local Sales Tax Tables for Certain Local Jurisdictions

(Based on a local sales tax rate of 1 percent)

Income		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
		Local Table A						Local Table B						Local Table C						Local Table D*					
$0	$20,000	37	42	45	47	49	51	47	55	60	64	67	71	53	61	66	70	73	78	35	37	39	40	41	42
20,000	30,000	60	67	72	75	78	82	74	86	93	99	104	111	85	97	105	112	117	124	60	64	67	69	71	73
30,000	40,000	72	80	85	89	93	97	87	101	110	117	123	131	101	116	126	133	139	148	73	79	82	85	87	90
40,000	50,000	82	91	97	102	106	111	99	114	125	133	139	148	115	132	143	151	158	168	85	91	95	98	101	104
50,000	60,000	91	101	108	113	117	123	109	126	137	146	153	164	127	146	158	168	175	186	95	103	107	111	113	117
60,000	70,000	99	110	117	123	127	134	118	137	149	159	166	177	139	159	172	183	191	203	105	113	118	122	125	129
70,000	80,000	106	119	126	132	137	144	127	147	160	170	179	190	149	171	186	197	206	218	115	123	129	133	136	141
80,000	90,000	114	126	135	141	146	154	135	156	170	181	190	202	159	182	198	210	219	233	123	133	139	143	147	152
90,000	100,000	120	134	143	149	155	163	143	165	179	191	200	213	169	193	209	222	232	246	132	142	148	153	157	162
100,000	120,000	129	144	153	160	166	174	153	176	192	204	214	228	181	207	225	238	249	264	143	154	161	166	170	176
120,000	140,000	141	157	167	175	182	191	166	192	209	222	233	248	198	226	245	260	272	289	158	171	178	184	189	195
140,000	160,000	152	169	180	188	195	205	178	205	224	238	249	266	212	243	264	279	292	310	172	185	194	200	205	212
160,000	180,000	162	180	192	201	209	219	190	219	238	253	266	283	227	260	282	298	312	331	186	200	209	216	222	229
180,000	200,000	172	191	203	213	221	231	200	231	251	267	280	298	240	275	298	315	330	350	198	214	223	231	237	245
200,000	or more	219	243	259	271	281	294	252	290	316	336	352	375	305	349	378	401	419	445	262	282	295	305	313	323

***Note.** Local Table D is just 25% of the NY State table.

Department of the Treasury
Internal Revenue Service

2013 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

Standard mileage rate. The business standard mileage rate for 2013 is 56.5 cents per mile.

Simplified method for business use of home deduction. The IRS now provides a simplified method to determine your expenses for business use of a home. For more information and to determine if you can use the simplified method, see Line 30, later.

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 2013, to claim amortization that began in 2013, 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 actual 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 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. For more information, see the Instructions for Form SS-4.

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

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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 2013 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.

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 and enter "qualified joint venture" in the search box.

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.

Business Owned and Operated by Spouses

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 Qualified Joint Venture, earlier.
- You and your spouse wholly own the unincorporated business as community property and you treat the business as a sole proprietorship. 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, you can treat your wholly-owned, unincorporated business as a sole proprietorship, instead of a partnership. Any change in your reporting position will be treated as a conversion of the entity.

Report your income and deductions 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.

The only states with community property laws are Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin.

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 2012 for which you received payment in 2013. 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 *Qualified Joint Venture*, earlier).

For purposes of the passive activity rules, you materially participated in the operation of this trade or business activity during 2013 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.

You can deduct losses from passive activities in most cases only to the extent of income from passive activities. For details, see Pub. 925.

Line H

If you started or acquired this business in 2013, 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 2012 Schedule C or C-EZ for this business.

Line I

If you made any payment in 2013 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.

The Guide to Information Returns *in the 2013 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 2013, see *Chapter 11 Bankruptcy Cases* in the Instructions for Form 1040 (under *Income*) 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.

Qualified joint ventures should report rental real estate income not subject to self-employment tax on Schedule E. See 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. Check box c and enter the amount of interest and "453(l)(3)" on the line next to that box.

If you use the installment method, attach a statement to your return. Show separately for 2013 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 2013, the amount of credit for biofuel claimed on line 2 of Form 6478, the amount of credit for biodiesel and renewable diesel fuels claimed on line 8 of Form 8864, credit for federal tax paid on fuels claimed on your 2012 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 2013, 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 2013 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 56.5 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, 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 a statement 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 (Timber). 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 2013 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 2013;
- 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 2013, 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 2013.

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 acci-

dent 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 2013 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 2013 that also applies to future years, deduct only the part that applies to 2013.

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 electronically with the Department of Labor (at www.efast.dol.gov) if you have a small plan (fewer than 100 participants in most cases) that meets certain requirements.

Form 5500. File this form electronically with the Department of Labor (at www.efast.dol.gov) 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 one-half 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, line 2;
- Form 8844, Empowerment Zone Employment Credit, line 2;
- Form 8845, Indian Employment Credit, line 4; and
- Form 8932, Credit for Employer Differential Wage Payments, line 2.

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. To claim a deduction for business use of your home, you can use Form 8829 or you can elect to determine the amount of the deduction using a simplified method.

For additional information about claiming this deduction, see Pub. 587.

If you are not using the simplified method to determine the amount of expenses you may deduct for business use of a home, do not complete the additional entry spaces on line 30 for total square footage of your home and of the part of the home used for business. Just include the amount from line 35 of your Form 8829 on line 30.

Simplified method. The simplified method is an alternative to the calculation, allocation, and substantiation of actual expenses. In most cases, you will figure your deduction by multiplying the area (measured in square feet) used regularly and exclusively for business, regularly for daycare, or regularly for storage of inventory or product samples, by $5. The area you use to figure your deduction cannot exceed 300 square feet. You cannot use the simplified method to figure a deduction for rental use of your home.

Electing to use the simplified method. You choose whether or not to use the simplified method each taxable year. Make the election by using the simplified method to figure the deduction for the qualified business use of a home on a timely-filed, original federal income tax return for that year. An election for a taxable year, once made, is irrevocable. A change from using the simplified method in one year to actual expenses in a succeeding taxable year, or *vice-versa*, is not a change in method of accounting and does not require the consent of the Commissioner.

If you share your home with someone else who uses the home for a separate business that qualifies for this deduction, each of you may make your own election, but not for the same portion of the home.

If you conduct more than one business that qualifies for this deduction in your home, your election to use the simplified method applies to all your qualified business uses of your home. You are limited to a maximum of 300 square feet for all of the businesses you conduct in your home that qualify for this deduc-

tion. Allocate the actual square footage used (up to the maximum 300 square feet) among your qualified business uses in any reasonable manner you choose, but you may not allocate more square feet to a qualified business use than you actually use in that business.

