

FORM 1040: U.S. INDIVIDUAL INCOME TAX RETURN

- 1 Single
- 2 Married filing joint
- 3 Married filing separate return.
- 4 Head of household.
- 5 Qualifying widow(er).

Choose your filing status; enter the number in cell G11.

6f Enter total number of exemptions claimed.

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- 7 Wages, Salaries, Tips, Etc. (Form(s) W-2)
 - 8 Interest Income (attach Schedule C if over \$400)
 - 9a Dividends 0Exclusion
 - c Subtract line 9b from line 9a
 - 10 State & local income tax refunds, from worksheet on p. 9.
 - 11 Alimony Received
 - 12 Business Income (loss) (from Schedule C)
 - 13 Capital gain or (loss) (from Schedule D)
 - 14 40% of capital gains not on ln 13. (see p 9).
 - 15 Other gains or (losses) (from Form 4797)
 - 16 Pensions, IRA distributions, etc not on ln 17. (see p 9).
 - 17a Other pensions and annuities, etc. Total received.
 - b Taxable amount if any from the worksheet on p 10.
 - 18 Rents, royalties, trusts, etc. (From Schedule E).
 - 19 Farm income or (loss) (From Schedule F).
 - 20a Unemployment compensation (insurance). Total rcvd.
 - b Taxable amount, if any, from worksheet on p 10.
 - 21 Social Security benefits (see p 10)
 - Taxable amount, if any, from worksheet p 11. {_____}
 - 22 Other income (list type and amt - see p 11 of instructions).
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- 23 Add lines 7 through 22
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- 24 Moving Expenses (Form 3903 or 3903F)
 - 25 Employee business expenses (Form 2106)
 - 26 IRA deduction, from worksheet p 12.

- 27 Keough retirement plan & Self employed SEP deduction
- 28 Penalty on early withdrawal of savings
- 29 Alimony paid (recipients last name _____
social security number _____)
- 30 Marriage deduction (Schedule W)
- 31 Add lines 24 through 30. These are your total adjustments.
- 32 Line 23 minus line 31. This is your adjusted gross income.

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- 33 Amount from line 32. (adjusted gross income).
 - 34a If you itemize, enter the amount from Schedule A ln 26.
 - 34b If you don't itemize, enter cash charity contribns.
 - 34c Enter noncash contributions (Form 8238 if > \$500).
 - 34d Add lines 34b and 34c.
 - 35 Subtract line 34a or 34d from line 33.
 - 36 \$1080 times number of exemptions on line 6f.
 - 37 Taxable income. Ln 35 minus 36.
 - 38 Enter tax here. Tax Table Rate Sched. Sched G
 - 39 Additional taxes. (see p 14). Form 4970,
 Form 4972 or Form 5544
 - 40 Add lines 38 and 39.

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- 41 Crdt for child & depndent care expnse. (Form 2441)
 - 42 Credit for elderly, or permanently & totally disabled.d.
 - 43 Partial credit for political contributions.
 - 44 Add lines 41 through 43. Enter the total.
 - 45 Subtract line 44 from line 40.
 - 46 Foreign tax credit (Form 1116)
 - 47 General business credit. Form 3800, Form 3468,
 form 5884, Form 6478, or Form 6765.
 - 48 Add lines 46 and 47.
 - 49 Subtract line 48 from line 45.

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- 50 Self-employment tax (Schedule SE).
 - 51 Alternative minimum tax (Form 6251).
 - 52 Tax from recapture of investment credit (Form 4255).
 - 53 Social Security tax on tip income. Form 6765.
 - 54 Tax on IRA (Form 5329)
 - 55 Add lines 49 through 54. This is your total tax.

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- 56 Federal income tax withheld.

- 57 1986 estimated tax pmnts and amt applied from '85.
- 58 Earned income credit. (see p16).
- 59 Amount paid with Form 4868
- 60 Excess social security tax and RRTA tax withheld.
- 61 Credit for Federal tax on gas etc. (Form 4136)
- 62 Regulated investement company credit. (Form 2439).
- 63 Add lines 56 through 62. These are total pmnts.

- 64 If ln 63 > ln 55 enter Overpaid Amount.
- 65 Amount of 64 to be REFUNDED TO YOU.
- 66 Amount of line 64 to apply towards your 1987 tax.
- 67 If ln 55 > ln 63 enter AMOUNT YOU OWE.

SCHEDULE A - ITEMIZE DEDUCTIONS

- 1 Prescription medicines and drugs; and insulin.
- 2 a Doctors, dentists, nurses, hospitals, insurance premiums you paid for medical & dental care, etc.
- b Transportation and lodging.
- c Other (list - include hearing aids, dentures, eye-glasses etc. _____)

- 3 Add lines 1 through 2c.
- 4 Multiply Form 1040 ln 33, by 5%.
- 5 Subtract ln 4 from ln 3. Total medical and dental.

- 6 State and local income taxes.
- 7 Real estate taxes.
- 8 a General sales tax (see sales tax tables)
- b General sales tax on motor vehicles.
- 9 Other taxes (list - include personal property taxes)

- 10 Add lines 6 through 9.

