

1978

Department of the Treasury
Internal Revenue Service

Instructions for

Form 1040

and for Schedules A, B, C, D, E, F, R, RP, and SE

(Tax Tables—
pages 31-42)

Tax Law Changes

Congress recently enacted legislation that allows credits for energy saving expenses for your personal residence. Line 45 of Form 1040 should be used to claim these credits. Congress also enacted legislation that, among other things, raises the capital gains exclusion starting November 1, 1978, and changes the treatment of the sale of a personal residence for individuals 55 and over. These changes are reflected in the 1978 forms and instructions. See the Highlights on page 3 for more information.

From the Commissioner

These instructions contain information needed to complete Form 1040 and Schedules A, B, C, D, E, F, R, RP, and SE. Form 1040 appears to be the right form for you, but before starting it, please check to see if you can file Form 1040A instead. Form 1040A is an easier form to complete and you should file it if you can. (See page 4 of the instructions—"Which Form to File.")

Although the appearance of Form 1040 is somewhat different from last year's form, the line items are the same.

If you do your own return, the revised instructions this year should help you. They have been rewritten in simpler language and have been rearranged to follow the lines on the form more closely.

If you decide to have someone else prepare your return, select a qualified person. If you pay a preparer, the law requires the preparer to sign the return, enter the preparer's identifying numbers, and give you a copy of the return.

Ask your preparer to consider whether you can file Form 1040A instead of Form 1040.

We are always looking for ways to improve our forms and instructions. If you have any suggestions for improvement please write to us.

If you need help, please call us at the number listed for your area on page 46, or visit an IRS office.

After you complete your return, please check to make sure it is correct, sign it and then file it early. Thank you for your cooperation.



Jerome Kurtz
Commissioner of Internal Revenue

Earned Income Credit (If your income is less than \$8,000, read this page carefully.)

What Does the Earned Income Credit Do?

The earned income credit helps many taxpayers who have small incomes. If you can take the earned income credit, you can subtract it from tax you owe or get a refund even if you had no tax withheld from your pay. The credit can go as high as \$400.

What is Earned Income?

In most cases, you had earned income if you worked last year. Earned income includes:

- wages, salaries, and tips, minus any disability income exclusion you might be allowed.
- anything else of value (money, goods, or services) you get from your employer for services you performed.
- earnings from self-employment—this is usually the amount shown on Schedule SE (Form 1040), line 13. If you had a net loss from self-employment, see the note at the top of page 27.

Earned income does not include items such as dividends, interest, social security payments, welfare benefits, or veterans' benefits.

Who Can't Take the Earned Income Credit?

You can't take the credit if:

- you are married filing a separate return and you checked Filing Status Box 3 on Form 1040; or
- you file Form 2555 to exempt income earned overseas; or
- you file Form 4563 to exclude income earned from sources in U.S. possessions.

To see if you can take the Earned Income Credit, please answer the questions below

1. Is the amount you listed on Form 1040, line 31, less than \$8,000? Yes No
2. Does the amount on line 31 include any wages, salaries, or other earned income? Yes No
3. In 1978 did you pay **more** than half of the cost of keeping up a home (owned or rented) in the U.S.? Yes No

(If you receive payments under the Aid to Families with Dependent Children (AFDC) program and use them to pay part of the cost of keeping up this home, you may not count these amounts as furnished by you when you answer question 3.)

4. Did you live in this home? Yes No
5. Did your child live with you full time except when he or she was away at school or on vacation? (See Note 1, below.) Yes No
6. If you answered Yes to question 5, was the child:
 - under 19; or
 - a full-time student; or
 - disabled and your dependent? Yes No

If you answered **No** to any question, you can't take the earned income credit. Do not fill in the worksheet.

If you answered **Yes** to all the questions, you may be able to take the credit. Use the Earned Income Credit Worksheet to figure the amount of any credit.

Note 1—The term child includes:

- Your son or daughter;
- Your stepchild, adopted child, or a child placed with you by an authorized placement agency for legal adoption (even if the child became your stepchild or adopted child, or was placed with you, during the year); OR
- Any other child who you cared for as your own child for the whole year, unless the child's natural or adoptive parents provided more than half of the support for that year.

Earned Income Credit Worksheet

Do NOT file this worksheet with your return—Keep it for your tax records

How to Figure Your Credit. Follow the instructions for each line below.		
1. Enter the amount from Form 1040, line 8. Caution: If you were under age 65 at the end of 1978, and did not take the disability income exclusion, include any disability income you listed on either Schedule E (Form 1040), line 5, or on Form 1040, line 17. Include only that part of disability income for periods prior to reaching minimum retirement age.	\$	
2. Enter the amount, if any, from Form 1040, line 30.		
3. Subtract line 2 from line 1.		
4. If you were self-employed, enter the amount, even if a loss, from Schedule SE, line 13. (If you have self-employment income that you reported on line 1 above, do not include it here. Also, do not include any amounts that are not included in income such as the rental allowance or rental value of a parsonage furnished to a minister.)		
5. Earned income. Add lines 3 and 4. However, if line 4 is a loss, subtract line 4 from line 3. If the amount on line 5 is \$0 or less, do not complete the rest of this worksheet; you cannot take the credit.		
6. Enter the amount from Form 1040, line 31.		
7. Enter the amount from line 5 or line 6 above, whichever is larger.		
8. Enter 10% of line 5 but do not enter more than \$400. <ul style="list-style-type: none"> • If line 7 is more than \$4,000, complete lines 9 through 13. • If line 7 is \$4,000 or less, do not complete the rest of this worksheet. Enter the amount from line 8 on Form 1040, line 57. Also write the first name of your child who qualifies you for the credit in the space provided on line 57. See Note 2 below. 		
9. Enter the amount listed on line 7. (If \$4,000 or less, you should have stopped on line 8.)		
10. Less		- 4,000.00
11. Balance (subtract line 10 from line 9).		
12. Enter 10% of line 11.		
13. Subtract line 12 from line 8. This is your earned income credit. Enter this amount on Form 1040, line 57. Also write the first name of your child who qualifies you for the credit in the space provided on line 57. See Note 2 below. ▶		\$
Note 2 —If you have more than one child who qualifies you for the credit, only enter the first name of one of the children.		

Highlights for 1978

Please note these important reminders for this year.

Energy Credits

If you had certain energy saving expenditures for your residence after April 19, 1977, you may be able to take a credit on line 45 of your 1978 Form 1040. The credit is allowed for expenditures for items such as storm windows, insulation, etc. **Form 5695, Energy Credits**, will tell you which expenses qualify and how to figure the credit.

There is also a new investment credit allowed for expenditures for energy property used in a trade or business. See **Schedule B (Form 3468), Computation of Business Energy Investment Credit**, for details.

Capital Gains

The amount of long-term capital gain that can be excluded has increased from 50% to 60% effective November 1, 1978. If you received capital gain distributions, see the instructions for Form 1040, line 15. If you had other capital gains, see the instructions for **Schedule D**.

As part of your tax planning for 1979, you should note that the alternative tax computation for capital gains will expire after 1978.

Sale of Personal Residence

For sales after July 26, 1978, individuals

55 and over are allowed a one-time exclusion of up to \$100,000 of profit on the sale of their personal residence. This replaces the provision that allowed individuals 65 and over to exclude all of the profit on the sale of their residence if the sales price was less than \$35,000.

IRS Will Figure Credit for the Elderly

If you want us to figure your credit for the elderly, please see the instructions for **IRS Will Figure Your Tax and Some of Your Credits** on pages 4 and 5 of the instructions.

Privacy Act Notice

The Privacy Act of 1974 says that each Federal agency that asks you for information must tell you:

- Its legal right to ask for the information and whether the law says you must give it.
- What major purposes the agency has in asking for it, and how it will be used.
- What could happen if the agency does not receive it.

For the Internal Revenue Service, the law covers:

- Tax returns and any papers filed with them.
- Any questions we need to ask you so we can—

Complete, correct, or process your return.

Figure your tax.

Collect tax, interest, or penalties.

Our legal right to ask for information is Internal Revenue Code sections 6001 and 6011 and their regulations. They say that

you must file a return or statement with us for any tax you are liable for. Code section 6109 and its regulations say that you must show your social security number on what you file. This is so we know who you are, and can process your return and 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.

We ask for tax return information to carry out the Internal Revenue laws of the United States. We need it to figure and collect the right amount of tax.

We may give the information to the Department of Justice and to other Federal agencies, as provided by law. We may also give it to States, the District of Columbia, and U.S. commonwealths or possessions to carry out their tax laws. And we may give it to foreign governments because of tax treaties they have with the U.S.

If a return is not filed, or if we don't receive the information we ask for, the law provides that a penalty may be charged. And we may 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.

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.

This is the only notice we must give you to explain the Privacy Act. However, we may give you other notices if we have to examine your return or collect any tax, interest, or penalties.

Where to File

Please use the addressed envelope that came with your return, or use the address for your State. If you do not have an addressed envelope, or if you moved during the year, mail your return to the Internal Revenue Service Center for the place where you live.

Alabama—Atlanta, GA 31101
Alaska—Ogden, UT 84201
Arizona—Ogden, UT 84201
Arkansas—Austin, TX 73301
California—Fresno, CA 93888
Colorado—Ogden, UT 84201
Connecticut—Andover, MA 05501
Delaware—Philadelphia, PA 19255
District of Columbia—Philadelphia, PA 19255
Florida—Atlanta, GA 31101
Georgia—Atlanta, GA 31101
Hawaii—Fresno, CA 93888
Idaho—Ogden, UT 84201

Illinois—Kansas City, MO 64999
Indiana—Memphis, TN 37501
Iowa—Kansas City, MO 64999
Kansas—Austin, TX 73301
Kentucky—Memphis, TN 37501
Louisiana—Austin, TX 73301
Maine—Andover, MA 05501
Maryland—Philadelphia, PA 19255
Massachusetts—Andover, MA 05501
Michigan—Cincinnati, OH 45999
Minnesota—Ogden, UT 84201
Mississippi—Atlanta, GA 31101
Missouri—Kansas City, MO 64999
Montana—Ogden, UT 84201
Nebraska—Ogden, UT 84201
Nevada—Ogden, UT 84201
New Hampshire—Andover, MA 05501
New Jersey—Holtsville, NY 00501
New Mexico—Austin, TX 73301
New York—New York City and Counties of Nassau, Rockland,

Suffolk and Westchester—Holtsville, NY 00501
All Other Counties—Andover, MA 05501
North Carolina—Memphis, TN 37501
North Dakota—Ogden, UT 84201
Ohio—Cincinnati, OH 45999
Oklahoma—Austin, TX 73301
Oregon—Ogden, UT 84201
Pennsylvania—Philadelphia, PA 19255
Rhode Island—Andover, MA 05501
South Carolina—Atlanta, GA 31101
South Dakota—Ogden, UT 84201
Tennessee—Memphis, TN 37501
Texas—Austin, TX 73301
Utah—Ogden, UT 84201
Vermont—Andover, MA 05501
Virginia—Memphis, TN 37501
Washington—Ogden, UT 84201
West Virginia—Memphis, TN 37501

Wisconsin—Kansas City, MO 64999
Wyoming—Ogden, UT 84201

Panama Canal Zone, American Samoa—Philadelphia, PA 19255
Guam—Commissioner of Revenue and Taxation, Agaña, GU 96910
Puerto Rico (or if excluding income under Section 933)—Philadelphia, PA 19255
Virgin Islands: Non-permanent residents—Philadelphia, PA 19255
Virgin Islands: Permanent residents—Department of Finance, Tax Division, Charlotte Amalie, St. Thomas, VI 00801
Foreign country and have an A.P.O. or F.P.O. address—Center for your permanent home State
Foreign country: U.S. citizens and those excluding income under section 911 or 931—Philadelphia, PA 19255

Form 1040 General Instructions

Who Must File

Your income and your filing status generally determine whether or not you must file a tax return.

File a return for 1978, even if you owe no tax, if you:	And your income was at least:
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Were single (this also means legally separated, divorced, or married with a dependent child and lived apart from your spouse for the whole year) and:	
Under 65	\$2,950
65 or over	3,700

Were married filing a joint return and living with your spouse at the end of 1978 (or on the date your spouse died), and:	
Both were under 65	4,700
One was 65 or over	5,450
Both were 65 or over	6,200

Were married filing a separate return or married but not living with your spouse at the end of 1978	750
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Could be claimed as a dependent on your parent's return, and had taxable dividends, interest, or other unearned income of \$750 or more	750
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Were a qualifying widow(er) with dependent child and:	
Under 65	3,950
65 or over	4,700

Were allowed to exclude income from sources within U.S. possessions	750
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Were self-employed and your net earnings from this work were at least \$400	
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Even if your income is less than the amounts shown above, you must file a return if you owe any taxes, such as:

- FICA (Social Security) on tips you did not report to your employer.
- Minimum Tax.
- Tax on an IRA (Individual Retirement Arrangement).
- Tax from recomputing a prior year investment credit.

The above rules apply to all U.S. citizens and resident aliens, including those under 21 years of age. They also apply to those nonresident aliens and resident aliens who are married to citizens or residents of the U.S. at the end of 1978 and who file a joint return as discussed on page 6, under **Filing Status**.

Note: Different rules apply if you were a nonresident alien at any time during 1978 (unless you file a joint return as mentioned above). You may need **Form 1040NR, U.S. Nonresident Alien Income Tax Return**. Also get **Publication 519, United States Tax Guide for Aliens**.

Who Should File

Even if you do not have to file, you should file to get a refund if income tax was withheld from your pay. Also file if you can take the earned income credit. If you file for either of these reasons only, you may be able to use Form 1040A.

Which Form to File

You MAY Be Able to Use Form 1040A if:

- You had **only** wages, salaries, tips, or other employee compensation and not more than \$400 in interest or \$400 in dividends. (You may file Form 1040A even if your interest or dividend income was more than \$400 if you are filing only to get an earned income credit refund), **AND**
- Your total income is \$20,000 or less (\$40,000 or less if you are married and filing a joint return).

Since Form 1040A is easier to complete than Form 1040, you should use it if you can. However, even if you meet the above tests, you may still have to file Form 1040.

You Must Use Form 1040 if:

- You itemize deductions.
- You claim more exemptions than are covered in the tax table for your filing status.
- Your spouse files a separate return and itemizes deductions. Exception: You can still use Form 1040A if you have a dependent child and can meet the tests on page 6 under Married Persons Who Live Apart (and Abandoned Spouses).
- You can be claimed as a dependent on your parent's return and had interest, dividends, or other unearned income of \$750 or more, **AND** had earned income of less than \$2,200 if single (less than \$1,600 if married filing a separate return).
- You are a qualifying widow(er) with a dependent child.
- You were a nonresident alien during any part of 1978 and do not file a joint return (or **Form 1040NR**).
- You were married to a nonresident alien at the end of 1978 who had U.S. source income and you do not file a joint return. Exception: You can still use Form 1040A if you meet the tests on page 6 under Married Persons Who Live Apart (and Abandoned Spouses).
- You take any of the Adjustments to Income shown on Form 1040, lines 22 through 27, or line 30.
- You file any of these forms:
 - Form 1040-ES, Declaration of Estimated Tax for Individuals, for 1978 (or if you want to apply any part of your 1978 refund to estimated tax for 1979).
 - Schedule G, Income Averaging.

—Form 2210, Underpayment of Estimated Income Tax by Individuals.

—Form 2555, Exemption of Income Earned Abroad.

—Form 4563, Exclusion of Income from Sources in United States Possessions.

- You owe any of the taxes on Form 1040, line 36 or lines 48 through 53.
- You claim any of the credits on Form 1040, lines 39 through 45.
- You claim any of the payments on Form 1040, lines 58, 60, or 61.
- You are required to complete Part III of Schedule B for Foreign Accounts and Foreign Trusts (see page 18 of Instructions).

When to File

You should file as soon as you can after January 1, but not later than April 16, 1979. If you file late you may have to pay penalties and interest. Please see the instructions for **Penalties and Interest** on page 14. If you know that you cannot meet the April 16 deadline, you should ask for an extension on **Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return**.

IRS Will Figure Your Tax and Some of Your Credits

If you want us to, we will figure your tax for you. You won't even have to visit an IRS office. We will make sure it's figured the way that will let you pay the smallest amount. If you paid too much, we will send you a refund. If you did not pay enough, we will bill you for the balance. You will not be charged interest or penalty if the bill for tax due is paid within 30 days of the notice date, or by the due date for your return, whichever is later.

We can figure your tax if you meet the conditions below.

- All of your income for 1978 was from one or more of these:
 - a. Salaries and Wages.
 - b. Tips.
 - c. Interest.
 - d. Dividends.
 - e. Pensions or Annuities.
- You do not itemize deductions.
- You do not file **Schedule G, Income Averaging**.
- You do not file **Form 2555, Exemption of Income Earned Abroad**.
- Your adjusted gross income (line 31) is not more than \$20,000 (not more than \$40,000 if you are married and filing a joint return or as a qualifying widow(er)).
- You (and your spouse if filing a joint return) sign and date your return and mail it on or before April 16, 1979.
- You give enough information so that we can figure the tax. Please read the following instructions.
 - a. Fill in the parts of your return through line 31 that apply to you. The

Line-By-Line Instructions which start on page 6 explain how to fill in your return.

b. If you are filing a joint return, use the space under the words "Adjustments to Income" on the front of your return to show your adjusted gross income and your spouse's adjusted gross income separately.

c. Read lines 38 through 61. Fill in the lines that apply to you, but do not fill in the total lines. See the instruction below if you want us to figure your Credit for the Elderly or Earned Income Credit.

d. Fill in any forms or schedules asked for on the lines you completed and attach them to the return when you file it.

We will figure some of your credits, too. Fill in your return through line 31 as explained above. Follow the instructions below and sign, date, and mail it before the due date. We will then figure these credits if you qualify:

Credit for the elderly. Follow the instructions below. Be sure to attach the schedule to your return. Write "CFE" on Form 1040, line 39.

Schedule R.—Check the box for your filing status and age, and fill in line 2(a).

Schedule RP.—Enter the name of the public retirement system. Also check the box for your filing status and age, and fill in lines 2 and 5.

Earned income credit. On line 57 of your return write "EIC" and the name of your child who qualified you for the credit.

Other Information

Death of Taxpayer

Did the taxpayer die before filing a return for 1978?—If so, the taxpayer's spouse or personal representative must file the return for the person who died. A personal representative can be an executor, administrator, or anyone who is in charge of the taxpayer's property.

If the taxpayer did not have to file a return but had tax withheld, a return must be filed to get a refund.

If your spouse died in 1978 and you did not remarry in 1978, you can file a joint return. You can also file a joint return if your spouse died in 1979 before filing a return.

A joint return should show your spouse's 1978 income before death and your income for all of 1978. Please write "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. Show the date of death in the name and address space of Form 1040.

If you want more details, please get **Publication 559**, Federal Tax Guide for Survivors, Executors, and Administrators.

U.S. Citizens Living Abroad

Generally, foreign source income must be reported on your return. Please get **Publication 54**, Tax Guide for U.S. Citizens Abroad.

Steps for Preparing Your Return

We have set up this year's instructions using 9 steps. You should complete the first 4 (below) BEFORE you begin to fill out your return.

Then, you may find it helpful to follow the Line-By-Line Instructions. They begin on page 6 and end on page 14.

Finally, steps 6 through 9 are on page 14. They are the steps you should take after your Form 1040 (and other schedules and forms you need) are filled in.

If you follow these steps and read the Line-By-Line Instructions, we feel you can fill in your return quickly and accurately. If you have any questions, call or visit an Internal Revenue Service office.

Step 1

Get all of your income records together

These include any Forms **W-2**, **W-2G**, **W-2P**, **1087**, and **1099** that you may have. If you don't get a Form **W-2** by January 31, or if the one you get isn't correct, please contact your employer as soon as possible. Only your employer can give you a Form **W-2**, or correct it. If you cannot get a Form **W-2** by February 15, please contact an IRS office.

If you have someone prepare your return for you, make sure they have all your income records and expense records so they can fill in your return correctly. Remember, if someone else prepares your return incorrectly—you are still responsible.

Step 2

If you plan to take tax credits or itemize deductions, get all the information and expense records you will need

Pages 12 through 18 of these instructions tell you what credits and deductions you can take. Some of the records you may need are:

- Medical and dental payment records.
- Real estate and personal property tax receipts.
- Interest payment records for items such as a home mortgage and installment payments on cars or appliances.

Step 3

Get any forms, schedules, or publications you need

In general, we mail forms and schedules directly to you based on what you filed last year. Before you fill in your return, you may want to look it over to see if you need more forms or schedules.

If you think you will need any other forms, get them before you start completing your return. Please check with your local bank or post office, or any IRS office for them. Or, you can use the order blank on the next to the last page of these instructions. We will send you the forms, schedules, and publications you ask for.

Step 4

Use the mailing label on the forms we sent you and make sure it is correct

If it isn't, please correct it. If the label is for a joint return and the social security numbers are not listed in the same order as the first names, show the numbers in the correct order.

If you have an apartment number that isn't shown on the label, please list it.

Do not attach your label until you finish filling in your return and recheck all entries.

If you don't have a social security number, please get **Form SS-5** from a Social Security Administration (SSA) office, post office, or IRS office. File it with your local SSA office early enough to get your number before April 16. If you do not get the number by then, file your return without it and write "Applied for" in the block for your social security number.

Step 5

Fill in your return

We have listed Line-by-Line Instructions for filling in the Form 1040. The instructions begin on page 6 and end on page 14. Please follow them.

Step 6 picks up on page 14.

Line-By-Line Instructions— Form 1040

Name, Address, and Social Security Number Blocks

Please use the mailing label on the forms we sent you. If you did not receive forms with a label, print or type your name and address. If you are married, give social security numbers for both you and your spouse whether you file joint or separate returns.

If you are filing a joint return, please show the social security numbers in the same order that you show your first names. If you are filing a joint return and use different last names, please separate the last names with an "and." For example: "Brown and Smith." Be sure to show the last names in the same order that you showed the first names.

Remember to show your occupations in the spaces in the upper right corner just below the social security number blocks.

Presidential Election Campaign Fund

You may have \$1 go to this fund by checking the **Yes** box. On a joint return, both of you may choose to have \$1 go to this fund, or, both may choose not to. One may choose to have \$1 go to this fund and the other may choose not to.

If you check **Yes**, it will not change the tax or refund shown on your return.

Do not claim this amount as a credit for contributions to candidates for public office on line 38.

Filing Status

Boxes 1 through 5

Were You Single or Married?

If you were single, divorced, or legally separated on December 31, consider yourself single for the whole year. (You must follow your State law to determine if you are divorced or legally separated.)

If you were married on December 31, consider yourself married for the whole year. If you meet the tests for *Married Persons Who Live Apart (and Abandoned Spouses)*, below, you may consider yourself single for the whole year.

If your spouse died during 1978, consider yourself married to that spouse for the whole year, unless you remarried before the end of 1978.

Married Persons—

Joint or Separate Returns?

Joint Return.—In most cases, married couples will pay less tax if they file a joint return. You must report all income, exemptions, deductions, and credits for you and your spouse. Both of you must sign the return, even if only one of you had income.

You and your spouse can file a joint return even if you did not live together for the whole year. Both of you are responsible for any tax due on a joint

return, so if one of you does not pay, the other may have to.

If your spouse died in 1978, or in 1979 before filing a return for 1978, write in the signature area "Filing as surviving spouse." Show the date of death in the name and address space.

Tax Savings.—If you decide not to file a joint return and plan to file a separate return, see if you can reduce your tax by meeting the tests described below under *Married Persons Who Live Apart (and Abandoned Spouses)*. If you can, you should check Box 1 for Single or, if you qualify, Box 4 for Unmarried head of household.

Special Rule for Aliens.—If at the end of 1978, you were a nonresident alien married to a citizen or resident of the United States, you may be able to file a joint return with your spouse. If you do file a joint return, you and your spouse must agree to be taxed on your combined worldwide income.

For more details, please get **Publication 519**, United States Tax Guide for Aliens.

Separate Returns.—You can file separate returns if both you and your spouse had income or if only one of you had income. If you both file, you and your spouse must figure your tax the same way. This means if one itemizes deductions, the other must itemize. You each report only your own income, exemptions, deductions, and credits, and you are responsible only for the tax due on your own return.

If both you and your spouse file separate returns, write your spouse's full name in the space after Box 3.

If your spouse does not file, check the boxes on line 6b that apply if you can claim the exemptions for your spouse. Please see the instructions for **Exemptions** on page 7.

Community Property States.—Community property States are: Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas and Washington. If you and your spouse live in a community property State, you must follow State law to determine what is community income and what is separate income.