If you used your home for more than one business, you will need to file a separate Schedule C for each business. Do not combine your deductions for each business use on a single Schedule C.

Business use of more than one home. You may have used more than one home in your business (for example, you may have moved during the year). If you used more than one home for the same business during 2013, you may elect to use the simplified method for

Simplified Method Worksheet

Keep for Your Records

1.	Enter the amount of the gross income limitation. See Instructions for the Simplified Method Worksheet	1.	
2.	Allowable square footage for the qualified business use. Do not enter more than 300 square feet. See Instructions for the Simplified Method Worksheet	2.	
3.	Simplified method amount		
	a. Maximum allowable amount	3a.	$5
	b. For daycare facilities not used exclusively for business, enter the decimal amount from the Daycare Facility Worksheet; otherwise, enter 1.0	3b.	
	c. Multiply line 3a by line 3b and enter result to 2 decimal places	3c.	
4.	Multiply line 2 by line 3c	4.	
5.	**Allowable expenses using the simplified method.** Enter the smaller of line 1 or line 4 here and include that amount on Schedule C, line 30. If zero or less, enter -0-	5.	
6.	**Carryover of unallowed expenses from 2012 that are not allowed in 2013.**		
	a. Operating expenses. Enter the amount from your 2012 Form 8829, line 42	6a.	
	b. Excess casualty losses and depreciation. Enter the amount from your 2012 Form 8829, line 43	6b.	

Instructions for the Simplified Method Worksheet

Use this worksheet to figure the amount of expenses you may deduct for a qualified business use of a home if you are electing to use the simplified method for that home. If you are not electing to use the simplified method, use Form 8829.

Line 1. If all gross income from your trade or business is from this qualified business use of your home, figure your gross income limitation as follows.

A. Enter the amount from Schedule C, line 29	
B. Enter any gain derived from the business use of your home and shown on Form 8949 (and included on Schedule D) or Form 4797	
C. Add lines A and B	
D. Enter the loss (as a positive number) shown on Form 8949 (and included on Schedule D) or Form 4797 that are allocable to the business, but not allocable to the use of the home	
E. Gross income limitation. Subtract line D from line C. Enter the result here and on line 1	

If some of the income is from a place of business other than your home, you must first determine the part of your gross income (Schedule C, line 7, and gains from Form 8949, Schedule D, and Form 4797) from the business use of your home. In making this determination, consider the amount of time you spend at each location as well as other facts. After determining the part of your gross income from the business use of your home, subtract from that amount the total expenses shown on Schedule C, line 28, plus any losses shown on Form 8949 (and included in Schedule D) or Form 4797 that are allocable to the business in which you use your home but that are not allocable to the use of the home. Enter the result on Line 1.

Note. If you had more than one home in which you conducted this business during the year, include only the income earned and the deductions attributable to that income during the period you owned the home for which you elected to use the simplified method.

Line 2. If you used the same area for the entire year, enter the smaller of the square feet you actually used and 300. If you and your spouse conducted the business as a qualified joint venture, split the square feet between you and your spouse in the same manner you split your other tax attributes. If you shared space with someone else, used the home for business for only part of the year, or the area you used changed during the year, see *Figuring your allowable expenses for business use of the home* before entering an amount on this line. Do not enter more than 300 square feet on this line.

Line 3b. If your qualified business use is providing daycare, you may need to account for the time that you used the same part of your home for other purposes. If you used the part of your home exclusively and regularly for providing daycare, enter 1.0 on line 3b. If you did not use the part of your home exclusively for providing daycare, complete the Daycare Facility Worksheet to figure what number to enter on line 3b.

Line 6. Since you are using the simplified method this year, you cannot deduct the amounts you entered on lines 6a and 6b this year. If you file Form 8829 next year for your qualified business use of this home, you will be able to include these expenses when you figure your deduction.

Daycare Facility Worksheet (for simplified method) *Keep for Your Records*

1. Multiply days used for daycare during the year by hours used per day	1.	
2. Total hours available for use during the year. See Instructions for the Daycare Facility Worksheet	2.	
3. Divide line 1 by line 2. Enter the result as a decimal amount here and on line 3b of the Simplified Method Worksheet	3.	

Instructions for the Daycare Facility Worksheet

Use this worksheet to figure the percentage to use on line 3b of the Simplified Method Worksheet. If you do not use the area of your home exclusively for daycare, you must reduce the prescribed rate before figuring your deduction using the simplified method.

TIP *If you used at least 300 square feet for daycare regularly and exclusively during the year, then you do not need to complete this worksheet. This worksheet is only needed if you did not use the allowable area exclusively for daycare.*

Line 1. Enter the total number of hours the facility was used for daycare during the year.

Example. Your home is used Monday through Friday for 12 hours per day for 250 days during the year. It is also used on 50 Saturdays for 8 hours a day. Enter 3,400 hours on line 4 (3,000 hours for weekdays plus 400 hours for Saturdays).

Line 2. If you used your home for daycare during the entire year, multiply 365 days (366 for a leap year) by 24 hours, and enter the result.

If you started or stopped using your home for daycare during the year, you must prorate the number of hours based on the number of days the home was available for daycare. Multiply 24 hours by the number of days available and enter that result.

only one home; you must file a Form 8829 to claim a business use of the home deduction for any additional home.

Other requirements must still be met. You must still meet all the use requirements to claim a deduction for business use of the home. The simplified method is only an alternative to the calculation, allocation, and substantiation of actual expenses. The simplified method is not an alternative to the exclusivity and other tests that must be met in order to qualify for this deduction. For more information about qualifying business uses, see *Qualifying for a Deduction* in Pub. 587.

Gross income limitation. The amount of your deduction is still limited to the gross income derived from qualified business use of the home reduced by the business deductions that are not related to your use of the home. If this limitation reduces the amount of your deduction, you cannot carryover the difference to another tax year.

Carryover of actual expenses from Form 8829. If you used Form 8829 in a prior year, and you had actual expenses that you could carryover to the next year, you cannot claim those expenses if you are using the simplified method. Instead, the actual expenses from Form 8829 that were not allowed will be carried over to the next year that you file Form 8829 for that business use of that home.

Depreciation of home. You cannot deduct any depreciation (including any additional first-year depreciation) or section 179 expense for the portion of your home that is used in a qualified business use if you figure the deduction for the business use of your home using the simplified method. The depreciation deduction allowable for that portion of the home for that taxable year is deemed to be zero.