- 11 a Home mortgage interest paid to financial institutions (report deductible points on ln 13)
- b Home mortgage interest you paid to individuals (show that person's name & address) _____

- 12 Total credit card and charge acct interest paid.
- 13 Other interest you paid (list payee's name and amt).

14 Add lines 11a through 13. Total interest.

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- 15 a Cash contributions. (If you gave \$3,000 or more to any one organization, report that on ln 15b.
- b Cash contributions totaling \$3,000 or more to any one organization. (Show to whom you gave and how much you gave. _____)

- 16 Other than cash. (must attach Form 8283 if > \$500.)
- 17 Carrover from prior year.
- 18 Add lines 15a through 17. Total contributions.

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19 Total casualty or theft loss(es). (Form 4684)

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- 20 Union and professional dues.
- 21 Tax return preparation fee.
- 22 Other (list type and amount) _____

23 Add lines 20 through 22. Total miscellaneous.

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24 Add lines 5, 10, 14, 18, 19 and 23.

25 Enter Zero Bracket amt from following table:

1	\$2480
2	\$3670
3	1835
4	2480
5	\$3670

26 Ln 24 - ln 25. Enter here & on 1040 ln 34a.

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SCHEDULE B - INTEREST and DIVIDEND INCOME

INTEREST INCOME

1 Interest income from seller-financed mortgages (see instructions and list name of payer). _____

2 Other interest income (list name of payer)

3 Add lines 1 and 2. Enter here and on 1040 line 8.

Dividend Income

4 Dividend income (list name of payer - include on this line capital gain distribution, non tax distributions, etc.) ____

- 5 Add the amounts on line 4.
6 Capital gain distributions.
7 Nontaxable distributions.

- 8 Add lines 6 & 7.
- 9 Subtract line 8 from line 5. Enter here and on 1040 ln 9a.

SCHEDULE G - INCOME AVERAGING

STEP 1: Add your income from 1983 - 1985.

- 198 3 1. Enter the amount from your 1983 Form 1040 (line 37)
- 198 4 2. Enter the amount from your 1984 Form 1040 (line 37)
- 198 5 3. Enter the amount from your 1985 Form 1040 (line 37)
- Tot a l 4. Enter all income less deductions earned outside USA and
excluded for 1983 through 1985.
5. Add lines 1 through 4.

STEP 2: FIGURE YOU AVERAGEABLE INCOME

6. Divide the amount on line 5 by 3.
7. Multiply the amt on line 6 by 140%.
8. Enter your taxable income for 1986: Form 1040, ln 37.
9. see instructions for prem. distributions
10. Subtract line 9 from line 8.
11. see instructions if filing separate return.
12. Subtract line 11 from line 10.
13. Enter the amount from line 7.
14. Subtract ln 13 from 12. AVERAGEABLE INCOME.

STEP 3: FIGURE YOUR TAX

15. Multiply line 14 by 25%.
 16. Enter the amt on line 7.
 17. Add lines 15 & 16.
 18. Amount from line 11.
 19. Add lines 17 & 18.
 20. Tax on line 19.
 21. Tax on line 17.
 22. Tax on line 16.
 23. Subtract line 22 from line 21.
 24. Multiply line 23 by 3.
 25. Tax on line 8.
 26. Tax on line 10.
 27. Subtract line 26 from line 25.
 28. Add lines 20, 24, and 27.
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SCHEDULE W: Deduction for a Married Couple When Both Work.

STEP 1: FIGURE YOUR EARNED INCOME.

- 1 Wages, etc. From Form 1040 line 7.
- 2 Net profit from self-employment
- 3 Add lines 1 and 2. This is your total earned income.

STEP 2: FIGURE YOUR QUALIFIED EARNED INCOME.

- 4 Add amounts on Form 1040 lines 25 through 27.
- 5 Subtract line 4 from line 3.

STEP 3: FIGURE YOUR DEDUCTION.

- 6 Enter smaller figure in line 5.
- 7 Percentage used to figure the deduction.
- 8 Multiply line 6 by line 7.

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FORM 2441: CREDIT FOR CHILD and Dependent Care Expenses

- 1 Number of qualifying persons you cared for in 1986.
- 2 Amount of qualified expenses for care of qualifying persons.
- 3a Earned income
- b Spouses earned income
- c Smaller of line 3a and 3b.
- 4 If unmarried at end of '86 enter smaller of line 2 and 3a.
If married at end of '86 enter smaller of line 2 and 3c.
- 5 Enter percentage from the following table.

Line 33 Percentage

0	30.00%
10001	29.00%
12001	28.00%
14001	27.00%
16001	26.00%
18001	25.00%
20001	24.00%
22001	23.00%
24001	22.00%
26001	21.00%
28001	20.00%

- 6 Multiply amt on line 4 by line 5.
- 7 Multiply '85 exp pd in '86 by percent on table on Form 2441
- 8 Add lines 6 & 7. MAXIMUM CHILD CARE EXPENSES.

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