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

Married Persons Who Live Apart (and Abandoned Spouses).—Some married persons who do not live with their husband or wife (and abandoned spouses) may file as Single or as Unmarried head of household and take advantage of tax rates that are lower than those for married persons filing separate returns. This means that you may be able to claim the earned income credit. It also means that if your spouse itemizes deductions, you do not have to. Both you and your spouse can file this way if both meet the tests.

You should check box 1 for Single if you meet ALL of the following tests:

a. You file a separate return.

- b.** You paid more than half the cost to keep up your home for 1978.
- c.** Your spouse did not live with you at any time during 1978.
- d.** For over six months of 1978, your home was the main home of your child or stepchild **whom you can claim as a dependent.**

You should check Box 4 for Unmarried head of household if your home in test **d**, above, was the dependent child's main home for ALL of 1978. The tax rates for Unmarried head of household are even lower than the rates for Single.

Were You an Unmarried Head of Household?

There are special tax rates for a person who can meet the tests for Unmarried head of household. These rates are lower than the rates for Single or Married filing a separate return.

You may use this filing status **ONLY IF** on December 31, 1978, you were unmarried (including certain married persons who live apart (and abandoned spouses)) or legally separated and meet test **a.** or **b.** below:

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

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

1. Your unmarried child, grandchild, foster child or stepchild. (This person did not have to be your dependent.)

2. Any other person listed below whom you can claim as a dependent. However, this person does not qualify if he or she is your dependent under the rules on page 8 for Dependent Supported by Two or More Taxpayers.

Grandparent	Stepfather	Daughter-in-law or
Brother	Mother-in-law	If related by blood:
Sister	Father-in-law	Uncle
Stepbrother	Brother-in-law	Aunt
Stepsister	Sister-in-law	Nephew
Stepmother	Son-in-law	Niece

Note: If you file as *Unmarried head of household*, please enter the name of the person who qualifies you in the space after Box 4. If more than one person qualifies you, enter only one person's name.

If you were married to a nonresident alien, you may qualify as Unmarried head of household. Consult an IRS office for more information.

Were You a Qualifying Widow or Widower With a Dependent Child?

If so, you may be able to use joint return tax rates for 1978 and use Tax Table B or Tax Rate Schedule Y.

If your spouse died during 1977 or 1976 and you did not remarry before the end of 1978, file a return for 1978 showing only your own income, exemptions, deductions, and credits. However, you can figure your tax at joint return rates if you meet all 3 of the following tests.

a. You could have filed a joint return with your spouse for the year your spouse died. (It does not matter whether you actually filed a joint return.)

- b.** Your dependent child or stepchild lived with you (except for temporary absences for vacation and school).
- c.** You paid over half the cost of keeping up the home for this child for the whole year.

Check Box 5, Qualifying widow(er) with dependent child, and show in the space provided the year your spouse died. **Do not** claim an exemption for your spouse. You can claim the exemption only for the year your spouse died.

If your spouse died in 1978 and you did not remarry, consider yourself married for the whole year. If your spouse died before 1976 and you did not remarry, you may check Box 4 if you met the tests under **Were You an Unmarried Head of Household?** Otherwise you must file as Single.

Exemptions

Line 6a Boxes

For Yourself

You can always take one exemption for yourself. Take two exemptions if you were blind, or 65 or over. Take three exemptions if you were blind and 65 or over. Be sure to check all the boxes on line 6a for the exemptions you can take for yourself.

You can take the extra exemptions for age 65 or over and blindness only for yourself and your spouse. You cannot take them for dependents.

Age and blindness are determined as of December 31. However, if your 65th birthday was on January 1, 1979, you can take the extra exemption for age for 1978.

Proof of Blindness

If you or your spouse is completely blind, attach a statement to this effect.

In cases of partial blindness, you must submit with your return each year a certified statement from an eye physician or registered optometrist that:

- a.** You cannot see better than 20/200 with glasses, or
- b.** Your field of view is not more than 20 degrees.

If this eye condition will never improve beyond the standards in a or b, you may submit a certified opinion to this effect from an examining eye physician. You must only attach this certification to your return once. In later years you can just attach a statement referring to it.

Line 6b Boxes

For Your Spouse

You can take exemptions for your spouse if you file a joint return. If you file a separate return you can take your spouse's exemptions only if your spouse is not filing a return, had no income, and was not the dependent of someone else.

Your spouse's exemptions are like your own. Take one exemption if your spouse was neither blind nor 65 or over. Take two exemptions if blind or 65 or over. Take three exemptions if blind and 65 or over. Be sure to check all the boxes on line 6b

for the exemptions you can take for your spouse.

If at the end of 1978, you were divorced or legally separated, you cannot take an exemption for your former spouse. If you were separated by a divorce that is not final (interlocutory decree), you may take an exemption for your spouse if you file a joint return.

If your spouse died during 1978 and you did not remarry before the end of 1978, check the boxes for the exemptions you could have taken for your spouse on the date of death.

Nonresident Alien Spouse.—If you do not file a joint return, you may claim your spouse's exemptions only if your spouse had no income from United States sources and is not the dependent of another taxpayer. Use the boxes on line 6b to claim exemptions for a nonresident alien spouse. When claiming your spouse's exemption, please write "NRA" above the word Spouse on line 6b.

Lines 6c and 6d

Children and Other Dependents

Please enter on line 6c the first names of your dependent children who lived with you. Fill in the total number in the box to the right of the arrow.

Please enter on line 6d the full names and other information for your other dependents. Fill in the total number in the box to the right of the arrow.

Each person you claim as a dependent has to meet ALL of these tests:

- a.** income;
- b.** support;
- c.** married dependent;
- d.** citizenship or residence; and
- e.** relationship.

These tests are explained below.

a. Income

The dependent received less than \$750 gross income. (This test does not have to be met for your child who was under 19 or a full-time student at least 5 months of the year. Please see instructions for **Student Dependent** on this page.)

b. Support

The dependent received over half of his or her support from you or is treated as receiving over half of his or her support from you under rules for **Children of Divorced or Separated Parents** or **Dependent Supported by Two or More Taxpayers** on page 8. If you file a joint return, the support can be from you or your spouse.

Support includes items such as food, a place to live, clothes, medical and dental care, and education. In figuring support, use the actual cost of these items. However, the cost of a place to live is figured at its fair rental value.

Do not include in support items such as income and social security taxes, premiums for life insurance, or funeral expenses.

Capital Items—You must include capital items such as a car or furniture in figuring support, but only if these items are actually given to, or purchased by, the

dependent for the dependent's use or benefit. Do not include the cost of a capital item such as furniture for the household or for use by persons other than the dependent.

In figuring total support, you must include money the dependent used for his or her own support, even if this money was not taxable. (For example, include social security benefits, gifts, savings, welfare benefits, etc.) If your child was a student, do not include amounts he or she received as scholarships.

c. Married Dependent

The dependent did not file a joint return with his or her spouse.

d. Citizenship or Residence

The dependent was a citizen or resident of the U.S., a resident of Canada or Mexico, or an alien child adopted by and living with a U.S. citizen in a foreign country.

e. Relationship

The dependent met test 1. or 2. below.

1. Was related to you (or your spouse if you are filing a joint return) in one of the following ways:

Child	Stepbrother	Son-in-law
Stepchild	Stepsister	Daughter-in-law
Mother	Stepmother	or, if related by blood:
Father	Stepfather	Uncle
Grandparent	Mother-in-law	Aunt
Brother	Father-in-law	Nephew
Sister	Brother-in-law	Niece
Grandchild	Sister-in-law	

2. Was any other person who lived in your home as a member of your household for the whole year.

The term child includes:

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

Student Dependent.—Even if your child had income of \$750 or more, you can claim him or her as a dependent if he or she can meet tests **b.**, **c.**, and **d.** above; **AND**

- was enrolled as a full-time student at a school during any 5 months of 1978, or
- took a full-time, on-farm training course during any 5 months of 1978. (The course had to be given by a school or a State, county, or local government agency.)

The school must have a regular teaching staff, course of study, and a regularly enrolled body of pupils or students in attendance.

The term school includes:

- elementary, junior and senior high schools;
- colleges and universities;
- technical, trade, and mechanical schools; and
- night schools in which the student is enrolled for the number of hours or classes that is considered full-time attendance at a similar day school.

The term *school* does not include on-the-job training courses or correspondence schools.

Children of Divorced or Separated Parents.—If a child's parents together paid more than half of the child's support, the parent who has custody for most of the year can generally take the exemption for that child. However, the parent who does **NOT** have custody (or who has the child for the shorter time), may take the exemption if **a.** or **b.** below, applies.

a. That parent gave at least \$600 toward the child's support in 1978, and the decree of divorce or separate maintenance (or a written agreement between the parents) states he or she can take the exemption, OR

b. That parent gave \$1,200 or more for each child's support in 1978, and the parent who had custody cannot prove that he or she gave more than the other parent.

Note: To figure the amount of child support, a parent who has remarried and has custody may count the support furnished by the new spouse.

Dependent Supported by Two or More Taxpayers.—Sometimes two or more taxpayers together pay more than half of another person's support, but no one alone pays over half of the support. One of the taxpayers may claim the person as a dependent **only** if the income, married dependent, citizenship or residence, and relationship tests discussed on page 7 (tests **a.**, **c.**, **d.**, and **e.**) are met.

In addition, the taxpayer claiming the dependent must:

a. have paid more than 10% of the dependent's support; and

b. attach to his or her tax return a signed **Form 2120, Multiple Support Declaration**, from every other person who paid more than 10% of the support. This form states that the person who signs it will not claim the person he or she helped to support.

Birth or Death of Dependent.—You can take an exemption for a dependent who was born or who died during 1978 if he or she met the tests for a dependent while alive. This means that a baby who lived only a few minutes can be claimed as a dependent.

For more information, please get **Publication 501, Your Exemptions and Exemptions for Dependents.**

Line 7

Add the numbers you entered in the boxes for lines 6a, b, c, and d. Enter the total on this line.

Income

Examples of Income You Do Not Report

Federal social security benefits.

Welfare benefits.

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

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

Unemployment compensation paid by a State.

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

Dividends on veterans' life insurance.

Life insurance sums received at a person's death.

Interest on certain State and municipal bonds.

Amounts you received from an insurance company because you lost the use of your home due to fire or other casualty to the extent the amounts were more than the cost of your normal expenses while living in your home. (Reimbursements for normal living expenses must be reported as income.)

Amounts an employer contributed on your behalf and benefits provided to you as an employee or the spouse or dependent of an employee, under a qualified group legal services plan.

Examples of Income You Must Report

The following kinds of income should be reported on Form 1040, or related forms and schedules. You may need some of the forms and schedules listed.

Wages including salaries, bonuses, commissions, fees, and tips.

Dividends (Schedule B).

Interest (Schedule B) on:
tax refunds;
bank deposits, bonds, notes;
U.S. Savings Bonds;
certain arbitrage bonds issued by State and local governments; and
accounts with savings and loan associations, mutual savings banks, credit unions, etc.

Amounts received from accident and health plans in lieu of wages, if your employer paid for the policy.

Fair market value of goods or services you received in return for services you performed.

Alimony, separate maintenance or support payments received from and deductible by your spouse or a former spouse.

Refunds of State and local taxes if they were deducted in a prior year and resulted in a tax benefit.

Life insurance proceeds from a policy you cashed in if the proceeds are more than the premiums you paid.

Profits from businesses and professions (Schedule C).

Your share of profits from partnerships and small business corporations (Schedule E).

Profits from farming (Schedule F).

Pensions, annuities, endowments (Schedule E), including lump-sum distributions (Form 4972 or Form 5544).

Gains from the sale or exchange of real estate, securities, or other property (Schedule D or Form 4797).

Gain from the sale of your personal residence (Schedule D and Form 2119).

Rents and royalties (Schedule E).

Your share of estate or trust income, (Schedule E) including accumulation distribution from trusts (Form 4970).

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

Prizes and awards (contests, raffles, lottery and gambling winnings).

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

Fees received for jury duty and precinct election board duty.

Fees received as an executor or administrator of an estate, or as a director. Embezzled or other illegal income. Business expense reimbursements received that are more than you spent for these expenses.

Rounding Off to Whole Dollars

You may round off cents to the nearest whole dollar on your return and schedules. But, if you do round off, do so for all amounts. You can drop amounts under 50 cents. Increase amounts from 50 to 99 cents to the next dollar. For example: \$1.39 becomes \$1 and \$2.69 becomes \$3.

Line 8

Wages, Salaries, Tips, and Other Employee Compensation

Show the total of all wages, salaries, fees, commissions, tips, bonuses, supplemental unemployment benefits, and other amounts you were paid before taxes, insurance, etc. were taken out.

Include in this total:

a. The amount shown on **Form W-2** in the box **Wages, tips, other compensation**. Report all wages you received, even if you do not have a **Form W-2**.

b. Tips you did not report to your employer. (Show any social security tax due on these tips on line 51—see the instructions on page 12.)

c. Certain disability retirement income if you are under age 65. (**Form W-2P**)

d. Payments by insurance companies, etc., not included on **Form W-2**. If you receive sick-pay or a disability payment from anyone other than your employer, and it is not included in the wages shown on **Form W-2**, include it on line 8. Attach a separate statement showing the name and address of the payer and indicating the amount as sick-pay or disability income.

e. Fair market value of meals and living quarters if given by your employer as a matter of your choice and not for your employer's convenience. (Don't report the value of meals given you at work if they were provided for your employer's convenience. Also do not report the value of living quarters you had to accept as a condition of employment.)

f. Strike and lockout benefits paid by a union from union dues. Include cash and the fair market value of goods received. Don't report benefits that were meant as a gift.

Note: You must report on line 8 all wages, etc., paid for your personal services, even if the income was signed over to a trust, another person, a corporation, or tax exempt organization.

Please get **Publication 525, Taxable Income and Nontaxable Income**, if you want more information on reporting income received in the form of goods, property, meals, stock options, etc.

Line 9

Interest Income

Enter on line 9 your total interest income. If the total is more than \$400, first fill in Schedule B.

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

Interest Income You MUST Report—

- Accounts with banks, credit unions, and savings and loan associations.
- Building and loan accounts.
- Notes and loans.
- Tax refunds (report only the interest on them as interest income).
- Bonds and debentures. Also arbitrage bonds issued by State and local governments after October 9, 1969. (Do not report interest on other State and local bonds and securities.)
- The discount for the part of the year you held corporate bonds or other notes first issued at a discount after May 27, 1969.

- U.S. Savings Bonds. The interest is the yearly increase in the value of the bond. Interest on Series E bonds can be reported using method a. or b.

a. Report the total interest when you cash the bonds, or when they reach final maturity and no longer earn interest.

b. Or, each year on your return, report the yearly increase of the bonds' value.

If you change to method b, report the entire increase in all your bonds from the date they were issued. Each year after, report only the yearly increase. Once you have used method b to report interest, you must continue to do so for all your U.S. Savings Bonds.

For more information, get **Publication 550**, Tax Information on Investment Income and Expenses, or **Publication 537**, Tax Information on Installment and Deferred-Payment Sales.

Line 10a Dividends

Dividends are distributions of money, stock, or items of equal value paid by corporations to stockholders. They also include dividends you receive through a partnership or an estate or trust. Payers include nominees or other agents.

If the total, including capital gain and nontaxable distributions, is more than \$400, first fill in Schedule B. If you received \$400 or less in dividends, include only the ordinary dividends on line 10a.

Dividends Include

- **Ordinary Dividends**—These are paid out of earnings and profits and are ordinary income. Assume that any dividend you receive is an ordinary dividend unless the paying corporation tells you otherwise.
- **Capital gain distributions**—If you have other capital gains or losses, you should also enter your capital gain distributions on Schedule D. If you don't need Schedule D to report any other gains or losses or to figure the alternative tax, don't use it. Instead, show the taxable part of your capital gain distributions on Form 1040, line 15.
- **Nontaxable distributions**—In general, distributions that are NOT made out of earnings and profits are nontaxable. They are a return of your investment and will not be taxed until you recover your cost. You must reduce your cost (or other

basis) by the amount of nontaxable distributions received. Amounts received after your cost (or other basis) has been reduced to zero should be reported as capital gain.

Do Not Report as Dividends—

- Mutual insurance company dividends that reduced the premiums you paid.
- Amounts paid on deposits or accounts from which you could withdraw your money. For example, dividends paid by savings and loan associations, mutual savings banks, cooperative banks, and credit unions are actually interest. Remember to report these amounts as interest on Form 1040, line 9.

For more information, please get **Publication 550**, Tax Information on Investment Income and Expenses.

Line 10b Exclusion

You may exclude (subtract) up to \$100 of ordinary dividends received from qualifying domestic corporations.

If both you and your spouse had dividend income from jointly or separately owned stock, you may each subtract up to \$100 of dividend income even if you file a joint return. However, neither of you can use any part of the \$100 exclusion not used by the other in the case of stock owned separately.

For example, if you had \$300 in dividends and your spouse had \$20, only \$120 may be subtracted. If all of the stock on which the \$320 of dividends was received had been held jointly, then you and your spouse could subtract \$200 (\$100 each).

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

- Foreign corporations, including amounts from controlled foreign corporations.
- Exempt organizations (charitable, fraternal, etc.) and exempt farmers' cooperative organizations.
- Regulated investment companies, unless the companies have told you how much of the dividends qualify for the exclusion.
- Real estate investment trusts.
- Electing small business corporations to the extent the amounts are distributions out of current earnings and profits. However, for this purpose, current earnings and profits are limited to taxable income for the year.

Line 10c

Subtract line 10b from line 10a. Enter the balance on this line.

Line 11

State and Local Income Tax Refunds

If you received a refund or credit in 1978 for State or local income taxes you paid in 1977 or a prior year, you may have to report the refund as income on your Federal income tax return.

Do not report the refund as income if it was for a tax you paid in a year for which you did not itemize deductions on Schedule A (Form 1040).

If the refund was for a tax you paid in a

year for which you itemized deductions on Schedule A (Form 1040), report the entire refund as income if the entire deduction in the year of payment resulted in a Federal income tax savings. If only part of the deduction resulted in a Federal income tax savings, you need only report that part of the refund that resulted in the savings. (If you need help in figuring this amount, please contact an Internal Revenue Service office.)

If you itemize deductions for 1978, do not reduce the deduction for taxes by any refund of those taxes for a prior year.

Line 12 Alimony Received

Show on line 12 amounts you received as alimony or separate maintenance. For more information, please get **Publication 504**, Tax Information for Divorced or Separated Individuals.

Line 13 Business Income or (Loss)

Please see the instructions for **Schedule C**. Enter your income or (loss) from Schedule C.

Line 14 Capital Gain or (Loss)

Please see the instructions for **Schedule D**. Enter the gain or (loss) from Schedule D.

Line 15 Capital Gain Distributions

If you do not use Schedule D, show the taxable part of your capital gain distributions on line 15. The company making the distribution should tell you:

(a) Net capital gains for the entire year, and

(b) Net capital gains after Oct. 31, 1978.

Enter on line 15: (1) 40% of the smaller of (a) or (b), plus (2) 50% of the amount, if any, by which (a) is more than (b). If you are unable to obtain this information, you may enter 50% of the distributions and, if necessary, file an amended return later.

Line 16

Net Gain or (Loss) from Supplemental Schedule of Gains and Losses

See the instructions for **Form 4797**. Enter the gain or (loss) from **Form 4797**.

Line 17

Fully Taxable Pensions and Annuities

Use this line to report pension and annuity income not reported on Schedule E. This includes:

- Pensions and annuities if you paid no part of their cost.
- Military retirement pay from Form W-2P.
- Amounts received as an annuity under the special rule if you recovered your cost before January 1, 1978. See the instructions for Schedule E for details.

Line 18

Pensions, Annuities, Rents, Royalties, Partnerships, Estates or Trusts

See the instructions for **Schedule E**. Enter the income or (loss) from Schedule E.

Line 19 Farm Income or (Loss)

See the instructions for **Schedule F**. Enter the income or (loss) from Schedule F.

Line 20

Other Income

Use line 20 to report any income you can't find a place for on your return or other schedules. Also show the nature and source of the income. Examples of income to be reported on line 20 are:

- Prizes, awards and gambling winnings. Proceeds from lotteries, raffles, etc., are gambling winnings. (If you had any gambling losses, you may take them as an itemized deduction on Schedule A. However, you cannot deduct more losses than the winnings you report on this line.)
- Repayment of medical expenses or other items such as real estate taxes, that you deducted, if they reduced your tax in a prior year.
- Amounts recovered on bad debts you deducted in a prior year.
- Amounts your employer paid you for business expenses that are more than you spent for the actual business expenses.
- If you had a net operating loss in a prior year to carry forward to 1978, you should enter it as a minus figure on line 20. Attach a separate sheet showing how you figured the amount.

Note: Do not report any income from self-employment on line 20. If you do have any income from self-employment, you must use Schedule C or Schedule F.

Line 21

Total Income

Add the amounts on lines 8, 9, and 10c through 20. Enter the total on this line.

Adjustments to Income

Line 22

Moving Expense

Employees and self-employed persons (including partners) can deduct certain moving expenses. The move had to be in connection with your job or business.

The deduction is allowable only if your change in job location has added at least 35 miles to the distance from your old residence to your work place. If you had no former principal work place, your new principal work place must be at least 35 miles from your former residence.

If you meet these requirements, you should see Form 3903 for details. Use Form 3903 to figure the amount of moving expense to show on line 22.

If your employer paid for any part of the move, you must report that as income on Form 1040, line 8. Your employer should give you Form 4782 and include the amount in total wages, tips and other compensation on Form W-2.

Line 23

Employee Business Expenses

You can deduct certain business expenses that were not paid by your

employer. Travel, transportation (but not commuting to and from work) and meals and lodging can be deducted on line 23 by using Form 2106 even if you do not itemize deductions on Schedule A. All other business expenses such as union or professional dues, tools and uniforms, can only be deducted if you itemize deductions on Schedule A. Outside salespersons claim their business expenses on line 23 by using Form 2106. For details, get Publication 463, Travel, Entertainment and Gift Expenses.

Line 24

Payments to an IRA

You no longer have to file Form 5329 unless you owe tax on excess contributions, premature distributions, or undistributed IRA funds.

Enter on line 24 the allowable deduction for contributions to your IRA. If this is a joint return and both spouses have IRA's, a separate computation must be made for each spouse's allowable deduction. The total of the two allowable deductions is then entered on line 24. For further information on IRA deductions, see Publication 590, Tax Information on Individual Retirement Arrangements.

The following worksheet may be used to figure your deduction.

1. Wages, tips and other compensation from Form 1040 (if a joint return do not include compensation of spouse)	_____
2. Complete only (a) or (b) whichever is applicable: (a) Non-spousal IRA limitation—enter smaller of \$1,500 or 15% of line 1	_____
(b) Spousal IRA limitation—enter the smallest of: (i) 15% of line 1, (ii) \$1,750, (iii) 2 times the contribution to your IRA, or (iv) 2 times the contribution to your non-working spouse's IRA	_____
3. (a) Amount contributed (excluding rollovers) to your IRA for the tax year covered by this return	_____
(b) Amount contributed (excluding rollovers) to your non-working spouse's IRA for the tax year covered by this return	_____
(c) Total contributed—add 3(a) and (b) (If you have excess contributions from prior years which you have not withdrawn from your IRA see Form 5329, line 3, for possible contribution credit.)	_____
4. Allowable deduction—enter the smaller of line 2 or 3(c)	_____

If line 3(c) above is more than line 2, you may owe tax on excess contributions. Get Form 5329, Return for Individual Retirement Arrangement Taxes.

Line 25

Payments to a Keogh (H.R. 10) Retirement Plan

Enter the allowable deduction for contributions to your Keogh (H.R. 10) plan on line 25. Sole proprietors should also file Form 5500-K or Form 5500. However, if the sole proprietor is the only person who has ever participated in the Keogh plan,

Form 5500-K does not have to be filed for 1978. Partners are not required to file returns for Keogh plans in which they participate.

Form 5500-K is for a plan with less than 100 participants and at least one owner-employee. Form 5500 is for a plan with 100 or more participants.

File the form as a separate return on or before the last day of the 7th month following the end of the plan year. Do not attach it to your Form 1040. Avoid penalties by filing complete returns and statements when due. If you need help, contact an IRS office or get Publication 560, Tax Information on Self-Employed Retirement Plans.

Line 26

Interest Penalty Due to Early Withdrawal of Savings

The Form 1099-INT given to you by your bank or savings and loan association will show the amount of any interest penalty you were charged because you withdrew funds from your time savings deposit before its maturity. This amount should be entered on line 26. Be sure to enter the interest income on Form 1040, line 9.