TIP *Although you cannot deduct any depreciation or section 179 expense for the portion of your home that is a qualified business use because you elect to use the simplified method, you may still claim depreciation or the section 179 expense deduction on other assets (for example, furniture and equipment) used in the qualified business use of your home.*

Figuring your allowable expenses for business use of the home. You will figure the deduction using Form 8829 or the simplified method worksheet, or both.

CAUTION *You may not use the simplified method and also file Form 8829 for the same qualified business use of the same home.*

Using Form 8829. Use Form 8829 to figure and claim this deduction for a home if you are not or cannot use the simplified method for that home. For information about claiming this deduction using Form 8829, see the Instructions for Form 8829 and Pub. 587.

Using the simplified method. Use the Simplified Method Worksheet in these instructions to figure your deduction for a qualified business use of your home if you are electing to use the simplified method for that home.

Shared use (for simplified method only). If you share your home with someone else who uses the home for a separate business that also qualifies for this deduction, you may not include the same square feet to figure your deduction as the other person. You must allocate the shared space between you and the other person in a reasonable manner.

Example. Kristin and Lindsey are roommates. Kristin uses 300 square feet

of their home for a qualified business use. Lindsey uses 200 square feet of their home for a separate qualified business use. The qualified business uses share 100 square feet. In addition to the portion that they do not share, Kristin and Lindsey can both claim 50 of the 100 square feet or divide the 100 square feet between them in any reasonable manner. If divided evenly, Kristin could claim 250 square feet using the simplified method and Lindsey could claim 150 square feet.

Part-year use or area changes (for simplified method only). If your qualified business use was for a portion of the taxable year (for example, a seasonal business or a business that begins during the taxable year) or you changed the square footage of your qualified business use, your deduction is limited to the average monthly allowable square footage. You calculate the average monthly allowable square footage by adding the amount of allowable square feet you used in each month and dividing the sum by 12.

When determining the average monthly allowable square footage, you cannot take more than 300 square feet into account for any one month. Additionally, if your qualified business use was less than 15 days in a month, you must use -0- for that month.

Example 1. Andy files his federal income tax return on a calendar year basis. On July 20, he began using 400 square feet of his home for a qualified business use. He continued to use the 400 square feet until the end of the year. Andy's average monthly allowable square footage is 125 square feet (300 square feet for August through December divided by the number of months in the taxable year ((0 + 0 + 0 + 0 + 0 + 0 + 0 + 300 + 300 + 300 + 300 + 300)/12)).

Example 2. Roland files his federal income tax return on a calendar year basis. On April 20, he began using 100 square feet of his home for a qualified business use. On August 5, he expanded the area of his qualified use to 350 square feet. Roland continued to use the 350 square feet until the end of the year. Roland's average monthly allowable square footage is 150 square feet (100 square feet for May through July and 300 square feet for August through December divided by the number of months in the taxable year ((0 + 0 + 0 + 0 + 100 + 100 +100 + 300 + 300 + 300 + 300 + 300)/12)).

Once you have determined your adjusted area, enter the result on line 2 of the Simplified Method Worksheet.

TIP *You can use the Area Adjustment Worksheet in Pub. 587 to help you determine the adjusted area to enter on line 2 of the Simplified Method Worksheet.*

Reporting your expenses for business use of the home. If you did not use the simplified method, include the amount from line 35 of Form 8829 on line 30 of the Schedule C you are filing for that business.

If you used the simplified method. If you elect to use the simplified method for the business use of a home, complete the additional entry spaces on line 30 for that home only. Include the amount from line 5 of the Simplified Method Worksheet on line 30.

If you itemize your deductions on Schedule A, you may deduct your mortgage interest, real estate taxes, and casualty losses on Schedule A as if you did not use your home for business. You cannot deduct any excess mortgage interest or excess casualty losses on Schedule C for this home.

Use Part II of Schedule C to deduct business expenses that are unrelated to the qualified business use of the home (for example, expenses for advertising, wages, or supplies, or depreciation of equipment or furniture).

Deduction figured on multiple forms. If you used more than one home for a business during the year, you may use a Form 8829 for each home or you may use the simplified method for one home and Form 8829 for any other home. Combine the amount you figured using the simplified method and the amounts you figured on your Forms 8829, and then enter the total on line 30 of the Schedule C you are filing for that business.

Line 31

Figuring your net profit or allowable loss. If your expenses (including the expenses you report on line 30) are more than your gross income, do not enter your loss on line 31 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 in *Excess farm loss rules*, *Line 32* in these instructions, and the Instructions for Form 8582. After applying those rules, the amount on line 31 will be your allowable loss, and it may be smaller than the amount you figured by subtracting line 30 from line 29.

If your gross income is more than your expenses (including the expenses you report on line 30), and you do not have prior year unallowed passive activity losses, subtract line 30 from line 29. The result is your net profit.

If your gross income is more than your expenses (including the expenses you report on line 30), and you have prior year unallowed passive activity losses, do not enter your net profit on line 31 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 31. 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 G, 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.

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 allowable loss. See the Instructions for Form 8582.

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.

You must figure and apply your excess farm loss before figuring any limitations to your loss due to the at-risk rules or the passive activity loss rules. Reduce your loss by your excess farm loss before applying the at-risk rules and passive activity loss rules.

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 on line 31 and include it on Form 1040, line 12. Also, include your net profit or allowable loss on Schedule SE, line 2. However, if you are a statutory employee or notary public, see *Statutory employees* or *Notary public*, later.

Nonresident aliens. Enter your net profit or allowable loss on line 31 and include it on Form 1040NR, line 13. You should also include this amount 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 Instructions for Schedule SE (Form 1040) for information on international social security agreements. However, if you are a statutory employee or notary public, see *Statutory employees* or *Notary public*, later.

Trusts and estates. Enter the net profit or allowable loss on line 31 and include it on Form 1041, line 3.

Statutory employees. Enter your net profit or allowable loss on line 31 and include it 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 you are required to file Schedule SE because of other self-employment income, see the Instructions for Schedule SE.

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 you have 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 one-half of your self-employment tax in Part 1, line 1d, of Worksheet B.*

Line 32

TIP *You do not need to complete line 32 if line 7 is more than the total of lines 28 and 30.*

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 allowable loss. Before determining your allowable loss, you must check box 32a or 32b to determine if the loss from your business activity is limited by the at-risk rules. Follow the instructions below that apply to your box 32 activity.

All investment is at risk. If all amounts are at risk in this business, check box 32a. If you answered "Yes" on line G, 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 31*, earlier, for how to report your allowable loss.

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.

Some investment is not at risk. If some investment is not at risk, check box 32b; the at-risk rules apply to your loss. Be sure to attach Form 6198 to your return.

If you answered "Yes" on line G, complete Form 6198 to figure the allowable loss to enter on line 31. The passive activity loss rules do not apply. See *Line 31*, earlier for how to report your allowable loss.

But if you answered "No" on line G, the passive activity loss rules may apply. First complete Form 6198 to figure the amount of your profit or loss for the at-risk activity, which may include amounts reported on other forms and schedules, and the at-risk amount for the activity. Follow the Instructions for Form 6198 to determine how much of your Schedule C loss will be allowed. After you figure the amount of your loss that is allowed under the at-risk rules, you may need to complete Form 8582 to figure the allowable loss to enter on line 31. See the Instructions for Form 8582 for details.

CAUTION *If you checked box 32b because some investment is not at risk and you do not attach Form 6198, the processing of your return may be delayed.*

At-risk loss deduction. Any loss from this business not allowed for 2013 only because of the at-risk rules is treated as a

deduction allocable to the business in 2014.

More information. 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 2013 on line 36. The amount you can deduct for 2013 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 2013, 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 2013, 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 2013.

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 2013, 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 2013, 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 2013 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 2013.

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 2013.

You can elect to amortize the remaining costs over 84 months. For amortization that begins in 2013, 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.

Paperwork Reduction Act Notice. We ask for the information on Schedule C (Form 1040) and Schedule C-EZ (Form 1040) to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

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. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file Schedule C (Form 1040) will vary depending on individual circumstances. The estimated burden for individual taxpayers filing this form is included in the estimates shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file this form is approved under OMB control number 1545-1974 and is shown next.

Recordkeeping	3 hr., 36 min.
Learning about the law or the form	1 hr., 19 min.
Preparing the form	1 hr., 39 min.
Copying, assembling, and sending the form to the IRS	34 min.

The time needed to complete and file Schedule C-EZ (Form 1040) will vary depending on individual circumstances. The estimated burden for individual taxpayers filing this form is included in the estimates shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file this form is approved under OMB control number 1545-1973 and is shown next.

Recordkeeping	45 min.
Learning about the law or the form	3 min.
Preparing the form	35 min.
Copying, assembling, and sending the form to the IRS	20 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.

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.

Principal Business or Professional Activity Codes *(Continued)*

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 drop-off & 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

2013 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 1b, 2, 3, 8b, 9, or 10 of Schedule D.

Use Schedule D:

- To figure the overall gain or loss from transactions reported on Form 8949,
- To report certain transactions you do not have to report 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 2012 to 2013.

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/scheduled*.

What's New

Form 8949. For 2013, you can combine certain transactions and report the totals on line 1a or 8a of Schedule D without completing Form 8949. For additional information, see the instructions for *Lines 1a and 8a*.

Tax rate on net capital gain and qualified dividends. The maximum tax rate of 15% on net capital gain and qualified dividends has increased to 20% for some taxpayers. The Schedule D Tax Worksheet in these instructions reflects this new, higher rate.

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 1b, 2, 3, 8b, 9, or 10 of Schedule D. See *Lines 1a and 8a*, later, for more information about when Form 8949 is needed and when it is not.

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 or commodities 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 or investment is a capital asset. For example, your house, furniture, car, stocks, and bonds are capital assets. A capital asset is any property owned by you except the following.

1. 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.

2. Accounts or notes receivable for services performed in the ordinary course of your trade or business, for services rendered as an employee, or from the sale of stock in trade or other property held mainly for sale to customers.

3. Depreciable property used in your trade or business, even if it is fully depreciated.

4. Real estate used in your trade or business.

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5. A copyright, literary, musical, or artistic composition, letter or memorandum, or similar property that is:

a. Created by your personal efforts,

b. Prepared or produced for you (in the case of a letter, memorandum, or similar property), or

c. Received under circumstances (such as by gift) that entitle you to the basis of the person who created the property or for whom the property was prepared or produced.

But see the *Tip* about certain musical compositions or copyrights, later.

6. A U.S. Government publication, including the Congressional Record, that you received from the Government for less than the normal sales price, or that you received under circumstances that entitle you to the basis of someone who received the publication for less than the normal sales price.

7. Certain commodities derivative financial instruments held by a dealer and connected to the dealer's activities as a dealer. See section 1221(a)(6).

8. Certain hedging transactions entered into in the normal course of your trade or business. See section 1221(a)(7).

9. 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 *Column (e)–Cost or Other Basis* in the instructions for Form 8949, and the following 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

You may not need to report the sale or exchange of your main home. If you must report it, complete Form 8949 before Schedule D.

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.

Reduced exclusion. 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. For more information, see Pub. 523.

Sale of home by surviving spouse. If your spouse died before the sale or exchange, you can still 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.

Exceptions to Test 1. 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.

Sale of home acquired in a like-kind exchange. 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.

How to report the sale of your main home. 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 with box C checked. If the gain or loss is long term, report it in Part II of Form 8949 with box F checked.

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.

More information. 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. For details on unrecaptured section 1250 gain, see the instructions for line 19.

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 with box C checked (if the transaction is short term) or box F checked (if the transaction is long term). 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 box F at the top of 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 box F at the top of 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 2013.

Nondeductible Losses

Do not deduct a loss from a sale or exchange between certain related parties. This includes a 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 fiduciary or 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 box F at the top of 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 F 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 basis of $5,000. Box 2b on Form 1099-B is checked, indicating that 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 box D or box E in 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.
- 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 partnership or 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. Check box c and in the space next to that box, enter "Section 1260(b) interest" and the amount of the interest. If you are filing Form 1040NR, include the interest as an additional tax on line 59. Check box b and, in the space next to that box, enter "Section 1260(b) interest" and the amount of the interest. 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 (e)), 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 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 generally must report each sale of securities (taking into account commissions and any other costs of acquiring or disposing of the securities) on Form 8949 unless one of the three exceptions described in the instructions to Form 8949 applies. 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 2013, the election must have been made by April 15, 2013.

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 2014, 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 broker or 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 2013 but you did not get a 2013 Form 1099-B (or substitute statement) for it because you entered into it before 2011, report it on Form 8949 in Part I with box C checked or Part II with box F checked (whichever applies). 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 2013 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 option 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 2013 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.