Line 27

Alimony Paid

You can deduct periodic payments of alimony or separate maintenance made under a court decree. You can also deduct payments made under a written separation agreement entered into after August 16, 1954, or a decree for support entered into after March 1, 1954. Don't deduct lump sum cash or property settlements, voluntary payments not made under a court order or a written separation agreement, or amounts specified as child support. For details, get Publication 504, Tax Information for Divorced or Separated Individuals.

Line 28

Total Adjustments

Add lines 22 through 27. Enter the total on this line.

Line 29

Subtract line 28 from line 21. Enter the amount on this line.

Line 30

Disability Income Exclusion

This exclusion is for persons who are retired on permanent and total disability.

You must meet ALL these tests:

- You had not reached mandatory retirement age on January 1, 1978.
- You were under age 65 on December 31, 1978.
- You were permanently and totally disabled
 - a. when you retired, or
 - b. on January 1, 1976, or January 1, 1977, if you retired before the later date on disability or under circumstances which entitled you to retire on disability.

Use **Form 2440**, Disability Income Exclusion, to figure the amount of any exclusion. Enter the exclusion from Form 2440 on this line.

Line 31

Adjusted Gross Income

Subtract line 30 from line 29. If line 31 is less than \$8,000, you may be eligible to claim the Earned Income Credit. Please see page 2 of the Instructions.

If line 31 is less than zero (\$0) you may have a net operating loss that you can carry to another tax year. If you carry the loss back to prior years, see **Form 1045**. For more information, please get **Publication 535**, Tax Information on Business Expenses and Operating Losses. **Note:** If you want IRS to figure your tax, see page 4 of the Instructions.

Tax Computation

Line 32

Enter the amount from line 31.

Line 33

You will fall into one of the three classes below:

- You **MUST** itemize deductions,
- You choose to itemize, or
- You do not itemize.

The different classes are described below.

You **MUST** Itemize Deductions

You must itemize deductions if:

A. You can be claimed as a dependent on your parent's return and had interest, dividends, or other unearned income of \$750 or more. (There is an exception to this rule: You don't have to itemize if you had earned income* of \$2,200 or more if single (\$1,600 or more if married filing a separate return).) In either case, be sure to check the box on line 33.

B. You are married, filing a separate return, and your spouse itemizes. (There is an exception to this rule: You don't have to itemize if your spouse is described in item A above, and enters earned income* instead of itemized deductions when completing Part II of Schedule TC.)

C. You file Form 4563 and exclude income from sources in U.S. possessions. (Please see **Form 4563**, and **Publication 570**, Tax Guide for U.S. Citizens Employed in U.S. Possessions, for more details.)

D. You had dual-status as a nonresident alien for part of 1978, and during the rest of the year you were either a resident alien or a U.S. citizen. However, you do not have to itemize if you file a joint return with your spouse who was a U.S. citizen or resident at the end of 1978 and you and your spouse agree to be taxed on your combined worldwide income.

You must complete Schedule A (Itemized Deductions) if item A, B, C, or D, above applies to you. After you've completed Schedule A:

a. If Schedule A, line 40, is more than line 39, do not fill in Form 1040, line 33.

Go to Schedule TC instead and complete Part II to figure the amount to enter on Form 1040, line 34.

b. If Schedule A, line 39, is more than line 40, enter on Form 1040, line 33, the amount from Schedule A, line 41.

***Earned Income you receive is for personal services you have performed. It includes wages, salaries, and professional fees.**

Generally, your earned income is the total of the amount(s) you reported on Form 1040, lines 8, 13, and 19.

Earned income does not include pay for your services that included a distribution of earnings and profits other than a reasonable allowance for your work for a corporation.

If you were engaged in a trade or business in which both your services and capital are important income-producing factors, your earned income will be based on a reasonable allowance for the services you performed. However, the earned income may not be more than 30 percent of your share of the net profits from the business.

You Choose to Itemize

You may choose to itemize your deductions if you are:

- Married and filing a joint return, or a Qualifying widow(er) with dependent child, and your itemized deductions are more than \$3,200.
- Married and filing a separate return, and your itemized deductions are more than \$1,600.
- Single, or an Unmarried head of household, and your itemized deductions are more than \$2,200.

If you do itemize, complete Schedule A and enter the amount from Schedule A, line 41, on Form 1040, line 33.

Caution: *Certain taxpayers must itemize even though their itemized deductions are less than the amount shown here for their filing status. See "You MUST Itemize Deductions" above.*

You Do Not Itemize

If your itemized deductions are less than the amount shown above for your filing status (or you choose not to itemize), enter zero on line 33 unless you **MUST** itemize as described above.

Line 34

Subtract line 33 from line 32. Remember—if you completed Schedule TC, Part II, the amount on line 34 will be the amount from Schedule TC, Part II, line 5, and line 34 will be more than line 32.

Line 35

Tax

To figure your tax, you will use either the Tax Tables or Schedule TC, Part I. Read the conditions below to see which you should use.

Schedule TC

You must use Schedule TC, Part I, to figure your tax if:

- Line 34 is more than \$20,000 and you checked Form 1040, Filing Status Box 1, 3, or 4.
- Line 34 is more than \$40,000 and you checked Form 1040, Filing Status Box 2 or 5.

- You claim:
 - 4 or more exemptions and checked Form 1040, Filing Status Box 1 or 3;
 - 9 or more exemptions and checked Form 1040, Filing Status Box 4; or
 - 10 or more exemptions and checked Form 1040, Filing Status Box 2 or 5.

Also use Schedule TC, Part I, if you figure your tax using any of the methods listed below.

• **Alternative Tax, Schedule D.**—You may want to use this method if your net long-term capital gain is more than your net short-term capital loss, or if you have a net long-term capital gain only. If you do, fill in Schedule D, Part IV.

• **Income Averaging, Schedule G.**—You may want to use this method if there has been a large increase in your income this year. If so, fill in Schedule G.

• **Maximum Tax on Personal Service Income, Form 4726.**—The tax on this income is limited to a maximum rate of 50 percent. You should get **Form 4726** for more information if your taxable income, or personal service taxable income, was over:

- a.** \$40,200 and you checked Form 1040, Filing Status Box 1 or 4, OR
- b.** \$55,200 and you checked Form 1040, Filing Status Box 2 or 5.

You can't use Form 4726 if you checked Form 1040, Filing Status Box 3.

Tax Tables

If none of the above conditions apply to you, you **MUST** use the Tax Tables to find your tax.

Be sure you use the correct Tax Table. If you checked Form 1040:

- Filing Status Box 1, use Tax Table A (Single),
- Filing Status Box 2 or 5, use Tax Table B (Married Filing a Joint Return and Qualifying Widow(er)s),
- Filing Status Box 3, use Tax Table C (Married Filing a Separate Return), or
- Filing Status Box 4, use Tax Table D (Unmarried Head of Household).

Instructions for using the Tax Tables are at the beginning of each table. Allowances for the zero bracket amount, exemptions, and the general tax credit have already been built into the Tax Tables for you.

Line 36

Additional Taxes

Use this line to report any of the additional taxes listed below. Check the box(es) on line 36 for the taxes that apply to you.

Form 4970, Tax on Accumulation Distribution of Trusts

Form 4972, Special 10-Year Averaging Method

Form 5544, Multiple Recipient Special 10-Year Averaging Method

Form 5405, Recapture of Credit for Purchase or Construction of New Principal Residence

Section 72(m)(5) penalty tax. If you are or were an owner-employee, and received income from a premature or excessive

distribution from a Keogh (H.R. 10) plan or trust, you will have to pay a penalty tax of 10 percent of the distribution. The penalty is in addition to the regular income tax. (Note: Only the credits on lines 38, 39, 40 and 45 can be used to reduce this tax. On a separate sheet, show how you applied any of these credits.) See **Publication 560**, Tax Information on Self-Employed Retirement Plans, for more details.

Line 37

Total

Add lines 35 and 36. Enter the total on this line.

Credits

Line 38

Credit for Contributions to Candidates for Public Office

You may take a tax credit on this line for contributions to candidates for public office, political committees, and news-letter funds of candidates and elected public officials.

If you have already listed these contributions on Schedule A, line 31, do not take a credit for them here. Also, do not take this credit for any amount you checked to go to the Presidential Election Campaign Fund.

To figure your credit, add up the amounts you gave. Enter half of the total on line 38, but do not enter more than the smaller of the following:

- \$25 (\$50 if you are married and filing a joint return), or
- The amount on line 37 reduced by the amount of credits on lines 39, 41, and 42.

For more information, please see **Publication 585**, Voluntary Tax Methods to Help Finance Political Campaigns. It explains whether a deduction or credit is better for you.

Line 39

Credit for the Elderly

You may be able to take this credit and reduce your tax if you are:

- Age 65 or over, or
- Under age 65 and retired under a public retirement system.

For more information, please see the instructions for **Schedules R & RP**. Enter the credit on this line.

If you want IRS to figure the credit for you, see **IRS Will Figure Your Tax and Some of Your Credits** on pages 4 and 5.

Line 40

Credit for Child and Dependent Care Expenses

You may be able to take a credit on this line for payments you made for child and disabled dependent care while you or your spouse worked or looked for work.

The credit is allowed if you maintained a home that included a child under age 15 or a dependent or spouse not capable of self-care.

Please see **Form 2441** for more information including a special rule for divorced or separated taxpayers.

Line 41

Investment Credit

You are allowed a credit for investing in certain trade or business property. Use **Form 3468** to figure the amount of any credit. Enter the credit from **Form 3468** on this line.

Line 42

Foreign Tax Credit

Form 1116 explains when you can take this credit for payment of income tax to a foreign country or U.S. possession. Also see **Publication 514**, Foreign Tax Credit for U.S. Citizens and Resident Aliens. Enter the credit from **Form 1116** on this line.

Line 43

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

You may be able to take a credit on this line for hiring employees under a WIN program. You may also claim a credit for employing certain persons who receive Federal welfare payments. For more information, please get **Form 4874**.

Line 44

New Jobs Credit

Business employers who increased their business payroll may qualify for this credit. Enter the credit on this line. Please get **Form 5884** and **Publication 902**, Tax Information on Jobs Tax Credit.

Line 45

Residential Energy Credits

If you have qualifying energy saving expenditures for your residence that were made after April 19, 1977, you may qualify for the energy credit. **Form 5695**, Energy Credits, will tell you which expenses qualify and how to claim the credit.

Energy credits for energy saving expenditures you made after April 19, 1977, and in 1978 should be claimed on your 1978 Federal income tax return. Do not file an amended 1977 return to claim your 1977 energy saving expenditures.

Line 46

Total Credits

Add lines 38 through 45. Enter the total on this line.

Line 47

Balance

Subtract line 46 from line 37 and enter the amount on this line. If the amount is less than zero, enter zero.

Other Taxes

Line 48

Self-Employment Tax

If you had self-employment income in 1978, and earned under \$17,700 in wages from which FICA or RRTA tax was withheld, you may have to pay self-employment tax. Please see Schedule SE and instructions. If you have to pay self-employment tax, enter the amount from Schedule SE, line 18.

Line 49

Minimum Tax

A minimum tax may be charged if you have certain tax preference items. Examples are:

- long-term capital gains;
- accelerated depreciation;
- stock options; and
- adjusted itemized deductions. In general, this is the amount by which your itemized deductions as adjusted exceed 60 percent of your adjusted gross income.

Attach **Form 4625** and enter the tax on this line if you have:

- Items of tax preference of more than \$10,000 (\$5,000 if married filing a separate return) even if there is no minimum tax; or
- any minimum tax liability deferred from an earlier tax year.

Please see **Form 4625** for details.

Line 50

Tax from Recomputing Prior Year Investment Credit

You may owe this tax if you:

- held investment credit property for less than seven years; and
- disposed of it before the end of its useful life.

See **Form 4255** for details. Enter any tax from **Form 4255** on this line.

You may also need **Form 4255** if you disposed of more than one-third of your interest in a partnership or small business corporation.

Line 51

Social Security (FICA) Tax on Tip Income Not Reported to Employer

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 or railroad retirement tax on the unreported tips.

To figure the amount of social security tax on unreported tips, complete **Form 4137** and attach it to your **Form 1040**. Enter the tax on this line.

To determine the amount of railroad retirement tax on unreported tips, contact your nearest Railroad Retirement Board office. On line 51, enter the tax and next to it, write "RRTA" in the margin.

Be sure all your tips are included as income on **Form 1040**, line 8.

Line 52

Uncollected Employee FICA and RRTA Tax on Tips

If you did not have enough wages to cover the social security tax (FICA) or railroad retirement tax (RRTA) due on tips you reported to your employer, the amount of tax due will be shown on your Form W-2. Enter that amount on line 52.

Line 53

Tax on an IRA

If you have an IRA (Individual Retirement Arrangement), add any taxes from Form 5329. Enter this total on line 53.

Tax from Recomputing a Prior Year Work Incentive (WIN) Credit

If a WIN employee is dismissed within the first 180 days of employment, the employer may have to repay any tax credit previously taken on salaries and wages paid to that employee. Publication 535, Tax Information on Business Expenses and Operating Losses, will help you.

Include the tax in your total for line 54. On the dotted line next to this total, please write "WIN Tax," and show the amount.

Line 54

Total Tax

Add lines 47 through 53. Include any WIN Recapture Tax. Enter the total on line 54.

Payments

Line 55

Total Federal Income Tax Withheld

Add the Federal income tax withheld as shown on your Forms W-2, W-2G, and W-2P. Enter the total on this line.

Line 56

1978 Estimated Tax Payments

Enter on this line any payments you made on your estimated Federal income tax (Form 1040-ES) for 1978. Include any overpayment from your 1977 return that you applied to your 1978 estimated tax.

If you and your spouse paid joint estimated tax but are now filing separate income tax returns, either of you can claim all of the amount paid. Or you can each claim a part of it. Please be sure to show both social security numbers on the separate returns.

If you or your spouse paid separate estimated tax, but you are now filing a joint income tax return, add the amounts you each paid.

Follow the above instructions even if your spouse died.

If you were divorced during 1978, you may have filed a joint declaration of estimated tax with your former spouse. If so, please enter your former spouse's social security number in the block provided on the front of Form 1040. In the upper right corner of the return, above the blocks for

the social security numbers, write "DIV."

If you were divorced and remarried in 1978, enter your present spouse's social security number in the block provided on the front of Form 1040. Also, enter your former spouse's social security number in the upper right corner above the blocks and write "DIV" above that number.

Line 57

Earned Income Credit

If line 31 is under \$8,000, see the Earned Income Credit Worksheet on page 2 of the Instructions. If you can take the credit, be sure to enter on line 57 the first name of the child who qualifies you for the credit. Enter the credit from line 8 or line 13 of the worksheet.

If you want IRS to figure the credit for you, see IRS Will Figure Your Tax and Some of Your Credits on pages 4 and 5.

Line 58

Amount Paid with Form 4868 (Extension of Time to File)

If you filed Form 4868 to get an extension of time to file Form 1040, enter the amount you paid with Form 4868.

Line 59

Excess FICA and RRTA Tax Withheld—Two or More Employers

If you had two or more employers in 1978 and together they paid you more than \$17,700 in wages, too much social security tax (FICA) and railroad retirement tax (RRTA) may have been withheld from your wages. If so, you may be able to take credit for it against your income tax.

If you are a railroad employee and you claim the credit, attach a statement from your employer showing the amount of employee RRTA compensation and amount of RRTA tax withheld.

If you are filing a joint return, you have to figure this separately for you and your spouse.

Please follow the steps below to see if you can take credit.

Step 1. Add all FICA and RRTA tax withheld (but not more than \$1,070.85 for each employer). * Enter total here.....\$ _____

Step 2. From Form 1040, line 52, enter all uncollected FICA or RRTA tax on tips, if any....\$ _____

Step 3. Add 1 and 2 above.....\$ _____

Step 4. Less.....\$ -1,070.85

Step 5. Subtract 4 from 3. Enter this amount on line 59..\$ _____

***Note:** If any one employer withheld more than \$1,070.85, you should ask the employer to refund the excess to you. You cannot take credit for it on your return.

Line 60

Credit for Federal Tax on Special Fuels and Oils

If you can take a credit for tax on special fuels, non-highway gasoline, and lubricating oils, please attach Form 4136. Enter the credit on line 60.

Line 61

Regulated Investment Company

Credit

Enter on this line the total amount of the credit from Form 2439. Be sure to attach Copy B of Form 2439.

Line 62

Total

Add lines 55 through 61. Enter the total on this line.

Refund or Due

Line 63

Amount Overpaid (If line 62 is larger than line 54)

Subtract line 54 from line 62. You can choose to have all, or part, of this amount refunded to you (line 64). The remainder, if any, can be applied to your estimated tax for 1979 (line 65). If line 63 is under \$1, we will send you a refund only on written request.

Line 64

Refund

Enter the amount from line 63 that you want refunded to you. If your refund is large, you may want to change the amount of income tax withheld from your pay. See the Instructions on page 14 for Income Tax Withholding for 1979.

Line 65

Credit to 1979 Estimated Tax

Subtract line 64 from line 63. This is the amount that will be credited to your estimated tax for 1979. Enter this amount on line 65.

We will apply amounts to your account unless you attach a request to apply it to your spouse's account. The request should include your spouse's social security number.

Line 66

Balance Due (If line 54 is larger than line 62)

Subtract line 62 from line 54. This is the amount you owe. Enter the amount on this line.

Attach your check or money order for the full amount when you file. Make it out to "Internal Revenue Service" and be sure to write your social security number on it. If line 66 is under \$1, you do not have to pay.

In most cases, people who have income tax withheld from their wages will find that the amount withheld will be fairly close to their tax for the year. Sometimes it is not, and this is more likely to happen if both you and your spouse worked.

If you do owe tax for 1978 you may want to increase the amount of income tax withheld from your pay. Or, you may prefer to

file a Declaration of Estimated Tax on **Form 1040-ES**. See the Instructions below for **Income Tax Withholding for 1979** and **Should You File a Declaration of Estimated Tax?**

Underpayment of Estimated Tax.

If you underpaid your 1978 estimated tax liability for any quarter, you may owe a penalty. Get **Form 2210** (Form 2210F for farmers and fishermen) to see if you meet one of the exceptions. Please attach this form to Form 1040 to show how you figured the penalty or which exceptions you believe you meet.

If you attach Form 2210 or 2210F, be sure you check the box below line 66. If you owe a penalty, show the amount in the space below line 66.

If you owe tax on line 66, include the penalty amount in with your total. Or, if you are due a refund, subtract the penalty amount from the overpayment on line 63.

Now continue with step 6 below

Step 6

Check your return to make sure it is correct.

Step 7

Sign and date your return.

Form 1040 is not considered a return unless you sign it. Your spouse must also sign if it is a joint return.

Step 8

Did you have someone else prepare your return?

If you fill in your own return, the space under your signature should remain blank. If someone prepares your return and does not charge you, that person should not sign your return. Certain others who prepare your return should not sign. For example, your regular, full-time employee or your partner in business does not have to sign. (This list is not all inclusive.)

Generally, anyone who is paid to prepare your tax return must sign your return and fill in the other blanks in the Paid Preparer's Information area of your return.

When more than one person prepares your return, the preparer with primary responsibility for the overall accuracy of your return must sign as the preparer.

If the preparer is self-employed (i.e., is not employed by any person or business entity to prepare the return), he or she should check the "SE" box.

If you have questions about whether a preparer is required to sign your return, please contact an IRS office.

The person required to sign your return **MUST**:

- Sign it, by hand, in the space provided for the preparer's signature (Signature stamps or labels are not acceptable).
- Give you a copy of your return in addition to the copy filed with IRS.

Publication 1054 is a guide listing some of the preparer's other responsibilities and penalties for which he or she may be liable. The publication also contains the regulation citations which govern their work. Tax return preparers should be familiar with their responsibilities. This publication is available at IRS offices.

Step 9

Attachments

Attach Copy B of **Forms W-2, W-2G, and W-2P** to the front of Form 1040. Attach schedules in alphabetical order and other forms in numerical order to the back of Form 1040.

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

If you owe tax, be sure to attach your payment to the front of Form 1040.

Reminders

Penalties and Interest

- Interest.** Interest will be charged on taxes not paid on or before their due date, even if an extension of time to file is granted.
- Late Filing of Return.** The law provides a penalty of from 5 percent to 25 percent of the tax due for filing late unless you can show reasonable cause for the delay. If you file a return late, attach an explanation to your return.
- Late Payment of Tax.** The penalty for not paying tax when due is $\frac{1}{2}$ of 1 percent of the unpaid amount for each month or part of a month it remains unpaid. The maximum penalty is 25 percent of the unpaid amount. The penalty applies to any unpaid tax shown on a return. It also applies to any additional tax shown on a bill if it is not paid within 10 days from the date of the bill. This penalty is in addition to the applicable interest charge on late payments.

Income Tax Withholding for 1979

If the amount you overpaid (line 63) or the balance you owe IRS (line 66) is large, please see your payroll office. Ask them about filling out a new **Form W-4** to change the amount of income tax to be withheld from your pay. A working married couple may need to increase the amount

of tax withheld from one or both of their wages to avoid owing a large payment when filing their return.

If the amount you owe IRS is large, you may have to file a Declaration of Estimated Tax for 1979. See **Should You File a Declaration of Estimated Tax?**, below.

If you go back to work after a period of unemployment, you may reduce the amount of income tax withheld if your employer agrees to use the part-year method of withholding. There are also other methods which you may be able to use to reduce your withholding.

For more details, see your employer or get **Publication 505**, Tax Withholding and Declaration of Estimated Tax.

Should You File a Declaration of Estimated Tax?

In general, a declaration is not required to be filed if you expect that your 1979 Form 1040 will show a tax refund, or a tax balance due IRS of less than \$100. If your total estimated tax is \$100 or more, please get **Form 1040-ES**. You may be required to make a declaration of estimated tax.

Address Change

If you move after you file your return and you are expecting a refund, you should notify the post office serving your old address. Also notify the IRS service center where you filed your return of your address change. This will help to forward your check to your new address as soon as possible. Please be sure to include your social security number in any correspondence with the IRS.

How Long Should Records be Kept?

Keep records of income, deductions, and credits appearing on your tax return 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. Copies of your filed tax returns should also be kept as part of your records. Some records should be kept longer. For example, property records (including those on your own home) should be kept as long as they are needed to figure the basis of the property or replacement property. For more details, get **Publication 552**, Recordkeeping Requirements and a Guide to Tax Publications.

Amended Return

Use **Form 1040X** to change an income tax return you have already filed (Form 1040 or Form 1040A).

If your return is changed for any reason, it may affect your State income tax liability. This would include changes made as a result of an audit of your return by the IRS. Contact your State tax agency for more information.

Instructions for Schedule A Itemized Deductions

Some taxpayers must itemize their deductions and some should itemize because it will save them money. See **You Must Itemize Deductions and You Choose to Itemize** on page 11.

If you itemize, you can deduct part of your medical and dental expenses, and amounts you paid for certain kinds of taxes, interest, contributions, casualty and theft losses, and other miscellaneous expenses. These are explained below.

If your deductions are more than 60% of Form 1040, line 31, you may have a tax preference item. See the instructions for Form 1040, line 49, on page 12.

Lines 1 through 10

Medical and Dental Expenses

Before you can figure your total deduction for medical expenses, you must complete your Form 1040 through line 31.

Only that part of your medical and dental expense that is more than 3% of your adjusted gross income on Form 1040, line 31, is deductible.

However, you may deduct one-half of your medical insurance premiums, up to a maximum of \$150, without reducing the amount by 3 percent of your adjusted gross income. Include amounts you paid for hospital, medical, and extra Medicare (Medicare B) insurance. Show half of your payments, up to \$150, on line 1 and put the balance on line 5. You can deduct the amount on line 1, even if you had no other medical expenses.

Only medicine and drug costs that are more than 1% of Form 1040, line 31, are deductible as medical expenses, subject to the 3% limitation.

Lines 1 through 10 of Schedule A explain how to deduct your medical and dental expenses. When you figure them, you can include medical and dental bills you paid for:

- yourself;
- your spouse;
- all dependents you list on your return; and
- any person that you could have listed as a dependent on your return if that person had not received \$750 or more of gross income or had not filed a joint return. For example, you may have contributed more than half of the support for your mother, but you cannot list her as a dependent because she received \$750 in gross income during the year. If part of your support was the payment of medical bills for her, you can include that part in your medical expenses.

You should include all amounts you paid during 1978, but do not include amounts repaid to you, or paid to anyone else, by hospital, health or accident insurance.