If the demutualization transaction qualifies as a tax-free reorganization, no gain or loss 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. 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 may have to recognize a capital gain. 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 or loss. If you held the equity interest for more than 1 year, report the gain or loss as a long-term capital gain or loss in Part II of Form 8949. If you held the equity interest for 1 year or less, report the gain or loss as a short-term capital gain or loss 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 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), enter ($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 col-

umns. 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 ⅔ 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 ⅔ 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 ⅔ 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 ⅔ 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, or the pass-through entity, if applicable, 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.

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 1a and 8a—Transactions Not Reported on Form 8949

You can report on line 1a (for short-term transactions) or line 8a (for long-term transactions) the aggregate totals from any transactions (except sales of collectibles) for which:

- You received a Form 1099-B (or substitute statement) that shows basis was reported to the IRS and does not show a nondeductible wash sale loss in box 5, and
- You do not need to make any adjustments to the basis or type of gain or loss (short term or long term) reported on Form 1099-B (or substitute statement), or to your gain or loss.

See *How To Complete Form 8949, Columns (f) and (g),* in the Form 8949 instructions for details about possible adjustments to your gain or loss.

If you choose to report these transactions on lines 1a and 8a, do not report them on Form 8949. You do not need to attach a statement to explain the entries on lines 1a and 8a and, if you *e-file* your return, you do not need to file Form 8453.

Figure gain or loss on each line. Subtract the cost or other basis in column (e) from the proceeds (sales price) in column (d). Enter the gain or loss in column (h). Enter negative amounts in parentheses.

Example 1 – basis reported to the IRS. You received a Form 1099-B reporting the sale of stock you held for 3 years. It shows proceeds (in box 2a) of $6,000 and cost or other basis (in box 3) of $2,000. Box 6b is checked, meaning that basis was reported to the IRS. You do not need to make any adjustments to the amounts reported on Form 1099-B or enter any codes. This was your only 2013 transaction. Instead of reporting this transaction on Form 8949, you can enter $6,000 on Schedule D, line 8a, column (d), $2,000 in column (e), and $4,000 ($6,000 – $2,000) in column (h).

Example 2 – basis not reported to the IRS. You received a Form 1099-B showing proceeds (in box 2a) of $6,000 and cost or other basis (in box 3) of $2,000. Box 6b is not checked, meaning that basis was not reported to the IRS. Do not report this transaction on line 1a or line 8a. Instead, report the transaction on Form 8949. Complete all necessary pages of Form 8949 before completing line 1b, 2, 3, 8b, 9, or 10 of Schedule D.

Example 3 – adjustment. You received a Form 1099-B showing proceeds (in box 2a) of $6,000 and cost or other basis (in box 3) of $2,000. Box 6b is checked, meaning that basis was reported to the IRS. However, the basis shown in box 3 is incorrect. Do not report this transaction on line 1a or line 8a. Instead, report the transaction on Form 8949. See the instructions for Form 8949, columns (f), (g), and (h). Complete all necessary pages of Form 8949 before completing line 1b, 2, 3, 8b, 9, or 10 of Schedule D.

Lines 1b, 2, 3, 8b, 9, and 10, Column (h)—Transactions Reported on Form 8949

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 2013.

- 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 2013.

- 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

Capital Loss Carryover Worksheet—Lines 6 and 14

Keep for Your Records

Use this worksheet to figure your capital loss carryovers from 2012 to 2013 if your 2012 Schedule D, line 21, is a loss and **(a)** that loss is a smaller loss than the loss on your 2012 Schedule D, line 16, **or (b)** the amount on your 2012 Form 1040, line 41 (or your 2012 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 2013, any capital loss carryover from the joint return can be deducted only on the return of the spouse who actually had the loss.

If you excluded canceled debt from income in 2013, see Pub. 4681.

1.	Enter the amount from your 2012 Form 1040, line 41, or your 2012 Form 1040NR, line 39. If a loss, enclose the amount in parentheses		**1.**
2.	Enter the loss from your 2012 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 2012 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 2012 Schedule D, line 7, as a positive amount		**5.**
6.	Enter any gain from your 2012 Schedule D, line 15. If a loss, enter -0-	**6.**	
7.	Add lines 4 and 6		**7.**
8.	**Short-term capital loss carryover for 2013.** 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 2012 Schedule D is a loss, go to line 9; otherwise, skip lines 9 through 13.		
9.	Enter the loss from your 2012 Schedule D, line 15, as a positive amount		**9.**
10.	Enter any gain from your 2012 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 2013.** 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.**

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 2013 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 2013 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 entire amount of gain from the sale of trade or business property included in 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 2013 as the smaller of (a) the amount from line 26 or line 37 of your 2013 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 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 2013 Form 4797 (or the comparable lines of Form 4797 for the year of sale) for the property.

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.**

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.

- 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 2013 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 2013 as the smaller of (a) the amount from line 26 or line 37 of your 2013 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.

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 2013 to 2014 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 2014, you will use the Capital Loss Carryover Worksheet in the 2014 Instructions for Schedule D. If you want to figure your carryover to 2014 now, see Pub. 550.

You will need a copy of your 2013 Form 1040 and Schedule D to figure your capital loss carryover to 2014.

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: • $36,250 if single or married filing separately; • $72,500 if married filing jointly or qualifying widow(er); or • $48,600 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 41 and go to line 42. 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.	Enter: • $400,000 if single; • $225,000 if married filing separately; • $450,000 if married filing jointly or qualifying widow(er); or • $425,000 if head of household			**24.**		
25.	Enter the smaller of line 1 or line 24			**25.**		
26.	Add lines 19 and 20			**26.**		
27.	Subtract line 26 from line 25. If zero or less, enter -0-			**27.**		
28.	Enter the **smaller** of line 23 or line 27				**28.**	
29.	Multiply line 28 by 15% (.15)					**29.**
30.	Add lines 22 and 28			**30.**		
	If lines 1 and 30 are the same, skip lines 31 through 41 and go to line 42. Otherwise, go to line 31.					

Schedule D Tax Worksheet—*Continued*

31.	Subtract line 30 from line 21	**31.**	
32.	Multiply line 31 by 20% (.20)	**32.**	
	If Schedule D, line 19, is zero or blank, skip lines 33 through 38 and go to line 39. Otherwise, go to line 33.		
33.	Enter the **smaller** of line 9 above or Schedule D, line 19	**33.**	
34.	Add lines 10 and 19	**34.**	
35.	Enter the amount from line 1 above	**35.**	
36.	Subtract line 35 from line 34. If zero or less, enter -0-	**36.**	
37.	Subtract line 36 from line 33. If zero or less, enter -0-	**37.**	
38.	Multiply line 37 by 25% (.25)	**38.**	
	If Schedule D, line 18, is zero or blank, skip lines 39 through 41 and go to line 42. Otherwise, go to line 39.		
39.	Add lines 19, 20, 28, 31, and 37	**39.**	
40.	Subtract line 39 from line 1	**40.**	
41.	Multiply line 40 by 28% (.28)	**41.**	
42.	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	**42.**	
43.	Add lines 29, 32, 38, 41, and 42	**43.**	
44.	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	**44.**	
45.	**Tax on all taxable income (including capital gains and qualified dividends).** Enter the **smaller** of line 43 or line 44. 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)	**45.**	

*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

2013 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/schedulee*.

What's New

Standard mileage rate. The standard mileage rate for miles driven in connection with your rental activities is 56.5 cents per mile.

Net Investment Income Tax. Beginning in 2013, individuals, estates, and trusts may be subject to the Net Investment Income Tax (NIIT). NIIT is a 3.8% tax on the lesser of net investment income or the excess of modified adjusted gross income (MAGI) over the threshold amount. Net investment income may include rental and royalty income, income from partnerships, S corporations and trusts, and income from other passive activities reported on your Schedule E. Use Form 8960, Net Investment Income Tax, to figure this tax. For more information on NIIT, go to IRS.gov and enter "Net Investment Income Tax" in the search box.

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 2013, to claim amortization that began in 2013, 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 your allowable loss from passive activities.
- 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.
- Form 8960 to pay Net Investment Income Tax on certain income from your rental and other passive activities.

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 2013 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.

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.

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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 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 and enter "qualified joint venture" in the search box.

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 2013, 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. 875, available at www.irs.gov/irb/2011-24_IRB/ar07.html.*

If you were a real estate professional for 2013, 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, and you do not need to complete Form 8582. 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 one-half 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 2013 that would require you to file any Forms 1099, check the "Yes" box. Otherwise, check the "No" box. See the 2013 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 2013 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 unit as a home in 2013. You used the unit as a home if your personal use of the unit 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 unit 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 unit as a home and rented the unit out for fewer than 15 days in 2013, 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 unit as a home and rented the unit out for 15 or more days in 2013, 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 2014 the amounts you cannot deduct.

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 *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 2013, the payer should send you a Form 1099-MISC or similar statement by January 31, 2014, 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 or C-EZ.

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 2013 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 2013 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 2013 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 56.5 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 2013 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 2013, the recipient should send you a Form 1098 or similar statement by January 31, 2014, 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 2013,
- 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 2013.

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.

CAUTION *If you elected to be taxed as a qualified joint venture instead of a partnership, follow the reporting rules under* 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 Schedule 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 for the current year. See the Instructions for Schedule F for more details on how to complete the worksheet. If you had a loss from a partnership or S corporation that was not allowed last year because of the excess farm loss rules, see *Line 27* later, for how to report it.

CAUTION *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 2012 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 2012.

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, Excess Farm Loss, 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 2013, 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 Schedule(s) 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 2012 or 2013 is at least two-thirds of your gross income, and

2. You file your 2013 tax return and pay the tax due by March 3, 2014.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

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. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated burden for individual taxpayers filing this form is included in the estimates

shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file this form is approved under OMB control number 1545-1972 and is shown next.

Recordkeeping	3 hrs., 3 min.
Learning about the law or the form	1 hr., 2 min.
Preparing the form	1 hr., 34 min.
Copying, assembling, and sending the form to the IRS	34 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.

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.*

Note. When instructed in the worksheet below to enter an amount from line 30, 31, or 32 of Schedule E, include only the amount on that line that relates to farming businesses.

1.	Enter the amount from your 2013 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 2013. 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 2013 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 2013. 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 2013. If no, continue to line 9		**8.**	
9.	Enter the amount from your 2012 Schedule(s) E, line 32	**9.**		
10.	Enter your combined net gain/loss from the sale of farming business property reported on your 2012 Form 4797 and Schedule D. If zero or less, enter -0-	**10.**		
11.	Enter the amount from your 2011 Schedule(s) E, line 32	**11.**		
12.	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-	**12.**		
13.	Enter the amount from your 2010 Schedule(s) E, line 32	**13.**		
14.	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-	**14.**		
15.	Enter the amount from your 2009 Schedule(s) E, line 32	**15.**		
16.	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-	**16.**		
17.	Enter the amount from your 2008 Schedule(s) E, line 32	**17.**		
18.	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-	**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

2013 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/schedulef*.

What's New

Standard mileage rate. The standard mileage rate for business use of your vehicle for 2013 is 56.5 cents per mile.

Simplified method for business use of home deduction. If you use your home in your farming business, you may be able to figure the deduction for the business use of your home using a simplified method. See Pub. 587 for more information.

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 2013, to claim amortization that began in 2013, 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 2013 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.

Reportable transaction disclosure statement. If you entered into a reportable transaction in 2013, you must file Form 8886

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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.

Farm Owned and Operated By Spouses

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 and enter "qualified joint venture" in the search box.

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, you can treat your wholly-owned, unincorporated business as a sole proprietorship, instead of a partnership. Any change in your reporting position will be treated as a conversion of the entity.

Report your income and deductions 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.

Estimated Tax

If you had to make estimated tax payments for 2013, 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 2012 or 2013 is at least two-thirds of your gross income, and
- You file your 2013 tax return and pay the tax due by March 3, 2014.

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 losses during any tax year are allocable to 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. 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 2013 that would require you to file any Forms 1099, check the "Yes" box. Otherwise, check the "No" box. See the 2013 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.

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 2013 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 2013, see *Chapter 11 Bankruptcy Cases* in the Instructions for Form 1040 (under *Income*) 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 2013, 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 2013, your farm losses may be reduced. See *Excess farm loss rules* in *Line 35,* 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 2013 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 2013, your farm losses may be reduced. See *Excess farm loss rules* in *Line 35,* 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 2013 was the year of damage, you can elect to include certain proceeds in income for 2014. 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.

If you elect to defer any eligible crop insurance proceeds, you must defer all such crop insurance proceeds (including federal crop disaster payments) from a single trade or business.

Enter on line 6a the total crop insurance proceeds you received in 2013, even if you elect to include them in income for 2014.

Enter on line 6b the taxable amount of the proceeds you received in 2013. Do not include proceeds you elect to include in income for 2014.

Enter on line 6d the amount, if any, of crop insurance proceeds you received in 2012 and elected to include in income for 2013.

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, 2014, showing the amount of debt canceled in 2013. 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 2013.
- The amount of credit for biofuel claimed on line 2 of Form 6478.
- The amount of credit for biodiesel and renewable diesel fuels claimed on line 8 of Form 8864.
- The amount of credit for federal tax paid on fuels claimed on your 2012 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 2013. 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 that is not reported on Schedule E (Form 1040) or Form 4835.
- 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.