Examples of Medical and Dental Payments You CAN Deduct

To the extent you were not repaid by insurance, you can deduct what you paid for:

- Medicines, drugs, birth control pills, vaccines, and vitamins your doctor told you to take.
- Medical doctors, dentists, eye doctors, gynecologists, chiropractors, osteopaths, podiatrists, psychiatrists, psychologists, physical therapists, acupuncturists, and psychoanalysts (medical care only).
- Medical examinations, X-ray and laboratory services, insulin treatment, and whirlpool baths the doctor ordered.
- Nursing help. If you pay 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, lab fees.
- Medical treatment at a center for drug addicts or alcoholics.
- Medical aids such as hearing aids (and batteries), false teeth, eyeglasses, contact lenses, braces, orthopedic shoes, crutches, wheelchairs, guide dogs and the cost of maintaining them.
- Ambulance service and other travel costs to get medical care. If you used your own car, you can figure what you spent for gas and oil to go to and from the place you received medical care, or you can figure costs at 7¢ a mile plus parking fees and tolls.

Examples of Medical and Dental Payments You CANNOT Deduct

Payments you made for the following are not deductible:

- The basic cost of Medicare insurance (Medicare A).
- Life insurance policies.
- The 1% hospital insurance benefits tax withheld from your pay as part of the social security tax or paid as part of social security self-employment tax.
- Nursing care for a healthy baby. (You may qualify for child care credit; see Form 2441.)
- Illegal operations or drugs.
- Travel your doctor told you to take for rest or change.
- Funeral, burial or cremation.

Publication 502, Deduction for Medical and Dental Expenses, has a checklist of medical expenses that can be deducted and those that can't. It also explains when capital expenditures and special care for handicapped persons can be deducted.

Lines 11 through 17 Taxes

Taxes You CAN Deduct

• **State and local income taxes (line 11)**
List State and local income taxes withheld from your salary. Also list estimated payments made under a pay-as-you-go plan. Include payments you made in 1978 on a tax for a prior year.

If you receive a refund of (or credit for) prior year taxes in 1978, see the Instructions for Form 1040, line 11. Do not reduce your itemized deductions by this amount.

• Real estate taxes (line 12)

Include taxes on property you own that was not used for business. **Publication 530**, Tax Information for Homeowners, and **Publication 588**, Tax Information on Condominiums and Cooperative Apartments, explain the deductions homeowners can take.

If you pay your real estate taxes as part of your mortgage payments, do not take a deduction for that amount. Deduct the taxes in the year they are actually paid by the mortgage company to the taxing authority.

• State and local taxes on gas used in your car, boat, etc. (line 13)

The State Gasoline Tax Table on page 16 shows rates for each State and is based on nonbusiness car miles driven. If you kept a record that shows you paid more than the table amount, deduct the larger amount.

For gas used for other purposes, such as a boat or motorcycle, deduct the tax you paid. Figure the number of gallons you used and multiply it by the tax rate for your State as shown in the table.

• General sales taxes (line 14)

The Optional State Sales Tax Tables show how much you can deduct for your income and family size. You can add to the tax table amount the general sales tax you paid if you bought:

a. A car, motorcycle, motor home, or truck. (Note: Vermont and West Virginia charge a higher sales tax for these than they do for other items. Figure how much tax you would have paid at the general sales tax rate and add only that amount to the tax table amount.)

b. A boat, plane, home (including mobile or prefabricated) or materials to build a home if:

—The tax rate was the same as the general sales tax rate, and

—Your sales receipt or contract shows how much tax you paid.

The sales tax tables include income through \$40,000. When you figure your income, count all available income. This includes the amount on Form 1040, line 29, plus all amounts you received that are not taxed. The instructions on the tables pages give steps to figure the amount of your deduction.

If your available income was more than \$40,000, see the example below.

Example.—Mr. & Mrs. Green live in Virginia and have a family size of 4. Their total available income is \$56,025.

Using the table for Virginia, they find the deduction for their family size (4) with income between \$38,001 and \$40,000. This amount is \$356.

For each \$5,000 or part of \$5,000 in excess of \$40,000, the deduction is increased by the amount on the \$40,001–\$100,000 line for their family size. This amount is \$18. The Green's available income exceeds \$40,000 by 4 units of \$5,000 (or parts of \$5,000). So, they increase their sales tax deduction by $(18 \times 4) = \$72$.

Their total sales tax deduction is $(\$356 + 72) = \428 . The Greens then decide if this figure is larger than their receipts show for sales tax actually paid.

The Greens enter the larger figure on Schedule A, line 14.

If you kept records that show you paid more State sales tax than the tables list, you may deduct the larger amount. Include State or local selective sales or excise taxes if the rates were the same as the general sales tax rates.

- **Personal property taxes (line 15)** This tax must be based on value alone. For example, if part of the fee you paid for the registration of your car was based on the car's value and part was based on its weight, you can deduct only the part based on value.

• **Other (line 16)**

If you had any deductible tax not listed on Schedule A, lines 11 through 15 (such as foreign income tax), describe the tax and show the amount on line 16.

If you paid tax to a foreign country or U.S. possession, you may want to list it as a credit instead of a deduction. Please see **Publication 514, Foreign Tax Credit for U.S. Citizens and Resident Aliens.**

Taxes You CANNOT Deduct

- Federal income tax.
- Social security tax (FICA).
- Railroad retirement tax (RRTA).
- Federal excise tax on personal property, transportation, telephone, and gasoline.
- Customs duties.
- Federal estate and gift taxes.
- Certain State and local taxes, including:

- a. License fees (marriage, driver's, dog, hunting, etc.)
- b. Car inspection fees.
- c. Tax on liquor, beer, wine, cigarettes, and tobacco.
- d. Tax on sidewalks or other improvements to your property.
- e. Taxes paid for your business or profession. (Use Schedule C, E, or F of Form 1040 to report these business taxes.)
- f. Tax you paid for someone else.

Lines 18a through 20

Interest Expense

You should show on Schedule A only interest on nonbusiness items.

In general, a cash basis taxpayer, who in 1978 prepaid interest for any period after 1978, can only deduct the amount for 1978.

Interest Expense You CAN Deduct

- Include the interest you paid on—
- Your home mortgage. (line 18a)
 - Bank and other general purpose credit cards. Deduct the finance charge as interest if no part of it was for service charges, membership fees, loan fees, credit investigation fees, etc. (line 18b)
 - Revolving charge accounts. Deduct any finance charge a retail store added if the charges are based on your monthly unpaid balance. (line 18b)
 - Your personal note for money you

borrowed from a bank, a credit union, or another person.

- Life insurance loans, if you paid the interest in cash.
- Installment contracts on personal property, such as cars and televisions.
- Tax you paid late. Show only the interest; do not include any amount that is considered a penalty. If the tax is deductible, show it under **Taxes** (lines 11 through 17 of this schedule).
- Debts on investment property. Report the nonbusiness part of interest on these debts on line 19. (If your total investment interest is more than \$10,000 (\$5,000 if married filing a separate return), you may have to complete **Form 4952, Investment Interest Expense Deduction**, to figure your correct deduction. Also see **Publication 550, Tax Information on Investment Income and Expenses**, for details.)

Interest Expense You CANNOT Deduct

- Do not include the interest you paid for—
- Tax-exempt income. This includes interest on money you borrowed to buy or carry wholly tax-exempt securities.
 - A life insurance loan if the interest is added to the loan and you report on the cash basis.
 - A debt to buy a single-premium life insurance or endowment contract.
 - Any kind of business transaction. Use Schedule C, E, or F to report business interest expenses.

For more information, please get **Publication 545, Income Tax Deduction for Interest Expense.**

State Gasoline Tax Table

The following list shows the tax rate on a gallon of gas in each State based on information available on September 1, 1978. Find the rate for your State. Then use the table below to find how much

tax to deduct for the number of miles you drove your car. If your car had 4 cylinders or less, deduct half the table amount. If the rate for your State changed during 1978, find your deduction

for the miles you drove at each rate, and add the amounts.

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

Alabama 7¢	District of Columbia 10¢	Kansas 8¢	Montana 8¢	Oklahoma 6.58¢ (use deduction for 6.5¢)	Texas 5¢
Alaska 8¢	Florida 8¢	Kentucky 9¢	Nebraska 9.5¢	Utah 7¢ (after 6/30, 9¢)	
Arizona 8¢	Georgia 7.5¢	Louisiana 8¢	Nevada 6¢	Vermont 9¢	
Arkansas 8.5¢	Hawaii 8.5¢	Maine 9¢	New Hampshire 10¢	Virginia 9¢	
California 7¢	Idaho 9.5¢	Maryland 9¢	New Jersey 8¢	Washington 11¢	
Colorado 7¢	Illinois 7.5¢	Massachusetts 8.5¢	New Mexico 7¢	West Virginia 8.5¢ (after 5/31, 10.5¢)	
Connecticut 11¢	Indiana 8¢	Michigan 9¢	New York 8¢	Wisconsin 7¢	
Delaware 11¢ (after 8/31, 9¢)	Iowa 7¢ (after 6/30, 8.5¢)	Minnesota 9¢	North Carolina 9¢	Wyoming 8¢	
		Mississippi 9¢	North Dakota 8¢		
		Missouri 7¢	Ohio 7¢		

Nonbusiness miles driven	Tax Rate												Nonbusiness miles driven
	5¢	6¢	6.5¢	7¢	7.5¢	8¢	8.5¢	9¢	9.5¢	10¢	10.5¢	11¢	
Under 3,000	\$8	\$10	\$11	\$12	\$12	\$13	\$14	\$15	\$16	\$17	\$17	\$18	Under 3,000
3,000 under 4,000	14	17	19	20	22	23	25	26	27	29	30	32	3,000 under 4,000
4,000 under 5,000	19	22	24	26	28	30	32	33	35	37	39	41	4,000 under 5,000
5,000 under 6,000	23	27	30	32	34	36	39	41	43	46	48	50	5,000 under 6,000
6,000 under 7,000	27	32	35	38	40	43	46	48	51	54	56	59	6,000 under 7,000
7,000 under 8,000	31	37	40	43	47	50	53	56	59	62	65	68	7,000 under 8,000
8,000 under 9,000	35	42	46	49	53	56	60	63	67	70	74	77	8,000 under 9,000
9,000 under 10,000	39	47	51	55	59	63	67	71	75	79	82	86	9,000 under 10,000
10,000 under 11,000	43	52	56	61	65	69	74	78	82	87	91	95	10,000 under 11,000
11,000 under 12,000	48	57	62	67	71	76	81	86	90	95	100	105	11,000 under 12,000
12,000 under 13,000	52	62	67	72	77	83	88	93	98	103	108	114	12,000 under 13,000
13,000 under 14,000	56	67	73	78	84	89	95	100	106	112	117	123	13,000 under 14,000
14,000 under 15,000	60	72	78	84	90	96	102	108	114	120	126	132	14,000 under 15,000
15,000 under 16,000	64	77	83	90	96	102	109	115	122	128	135	141	15,000 under 16,000
16,000 under 17,000	68	82	89	95	102	109	116	123	130	136	143	150	16,000 under 17,000
17,000 under 18,000	72	87	94	101	108	116	123	130	137	145	152	159	17,000 under 18,000
18,000 under 19,000	76	92	99	107	115	122	130	138	145	153	161	168	18,000 under 19,000
19,000 under 20,000	81	97	105	113	121	129	137	145	153	161	169	177	19,000 under 20,000
20,000*	83	99	107	116	124	132	141	149	157	165	174	182	20,000*

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

Lines 21a through 24

Contributions

You can deduct what you gave to organizations that are religious, charitable, educational, scientific, or literary in purpose. You can also deduct what you gave to organizations that work to prevent cruelty to children or animals.

Examples of these organizations are:

- Churches, temples, synagogues, Salvation Army, Red Cross, CARE, Goodwill Industries, United Way, Boy Scouts, Girl Scouts, Boys Club of America, etc.
- Fraternal orders, if the gifts will be used for the purposes listed above.
- Veterans' groups and certain cultural groups.
- Nonprofit schools, hospitals, and organizations whose purpose is to find a cure for, or help people who have, arthritis, asthma, birth defects, cancer, cerebral palsy, cystic fibrosis, diabetes, heart disease, hemophilia, mental illness, retardation, multiple sclerosis, muscular dystrophy and tuberculosis.
- Federal, State and local governments if the gifts are exclusively for public purposes.

If you do not know whether you can deduct what you gave to an organization, check with that organization or an Internal Revenue Service office.

Contributions You CAN Deduct

Contributions can be cash, checks, money orders, property, or out-of-pocket expenses you paid to do volunteer work for the kinds of organizations described above. If you drive to and from the volunteer work, figure your expenses at 7¢ a mile or the actual cost of gas and oil. (But don't deduct any amounts that were repaid to you.)

If you gave property, attach a description of it. Include the date you gave the property, and show how you figured its value. Attach a signed copy of an appraisal for gifts worth more than \$200, and for each gift of capital gain or ordinary income property. Include in the description of each gift:

- a. Any conditions attached to the gift.
- b. How you got the property.
- c. The cost or other basis of the property if:
 1. you owned it less than five years, or
 2. you must reduce the contribution by any ordinary income or capital gain that would have resulted if the property had been sold at its fair market value.
- d. How you figured your deduction if you chose to reduce your deduction for contributions of capital gain property.

If you gave used 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.

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

Special rules apply if your contributions are more than 20 percent of Form 1040, line 31. If you gave gifts of property that increased in value, made bargain sales to charity, or gave gifts of the use of property, other rules apply.

Contributions you CANNOT Deduct

- Dues, fees, or bills paid to country clubs, lodges, fraternal orders, or similar groups.
- Cost of raffle, bingo, or lottery tickets.
- Tuition to a private school.
- The 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:
 - a. Individuals.
 - b. Foreign organizations.
 - c. Groups that are run for personal profit.
 - d. Groups whose purpose is to lobby for changes in the laws.
 - e. Civic leagues, social and sports clubs, labor unions, and chambers of commerce.

For additional information, please get Publication 526, Income Tax Deduction for Contributions.

Lines 25 through 29

Casualty and Theft Losses

Use this schedule to report casualty or theft losses of property other than business property. A single loss can include damage to or theft of more than one item from the same event.

If you had more than one loss, attach a separate sheet showing, for each loss, the information asked for on lines 25 through 28. Form 4684, Casualties and Thefts, may be used for this. Enter the total of all losses on line 29. Write in the margin, "Multiple losses. See attached statement."

Losses You CANNOT Deduct

- Money or property you misplaced or lost.
- Breakage of china, glassware, furniture, and similar items under normal conditions.
- Damage to property (buildings, clothes, trees, etc.) caused by termites, moths, other insects, or disease.

Losses You CAN Deduct

You may be able to deduct all or part of each loss caused by theft, vandalism, fire, storm, and car, boat and other accidents or similar causes.

How to Deduct These Losses

On line 25, show the smaller of:

- a. The cost (or other basis) of the property to you, or
- b. The decrease in fair market value of the property because of the loss.

On line 26, fill in the amount paid by insurance or other sources.

Next, subtract line 26 from line 25, and enter the difference on line 27. If the amount is \$100 or less, you cannot deduct the casualty or theft loss.

On line 28, enter \$100 or the amount on line 27, whichever is smaller. If you

had more than one casualty or theft loss, you must subtract \$100 from each loss. (If you and your spouse owned the property jointly but report the loss on separate returns, each of you must subtract \$100 from your part of the loss.)

To figure your casualty or theft loss, subtract line 28 from line 27. Enter the balance on line 29.

Use line 31 of Schedule A to report 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.)

For more details, get Publication 547, Tax Information on Disasters, Casualty Losses, and Thefts. It also gives information about Federal disaster area losses.

Lines 30 through 32

Miscellaneous Deductions

Miscellaneous Amounts You CAN Deduct

Business Use of Home

Expenses for business use of part of your home can only be deducted if that part is used exclusively and continuously in connection with your work and for the convenience of your employer.

Publication 587, Business Use of Your Home, will give you detailed information.

Political Contributions

Include what you gave to candidates for public office, political committees, and to newsletter funds of candidates and elected public officials. You can deduct these contributions on Schedule A, line 31, or take them as a credit on Form 1040, line 38, but you can't do both. See the instructions on page 12 for how to figure the credit.

If you use Schedule A, don't deduct more than \$100 (\$200 if married filing a joint return). On line 31, next to the amount, write "Political Contribution."

For more information, please see Publication 585, Voluntary Tax Methods to Help Finance Political Campaigns. It explains whether a deduction or credit is better for you.

Education Expenses

Generally, you can deduct what you paid for education required by your employer, or by law or regulations, to keep your present salary or job. In most cases, you can also deduct the cost of maintaining or improving skills you must have in your present position.

Some educational expenses cannot be deducted. Among them are expenses for study that helps you meet minimum requirements for your job, or qualifies you to get a new job. Also, do not deduct expenses that were repaid to you.

For more details, see Publication 508, Tax Information on Educational Expenses.

Gambling Losses

You can deduct gambling losses, but not more than the gambling winnings you reported on Form 1040, line 20.

Employee Expenses

Examples of the expenses you can deduct (if you were not reimbursed for them) are:

- a. Union dues (line 30).

- b. Safety equipment, small tools, and supplies you needed for your job.
- c. Uniforms your employer said you must have, and which you cannot usually wear away from work.
- d. Protective clothing, such as hard hats and safety shoes.
- e. Physical examinations your employer said you must have.
- f. Dues to professional organizations and chambers of commerce.
- g. Subscriptions to professional journals.
- h. Fees to employment agencies and other costs to get a new job in your present occupation.

Expenses of Producing Income

You can deduct what you paid to produce or collect income, or to manage or protect property held for producing income. Examples of these expenses are:

- a. Safe deposit box rental.
- b. Certain legal and accounting fees, including amounts you paid in 1978 to have tax returns prepared.
- c. Clerical help.
- d. Office rent.
- e. Custodial fees.

Miscellaneous Expenses You CANNOT Deduct

Examples of expenses you cannot take are:

- Legal help for personal matters.
- Lost or misplaced cash or property.
- Midday meals, or meals while working extra hours.

- Entertaining friends.
- Expenses of going to or from work.
- Education that you need to meet minimum requirements for your job or that will qualify you for a new occupation.
- Fines and penalties.
- Expenses of producing tax-exempt income.

For more information, see **Publication 529**, *Miscellaneous Deductions and Credits*.

Lines 33 through 41

Summary of Itemized Deductions

If you have not already entered the totals from each group of deductions in lines 33 through 38, do so now. Add lines 33 through 38, and enter your total deductions on line 39. Enter the amount for your filing status on line 40.

If line 39 is more than line 40, subtract line 40 from line 39 and enter the difference on Schedule A, line 41, and on Form 1040, line 33.

If line 40 is more than line 39, enter zero on Schedule A, line 41, and on Form 1040, line 33, unless you are required to itemize deductions (see page 11 for **You MUST Itemize Deductions**).

Note: You will receive the full benefit of your itemized deductions because the zero bracket amount you entered on line 40 has been built into the tax tables and tax rate schedules for you.

List the name of each payer. Next to each name, show the amount of income. Be sure to include capital gain and nontaxable distributions on this line. They will be deducted on lines 5 and 6.

Line 4

Add the amounts you listed on line 3 except as noted below in **Nominees**. Enter the total on this line.

Line 5

If you listed any capital gain distributions on line 3, add those amounts. Enter the total on this line.

Line 6

Enter the total of your nontaxable distributions on this line.

Line 7

Add lines 5 and 6. Enter the amount on this line.

Line 8

Subtract line 7 from line 4. Enter here and on Form 1040, line 10a. (Be sure to take your exclusion on line 10b.) **Nominees.**—List on line 3 all dividends received, including dividends you received as a nominee, even if you subsequently distributed some or all of this income to others. Enter a subtotal of all dividend income listed on line 3 several lines above line 4. Write "Nominee Distributions" and enter the amounts distributed below this subtotal. Subtract these distributions from the subtotal and enter the result on line 4.

Part III

Foreign Financial Accounts and Foreign Trusts

You must complete this part if you completed Part I or Part II or if you had a foreign account or were the grantor or of transferor to a foreign trust.

If at any time during the year, you had an interest in or signature or other authority over a bank account, securities account or other financial account in a foreign country, check the **Yes** box for question A. However, you should check the **No** box if the combined assets in the account(s) were \$1,000 or less during the entire year, or were with a U.S. military banking facility operated by a U.S. financial institution.

If you own more than 50 percent of the stock in any corporation that owns one or more foreign bank accounts, you must check the **Yes** box for question A.

Get Form 90–22.1 to see if you are considered to have an interest in, or signature or other authority over a bank, security, or other financial account in a foreign country.

If you checked **Yes** for question A, file Form 90–22.1. You can get this form from many IRS offices or by writing to the IRS forms distribution center for your State as shown on the inside back cover. File the completed form by June 30, 1979, with the Department of the Treasury, P.O. Box 28309, Central Station, Washington, D.C. 20005. Do not file it with the IRS, it is not a tax return.

If you were a grantor of, or transferor to a foreign trust, which trust was in being during the tax year, check the **Yes** box for question B.

Instructions for Schedule B

Interest and Dividend Income

Use Schedule B to list interest and dividend income. Part III of the schedule asks you to answer questions about foreign accounts and trusts. You must use Schedule B if you:

- Received more than \$400 in interest,
- Received more than \$400 in dividends,
- Had a foreign account, or
- Were a grantor of or transferor to a foreign trust.

Please follow the instructions below.

Part I Interest Income

To see what interest income you must report, read the instructions for Form 1040, line 9, that start on page 8.

The payer will usually send you a Form 1099–INT or similar statement showing interest you must report. If the total interest is over \$400, complete Part I AND Part III of this schedule.

Line 1

Report all interest you received or that was credited to your account so you could withdraw it. On this line list the name of each payer. Next to each name, show the amount.

Line 2

Add up all the interest and enter it on this line except as noted below in **Nominee**

and **Accrued Interest**. Also enter it on Form 1040, line 9.

Nominee and Accrued Interest.—When bonds are sold between interest payment dates and accrued interest is paid to the seller, this amount is taxable interest to the seller.

List on line 1 all interest received, including interest you received as a nominee or as a purchaser of a bond with accrued interest. Enter a subtotal of all interest income listed on line 1 several lines above line 2. Below this subtotal, write "Nominee Distribution" and "Accrued Interest" as appropriate and enter the amounts you paid to others. Subtract these amounts from the subtotal and enter the result on line 2.

Part II

Dividend Income

To see what dividend income you must report, read the instructions for Form 1040, line 10a, on page 9.

The payer will usually send you a Form 1099–DIV or similar statement showing dividends you must report. If the total dividends are over \$400, complete Part II AND Part III of this schedule.

Line 3

Report all of your dividend income on this line. Include cash and the value of stock, property, or merchandise received as a dividend.

Instructions for Schedule D

Capital Gains and Losses

Who Should File

Use Schedule D (Form 1040) to report the sale or exchange of a capital asset.

Enter all sales or exchanges for entire year in Schedule D, column f of appropriate line. Enter those sales or exchanges after 10/31/78 in column g as well as column f. These are eligible for a 60% capital gain deduction. Use Part III of Schedule D for figuring your capital gain deduction since there is a special transitional rule in effect for 1978.

Use Form 4797, Supplemental Schedule of Gains and Losses, instead of Schedule D, to report:

- the sale, exchange, or involuntary conversion of trade or business property, certain depreciable and amortizable property, and certain oil and gas property;
- the involuntary conversion (for example, casualty or theft) of certain capital assets; and
- the disposition of other noncapital assets not mentioned above.

If Form 4797, line 6(a)(1) shows a net gain, enter it on Schedule D, line 8, column f. Then refigure those gains and losses from sales or exchanges after 10/31/78 included in Form 4797, line 6(a)(1). Enter the net gain or loss from this period on Schedule D, line 8, column g.

If a capital asset is involuntarily converted because of casualty or theft, you may use Form 4684, Casualties and Thefts, instead of completing Form 4797, Part I, Section A. You can get these forms from any Internal Revenue Service office.

What is a Capital Asset?

Generally, all property you own and use for personal purposes, pleasure, or investment is a capital asset. Some examples are: the home you own and live in with your family, your household furnishings, a car used for pleasure, and stocks or bonds held in your personal account.

A transfer of patent rights is generally considered a sale or exchange of a capital asset held for more than one year.

A capital asset as defined by law is any piece of property held by a taxpayer except:

- stock in trade or other property included in inventory or held for sale to customers
- accounts or notes receivable you received for services in the ordinary course of your trade or business or from the sale of any property described in (a) or for services you performed as an employee
- depreciable property used in your trade or business even if it was fully depreciated
- real property used in your trade or business
- a copyright, literary, musical or artistic composition, letter, memorandum, or similar property

- created by your personal efforts,
- prepared or produced for you (in the case of a letter, memorandum, or similar property)
- that you received from a taxpayer mentioned in (1) or (2) in a way (such

as by gift) that entitled you to the basis of the previous owner

- U.S. Government publications (including the Congressional Record) that you received from the government other than by purchase at the normal sales price, or that you got from another taxpayer who had received it in a similar way if your basis is determined by reference to the previous owner.
- certain government obligations issued at a discount on or after March 1, 1941, payable without interest, and maturing at a fixed date not more than one year from the date of issue.

Short-term or Long-term

The holding period for determining long-term capital gains and losses is more than one year for 1978 and after.

For amounts received from an installment sale, the holding period rule in effect in the year of sale determines whether you have a long-term or short-term gain.

The holding period for determining long-term gains and losses on commodity futures contracts (but not options on futures contracts) is more than six months.

Holding Period

To figure whether you held property more than a year, begin counting the day after you acquire the property and include the day you disposed of the property. For rules on nontaxable exchanges, gifts of property, and property you inherited, please get **Publication 544, Sales and Other Dispositions of Assets**.

Limits

The limit on capital losses that can be used to offset other income is \$3,000 for tax years beginning in 1978. If you are married and filing separately, the limit is \$1,500.

A nonbusiness bad debt must be treated as a short-term capital loss.

Transfer of Appreciated Property to a Political Organization

If you transfer property to a political organization when the fair market value of the property is more than your adjusted basis, treat the transaction as a property sale on the transfer date. Report the fair market value of the property at the time of transfer as the sales price. Ordinary income or capital gains provisions apply as if a sale occurred.

Exchange of "Like Kind" Property

Although no gain or loss is recognized when business or investment property is exchanged for property of a "like kind," you must report the transaction on Schedule D or Form 4797, whichever applies.

Sale or Exchange (other than by casualty or theft) of Capital Assets Held for Personal Use

The gain is a capital gain and should be

reported in Part I or Part II. Loss from the sale or exchange of this property is not deductible.

Cost or Other Basis, as Adjusted

Generally, this means cost plus improvements less applicable depreciation, amortization, and depletion. You may have to use a basis other than actual cash cost if you acquired the property by bequest, gift, tax-free exchange, involuntary conversion, or wash sale of stock. If you do not use cash cost, please attach an explanation of your basis.

When selling stock, you must reduce your basis by all nontaxable distributions received prior to the sale. This includes nontaxable dividends received from utility company stock and mutual funds. The basis must also be adjusted for stock splits.

The basis of property acquired by gifts made before January 1, 1977, generally is the basis of the property in the hands of the donor plus any gift taxes paid on the gift. For gifts made after December 31, 1976, only the gift tax on the appreciation in value at the time of the gift is added to the basis of the property in the hands of the donor.

The basis of property acquired from a decedent is generally the fair market value at the date of death.

If a charitable contribution deduction is allowed because of a sale of property to a charitable organization, the adjusted basis for determining gain from the sale is an amount which has the same ratio to the adjusted basis as the amount realized has to the fair market value.

Capital Loss Carryover

You will have a capital loss to carry to 1978 if your 1977 Schedule D (Form 1040), line 16a (or your 1977 Form 4798, Part I, line 27), was larger than the capital loss you deducted from income on your 1977 Form 1040, line 14. Any capital loss carryover to 1978 should be shown in the spaces provided on your 1977 Schedule D (Form 1040), page 2 or your 1977 Form 4798, Part II.

If you have a capital loss carryover from years beginning after 1969, enter the amounts on your 1978 Schedule D, lines 4 and 12, column f. Use Part VI of your 1978 Schedule D to figure any capital loss carryover from 1978 to 1979, if you have a capital loss for 1978 that is larger than the loss deducted on your 1978 Form 1040, line 14. Please keep this information to help you with your 1979 Schedule D (Form 1040).

If you have a capital loss carryover from years beginning before 1970, or both pre-1970 and post-1969 capital losses, you should: (1) complete Parts I and II of Schedule D (Form 1040) through line 13 to report current transactions and any post-1969 capital loss carryovers, and (2) carry any amounts from Schedule D, lines 5 and 13, to Form 4798, Carryover of Pre-1970 Capital Losses, Part I, to figure your capital gain or loss, and your capital loss limitation for 1978 if you have a net capital loss for the year. Use Form

4798 to figure any capital loss carryovers from 1978 to 1979 if the losses include pre-1970 loss carryovers. Please keep a copy of your 1978 Form 4798 to help you with your Schedule D (Form 1040) and Form 4798 (if applicable) for 1979.

“Taxable Income, as Adjusted”

(Schedule D (Form 1040), line 24biii, or Form 4798, line 36c)

A separate calculation may be needed to determine “taxable income, as adjusted.” This calculation is made as follows: First figure amount from Form 1040, line 34, without regard to gains or losses from sales or exchanges of capital assets. Reduce that amount (but not below zero) by: (1) \$2,200 if filing as a single person or an unmarried head of household, (2) \$3,200 if married filing jointly or a qualifying widow(er) with dependent child, or (3) \$1,600 if married filing separately.

Investment Interest Expense Deduction Adjustment

Note: These rules also apply if you use Form 4798 to report a pre-1970 capital loss carryover.

If you have investment interest expense of more than \$10,000 (\$5,000 if married filing separately), the amount of that interest that you can deduct could be limited. Please see Form 4952 for details.

If Schedule D, line 13 (or Form 4798, Part I, line 6) is blank or if line 13 or line 14 (or Form 4798, Part I, line 6 or line 7) shows a loss, you may skip the rest of this instruction.

If there is an entry on Form 4952, line 22; and, on Schedule D, both lines 13 and 14 (or Form 4798, Part I, lines 6 and 7) show a gain, then part or all of the amount of capital gains used on Form 4952, line 22, will be treated as ordinary income for purposes of determining the capital gain deduction or the alternative capital gain tax. The amount treated as ordinary income is the lesser of: the amount on Form 4952, line 22, or the amount on Schedule D, line 15 (or Form 4798, Part I, line 8). You should enter this amount in the margin to the right of Schedule D, line 13 (or Form 4798, Part I, line 6), and identify it as “From Form 4952.”

Before figuring the capital gain deduction on Schedule D (or Form 4798), or the Alternative Tax in Schedule D, Part V or Form 4726, you must decrease the gains on Schedule D, lines 13 and 14 (or Form 4798, Part I, lines 6 and 7) by the amount treated as ordinary income. Enter the amount treated as an ordinary gain (shown in the margin) on Form 4797, Part II, line 10, or if you do not use Form 4797 for other transactions, enter the gain on your Form 1040, line 16, and identify it as “From Form 4952.”

Sale of Personal Residence

Report a taxable gain from the sale of a personal residence on Schedule D (Form 1040). A loss from such sale is not deductible.

Use Form 2119, Sale or Exchange of Personal Residence, to report the sale of

your personal residence if you bought a qualified replacement residence. Also use this form if you sold or exchanged your residence: 7/26/78 or before, and you were 65 or older, or after 7/26/78, and you were 55 or older, before the date of sale or exchange. If you are thinking of replacing your residence but have not done so, see **Publication 523**, Tax Information on Selling or Purchasing Your Home.

Tax on part or all of the gain from the sale of your principal residence must be deferred if:

- within 18 months before or after the sale, you purchase another principal residence and use it as such; or
- before the sale or within 18 months after the sale, you begin construction of a new principal residence and use it as such within 18 months before and two years after the sale.

Installment Sales

If you sold personal property for more than \$1,000 or real property for any amount, you may use the installment method to report any gain if:

- there were no payments in the year of sale, or
- payments in the year of sale were not more than 30 percent of the sale price. The sale must provide for one or more payments in each of two or more tax years.

Installment payments received after 10/31/78 should be entered in Schedule D, column g of the appropriate line.

If you elect the installment method, attach a computation titled “Installment Sale Computation.”

For more information and an installment sale worksheet, please get **Publication 537**, Tax Information on Installment and Deferred-Payment Sales.

Special Rules

The following items may require special treatment: (1) transactions by a securities dealer, (2) wash sales of stock or securities, (3) bonds and other evidences of indebtedness if original issue discount is a factor, (4) certain real property subdivided for sale which may be considered a capital asset, (5) distributions received attributable to an employee pension, profit-sharing, or stock bonus plan (please see Form 4972 or Form 5544), (6) gain on the sale of depreciable property between husband and wife or between shareholder and a “controlled corporation” treated as ordinary gain, (7) gain on disposition of stock in a domestic international sales corporation, (8) gain or loss on options to buy or sell, including closing transactions, (9) transfer of property to a foreign corporation as paid-in surplus or as a contribution to capital, or to a foreign trust or partnership, and (10) the transfer of property to a partnership which would be treated as an investment company if the partnership were incorporated.

Losses That Are Not Deductible

Do not deduct a loss from the sale or exchange of property directly or indirectly between:

- members of a family

b. a corporation and an individual or a fiduciary owning more than 50 percent of the corporation's stock (not counting liquidations)

c. a grantor and a fiduciary of a trust

d. a fiduciary and a beneficiary of the same trust

e. a fiduciary and a fiduciary or beneficiary of another trust created by the same grantor

f. an individual and a tax-exempt organization controlled by the individual or the individual's family, or

g. a partnership and a partner owning, directly or indirectly, more than 50 percent of the capital interest, or profits interest in the partnership (other than a sale or exchange of an interest in the partnership).

Long-term Capital Gains from Regulated Investment Companies

Include in income in the appropriate columns, as a long-term capital gain the amount(s) shown on Form 2439 that represents your share of the undistributed capital gains of a regulated investment company. Enter the tax paid by the company as shown on Form 2439 on Form 1040, line 61. Add to the basis of your stock, the excess of the amount included in income over the credit.

Small Business Stock

Subject to limitations, you may deduct the loss on the sale, exchange, or worthlessness of Small Business (section 1244) stock as an ordinary loss on Form 4797, rather than as a capital loss. However, gains are reported as capital gains on Schedule D (Form 1040).

Disposition of Partnership Interest

A sale or other disposition of interest in a partnership may result in ordinary income. Please get **Publication 541**, Tax Information on Partnership Income and Losses, and **Publication 544**, Sales and Other Dispositions of Assets, for further information.

Alternative Tax Computation

It may be to your advantage to use the alternative tax if the net long-term capital gain exceeds the net short-term capital loss, or if there is a net long-term capital gain only and you are filing:

- as a single individual or unmarried head of household with taxable income over \$40,200,
- a joint return, or as a qualifying widow or widower with dependent child, with taxable income over \$55,200, or
- a separate return from your spouse and have taxable income over \$27,600.

Figure the tax using the alternative method to see if the resulting tax is less than the tax using the regular method.

Two publications you should find useful are **Publication 544**, Sales and Other Dispositions of Assets, and **Publication 550**, Tax Information on Investment Income and Expenses.

Instructions for Schedule E

Supplemental Income

Part I Pension and Annuity Income

General Rule for Annuities

Generally, amounts you received from annuities and pensions are included in your income in an amount that is figured on your life expectancy. You may find this computation and your life expectancy multiple in **Publication 575, Tax Information on Pension and Annuity Income**.

Once you figure the excludable amount for a full year it does not change, so you will not have to refigure the amount to exclude each full year. In making this computation, you can get help from the Internal Revenue Service as well as from the payer of the annuity or pension.

If you did not contribute to the cost of your pension or annuity, or your employer did not withhold part of the contract cost from your pay while you worked, the amounts you receive each year are fully taxable. Report your annuity on Form 1040, line 17, instead of Schedule E.

Special Rule for Certain Types of Employees' Annuities

A special rule applies for employees' annuities if:

- your employer contributed part of the cost, and
- you will recover your cost within 3 years from the date of the first payment.

If both these conditions are met, you can exclude from income the payments you receive under the contract until you recover your cost. Your cost is the amount you contributed, plus the contributions your employer made on which you paid tax. Do not add interest shown as earned on your contributions to the annuity cost unless you paid tax on it. After you recover your cost, all amounts you receive are taxable. This method of figuring taxable income also applies to an employee's beneficiary if the employee dies before receiving any payments.

Example: Ralph received \$200 a month from an annuity. While working, he contributed \$4,925 toward the annuity's cost. His employer also contributed toward the annuity. Ralph did not pay tax on his employer's contributions. Ralph received \$7,200 during the first 3 years, which was more than his \$4,925 contribution. Ralph would exclude from income all the annuity payments up to \$4,925. All payments received after that are taxable.

Death Benefit Exclusion

If you received pension or annuity payments as a beneficiary of a decedent who received no retirement pension or annuity payments (or received disability income payments not reported as a pension or annuity), you may be entitled to a death benefit exclusion of up to \$5,000. For more information, please get **Publication 575**.

Disability Pension and Annuity Payments

If you meet ALL the following conditions, you may be eligible to claim the disability income exclusion:

- you had not reached age 65 at the end of the tax year,
- you had not reached mandatory retirement age at the beginning of the tax year (*Mandatory retirement age is the age at which your employer makes all employees in your employee class retire because of age.*),
- you were permanently and totally disabled when you retired or permanently and totally disabled on January 1, 1976, or January 1, 1977, if you retired before the later date on disability or could have, and
- you didn't make the irrevocable election not to claim the disability income exclusion. Irrevocable election not to exclude disability income is a decision to stop treating disability income payments as such and to start treating them as annuity income payments at an earlier date than would otherwise occur. If it is made, you may no longer exclude any part of the payments under the disability income exclusion rules.

To make the irrevocable election, please attach a statement to your tax return that (1) states you elect not to claim the disability income exclusion and will report your disability payments under an applicable pension or annuity rule, and (2) lists your qualifications for making the election. If you retired in 1978, you must also attach a certificate from a qualified physician attesting to your total and permanent disability at the time of your retirement. You may not make this election if you are a disability retiree who retired after December 31, 1976, and whose disability payments are not eligible for the disability income exclusion.

If you meet conditions a, b, c, and d, you should report your disability pension or annuity payments received during the tax year on Form 1040, line 8 (except for amounts received after the mandatory retirement age).

At the earlier of:

- the beginning of the tax year in which you reach age 65, or
 - the date you reach mandatory retirement age,
- report the disability payments as a pension or annuity.

Before you start reporting your disability payments as a pension or annuity, you may not apply any of your pension or annuity cost against your disability payments.

If you do not meet conditions a, b, c, and d, the amounts you receive are not eligible for disability income exclusion. If you do not meet condition a. or b. report the amount you receive as a pension or annuity. If any of these amounts are excludable as a recovery of your contribution, enter the total amount on Schedule E, line 3, and the excludable

part on line 4. If nothing is excludable, enter the total amount on Form 1040, line 17.

If you meet all the conditions except c., report on Form 1040, line 8, all the disability payments received for periods before the date you reach minimum retirement age. Minimum retirement age is the age at which you are eligible, without disability, for a pension or annuity. Amounts you receive for periods after that will be treated as a pension or annuity.

Any amounts you receive before you start to treat your disability income as a pension or annuity will be earned income for purposes of line 2b of Schedule RP (Credit for the Elderly) and line 1 of the Earned Income Credit Worksheet.

For more information about disability payments, please get **Form 2440, Disability Income Exclusion**, and **Publication 522, Tax Information on Disability Payments**.

Lump-Sum Distribution from Form 1099R

If you received a lump-sum distribution from a profit-sharing or retirement plan, you should report the taxable amount paid as capital gain on Schedule D (Form 1040) and ordinary income on Form 1040.

You may be eligible to figure the tax on the ordinary income part of your lump-sum distribution under a special averaging method. If you make an irrevocable election, you may treat the long-term capital gain part as ordinary income. Together with the regular ordinary income part of the lump-sum distribution, you may figure the tax on the distribution under a special averaging method. For more information, please get **Form 4972, Special 10-year Averaging Method** or **Form 5544, Multiple Recipient Special 10-Year Averaging Method**, and separate instructions.

Part II Rent and Royalty Income

Rent

If you were not in the real estate sales business, but received rent from property you own or control, report it in column (b). If you received property as rent instead of money, report its fair market value.

You should report amounts received from room and other space rentals in this part, unless you also provided services to the renter. If you provided services, report the amount as business income on Schedule C. If your business was selling real estate, report rentals on Schedule C.

Except as noted below, you can deduct depreciation expense for rental property. You can also deduct all ordinary and necessary expenses, such as taxes, interest, repairs, insurance, agent's commissions and maintenance. If interest expense deduction is more than \$10,000, see **Form 4952** for figuring your investment interest deduction. Do not deduct capital investments or improvements. Add these to the basis of the property for depreciation. For example, a landlord can deduct the cost of minor repairs, but not the cost of major improvements, such as a new roof. Do not deduct the value of your own labor.

If You Rent Part of Your House

If you rent only part of your property, deduct only the part of your expenses that relate to the rented part. If you do not know the exact amount of these expenses, figure the proportion of the total. For example, if you rent half of your home and live in the other half, deduct only half the depreciation and other expenses.

Rental of Vacation Home (or Other Dwelling Unit) Used for Personal Purposes

The amount of deductions you can take on the rental of a vacation home (or other dwelling unit) is limited if you or a member of your family use the dwelling for personal purposes more than the greater of 14 days or 10 percent of the number of days during the year the unit was actually rented at a fair rental.

Exception: Personal use of a residence would not be taken into account for a tax year in which the residence is converted to rental property.

Family member includes only your brothers and sisters (including half brothers and sisters), spouse, ancestors, and lineal descendants.

Deductible expenses from the rental are limited to the amount by which the gross rental income is greater than the allowable deductions for interest, taxes, and casualty losses on the rental use.

If the unit is rented for less than 15 days, no deductions (other than interest, taxes, and casualty losses on Schedule A) are allowed. In this case, do not report the rental income.

Dwelling units include houses, apartments, condominiums, mobile homes, and boats. For more information and for the method of figuring expenses of rental use, please get **Publication 530**, Tax Information for Homeowners.

Form 4831, Rental Income, may be used as an attachment to your return to report rental income and expenses instead of completing the rental income and expense schedule in Schedule E, Part II. If you use this form, please enter the net income or (loss) on Schedule E, line 8.

Rental Income from Farm Production or Crop Shares

Report this income and related expenses on **Form 4835**, Farm Rental Income and Expenses and Summary of Gross Income from Farming or Fishing, if you meet all these tests:

- You received rental income based on farm production or you received crop shares based on the rental of all or part of your crop land on a crop share basis.
 - You did not manage or operate the farm to any great extent.
 - Two-thirds of your gross income was from farming or fishing. (See Note, below.)
- Report crop shares received only for the year they are converted to money or its equivalent, such as merchandise or property.

If you use Form 4835, report the net farm rental profit or (loss) on Schedule E, line 9.

Note: For estimated tax, income received from crop shares and rental based on farm production is considered income from

farming. Add this income shown on Form 4835, line 25, to your other income from farming or fishing. If the total is at least two-thirds of your gross income, the penalty for not paying estimated tax will not apply if you file your tax return and pay the tax by March 1, 1979.

Royalties

Enter in column (c) royalties from oil, gas or mineral properties, copyrights, and patents. If you hold an operating oil, gas, or mineral interest, report gross income and expenses in Schedule C. Under certain circumstances, you can treat amounts received as "royalties" for transfer of a patent or amounts received on the disposal of coal and iron ore as the sale of a capital asset. For more information, please get **Publication 544**, Sales and Other Dispositions of Assets.

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

Part III Income or Losses from Partnerships, Estates or Trusts, Small Business Corporations Partnerships

If you are a member of a partnership or joint venture, include in this part your distributive share of the partnership income (whether you received it or not) or net loss for the partnership tax year that ends during the year covered by your return.

In figuring the loss to report on your return, do not claim your share of a partnership loss (including capital loss) that is more than the adjusted basis of your interest in the partnership at the end of the partnership's tax year. For liabilities incurred after December 31, 1976, the adjusted basis of your interest in the partnership (for figuring limitations on losses) doesn't include any part of any partnership liability for which you have no personal liability. This liability restriction does not apply if your interest is in a partnership whose main activity is investing in real property, other than mineral property.

(The amount of a partner's distributive share of a partnership loss the partner may deduct in the current tax year may also be limited by the "at risk" provisions explained below.)

"At Risk" Rules

Special "at risk" rules apply for partnerships that:

- hold, produce, or distribute movies or video tapes,
- farm (cultivate land, or raise or harvest any agricultural or horticultural product, including raising, shearing, feeding, caring for, training, and managing animals; trees (other than trees bearing fruit or nuts) are not treated as agricultural or horticultural products),
- lease personal property and certain other tangible property other than buildings, elevators or escalators, or other real property subject to depreciation or amortization, or
- explore for, or exploit, oil and gas resources.

Your share of any partnership loss from any of these activities for the tax year may not be greater than the amount for which you are "at risk" for the activity at the close of the partnership's tax year. Any loss from these activities not allowed for your 1977 tax year is a deduction for that activity for your 1978 tax year.

You are generally considered to be "at risk" to the extent of the cash and the adjusted basis of other property you contributed to the activity and any amounts borrowed for use in the activity for which you are either personally liable or have pledged property as security (other than property used in the activity).

For more information on "at risk" limits, please see copy B of Schedule K-1 (Form 1065), Partner's Share of Income, Credits, Deductions, etc.

Part or all of your distributive 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. For more information, please get **Publication 541**, Tax Information on Partnership Income and Losses.

Estates and Trusts

If you are a beneficiary of an estate or trust, you should report your taxable part of the income (whether you received it or not) as follows:

- Dividends from qualifying domestic corporations—enter on Schedule B, Part II, line 3. If total dividends received from all sources are \$400 or less, enter the total on Form 1040, line 10a, and do not list them on Schedule B.
- Short-term capital gains—Schedule D, line 2.
- Long-term capital gains—Schedule D, line 9.
- Other taxable income less deductions—Schedule E, Part III.

For more information on these items, please contact the fiduciary or see Schedule K-1 (Form 1041).

Include your share of tax preference items on **Form 4625**, Computation of Minimum Tax.

A U.S. person who transferred property to a foreign trust may have to include the income resulting from it in his or her income if, during 1978, the trust had a U.S. beneficiary. For more information, see **Form 3520-A**, Annual Return of Foreign Trust With U.S. Beneficiaries.

Farm Income Reported in Part III

If you are a member of a partnership or beneficiary of an estate or trust reporting income from farming or fishing in Part III, enter your share of partnership gross income or fiduciary taxable income from farming or fishing in column (c). This is an information entry only. Please report your income in column (e) or loss in column (d) as shown on your 1978 Schedule K-1.

Small Business Corporations

If you are a shareholder in a small business corporation that elected to have its current taxable income taxed to its stockholders, you should report:

- Actual dividend distributions (whether taxable as ordinary income or long-term capital gain) as dividend income in Schedule B (Form 1040), Part II, line 3.

Subtract from the actual dividend distribution the non-dividend (distribution of previously taxed income) part on Schedule B, Part II, line 6, and the long-term capital gain portion on Schedule B, Part II, line 5. Also include the long-term capital gain part on Schedule D, line 7.

- Constructive dividends reported to you on Schedule K-1 (Form 1120S) taxable as ordinary income or (loss), in Schedule E, Part III.

- Constructive dividends reported to you on Schedule K-1 (Form 1120S) taxable as long-term capital gain on Schedule D, line 10.

If you are a shareholder claiming a deduction for a net operating loss, please attach to your return a computation of the adjusted basis of your stock in the corporation and the adjusted basis of any debt the corporation owes you. Your net oper-

ating loss deduction is limited to that amount.

The "at risk" rules discussed earlier also apply to small business corporations. Please read these rules, substituting "small business corporation" for "partnership" and "shareholder" for "partner."

Depreciation

You can deduct a reasonable allowance for wear and tear of business and investment property. The allowance does not apply to stock in trade, inventories, land, and personal assets. Please get **Form 4562, Depreciation**, or **Publication 534, Tax Information on Depreciation**, for methods, limits, and special rules.

Note: Your total additional first-year depreciation deduction from all sources is limited to \$2,000 (\$4,000 if filing jointly).

Schedule RP is for persons under 65 who were employees of Federal, State, or local governments, and had public retirement system income. Examples of these retired employees are: Federal civil service workers, public school teachers, members of police and fire departments, and members of the armed forces. For more information, please get **Publication 524, Tax Credit for the Elderly**.

If you lived with your spouse at any time in 1978, you must file a joint return to take the credit. If you and your spouse lived apart the entire year, you can file either a joint return or separate returns and still take the credit.

The credit can be taken by a nonresident alien who:

- is married to a U.S. citizen or resident, and
- his or her spouse chooses to file a joint return and be taxed on their worldwide income.

Figuring the Credit

If you want us to, we will figure your credit for the elderly. Please see page 5, "We will figure some of your credits, too."

If you are figuring the credit yourself, you will first have to fill in Form 1040 through line 37. Then, read the instructions for the schedule (R or RP) you use. If you are married and have a choice of schedules, figure your credit both ways to see which will give you the most credit.

Community Property Income

You should disregard community property laws in figuring the credit for the elderly on Schedule RP. (Community property States are: Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, and Washington.) The total of all taxable and nontaxable income should be entered in the column for the spouse who received it.