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.

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.

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 capitalization 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 2013 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 56.5 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 2013 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 2013 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 2013 for later years; include only the part that applies to 2013.

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, line 2;
- Form 8844, Empowerment Zone Employment Credit, line 2;
- Form 8845, Indian Employment Credit, line 4; and
- Form 8932, Credit for Employer Differential Wage Payments, line 2.

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 electronically with the Department of Labor (at *www.efast.dol.gov*) if you have a small plan (fewer than 100 participants in most cases) that meets certain requirements.

Form 5500. File this form electronically with the Department of Labor (at *www.efast.dol.gov*) 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.
- 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 one-half 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 2013.

Bad debts. See chapter 10 of Pub. 535.

Business start-up costs. If your farming business began in 2013, 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 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 2013, 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. You may also be able to use a simplified method to figure your deduction. Use the appropriate worksheets 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 2013.

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 2013.

You can elect to amortize the remaining costs over 84 months. For amortization that begins in 2013, 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 2013 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 on line 34 and on Form 1040, line 18, and Schedule SE (Form 1040), line 1a.

Nonresident aliens. Enter the net profit or allowable loss on line 34 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 Instructions for Schedule SE (Form 1040) for information on international social security agreements.

Partnerships. Enter the net profit or loss on line 34 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 on line 34 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

Answer line 35 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 2013.

- 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 2013 if you are a partner or shareholder in a partnership or S corporation that received one of these subsidies during 2013. Check the "No" box if you did not receive one of these subsidies in 2013.

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 (2008-2012), 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 business (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 one-half 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 one-half 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 one-half 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 2013. 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 2013 because of the excess farm loss rules is treated as a deduction allocable to the activity in 2014.

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

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.

All investment is at risk. If all your investment amounts are at risk in this activity, check box 36a. If you also checked the "Yes" box on 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 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.

Some investment is not at risk. If some investment is not at risk, check box 36b; the at-risk rules apply to your loss. Be sure to attach Form 6198 to your return.

If you also checked the "Yes" box on 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 line E, the passive activity loss rules may apply. First complete Form 6198 to figure the amount of your profit or loss for the at-risk activity, which may include amounts reported on other forms and schedules, and the at-risk amount for the activity. Follow the Instructions for Form 6198 to determine how much of your Schedule F loss will be allowed. After you figure the amount of your loss that is allowed under the at-risk rules, you may need to complete Form 8582 to figure the allowable loss to enter on line 34. See the Instructions for Form 8582 for details.

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.

At-risk loss deduction. Any loss from this activity not allowed for 2013 only because of the at-risk rules is treated as a deduction allocable to the activity in 2014.

More information. 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 2013, see *Chapter 11 Bankruptcy Cases* in the Instructions for Form 1040 (under *Income*) 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.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

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. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated burden for individual taxpayers filing this form is included in the estimates shown in the instructions for their individual income tax return. The estimated burden for all other taxpayers who file this form is approved under OMB control number 1545-1975 and is shown next.

Recordkeeping	7 hr., 1 min.
Learning about the law or the form	2 hr., 55 min.
Preparing and sending the form to the IRS	1 hr., 46 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.

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 2013 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 2013. 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 2013 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 2013. 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 2013. If no, continue to line 9		**8.**
9.	Enter the amount from your 2012 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 2012 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0-	**10.**	
11.	Enter the amount from your 2011 Schedule(s) F (Form 1040), line 34	**11.**	
12.	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-	**12.**	
13.	Enter the amount from your 2010 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 2010 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0-	**14.**	
15.	Enter the amount from your 2009 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 2009 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0-	**16.**	
17.	Enter the amount from your 2008 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 2008 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 2013 Schedule(s) F (Form 1040), line 33	**1.**	
2.	Enter the total amount from your 2013 Schedule(s) C (Form 1040), line 28 and line 30, for activity of processing a farm commodity	**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 2013. 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 2013 Schedule(s) F (Form 1040), line 9	**5.**	
6.	Enter the amount from your 2013 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 2013. 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 2013. If no, continue to line 13	**12.**	
13.	Enter the amount from your 2012 Schedule(s) F (Form 1040), line 34	**13.**	
14.	Enter the amount from your 2012 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 2012 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0-	**15.**	
16.	Enter the amount from your 2011 Schedule(s) F (Form 1040), line 34	**16.**	
17.	Enter the amount from your 2011 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 2011 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0-	**18.**	
19.	Enter the amount from your 2010 Schedule(s) F (Form 1040), line 36	**19.**	
20.	Enter the amount from your 2010 Schedule(s) C (Form 1040), line 31	**20.**	

(Continued on next page)

Excess Farm Loss Worksheet 2 (Continued)

21. 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- . . . . . **21.** _____

22. Enter the amount from your 2009 Schedule(s) F (Form 1040), line 36 . . . . . **22.** _____

23. Enter the amount from your 2009 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 2009 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0- . . . . . **24.** _____

25. Enter the amount from your 2008 Schedule(s) F (Form 1040), line 36 . . . . . **25.** _____

26. Enter the amount from your 2008 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 2008 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.

Note. When instructed in the worksheet below to enter an amount from line 30, 31, or 32 of Schedule E, include only the amount on that line that relates to farming businesses.

1.	Enter the amount from your 2013 Schedule(s) F (Form 1040), line 33	**1.**	
2.	Enter the amount from your 2013 Schedule(s) E (Form 1040), line 31, for interest in a partnership or S corporation involved in farming businesses	**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 2013. 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 2013 Schedule(s) F (Form 1040), line 9	**5.**	
6.	Enter the amount from your 2013 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 2013. 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 2013. If no, continue to line 13		**12.**
13.	Enter the amount from your 2012 Schedule(s) F (Form 1040), line 34	**13.**	
14.	Enter the amount from your 2012 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 2012 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0-	**15.**	
16.	Enter the amount from your 2011 Schedule(s) F (Form 1040), line 34	**16.**	
17.	Enter the amount from your 2011 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 2011 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0-	**18.**	
19.	Enter the amount from your 2010 Schedule(s) F (Form 1040), line 36	**19.**	
20.	Enter the amount from your 2010 Schedule(s) E (Form 1040), line 32	**20.**	

(Continued on next page)

Excess Farm Loss Worksheet 3 (Continued)

21.	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-	**21.**	
22.	Enter the amount from your 2009 Schedule(s) F (Form 1040), line 36	**22.**	
23.	Enter the amount from your 2009 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 2009 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0-	**24.**	
25.	Enter the amount from your 2008 Schedule(s) F (Form 1040), line 36	**25.**	
26.	Enter the amount from your 2008 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 2008 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.