Line-by-Line Instructions for Schedule R

Filing Status and Age

The largest amount of income you can use to figure the credit is based on your filing status and age and, if married, the age of your spouse. Single includes unmarried head of household and qualifying widow(er) with dependent child. Check only one box.

Line 1

Enter the amount for the filing status box you checked.

Line 2a

Report pensions and annuities that are not taxed. (Do not include amounts received from workmen's compensation, insurance, damages, etc., for injury or sickness.) Include payments received from:

- Social security (before deduction for medicare premiums).
- Railroad retirement (but not supplemental annuities).

Instructions for Schedules R and RP

Credit for the Elderly

Some elderly persons can take a credit against their tax by using one of two schedules (R or RP). The credit cannot be more than your tax. It is available regardless of how long you worked. The amount of the credit is based on your

filing status and age, and if married, the age of your spouse. Which schedule you use depends on your age and the kind of income you had.

Schedule R is for persons 65 or over with any kind of income.

Before You Start to Fill Out Your Schedule

Check the table below for your schedule. If your income for your age and filing status is less than the amount in the table, you may be able to take the credit for the elderly.

If your income for your age and filing status is more than the amounts in the table, you cannot take the credit for the elderly. **DO NOT FILL OUT the SCHEDULE.**

Complete Schedule R if You are:	And received non-taxable pensions (social security, etc.) less than:	Or the amount on line 31, Form 1040 is less than:
Single (this includes unmarried head of household and qualifying widow(er) with dependent child)	\$2,500	\$12,500
Married filing a joint return and		
• one spouse is 65 or over	\$2,500	\$15,000
• both are 65 or over	\$3,750	\$17,500
Married filing a separate return	\$1,875	\$ 8,750
Complete Schedule RP if You are:	And received non-taxable pensions (social security, etc.) less than:	Or had earned income (wages, salaries, etc.) less than:
Single (this includes unmarried head of household and qualifying widow(er) with dependent child) and		
• under 62	\$2,500	\$3,400
• at least 62 but under 65	\$2,500	\$3,950
Married filing joint return and ¹		
• one under 62	\$2,500 for that one	\$3,400 for that one
• both under 62	\$2,500 for each	\$3,400 for each
• one at least 62 but under 65	\$2,500 for that one	\$3,950 for that one
• both at least 62 but under 65	\$2,500 for each	\$3,950 for each
Married filing a separate return and		
• under 62	\$1,875	\$2,775
• at least 62 but under 65	\$1,875	\$3,325

¹ Caution: This table does not cover married persons filing a joint return if:

- (1) one spouse is under 65 and has public retirement system income,
- (2) and the other spouse is 65 or over, and
- (3) they elect to file Schedule RP.

Persons in this category should complete Schedule RP to determine if they can take the credit for the elderly.

- Veterans' pensions (but not military disability pensions).
- A matured U.S. Government life insurance endowment contract (after you subtract all amounts you paid for the contract).

Line 2b

Use this line if your income on Form 1040, line 31, is MORE than the amount listed on line 2b for the filing status box that you checked on this schedule. (Skip this line if your income is less than the amount listed.)

If your income is more than the amount for your status, use the steps below to figure the amount to put on line 2b.

Step a. Enter the amount from Form 1040, line 31

Step b. Enter:

- \$7,500 if you checked box A
- \$10,000 if you checked box B or C
- \$5,000 if you checked box D.....

Step c. Subtract **Step b.** from

Step a......

Step d. Enter one-half of **Step c** amount on line 2b.....

Line 3

Add lines 2a and 2b. Enter total on this line. If the amount on line 3 is more than the amount on line 1, you cannot take the credit; do not complete this schedule.

Line 4

Subtract line 3 from line 1. This is the amount you use to figure your credit.

Line 5

Multiply line 4 by 15 percent (.15) and enter the result on this line.

Line 6

Enter the tax from Form 1040, line 37. (If none, you cannot take the credit; do not file this schedule.)

Line 7

Enter the amount from line 5 or line 6, whichever is less. This is your Credit for the Elderly. Enter the same amount on Form 1040, line 39.

Line-by-Line Instructions for Schedule RP

Name of Public Retirement System

Please enter the name of the public retirement system of the spouse under 65. If both you and your spouse are under 65 and receive public retirement system income, enter the name of the public retirement system of both you and your spouse. Identify the public retirement system received by the husband with a (H) and the wife with a (W).

Filing Status and Age

The largest amount of income you can use to figure the credit is based on your filing status and age and, if married, the age of your spouse. Single includes unmarried head of household and qualifying widow(er) with dependent child. Check only one box.

If you are filing a joint return and checked box C, use column (a) for the wife and column (b) for the husband.

If you checked box B, the spouse under 65 should use column (b).

Line 1

Enter the amount for the filing status box you checked. If you file a joint return and you checked box B or C, the \$3,750 must be divided between you and your spouse. No more than \$2,500 can be entered for either of you. Generally, you will get more credit if the largest amount is entered for the spouse with the most retirement income.

Line 2a

Report pensions and annuities that are not taxed. (Do not include amounts received from workmen's compensation, insurance, damages, etc., for injury or sickness.) Include payments received from:

- Social security (before deduction for medicare premiums).
- Railroad retirement (but not supplemental annuities).
- Veterans' pensions (but not military disability pensions).
- A matured U.S. Government life insurance endowment contract (after you subtract all amounts you paid for the contract).

Line 2b

Use this line if you had wages, salaries, or other earned income of more than:

- \$900 and you were under 62, or
- \$1,200 and you were at least 62 but under 72.

Skip this line if you:

- were 72 or over, or
- had earned income of \$900 or less, or
- were at least 62 but under 72 and had earned income of \$1,200 or less.

If you use line 2b, please follow the instructions below.

If you were under 62 and had earned income of more than \$900, subtract \$900 from the amount you earned. Enter the balance on line 2b(i).

If you were at least 62 but under 72, and had earned income of more than \$1,200 but not more than \$1,700, subtract \$1,200 from the amount of your earned income. Divide the balance by 2 and enter the result on line 2b(ii).

If you were at least 62 but under 72, and had earned income of more than \$1,700, subtract \$1,450 from the amount of your earned income. Enter the balance on line 2b(ii).

Line 3

Add lines 2a and 2b. Enter the total on this line.

Line 4

Subtract line 3 from line 1. This is the largest amount of income on which you can figure your credit.

If the amount of line 3 is more than the amount on line 1 for a column, do not complete the rest of the lines in that column.

Line 5

The kind of retirement income you enter depends on whether you are under 65 or whether you are 65 or over. Do not include any of the amounts listed on line 2a; those pensions are not taxable.

If you were under 65 on January 1, 1979, enter the payments included in income that you received from a public retirement system, but not social security or railroad retirement that you excluded from gross income.

If your spouse died and you received payments from his or her public retirement plan, enter the payments included in income on line 5a.

If you retired on disability, your disability annuity payments are earned income and not retirement income unless the payments:

- are for periods after you reached the minimum retirement age and
- are not eligible for the disability income exclusion.

Such payments are not eligible for the disability income exclusion if you:

- received the payments after you reached mandatory retirement age,
- were not permanently and totally disabled when you retired (and were not permanently and totally disabled on January 1, 1976, or January 1, 1977, if you retired before the later date on disability or under circumstances which entitled you to retire on disability), or
- have chosen not to claim the disability income exclusion. Once you choose not to claim it, you cannot later claim it.

Minimum retirement age is the age at which you would have been eligible for a pension without disability. Mandatory retirement age is the age at which your employer makes all employees in your employee class retire because of age.

If you were 65 or over on January 1, 1979, enter on line 5b the amount included in income that you received from the sources listed below:

- Individual retirement arrangements (IRA), pension or annuity contracts, and retirement bonds.
- Interest.
- Dividends.
- Rents (before subtracting expenses).

Line 6

Enter the amount from line 4 or 5, whichever is less.

Line 7

If you are filing a joint return, add the amounts in columns (a) and (b), line 6. Enter the total on line 7. If you are not filing a joint return, enter the amount from column (b), line 6.

Line 8

Multiply line 7 by 15 percent (.15) and enter the result on this line.

Line 9

Enter the tax from Form 1040, line 37. (If none, you cannot take the credit; do not file this schedule.)

Line 10

Enter the amount from line 8 or 9, whichever is less. This is your Credit for the Elderly. Enter the same amount on Form 1040, line 39.

Instructions for Schedule C

Profit or (Loss) From Business or Profession

If you operated a business or practiced a profession, complete Schedule C. If you had more than one business, or if you and your spouse had separate businesses, please complete a Schedule C for each business.

Farmers should use **Schedule F**.

If some of your expenses are part business and part personal, you may deduct only the business part. For example, if only half of your car usage was for business, deduct only half of the cost of operating the car.

Report sales, exchanges, and involuntary conversions of trade or business property on **Form 4797**, Supplemental Schedule of Gains and Losses.

You must pay social security self-employment tax on income from any trade or business, unless you are specifically exempted. Please see **Schedule SE**.

Report interest, taxes, and casualty losses not related to your business as itemized deductions on **Schedule A**.

Item A—Main Business Activity and Product

Report the business activity that accounted for the most income included on Schedule C, Part I, line 1a. Give the general field as well as the product or service. For example, "wholesale—groceries" or "retail—hardware."

Item C—Employer Identification Number

You don't need an employer identification number unless you had a Keogh (H.R. 10) plan or were required to file an employment, excise, or alcohol, tobacco, and firearms tax return.

Item D—Business Address

Use your home address only if you actually conducted the business from your home. You should show a street address instead of a box number.

Item E—Accounting Method

You must use the cash method on your return unless you kept account books. If you kept books, you can use the cash method, accrual method, or in some cases, the completed contract or percentage of completion method. The method used must accurately reflect your income.

If you want to change your accounting method (including the treatment of any item such as inventories or bad debts) you must usually first get the permission of the Commissioner of Internal Revenue. File **Form 3115** within the first 180 days of the tax year in which you want to make the change.

If you use the cash method, show all items of taxable income actually or constructively received during the year (in cash, property, or services). Also show amounts actually paid during the year for

deductible expenses. Income is constructively received when it is credited to your account or set aside for you to use at any time.

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.

Item F—Valuation Methods

Your inventories can be valued at:

- cost,
- cost or market value, whichever is lower, or
- any other method approved by the Commissioner of Internal Revenue.

You must continue to use the same valuation method you used the first year you took inventory unless you get permission to change your method.

Item H—Limited Deduction for Losses Arising from Certain Activities

If you are engaged in the activity of:

- holding, producing, or distributing motion picture films or video tapes,
 - farming (see the instructions for Schedule F (Form 1040) for a definition of farming),
 - leasing section 1245 property (personal property, and certain other tangible property other than buildings, an elevator or escalator, or other real property that is or has been subject to an allowance for depreciation or amortization), or
 - exploring for, or exploiting, oil and gas resources,
- as a trade or business or for the production of income, any loss from that activity may not exceed the total amount you have at risk (amount that you personally invested plus any amount for which you are personally liable).

You are not considered "at risk" for any amount you borrowed if:

- you borrowed from a relative or someone who has an interest in the business, or
- you are protected against loss by a guarantee, stop-loss agreement or similar arrangement.

If line 34 is a loss, you should enter on Form 1040, line 13, only the amount for which you are considered "at risk."

Note: Enter as a deduction on Schedule C, line 32, any loss from such activity that was incurred in 1977, but not allowed for that year because of the "at risk" limitations.

Item I—Deductions for Business Use of a Home

You may deduct, within certain limits, business expenses that apply to a part of your home only if that part is exclusively used on a regular basis:

- as your principal place of business,

b. as a place of business used by your patients, clients, or customers in meeting or dealing with you in the normal course of your trade or business, or

c. in connection with your trade or business if it is a separate structure that is not attached to your home.

You may also deduct expenses that apply to space within your home that is used on a regular basis to store inventory held for use in your trade or business of selling products at retail or wholesale, but only if your home is the **only** fixed location of your trade or business.

If you use space in your home on a regular basis in your trade or business of providing day care service, you may be able to deduct the business expenses even though you also use the same space for nonbusiness purposes.

Please get **Publication 587**, Business Use of Your Home, for more information. It will explain how to figure any deduction you may be allowed, including the treatment of taxes, interest, and casualty losses.

See Instructions for **Schedule E (Form 1040)** for information on deductions for rental of a dwelling used as a residence.

Information Returns.—You may be required to file information returns for wages paid to employees, certain payments of fees and other non-employee compensation, interest, rents, royalties, annuities, and pensions. For more detailed information, see instructions for **Forms W-3** (Transmittal of Income and Tax Statements) and **1096** (Annual Summary and Transmittal of U.S. Information Returns).

Part I—Income

(Lines 1 through 5)

Line 1a—Gross Receipts or Sales

Enter gross receipts or sales from your business.

Installment Sales.—If you use the installment method of reporting sales income, please attach a schedule showing separately for 1978 and the three preceding years: gross sales; cost of goods sold; gross profit; percentage of gross profits to gross sales; amounts collected; and gross profits on amounts collected.

Line 1b—Returns and Allowances

You should enter on line 1b such items as returned sales, rebates, and allowances from the sales price.

Line 2—Cost of Goods Sold and/or Operations

Cost of Goods Sold.—If you engaged in a trade or business in which the production, purchase, or sale of merchandise was an income-producing factor, merchandise inventories must be taken into account at the beginning and end of your tax year. Enter the amount from Schedule C-1, line 8.

Cost of Operations (Inventories Not an Income-determining Factor). If the amount on line 2 includes the cost of operations,

complete the appropriate lines on Schedule C-1.

Line 4—Other Income

Include finance reserve income, scrap sales, amounts recovered from bad debts, interest and other kinds of miscellaneous income from the business or profession.

Part II—Deductions (Lines 6 through 33)

Line 7—Amortization

You may amortize the cost of pollution-control facilities, on-the-job training, and child care facilities over a 60-month period instead of taking the depreciation deduction.

You may also amortize amounts you paid for research, experiments, and a trademark or trade name over a period of at least 60 months.

Real property construction period interest and taxes generally cannot be fully deducted in the year you paid or incurred them. Amounts not allowed as a deduction in the current year must be capitalized and amortized. This rule does not apply to low-income housing.

For more information about construction period interest and taxes and other amounts subject to amortization, please get **Publication 535**, Tax Information on Business Expenses and Operating Losses.

Line 8—Bad Debts from Sales or Services

Include debts and partial debts arising from sales or services that were included in income and are definitely known to be worthless. Instead of this, you may deduct a reasonable amount that was added during the tax year to a bad debt reserve.

If you later collect a debt that you deducted as a bad debt, include it as income in the year you collect it unless you use the bad debt reserve method. For more information, please get **Publication 548**, Tax Information on Deductions for Bad Debts.

Line 10—Car and Truck Expenses

You can deduct the actual cost of running your car or truck or take the fixed mileage rate. You must use actual costs if you use more than one car or truck in your business. If you deduct actual cost, show depreciation on line 13.

The fixed rate is figured at 17 cents a mile for the first 15,000 miles and 10 cents for each mile over 15,000. Add to this amount your parking fees and tolls.

For cars that have been or are considered fully depreciated, the fixed mileage rate is 10 cents a mile for all business mileage.

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

Line 12—Depletion

If you claim a deduction for timber depletion, please attach Form T.

Line 13—Depreciation

You can deduct a reasonable allowance for the exhaustion, wear and tear, and obsolescence of property used in a trade or business, or property held for the production of income. The allowance does not apply to stock in trade, inventories, land, and personal assets.

You can either list items separately or group similar assets as one item when filling in Schedule C-2.

Please see Form 4562, Depreciation, for information on depreciation methods, limitations and special rules. **Publication 534**, Tax Information on Depreciation, also contains helpful information.

Note: Your total additional first year depreciation deduction from all sources is limited to \$2,000 (\$4,000 if married filing a joint return).

Line 15—Employee Benefit Programs

Enter the amount of your contributions that are not an incidental part of a pension or profit-sharing plan included on line 22. Also include here contributions to insurance, health and welfare programs.

Line 18—Interest on Business Indebtedness

If you paid interest for years after 1978, deduct only the part you paid for 1978.

Don't take a deduction on Schedule C for interest you paid or accrued on debts from buying or carrying investment property. Deduct this interest on Schedule A. For more information, see **Publication 545**, Income Tax Deduction for Interest Expense.

Line 22—Pension and Profit-sharing Plans

You should enter the amount you claim as a deduction for contributions to a pension, profit-sharing, or annuity plan, or plans, for the benefit of your employees. If the plan includes you as a self-employed person, you should enter contributions made as an employer on your behalf (but not voluntary contributions you made as an employee) on Form 1040, line 25, instead of on Schedule C, line 22.

For filing requirements, please see instructions for Form 1040, line 25, on page 10.

Line 25—Repairs

You can deduct the cost of repairs, including labor, supplies, and other items that do not add to the value or increase the life of the property. Do not deduct the value of your own labor. And do not deduct amounts you spent to restore or replace property. They are chargeable to capital accounts or to depreciation reserve, depending on how depreciation is charged on your books.

Line 29—Travel and Entertainment

You can deduct all ordinary and necessary travel and entertainment expenses paid or incurred in your trade or business. Be sure

to fill-in Schedule C-3 to report expense account information.

Line 31—Wages

Enter on line 31a the total salaries and wages (other than salaries and wages deducted elsewhere on your return) paid or incurred for the tax year. Do not include any amount paid to yourself.

Enter on line 31b the applicable new jobs credit from Form 5884, line 13. See instruction G of the Instructions for Form 5884 for additional information. For more details, please get **Publication 902**, Tax Information on Jobs Tax Credit.

Line 32—Other Business Expenses

Include all ordinary and necessary business expenses. Do not include the cost of business equipment or furniture, replacements or permanent improvements to property, or personal living and family expenses.

Schedule C-3—Expense Account Information

Enter here amounts for which you are claiming a deduction on Schedule C that were:

- amounts other than wages and salaries, received as advances or reimbursements, and
- amounts you paid for expenses incurred by or for yourself or your employees. Include all amounts charged through any type of credit card, for which you claimed a deduction.

Do not include amounts you paid to buy goods to resell or use in the business. Also, do not include incidental expenses, like bus or taxi fares paid for local errands. Be sure to keep records as proof of amounts spent for entertainment.

Foreign Conventions.—Generally, no deduction is allowed for attendance at more than two foreign conventions during your tax year. The amount of expenses you can deduct is also subject to special limitations based on the amount of time actually devoted to business, etc.

In order to deduct any expenses for a foreign convention you must attach both of the following to your tax return for the year in which the expenses are deducted:

- a. your signed statement indicating the total days of the trip, the days and amounts spent traveling, the number of hours each day devoted to scheduled business activities, a program of the business activities; and
- b. a written statement, signed by an officer of the organization or group sponsoring the convention, that includes a schedule of business activities for each day of the convention and the number of hours of each day such scheduled business activities were attended.

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

Publication 334.—If you need more information about business income and expenses, get **Publication 334**, Tax Guide for Small Business.

Instructions for Schedule SE

Social Security Self-Employment Tax

Note: If you are self-employed and Form 1040, line 31, is less than \$8,000, you may have to complete lines 1 through 13 of Schedule SE (even if your self-employment income is less than \$400) to claim the earned income credit. You may also be able to claim the earned income credit if you use either optional method of computing self-employment tax. Please see page 2 of the instructions. (If you were eligible for the credit in 1976 or 1977, you may be able to get a refund by filing Form 1040X, Amended U.S. Individual Income Tax Return.) Do not use income exempt from self-employment tax as a result of filing Forms 4029 or 4361 to figure the earned income credit.

Schedule SE gives the Social Security Administration information necessary to figure benefits for self-employed people under the social security program. Social security self-employment tax applies regardless of age, and even if you are receiving social security benefits.

To assure proper credit to your account, please enter your name and social security number on this schedule exactly as they are shown on your social security card.

Fiscal year filers must use the tax rate and earning base that apply at the time their fiscal year begins. No proration of the tax or earnings base is required for a fiscal year that overlaps the date of a rate or earnings base change.

More Than One Business

If you farmed and had at least one other trade or business, your net earnings from self-employment are the combined earnings from all your businesses. If you had a loss in one trade or business, it reduces the income from another. In these cases, please use both Schedule F and Schedule C to figure net profit from the farm and nonfarm activities. Figure the combined self-employment tax on Schedule SE.

Adjustments

Exclude from Schedule SE, line 2, any income or expense not included in figuring net earnings from farm self-employment and attach an explanation. Also exclude from line 2 any additional first-year depreciation or unreimbursed expenses from farm partnership income.

Use Schedule SE, line 7, to exclude any amounts reported in Schedule C that should not be taken into account in figuring your nonfarm self-employment income. Deduct additional first-year depreciation from nonfarm partnerships on this line.

In figuring net earnings from self-employment, do not include income or (loss) or any deductions for expenses connected with this income from:

- a. Salaries, fees, etc. from the performance of services as:
 1. a public official, except as noted below,
 2. an employee or employee representative under the railroad retirement system, or
 3. an employee, except as noted below.
- b. 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.
- c. Real estate rentals, unless received in the course of a trade or business as a real estate dealer. These include cash and crop shares received from a tenant or sharefarmer. You should report these amounts on Schedule E, Part II.
- d. Dividends on shares of stock and interest on bonds, debentures, notes, certificates, or other evidence of corporate indebtedness unless received in the course of your trade or business as a dealer in stocks or securities.
- e. Gain or loss from:
 1. the sale or exchange of a capital asset,
 2. certain transactions in timber, coal, or domestic iron ore, or
 3. 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.
- f. Net operating losses from other years.

In figuring your net earnings from self-employment, be sure to include:

- a. Rental income from a farm if the rental arrangement provides for material participation by the landlord and the landlord participated materially in the production or management of the production of farm products on this land. This income is farm earnings. Report it on Schedules F and SE. To determine whether you participated materially in farm management or production, do not consider the activities of any agent who acted for you.
- b. Payments for the use of rooms or other space when services are also provided to the occupant, such as rooms in hotels, boarding houses, tourist camps, or homes.
- c. Payments for space in parking lots, trailer parks, warehouses, or storage garages.
- d. Income from the retail sale of newspapers and magazines by an employee 18 or over if the employee kept the profits.
- e. Income received by certain crew members of fishing vessels with a crew of less than 10 individuals. Also, see Publication 595, Tax Guide for Commercial Fishermen.

Fee Basis State or Local Government Employees

Fees received for functions and services performed by these employees (including public officers who in this capacity are employees) are subject to self-employment tax if the functions and services are performed in positions which are: a. compensated solely on a fee basis; and b. not covered under a Federal-State social security coverage agreement.

Clergy

If you are a minister or member of a religious order, include in your earnings from self-employment (but not for income tax purposes) the rental value of a home furnished you or an allowance for it. You must also include the value of meals and lodging provided to you for the convenience of your employer.

If you are a duly ordained, commissioned, or licensed minister of a church, member of a religious order (who has not taken a vow of poverty) or a Christian Science practitioner, you are subject to social security self-employment tax. But you can, under certain conditions, request IRS approval to exempt your income from service as a minister, member, or practitioner by filing Form 4361. If you have received IRS approval and have no other income subject to social security self-employment tax, write "Exempt—Form 4361" on Form 1040, line 48. If you filed Form 4361, but have \$400 or more from other earnings subject to self-employment tax, you must complete Schedule SE.

Ministers and Christian Science practitioners may request that a previously granted exemption from social security self-employment tax be revoked by filing Form 4361-A.

Note: If you filed an effective waiver certificate, Form 2031, to pay social security self-employment tax, you cannot apply for an exemption.

Members of Certain Religious Sects

If you have conscientious objections to social security insurance because of your belief in the teachings of a recognized religious sect of which you are a member, you can file Form 4029 to be exempt from self-employment tax. If you filed Form 4029 and have received IRS approval, do not file Schedule SE. Instead, write "Exempt-Form 4029" on Form 1040, line 48.

Coverage for Overseas Missionaries

Ministers and members of religious orders who are U.S. citizens serving outside the U.S. may figure earnings from self-employment as if they were serving in the U.S. This applies to those who have not elected exemption from coverage. Christian Science practitioners are not included in this provision.

For more information, please get Publication 517, Social Security for Members of the Clergy and Religious Workers.

U.S. Citizens Employed by Foreign Governments or International Organizations

You are subject to the social security self-employment tax if you are a U.S. citizen employed in the U.S., Puerto Rico, Guam, American Samoa, or the Virgin Islands by a foreign government in certain cases, an instrumentality wholly owned by a foreign government, or an international organization organized under the International Organizations Immunities Act. Report income from this employment on Schedule SE, line 5(d).

Self-employed U.S. Citizens Temporarily Living Outside the U.S.

If you are a U.S. citizen self-employed outside the U.S. and keep your residence in the U.S., figure your earnings from self-employment in the same way as those who are self-employed in the U.S. Exclusion of income earned abroad for income tax purposes does not apply to social security self-employment tax. This provision does not apply to U.S. citizens who have established residence in a foreign country.

Self-employed taxpayers residing in Puerto Rico, Guam, American Samoa or the Virgin Islands should get **Publication 570, Tax Guide for U.S. Citizens Employed in U.S. Possessions**, for more details.

Joint Returns

Show the name of the spouse with self-employment income on Schedule SE. If both spouses have self-employment income, each must file a separate Schedule SE. Include the total profits or (losses) from all businesses on **Form 1040**, line 13 or 19, as appropriate. Then enter the combined self-employment tax on **Form 1040**, line 48.

Community Income

In figuring net earnings from self-employment, if any of the income from a business, including farming, is community income, all the income from that business is considered the income of the husband, unless the wife managed and controlled the business. In that case, all the income is considered the wife's.

If you file separate returns, please attach Schedules C and SE (for nonfarm business) or Schedules F and SE (for farm business) to the return of the spouse with the self-employment income. Community income included on these schedules must be divided, for income tax purposes, on the basis of the community property laws.

Partnerships

In figuring your combined net earnings from self-employment, you should include your entire share of earnings from a

partnership, including any guaranteed payments. However, limited partners should not include their income or (loss) from a partnership, other than guaranteed payments, for tax years beginning after December 31, 1977. No part of that share can be treated as your spouse's even if the income, under State law, is community income. In a husband and wife farm partnership, enter the distributive share of each as partnership income on Schedule E (Form 1040) Part III, for income tax purposes, and on Schedule SE, line 1(b) for self-employment tax purposes. Report nonfarm partnership income on Schedule SE, line 5(b).

If a member of a continuing partnership dies, part of the deceased partner's distributive share of the partnership's ordinary income or (loss) for the tax year of the partnership in which the partner died must be included in the partner's net earnings from self-employment.

Share-Farming

If you produced crops or livestock on land belonging to another for a share of the crops or livestock produced, or the proceeds from them, you are considered to be an independent contractor and a self-employed person rather than an employee. Report your net earnings for income tax on Schedule F and for social security self-employment tax on Schedule SE.

Optional Method for Figuring Net Earnings From Farm Self-Employment

If your gross farming profits for the year were not more than \$2,400, you can report two-thirds of your gross farm profits instead of your actual net earnings from farming.

If your gross farm profits were more than \$2,400, and your net farm earnings were less than \$1,600, you can report \$1,600 on line 3b.

There is no limit on how many times you can elect this optional method. If you use this method, you must apply it to all farm earnings from self-employment for the year. This method can be used to increase or decrease net farm earnings, even if the farming operation resulted in a loss. You may change the method (from actual net to optional net or the reverse) after you file your return.

For the optional method, figure your share of gross profits from the farm partnership according to the partnership agreement. With guaranteed payments, your share of the partnership's gross profits is your guaranteed payment plus your share of the gross profits after the gross profits are reduced by all guaranteed payments of the partnership.

Optional Method for Figuring Net Earnings From Nonfarm Self-Employment

You may be able to use an optional method to figure your net earnings from nonfarm self-employment if your actual earnings from nonfarm self-employment are less than \$1,600, and less than two-thirds of your gross nonfarm profits.

You may use this optional method if you are:

- regularly self-employed, or
 - regularly a member of a partnership.
- This requirement is met if you had actual net earnings from self-employment of \$400 or more (including your distributive share of the income or loss from any partnership of which you are a member) from nonfarm and farm businesses in at least 2 of the 3 years immediately before the year for which you use the nonfarm option.

In this optional method, you may report two-thirds of your gross nonfarm profits (but not more than \$1,600) as your net earnings from self-employment. The nonfarm optional method does not allow you to report less than your actual net earnings from nonfarm self-employment.

The limit for the optional method for nonfarm self-employment is 5 years. The 5 years need not be consecutive.

If both nonfarm and farm businesses are involved, the nonfarm option may be used only if your actual net earnings from nonfarm self-employment are less than \$1,600. In all combined cases, your net nonfarm earnings must be less than two-thirds of your gross nonfarm profits to use the nonfarm option. If you qualify to use both options, you may report less than actual total net earnings but not less than actual net earnings from nonfarm self-employment alone.

If you use both options in figuring net earnings from self-employment, your maximum combined total of net earnings from self-employment for any tax year cannot be more than \$1,600.

For the nonfarm optional method, figure your share of gross profits from a nonfarm partnership according to the partnership agreement. With guaranteed payments, your share of the partnership's gross profits is your guaranteed payment plus your share of the gross profits after the gross profits are reduced by all guaranteed payments of the partnership.

For more information, please get **Publication 533, Information on Self-Employment Tax**.

Instructions for Schedule F

Farm Income and Expenses

You will find helpful information in **Publication 225, Farmer's Tax Guide**. It also contains sample filled-in schedules and forms.

Employer Identification Number

You do not need an employer identification number unless you had a Keogh (H.R. 10) plan or were required to file an employment, excise, or alcohol, tobacco, and firearms tax return.

Farm Income

Report all farm income in this schedule. If you received rental income based on farm production, or crop shares based on renting your land, and you did not materially participate in the farming, report this income on **Form 4835** and Schedule E (Form 1040). (This income is not subject to self-employment tax.)

Under both the cash and accrual methods of reporting income, report crop share rentals received in the year you convert them to money or its equivalent.

If you did materially participate in the farming, the rental income you received is subject to self-employment tax and should be reported in this schedule and in Schedule SE. The activities of an agent are not counted in deciding if you materially participated.

Report sales, exchanges, or involuntary conversions of certain trade or business property on **Form 4797**.

Anything of value received instead of cash, such as groceries in exchange for produce, must be treated as income at its market value. Do not report the value of farm products you and your family used, and do not deduct the expenses of raising these products.

Include as income any cash advances you received from marketing cooperatives.

Part I

Cash Receipts and Disbursements Method

Include in income:

a. Profits from the sale of livestock and other items bought for resale. Show on lines 1 and 2.

b. Cash and the value of merchandise or other property received from the sale of livestock and produce you raised. Show on lines 5 through 21.

You can elect to include in income proceeds from the sale of livestock because of drought in the tax year following the year of a drought, if:

- your main business is farming, and
- you can show that the sale would not have occurred except for the drought, and
- your area was eligible for Federal Government assistance.

You may include crop insurance proceeds and certain disaster payments in income in the tax year after the year of damage if you can show that it is your practice to report income from these crops in the later tax year.

c. Other farm income.

On line 23, show patronage dividends received from cooperatives in money and qualified written notices of allocation. Include cash advances from marketing cooperatives you do business with.

On line 24, show per-unit retain allocations received from cooperatives in money and qualified per-unit retain certificates.

Include any patronage dividends received in property (other than written notices of allocation) up to their fair market value.

You do not have to include in income patronage dividends which are directly attributable to:

- purchase of personal living or family items
- purchase of capital assets
- purchase of depreciable assets used in your business

where the basis of the items is reduced by the dividends excluded from income.

On line 25, enter nonpatronage distributions received from farmers' cooperatives exempt from tax.

On line 26, show your Agricultural Program payments:

- a.** In cash.—Enter the total amount of price support payments, diversion payments, and cost share payments received in cash (sight drafts).
- b.** In materials and services.—If you received materials, such as fertilizer or lime, or services, such as grading or constructing dams, enter the total amount paid by the Department of Agriculture to the vendor or contractor.

On line 27, enter any Commodity Credit Corporation loans you received if:

- the commodities are delivered or forfeited to the Corporation or
- you elect to include the loan in income when received. If you make this election, attach a statement showing the details of the loan. You must continue to report similar loans as income unless you receive permission to change your method of accounting from IRS.

On line 28, enter any Federal gasoline tax credit claimed as a credit on Form 1040 for 1977.

Use line 30 to report commodity futures.

Purchase or sales contracts entered into solely for protection against price fluctuations are a form of business insurance and are considered hedges. Enter any profit realized on line 30. If you incur a loss in a closed futures contract, you may deduct it as a business expense. Show it as a negative figure on line 30. Purchase or sales contracts are not true

hedges if they offset losses already sustained. Commodity futures contracts entered into with the hope of making a profit on the contract itself through favorable price fluctuations are considered speculation. Show these transactions on Schedule D (Form 1040).

Part II Expenses and Other Deductions

Under the cash receipts and disbursements method, your expenses are the amounts you paid during 1978, plus noncash deductions such as depreciation.

Labor Hired

On line 33a, deduct what you paid for farm labor. You can also deduct the cost of boarding hired farm labor. The value of products furnished by the farm and used in the board of hired labor is not deductible. You can deduct only what you paid household employees to care for your hired farm labor. Do not deduct the value of your labor or that of your family.

Enter on line 33b the applicable New Jobs Credit from line 13 of the Form 5884 filed for this Schedule F. See instruction G of the **Instructions for Form 5884** and **Publication 902** for more information. You may not take a deduction for that part of the wages and salaries you paid or incurred equal to the new jobs credit.

Repairs and Maintenance

You can deduct on line 34 amounts you paid for repairs and maintenance of farm buildings (except your home), farm machinery and equipment. You can also deduct the cost of ordinary tools of short life or small cost, such as shovels and rakes. Include in this line the total amount of repairs if you use the Class Life Asset Depreciation (CLADR) System.

Interest

You can deduct on line 35 interest you paid on your farm mortgage (but not on your home mortgage) and other obligations incurred to carry on farming and ranching. If you prepaid interest in 1978 for years after 1978, you can deduct only the part you paid for 1978.

Rent of Farm, Part of Farm, or Pasture

You can deduct on line 36 rent paid in cash. If you are a tenant farmer paying rent to your landlord in the form of crops raised on the farm under a crop share agreement, you can deduct amounts you paid to raise the crop. Do not deduct the value of the crop.

Taxes

You can deduct on line 46 real estate and personal property taxes on farm business assets. You can also deduct any social security tax you paid to match what you were required to withhold from farm employees' wages. Do not deduct:

- Federal income taxes
- estate, inheritance, legacy, succession, and gift taxes
- taxes on improvements
- taxes on your house or household property
- other taxes not related to the farm business.

Conservation Expenses

On line 50, you can deduct what you spent (including any amount paid on an assessment by a soil or water conservation or drainage district to recover the amount the district spent) to conserve soil or water and to prevent erosion of land you used.

Do not deduct for any year more than 25 percent of your gross income from farming (excluding certain gains from sales of assets such as farm machinery or from the disposition of land). Excess conservation expenses can be carried over to the following years with the same limits for those years.

Land Clearing

You can deduct on line 51 amounts you spent to clear land and to make it suitable for farming. Do not deduct more than 25 percent of your taxable income from farming, or \$5,000, whichever is less.

Pension and Profit-Sharing Plans

Enter on line 52 the amount you contributed to pension, profit-sharing or annuity plans for the benefit of your employees. If the plan included you as an owner-employee, see the instructions for line 25, Form 1040, and enter the amount you contributed for yourself on that line.

Enter on line 53 the amount you contributed to employee benefit programs, such as insurance, health, and welfare programs, that are not an incidental part of a pension or profit-sharing plan included on line 52.

Other Farm Expenses

Car and Truck Expenses. You can deduct the actual cost of running your car or truck or take the fixed mileage rate. This is 17 cents a mile for the first 15,000 miles and 10 cents a mile for each mile over 15,000. You must use 10 cents a mile for all miles if the vehicle is fully depreciated. If you have more than one vehicle, you must show actual costs.

Include in your other farm expenses what you paid for items such as account books, office supplies, stationery, stamps, and advertising.

Losses of property included in your inventory are reflected in the reduced inventory at the end of the year. The loss of a prospective crop by frost, storm, flood, or fire is not deductible.

If you use the cash method, do not deduct the value of animals you raised that died. If you bought animals that died, you may deduct the cost less depreciation if you were not reimbursed by insurance or otherwise. Do not deduct personal losses.

Citrus or Almond Groves

You must capitalize expenses of planting, cultivating, maintaining and developing

any part of a citrus or almond grove incurred before the close of the fourth tax year beginning with the tax year in which you planted the grove.

Limited Deduction for Losses

If you farmed as a business or to produce income, any loss from that activity may not exceed the total amount you have risked (amount you have invested plus any loan amount for which you are personally liable).

You are also not considered "at risk" for any amount you borrowed if:

- you borrowed from a relative or someone who has an interest in the farm, or
- you are protected against loss by a guarantee, stop-loss agreement or similar arrangement.

If line 58 or 76 is a loss, you should enter on Form 1040, line 19, only the amount for which you are considered "at risk."

Farming includes cultivating land, raising or harvesting any agricultural or horticultural product, and raising, shearing, feeding, caring for, training or managing animals. Trees (other than fruit or nut trees) are not considered agricultural or horticultural products.

Enter as a deduction on line 54 any loss from these activities that was incurred in 1976 or 1977 but not allowed for either year.

Farming Syndicates. A farming syndicate may be a partnership, any other noncorporate enterprise, or an electing small business corporation in the farm business if:

- a. at any time interests in the business have been offered for sale in any way requiring registering with any Federal or State agency, or
- b. more than 35 percent of the losses during any period are spread between limited partners or entrepreneurs.

A limited partner or entrepreneur is a person who does not actively participate in managing the business and whose liability is limited to amounts he or she has invested.

A deduction for feed, seed, fertilizers, or other farm supplies is allowed only for the tax year in which these things are actually used (or the tax year for which these amounts are deductible in the syndicate's method of accounting). However, this does not apply to any amount paid for supplies on hand at the end of the tax year because of fire, storm, flood, disease, drought, or other casualty, or to any amount required to be capitalized (spread out and depreciated over its useful life).

The cost of poultry bought by a syndicate for use in business (or for use in business and for sale) must be capitalized and depreciated over 12 months, or their useful life, whichever is less.

A syndicate planting, cultivating, maintaining, or developing a grove, orchard or vineyard growing fruit or nuts must capitalize any amount that:

- a. would otherwise be deductible,
- b. was for planting, cultivating, maintaining or developing the property, and
- c. is incurred before the tax year in which there is a yield in commercial quantities.

Part III Depreciation

You can deduct depreciation of buildings, improvements, cars and trucks, machinery, and other farm equipment of a permanent nature. Group similar assets as one item to report them in this part. If you need more space, use Form 4562. In figuring depreciation, do not include the value of:

- land, or
- livestock bought or raised for sale, or
- other property included in your inventory.

If you acquired livestock for work, breeding, dairy or sport purposes, you can deduct depreciation on those animals.

Note: Your total additional first-year depreciation deduction from all sources is limited to \$2,000 (\$4,000 if you file jointly).

For more information, please get **Publication 534, Tax Information on Depreciation.**

Parts IV and V Accrual Method of Reporting

Figure your profits in this part. Farm income is reported when earned, not when received. Your farm expenses are the actual expenses incurred during 1978 whether you paid them or not. You can value inventories by the farm-price method (market price less direct cost of disposition) or you can use other methods. If you raise livestock, you can value inventories by the farm-price or unit-livestock-price method.

If you use an accrual method, you must inventory growing crops.

If you use an accrual method, enter on line 67 of Schedule F any Federal gasoline tax you claimed as a credit on Form 1040 for 1978.

**Take Stock
in America**



Buy U.S. Savings Bonds
Where you work or bank

1978 Tax Table A—SINGLE (Filing Status Box 1)

(For single persons with income of \$20,000 or less on Form 1040, line 34, who claim 3 or fewer exemptions)

To find your tax: Read down the income column until you find your income as shown on Form 1040, line 34. Read across to the column headed by the total number of exemptions claimed on Form 1040, line 7. The amount shown where the two lines meet is your tax. Enter on Form 1040, line 35. The \$2,200 zero bracket amount, your deduction for exemptions and the general tax credit have been taken into account in figuring the tax shown in this table. Do not take a separate deduction for them.

Caution: If you can be claimed as a dependent on your parent's return AND you have unearned income (interest, dividends, etc.) of \$750 or more AND your earned income is less than \$2,200, you must first use Schedule TC (Form 1040), Part II.

If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—			If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—			If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—		
Over	But not over	1	2	3	Over	But not over	1	2	3	Over	But not over	1	2	3
		Your tax is—					Your tax is—					Your tax is—		
If \$3,200 or less your tax is 0														
3,200	3,250	4	0	0	5,800	5,850	419	264	100	8,400	8,450	890	748	580
3,250	3,300	11	0	0	5,850	5,900	427	273	108	8,450	8,500	900	757	590
3,300	3,350	18	0	0	5,900	5,950	436	283	116	8,500	8,550	909	767	601
3,350	3,400	25	0	0	5,950	6,000	444	292	124	8,550	8,600	919	776	611
3,400	3,450	32	0	0	6,000	6,050	453	302	133	8,600	8,650	928	786	622
3,450	3,500	39	0	0	6,050	6,100	461	311	141	8,650	8,700	938	795	632
3,500	3,550	46	0	0	6,100	6,150	470	321	150	8,700	8,750	947	805	643
3,550	3,600	54	0	0	6,150	6,200	478	330	158	8,750	8,800	957	814	653
3,600	3,650	61	0	0	6,200	6,250	487	340	167	8,800	8,850	966	824	664
3,650	3,700	69	0	0	6,250	6,300	495	349	175	8,850	8,900	976	833	674
3,700	3,750	76	0	0	6,300	6,350	504	359	184	8,900	8,950	985	843	685
3,750	3,800	84	0	0	6,350	6,400	512	368	192	8,950	9,000	996	852	695
3,800	3,850	91	0	0	6,400	6,450	521	378	201	9,000	9,050	1,007	862	706
3,850	3,900	99	0	0	6,450	6,500	529	387	210	9,050	9,100	1,018	871	716
3,900	3,950	106	0	0	6,500	6,550	538	397	219	9,100	9,150	1,029	881	727
3,950	4,000	114	0	0	6,550	6,600	546	406	229	9,150	9,200	1,040	890	737
4,000	4,050	122	0	0	6,600	6,650	555	416	238	9,200	9,250	1,051	900	748
4,050	4,100	130	0	0	6,650	6,700	563	425	248	9,250	9,300	1,062	909	758
4,100	4,150	138	0	0	6,700	6,750	572	435	257	9,300	9,350	1,073	919	769
4,150	4,200	146	0	0	6,750	6,800	580	444	267	9,350	9,400	1,084	928	779
4,200	4,250	154	4	0	6,800	6,850	589	454	276	9,400	9,450	1,095	938	790
4,250	4,300	162	11	0	6,850	6,900	597	463	286	9,450	9,500	1,106	947	800
4,300	4,350	170	19	0	6,900	6,950	606	473	295	9,500	9,550	1,117	957	811
4,350	4,400	178	26	0	6,950	7,000	615	482	305	9,550	9,600	1,128	966	821
4,400	4,450	186	34	0	7,000	7,050	624	492	314	9,600	9,650	1,139	976	832
4,450	4,500	194	41	0	7,050	7,100	634	501	324	9,650	9,700	1,150	985	842
4,500	4,550	203	49	0	7,100	7,150	643	511	333	9,700	9,750	1,161	996	852
4,550	4,600	211	56	0	7,150	7,200	653	520	343	9,750	9,800	1,172	1,007	862
4,600	4,650	220	64	0	7,200	7,250	662	529	352	9,800	9,850	1,183	1,018	871
4,650	4,700	228	71	0	7,250	7,300	672	538	362	9,850	9,900	1,194	1,029	881
4,700	4,750	236	79	0	7,300	7,350	681	546	371	9,900	9,950	1,205	1,040	890
4,750	4,800	244	87	0	7,350	7,400	691	555	381	9,950	10,000	1,216	1,051	900
4,800	4,850	251	95	0	7,400	7,450	700	563	390	10,000	10,050	1,227	1,062	909
4,850	4,900	259	103	0	7,450	7,500	710	572	400	10,050	10,100	1,238	1,073	919
4,900	4,950	266	111	0	7,500	7,550	719	580	409	10,100	10,150	1,249	1,084	928
4,950	5,000	274	119	0	7,550	7,600	729	589	419	10,150	10,200	1,260	1,095	938
5,000	5,050	283	127	0	7,600	7,650	738	597	428	10,200	10,250	1,271	1,106	947
5,050	5,100	291	135	0	7,650	7,700	748	606	438	10,250	10,300	1,282	1,117	957
5,100	5,150	300	143	0	7,700	7,750	757	615	447	10,300	10,350	1,293	1,128	966
5,150	5,200	308	151	0	7,750	7,800	767	624	457	10,350	10,400	1,304	1,139	976
5,200	5,250	317	159	6	7,800	7,850	776	634	466	10,400	10,450	1,315	1,150	985
5,250	5,300	325	168	14	7,850	7,900	786	643	476	10,450	10,500	1,326	1,161	996
5,300	5,350	334	176	21	7,900	7,950	795	653	485	10,500	10,550	1,337	1,172	1,007
5,350	5,400	342	185	29	7,950	8,000	805	662	495	10,550	10,600	1,348	1,183	1,018
5,400	5,450	351	193	36	8,000	8,050	814	672	504	10,600	10,650	1,359	1,194	1,029
5,450	5,500	359	202	44	8,050	8,100	824	681	514	10,650	10,700	1,370	1,205	1,040
5,500	5,550	368	210	52	8,100	8,150	833	691	523	10,700	10,750	1,381	1,216	1,051
5,550	5,600	376	219	60	8,150	8,200	843	700	533	10,750	10,800	1,392	1,227	1,062
5,600	5,650	385	227	68	8,200	8,250	852	710	542	10,800	10,850	1,403	1,238	1,073
5,650	5,700	393	236	76	8,250	8,300	862	719	552	10,850	10,900	1,414	1,249	1,084
5,700	5,750	402	245	84	8,300	8,350	871	729	561	10,900	10,950	1,425	1,260	1,095
5,750	5,800	410	254	92	8,350	8,400	881	738	571	10,950	11,000	1,436	1,271	1,106

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1978 Tax Table A—SINGLE (Filing Status Box 1) (Continued)

(If your income or exemptions are not covered, use Schedule TC (Form 1040), Part I to figure your tax)