Note. When instructed in the worksheet below to enter an amount from line 30, 31, or 32 of Schedule E, include only the amount on that line that relates to farming businesses.

1.	Enter the amount from your 2013 Schedule(s) F (Form 1040), line 33	**1.**	
2.	Enter the total amount from your 2013 Schedule(s) C (Form 1040), line 28 and line 30, for activity of processing a farm commodity	**2.**	
3.	Enter the amount from your 2013 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 2013 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 2013. 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 2013 Schedule(s) F (Form 1040), line 9	**7.**	
8.	Enter the amount from your 2013 Schedule(s) C (Form 1040), line 7	**8.**	
9.	Enter the amount from your 2013 Schedule(s) E (Form 1040), line 30	**9.**	
10.	Enter the amount from your 2013 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 2013. 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 2013. 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 (2008-2012), 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 2012 Schedule(s) F (Form 1040), line 34	**17.**	
18.	Enter the amount from your 2012 Schedule(s) C (Form 1040), line 31	**18.**	
19.	Enter the amount from your 2012 Schedule(s) E (Form 1040), line 32	**19.**	
20.	Enter the amount from your 2012 Form 4835, line 32	**20.**	
21.	Enter your combined net gain/loss from the sale of farming business property reported on your 2012 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0-	**21.**	
22.	Enter the amount from your 2011 Schedule(s) F (Form 1040), line 34	**22.**	
23.	Enter the amount from your 2011 Schedule(s) C (Form 1040), line 31	**23.**	
24.	Enter the amount from your 2011 Schedule(s) E (Form 1040), line 32	**24.**	
25.	Enter the amount from your 2011 Form 4835, line 32	**25.**	
26.	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-	**26.**	
27.	Enter the amount from your 2010 Schedule(s) F (Form 1040), line 36	**27.**	
28.	Enter the amount from your 2010 Schedule(s) C (Form 1040), line 31	**28.**	

(Continued on next page)

Excess Farm Loss Worksheet 4 (Continued)

29.	Enter the amount from your 2010 Schedule(s) E (Form 1040), line 32	**29.**	
30.	Enter the amount from your 2010 Form 4835, line 32	**30.**	
31.	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-	**31.**	
32.	Enter the amount from your 2009 Schedule(s) F (Form 1040), line 36	**32.**	
33.	Enter the amount from your 2009 Schedule(s) C (Form 1040), line 31	**33.**	
34.	Enter the amount from your 2009 Schedule(s) E (Form 1040), line 32	**34.**	
35.	Enter the amount from your 2009 Form 4835, line 32	**35.**	
36.	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-	**36.**	
37.	Enter the amount from your 2008 Schedule(s) F (Form 1040), line 36	**37.**	
38.	Enter the amount from your 2008 Schedule(s) C (Form 1040), line 31	**38.**	
39.	Enter the amount from your 2008 Schedule(s) E (Form 1040), line 32	**39.**	
40.	Enter the amount from your 2008 Form 4835, line 32	**40.**	
41.	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-	**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 2013 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 2013. 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 2013 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 2013. 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 2013. If no, continue to line 9		**8.**
9.	Enter the amount from your 2012 Form 4835, line 32	**9.**	
10.	Enter your combined net gain/loss from the sale of farming business property reported on your 2012 Form 4797 and Schedule D (Form 1040). If zero or less, enter -0-	**10.**	
11.	Enter the amount from your 2011 Form 4835, line 32	**11.**	
12.	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-	**12.**	
13.	Enter the amount from your 2010 Form 4835, line 32	**13.**	
14.	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-	**14.**	
15.	Enter the amount from your 2009 Form 4835, line 32	**15.**	
16.	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-	**16.**	
17.	Enter the amount from your 2008 Form 4835, line 32	**17.**	
18.	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-	**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

2013 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 its instructions, such as legislation enacted after they were published, go to *www.irs.gov/scheduler*.

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 2013, or
2. You were under age 65 at the end of 2013 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 2013.

c. On January 1, 2013, 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. Statement of Permanent and Total Disability.

Age 65

You are considered age 65 on the day before your 65th birthday. As a result, if you were born on January 1, 1949, you are considered to be age 65 at the end of 2013.

Married Persons Filing Separate Returns

If your filing status is married filing separately and you lived with your spouse at any time during 2013, you cannot take the credit.

Nonresident Aliens

If you were a nonresident alien at any time during 2013, you may be able to take the credit only if your filing status is married filing jointly.

Income Limits

See Income Limits for the Credit 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.

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 2013	$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 2013. 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 2013.

3. You were unable to engage in any substantial gainful activity during 2013 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 2013. 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 2013, 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 2013 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.

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 2013.

- 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

2013 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/schedulese*.

What's New

Maximum income subject to social security tax. For 2013, the maximum amount of self-employment income subject to social security tax is $113,700.

Additional Medicare Tax. For tax years beginning after 2012, a 0.9% Additional Medicare Tax applies to your Medicare wages, Railroad Retirement Tax Act (RRTA) compensation, and self-employment income above a threshold amount. Use Form 8959, Additional Medicare Tax, to figure this tax. For more information, see *Additional Medicare Tax*, later.

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.

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 can-

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not reduce your net earnings by the foreign earned income exclusion or the foreign housing exclusion or deduction.

See Pub. 517 for details.

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), earlier. 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 sepa-

rate 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 2013 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 and enter "qualified joint venture" in the search box.

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*, later.

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 Z.

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.*

Additional Medicare Tax

A 0.9% Additional Medicare Tax may apply to you if the total amount from line 4 (Short Schedule SE) or line 6 (Long Schedule SE) of all your Schedules SE exceeds one of the following threshold amounts (based on your filing status).

- Married filing jointly—$250,000
- Married filing separately—$125,000
- Single, Head of household, or Qualifying widow(er)—$200,000

If you have both wages and self-employment income, the threshold amount for applying the Additional Medicare Tax on the self-employment income is reduced (but not below zero) by the amount of wages subject to Additional Medicare Tax.

Use Form 8959, Additional Medicare Tax, to figure this tax. For more information, see the Instructions for Form 8959, or visit IRS.gov and enter "Additional Medicare Tax" in the search box.

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 $4,640. 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 $4,640. 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 $4,640. 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 $6,960 or less or your net farm profits were less than $5,024. 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 $4,640, 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 $5,024 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 $4,640 of net earnings from self-employment.