If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—			If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—			If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—		
Over	But not over	1	2	3	Over	But not over	1	2	3	Over	But not over	1	2	3
		Your tax is—					Your tax is—					Your tax is—		
11,000	11,050	1,447	1,282	1,117	14,000	14,050	2,200	1,998	1,804	17,000	17,050	3,053	2,834	2,617
11,050	11,100	1,459	1,293	1,128	14,050	14,100	2,214	2,011	1,816	17,050	17,100	3,069	2,849	2,631
11,100	11,150	1,470	1,304	1,139	14,100	14,150	2,227	2,025	1,829	17,100	17,150	3,084	2,863	2,646
11,150	11,200	1,482	1,315	1,150	14,150	14,200	2,241	2,038	1,841	17,150	17,200	3,100	2,878	2,660
11,200	11,250	1,493	1,326	1,161	14,200	14,250	2,254	2,052	1,854	17,200	17,250	3,115	2,892	2,675
11,250	11,300	1,505	1,337	1,172	14,250	14,300	2,268	2,065	1,866	17,250	17,300	3,131	2,907	2,689
11,300	11,350	1,516	1,348	1,183	14,300	14,350	2,281	2,079	1,879	17,300	17,350	3,146	2,921	2,704
11,350	11,400	1,528	1,359	1,194	14,350	14,400	2,295	2,092	1,891	17,350	17,400	3,162	2,936	2,718
11,400	11,450	1,539	1,370	1,205	14,400	14,450	2,308	2,106	1,904	17,400	17,450	3,177	2,950	2,733
11,450	11,500	1,551	1,381	1,216	14,450	14,500	2,322	2,119	1,917	17,450	17,500	3,193	2,965	2,747
11,500	11,550	1,562	1,392	1,227	14,500	14,550	2,335	2,133	1,930	17,500	17,550	3,208	2,979	2,762
11,550	11,600	1,574	1,403	1,238	14,550	14,600	2,349	2,146	1,944	17,550	17,600	3,224	2,994	2,776
11,600	11,650	1,585	1,414	1,249	14,600	14,650	2,362	2,160	1,957	17,600	17,650	3,239	3,008	2,791
11,650	11,700	1,597	1,425	1,260	14,650	14,700	2,376	2,173	1,971	17,650	17,700	3,255	3,023	2,805
11,700	11,750	1,608	1,436	1,271	14,700	14,750	2,389	2,187	1,984	17,700	17,750	3,270	3,038	2,820
11,750	11,800	1,620	1,447	1,282	14,750	14,800	2,403	2,200	1,998	17,750	17,800	3,286	3,053	2,834
11,800	11,850	1,631	1,459	1,293	14,800	14,850	2,416	2,214	2,011	17,800	17,850	3,301	3,069	2,849
11,850	11,900	1,643	1,470	1,304	14,850	14,900	2,430	2,227	2,025	17,850	17,900	3,317	3,084	2,863
11,900	11,950	1,654	1,482	1,315	14,900	14,950	2,443	2,241	2,038	17,900	17,950	3,332	3,100	2,878
11,950	12,000	1,666	1,493	1,326	14,950	15,000	2,457	2,254	2,052	17,950	18,000	3,348	3,115	2,892
12,000	12,050	1,679	1,505	1,337	15,000	15,050	2,472	2,268	2,065	18,000	18,050	3,363	3,131	2,907
12,050	12,100	1,691	1,516	1,348	15,050	15,100	2,486	2,281	2,079	18,050	18,100	3,379	3,146	2,921
12,100	12,150	1,704	1,528	1,359	15,100	15,150	2,501	2,295	2,092	18,100	18,150	3,394	3,162	2,936
12,150	12,200	1,716	1,539	1,370	15,150	15,200	2,515	2,308	2,106	18,150	18,200	3,410	3,177	2,950
12,200	12,250	1,729	1,551	1,381	15,200	15,250	2,530	2,322	2,119	18,200	18,250	3,425	3,193	2,965
12,250	12,300	1,741	1,562	1,392	15,250	15,300	2,544	2,335	2,133	18,250	18,300	3,441	3,208	2,979
12,300	12,350	1,754	1,574	1,403	15,300	15,350	2,559	2,349	2,146	18,300	18,350	3,456	3,224	2,994
12,350	12,400	1,766	1,585	1,414	15,350	15,400	2,573	2,362	2,160	18,350	18,400	3,472	3,239	3,008
12,400	12,450	1,779	1,597	1,425	15,400	15,450	2,588	2,376	2,173	18,400	18,450	3,487	3,255	3,023
12,450	12,500	1,791	1,608	1,436	15,450	15,500	2,602	2,389	2,187	18,450	18,500	3,503	3,270	3,038
12,500	12,550	1,804	1,620	1,447	15,500	15,550	2,617	2,403	2,200	18,500	18,550	3,518	3,286	3,053
12,550	12,600	1,816	1,631	1,459	15,550	15,600	2,631	2,416	2,214	18,550	18,600	3,534	3,301	3,069
12,600	12,650	1,829	1,643	1,470	15,600	15,650	2,646	2,430	2,227	18,600	18,650	3,549	3,317	3,084
12,650	12,700	1,841	1,654	1,482	15,650	15,700	2,660	2,443	2,241	18,650	18,700	3,565	3,332	3,100
12,700	12,750	1,854	1,666	1,493	15,700	15,750	2,675	2,457	2,254	18,700	18,750	3,580	3,348	3,115
12,750	12,800	1,866	1,679	1,505	15,750	15,800	2,689	2,472	2,268	18,750	18,800	3,596	3,363	3,131
12,800	12,850	1,879	1,691	1,516	15,800	15,850	2,704	2,486	2,281	18,800	18,850	3,611	3,379	3,146
12,850	12,900	1,891	1,704	1,528	15,850	15,900	2,718	2,501	2,295	18,850	18,900	3,627	3,394	3,162
12,900	12,950	1,904	1,716	1,539	15,900	15,950	2,733	2,515	2,308	18,900	18,950	3,642	3,410	3,177
12,950	13,000	1,917	1,729	1,551	15,950	16,000	2,747	2,530	2,322	18,950	19,000	3,659	3,425	3,193
13,000	13,050	1,930	1,741	1,562	16,000	16,050	2,762	2,544	2,335	19,000	19,050	3,676	3,441	3,208
13,050	13,100	1,944	1,754	1,574	16,050	16,100	2,776	2,559	2,349	19,050	19,100	3,693	3,456	3,224
13,100	13,150	1,957	1,766	1,585	16,100	16,150	2,791	2,573	2,362	19,100	19,150	3,710	3,472	3,239
13,150	13,200	1,971	1,779	1,597	16,150	16,200	2,805	2,588	2,376	19,150	19,200	3,727	3,487	3,255
13,200	13,250	1,984	1,791	1,608	16,200	16,250	2,820	2,602	2,389	19,200	19,250	3,744	3,503	3,270
13,250	13,300	1,998	1,804	1,620	16,250	16,300	2,834	2,617	2,403	19,250	19,300	3,761	3,518	3,286
13,300	13,350	2,011	1,816	1,631	16,300	16,350	2,849	2,631	2,416	19,300	19,350	3,778	3,534	3,301
13,350	13,400	2,025	1,829	1,643	16,350	16,400	2,863	2,646	2,430	19,350	19,400	3,795	3,549	3,317
13,400	13,450	2,038	1,841	1,654	16,400	16,450	2,878	2,660	2,443	19,400	19,450	3,812	3,565	3,332
13,450	13,500	2,052	1,854	1,666	16,450	16,500	2,892	2,675	2,457	19,450	19,500	3,829	3,580	3,348
13,500	13,550	2,065	1,866	1,679	16,500	16,550	2,907	2,689	2,472	19,500	19,550	3,846	3,596	3,363
13,550	13,600	2,079	1,879	1,691	16,550	16,600	2,921	2,704	2,486	19,550	19,600	3,863	3,611	3,379
13,600	13,650	2,092	1,891	1,704	16,600	16,650	2,936	2,718	2,501	19,600	19,650	3,880	3,627	3,394
13,650	13,700	2,106	1,904	1,716	16,650	16,700	2,950	2,733	2,515	19,650	19,700	3,897	3,642	3,410
13,700	13,750	2,119	1,917	1,729	16,700	16,750	2,965	2,747	2,530	19,700	19,750	3,914	3,659	3,425
13,750	13,800	2,133	1,930	1,741	16,750	16,800	2,979	2,762	2,544	19,750	19,800	3,931	3,676	3,441
13,800	13,850	2,146	1,944	1,754	16,800	16,850	2,994	2,776	2,559	19,800	19,850	3,948	3,693	3,456
13,850	13,900	2,160	1,957	1,766	16,850	16,900	3,008	2,791	2,573	19,850	19,900	3,965	3,710	3,472
13,900	13,950	2,173	1,971	1,779	16,900	16,950	3,023	2,805	2,588	19,900	19,950	3,982	3,727	3,487
13,950	14,000	2,187	1,984	1,791	16,950	17,000	3,038	2,820	2,602	19,950	20,000	3,999	3,744	3,503

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1978 Tax Table B—MARRIED FILING JOINT RETURN (Filing Status Box 2) and QUALIFYING WIDOW(ER)S (Filing Status Box 5)

(For married persons filing joint returns or qualifying widow(er)s with income of \$40,000 or less on Form 1040, line 34, who claim 9 or fewer exemptions)

To find your tax: Read down the income column until you find your income as shown on Form 1040, line 34. Read across to the column headed by the total number of exemptions claimed on Form 1040, line 7. The amount shown where the two lines meet is your tax. Enter on Form 1040, line 35. The \$3,200 zero bracket amount, your deduction for exemptions and the general tax credit have been taken into account in figuring the tax shown in this table. Do not take a separate deduction for them.

If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—							If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—								
Over	But not over	2	3	4	5	6	7	8	9	Over	But not over	2	3	4	5	6	7	8	9
		Your tax is—									Your tax is—								
If \$5,200 or less your tax is 0										8,400	8,450	499	341	186	36	0	0	0	0
5,200	5,250	4	0	0	0	0	0	0	0	8,450	8,500	506	349	194	44	0	0	0	0
5,250	5,300	11	0	0	0	0	0	0	0	8,500	8,550	514	358	202	51	0	0	0	0
5,300	5,350	18	0	0	0	0	0	0	0	8,550	8,600	521	366	210	59	0	0	0	0
5,350	5,400	25	0	0	0	0	0	0	0	8,600	8,650	529	375	218	66	0	0	0	0
5,400	5,450	32	0	0	0	0	0	0	0	8,650	8,700	536	383	226	74	0	0	0	0
5,450	5,500	39	0	0	0	0	0	0	0	8,700	8,750	544	392	234	81	0	0	0	0
5,500	5,550	46	0	0	0	0	0	0	0	8,750	8,800	553	400	242	89	0	0	0	0
5,550	5,600	53	0	0	0	0	0	0	0	8,800	8,850	561	409	250	96	0	0	0	0
5,600	5,650	60	0	0	0	0	0	0	0	8,850	8,900	570	417	258	104	0	0	0	0
5,650	5,700	67	0	0	0	0	0	0	0	8,900	8,950	578	426	266	111	0	0	0	0
5,700	5,750	74	0	0	0	0	0	0	0	8,950	9,000	587	434	274	119	0	0	0	0
5,750	5,800	81	0	0	0	0	0	0	0	9,000	9,050	595	443	282	127	0	0	0	0
5,800	5,850	89	0	0	0	0	0	0	0	9,050	9,100	604	451	290	135	0	0	0	0
5,850	5,900	96	0	0	0	0	0	0	0	9,100	9,150	612	460	298	143	0	0	0	0
5,900	5,950	104	0	0	0	0	0	0	0	9,150	9,200	621	468	306	151	1	0	0	0
5,950	6,000	111	0	0	0	0	0	0	0	9,200	9,250	629	477	314	159	9	0	0	0
6,000	6,050	119	0	0	0	0	0	0	0	9,250	9,300	638	485	323	167	16	0	0	0
6,050	6,100	126	0	0	0	0	0	0	0	9,300	9,350	646	494	331	175	24	0	0	0
6,100	6,150	134	0	0	0	0	0	0	0	9,350	9,400	655	502	340	183	31	0	0	0
6,150	6,200	141	0	0	0	0	0	0	0	9,400	9,450	663	511	348	191	39	0	0	0
6,200	6,250	149	4	0	0	0	0	0	0	9,450	9,500	672	520	357	199	46	0	0	0
6,250	6,300	156	11	0	0	0	0	0	0	9,500	9,550	680	529	365	207	54	0	0	0
6,300	6,350	164	18	0	0	0	0	0	0	9,550	9,600	689	539	374	215	61	0	0	0
6,350	6,400	171	25	0	0	0	0	0	0	9,600	9,650	697	548	382	223	69	0	0	0
6,400	6,450	179	32	0	0	0	0	0	0	9,650	9,700	706	558	391	231	76	0	0	0
6,450	6,500	186	39	0	0	0	0	0	0	9,700	9,750	714	567	399	239	84	0	0	0
6,500	6,550	194	46	0	0	0	0	0	0	9,750	9,800	723	577	408	247	92	0	0	0
6,550	6,600	201	54	0	0	0	0	0	0	9,800	9,850	731	586	416	255	100	0	0	0
6,600	6,650	209	61	0	0	0	0	0	0	9,850	9,900	740	596	425	263	108	0	0	0
6,650	6,700	216	69	0	0	0	0	0	0	9,900	9,950	748	605	433	271	116	0	0	0
6,700	6,750	224	76	0	0	0	0	0	0	9,950	10,000	757	615	442	279	124	0	0	0
6,750	6,800	232	84	0	0	0	0	0	0	10,000	10,050	765	624	450	288	132	0	0	0
6,800	6,850	240	91	0	0	0	0	0	0	10,050	10,100	774	634	459	296	140	0	0	0
6,850	6,900	248	99	0	0	0	0	0	0	10,100	10,150	782	643	467	305	148	0	0	0
6,900	6,950	256	106	0	0	0	0	0	0	10,150	10,200	791	653	476	313	156	4	0	0
6,950	7,000	264	114	0	0	0	0	0	0	10,200	10,250	799	662	485	322	164	11	0	0
7,000	7,050	272	121	0	0	0	0	0	0	10,250	10,300	808	672	494	330	172	19	0	0
7,050	7,100	280	129	0	0	0	0	0	0	10,300	10,350	816	681	504	339	180	26	0	0
7,100	7,150	288	136	0	0	0	0	0	0	10,350	10,400	825	691	513	347	188	34	0	0
7,150	7,200	296	144	0	0	0	0	0	0	10,400	10,450	833	700	523	356	196	41	0	0
7,200	7,250	304	151	4	0	0	0	0	0	10,450	10,500	842	710	532	364	204	49	0	0
7,250	7,300	312	159	11	0	0	0	0	0	10,500	10,550	850	719	542	373	212	57	0	0
7,300	7,350	320	166	19	0	0	0	0	0	10,550	10,600	859	729	551	381	220	65	0	0
7,350	7,400	328	174	26	0	0	0	0	0	10,600	10,650	867	738	561	390	228	73	0	0
7,400	7,450	336	181	34	0	0	0	0	0	10,650	10,700	876	748	570	398	236	81	0	0
7,450	7,500	344	189	41	0	0	0	0	0	10,700	10,750	884	757	580	407	244	89	0	0
7,500	7,550	352	197	49	0	0	0	0	0	10,750	10,800	893	765	589	415	253	97	0	0
7,550	7,600	360	205	56	0	0	0	0	0	10,800	10,850	901	774	599	424	261	105	0	0
7,600	7,650	368	213	64	0	0	0	0	0	10,850	10,900	910	782	608	432	270	113	0	0
7,650	7,700	376	221	71	0	0	0	0	0	10,900	10,950	918	791	618	441	278	121	0	0
7,700	7,750	384	229	79	0	0	0	0	0	10,950	11,000	927	799	627	450	287	129	0	0
7,750	7,800	393	237	86	0	0	0	0	0	11,000	11,050	935	808	637	459	295	137	0	0
7,800	7,850	401	245	94	0	0	0	0	0	11,050	11,100	944	816	646	469	304	145	0	0
7,850	7,900	410	253	101	0	0	0	0	0	11,100	11,150	952	825	656	478	312	153	0	0
7,900	7,950	418	261	109	0	0	0	0	0	11,150	11,200	961	833	665	488	321	161	6	0
7,950	8,000	427	269	116	0	0	0	0	0	11,200	11,250	969	842	675	497	329	169	14	0
8,000	8,050	435	277	124	0	0	0	0	0	11,250	11,300	978	850	684	507	338	177	22	0
8,050	8,100	444	285	131	0	0	0	0	0	11,300	11,350	986	859	694	516	346	185	30	0
8,100	8,150	452	293	139	0	0	0	0	0	11,350	11,400	995	867	703	526	355	193	38	0
8,150	8,200	461	301	146	0	0	0	0	0	11,400	11,450	1,003	876	713	535	363	201	46	0
8,200	8,250	469	309	154	6	0	0	0	0	11,450	11,500	1,012	884	722	545	372	209	54	0
8,250	8,300	476	317	162	14	0	0	0	0	11,500	11,550	1,020	893	732	554	380	218	62	0
8,300	8,350	484	325	170	21	0	0	0	0	11,550	11,600	1,029	901	741	564	389	226	70	0
8,350	8,400	491	333	178	29	0	0	0	0										

Continued next column

1978 Tax Table B—MARRIED FILING JOINT RETURN (Filing Status Box 2) and QUALIFYING WIDOW(ER)S (Filing Status Box 5)

(Continued)

(If your income or exemptions are not covered, use Schedule TC (Form 1040), Part I to figure your tax)

If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—								If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—							
Over	But not over	2	3	4	5	6	7	8	9	Over	But not over	2	3	4	5	6	7	8	9
Your tax is—										Your tax is—									
11,600	11,650	1,037	910	751	573	397	235	78	0	15,200	15,250	1,756	1,591	1,426	1,266	1,080	902	725	547
11,650	11,700	1,046	918	760	583	406	243	86	0	15,250	15,300	1,767	1,602	1,437	1,277	1,089	912	734	557
11,700	11,750	1,054	927	770	592	415	252	94	0	15,300	15,350	1,778	1,613	1,448	1,288	1,099	921	744	566
11,750	11,800	1,063	935	779	602	424	260	102	0	15,350	15,400	1,789	1,624	1,459	1,299	1,108	931	753	576
11,800	11,850	1,071	944	789	611	434	269	110	0	15,400	15,450	1,800	1,635	1,470	1,310	1,118	940	763	585
11,850	11,900	1,080	952	798	621	443	277	118	0	15,450	15,500	1,811	1,646	1,481	1,321	1,127	950	772	595
11,900	11,950	1,088	961	808	630	453	286	126	0	15,500	15,550	1,822	1,657	1,492	1,332	1,137	959	782	604
11,950	12,000	1,097	969	817	640	462	294	134	0	15,550	15,600	1,833	1,668	1,503	1,343	1,146	969	791	614
12,000	12,050	1,105	978	827	649	472	303	142	0	15,600	15,650	1,844	1,679	1,514	1,354	1,156	978	801	623
12,050	12,100	1,114	986	836	659	481	311	150	0	15,650	15,700	1,855	1,690	1,525	1,365	1,165	988	810	633
12,100	12,150	1,122	995	846	668	491	320	158	3	15,700	15,750	1,866	1,701	1,536	1,375	1,176	997	820	642
12,150	12,200	1,131	1,003	855	678	500	328	166	11	15,750	15,800	1,877	1,712	1,547	1,385	1,187	1,007	829	652
12,200	12,250	1,139	1,012	865	687	510	337	174	19	15,800	15,850	1,888	1,723	1,558	1,395	1,198	1,016	839	661
12,250	12,300	1,148	1,020	874	697	519	345	183	27	15,850	15,900	1,899	1,734	1,569	1,405	1,209	1,026	848	671
12,300	12,350	1,156	1,029	884	706	529	354	191	35	15,900	15,950	1,910	1,745	1,580	1,415	1,220	1,035	858	680
12,350	12,400	1,165	1,037	893	716	538	362	200	43	15,950	16,000	1,921	1,756	1,591	1,426	1,231	1,045	867	690
12,400	12,450	1,173	1,046	903	725	548	371	208	51	16,000	16,050	1,932	1,767	1,602	1,437	1,242	1,054	877	699
12,450	12,500	1,182	1,054	912	735	557	380	217	59	16,050	16,100	1,943	1,778	1,613	1,448	1,253	1,064	886	709
12,500	12,550	1,190	1,063	922	744	567	389	225	67	16,100	16,150	1,954	1,789	1,624	1,459	1,264	1,073	896	718
12,550	12,600	1,199	1,071	931	754	576	399	234	75	16,150	16,200	1,965	1,800	1,635	1,470	1,275	1,083	905	728
12,600	12,650	1,207	1,080	941	763	586	408	242	83	16,200	16,250	1,976	1,811	1,646	1,481	1,286	1,092	915	737
12,650	12,700	1,216	1,088	950	773	595	418	251	91	16,250	16,300	1,987	1,822	1,657	1,492	1,297	1,102	924	747
12,700	12,750	1,225	1,097	960	782	605	427	259	99	16,300	16,350	1,998	1,833	1,668	1,503	1,308	1,111	934	756
12,750	12,800	1,235	1,105	969	792	614	437	268	107	16,350	16,400	2,009	1,844	1,679	1,514	1,319	1,121	943	766
12,800	12,850	1,245	1,114	979	801	624	446	276	115	16,400	16,450	2,020	1,855	1,690	1,525	1,330	1,130	953	775
12,850	12,900	1,255	1,122	988	811	633	456	285	123	16,450	16,500	2,031	1,866	1,701	1,536	1,341	1,141	962	785
12,900	12,950	1,265	1,131	998	820	643	465	293	131	16,500	16,550	2,042	1,877	1,712	1,547	1,352	1,152	972	794
12,950	13,000	1,275	1,139	1,007	830	652	475	302	139	16,550	16,600	2,053	1,888	1,723	1,558	1,363	1,163	981	804
13,000	13,050	1,285	1,148	1,017	839	662	484	310	148	16,600	16,650	2,064	1,899	1,734	1,569	1,374	1,174	991	813
13,050	13,100	1,295	1,156	1,026	849	671	494	319	156	16,650	16,700	2,075	1,910	1,745	1,580	1,385	1,185	1,000	823
13,100	13,150	1,305	1,165	1,036	858	681	503	327	165	16,700	16,750	2,086	1,921	1,756	1,591	1,396	1,196	1,010	832
13,150	13,200	1,315	1,173	1,045	868	690	513	336	173	16,750	16,800	2,099	1,932	1,767	1,602	1,407	1,207	1,019	842
13,200	13,250	1,325	1,182	1,054	877	700	522	345	182	16,800	16,850	2,111	1,943	1,778	1,613	1,418	1,218	1,029	851
13,250	13,300	1,335	1,190	1,063	887	709	532	354	190	16,850	16,900	2,124	1,954	1,789	1,624	1,429	1,229	1,038	861
13,300	13,350	1,345	1,199	1,071	896	719	541	364	199	16,900	16,950	2,136	1,965	1,800	1,635	1,440	1,240	1,048	870
13,350	13,400	1,355	1,207	1,080	906	728	551	373	207	16,950	17,000	2,149	1,976	1,811	1,646	1,451	1,251	1,057	880
13,400	13,450	1,365	1,216	1,088	915	738	560	383	216	17,000	17,050	2,161	1,987	1,822	1,657	1,462	1,262	1,067	889
13,450	13,500	1,375	1,225	1,097	925	747	570	392	224	17,050	17,100	2,174	1,998	1,833	1,668	1,473	1,273	1,076	899
13,500	13,550	1,385	1,235	1,105	934	757	579	402	233	17,100	17,150	2,186	2,009	1,844	1,679	1,484	1,284	1,086	908
13,550	13,600	1,395	1,245	1,114	944	766	589	411	241	17,150	17,200	2,199	2,020	1,855	1,690	1,495	1,295	1,095	918
13,600	13,650	1,405	1,255	1,122	953	776	598	421	250	17,200	17,250	2,211	2,031	1,866	1,701	1,506	1,306	1,106	927
13,650	13,700	1,415	1,265	1,131	963	785	608	430	258	17,250	17,300	2,224	2,042	1,877	1,712	1,517	1,317	1,117	937
13,700	13,750	1,426	1,275	1,139	972	795	617	440	267	17,300	17,350	2,236	2,053	1,888	1,723	1,528	1,328	1,128	946
13,750	13,800	1,437	1,285	1,148	982	804	627	449	275	17,350	17,400	2,249	2,064	1,899	1,734	1,539	1,339	1,139	956
13,800	13,850	1,448	1,295	1,156	991	814	636	459	284	17,400	17,450	2,261	2,075	1,910	1,745	1,550	1,350	1,150	965
13,850	13,900	1,459	1,305	1,165	1,001	823	646	468	292	17,450	17,500	2,274	2,086	1,921	1,756	1,561	1,361	1,161	975
13,900	13,950	1,470	1,315	1,173	1,010	833	655	478	301	17,500	17,550	2,286	2,099	1,932	1,767	1,572	1,372	1,172	984
13,950	14,000	1,481	1,325	1,182	1,020	842	665	487	310	17,550	17,600	2,299	2,111	1,943	1,778	1,583	1,383	1,183	994
14,000	14,050	1,492	1,335	1,190	1,029	852	674	497	319	17,600	17,650	2,311	2,124	1,954	1,789	1,594	1,394	1,194	1,003
14,050	14,100	1,503	1,345	1,199	1,039	861	684	506	329	17,650	17,700	2,324	2,136	1,965	1,800	1,605	1,405	1,205	1,013
14,100	14,150	1,514	1,355	1,207	1,048	871	693	516	338	17,700	17,750	2,336	2,149	1,976	1,811	1,616	1,416	1,216	1,022
14,150	14,200	1,525	1,365	1,216	1,058	880	703	525	348	17,750	17,800	2,349	2,161	1,987	1,822	1,627	1,427	1,227	1,032
14,200	14,250	1,536	1,375	1,225	1,067	890	712	535	357	17,800	17,850	2,361	2,174	1,998	1,833	1,638	1,438	1,238	1,041
14,250	14,300	1,547	1,385	1,235	1,077	899	722	544	367	17,850	17,900	2,374	2,186	2,009	1,844	1,649	1,449	1,249	1,051
14,300	14,350	1,558	1,395	1,245	1,086	909	731	554	376	17,900	17,950	2,386	2,199	2,020	1,855	1,660	1,460	1,260	1,060
14,350	14,400	1,569	1,405	1,255	1,096	918	741	563	386	17,950	18,000	2,399	2,211	2,031	1,866	1,671	1,471	1,271	1,071
14,400	14,450	1,580	1,415	1,265	1,105	928	750	573	395	18,000	18,050	2,411	2,224	2,042	1,877	1,682	1,482	1,282	1,082
14,450	14,500	1,591	1,426	1,275	1,115	937	760	582	405	18,050	18,100	2,424	2,236	2,053	1,888	1,693	1,493	1,293	1,093
14,500	14,550	1,602	1,437	1,285	1,124	947	769	592	414	18,100	18,150	2,436	2,249	2,064	1,899	1,704	1,504	1,304	1,104
14,550	14,600	1,613	1,448	1,295	1,134	956	779	601	424	18,150	18,200	2,449	2,261	2,075	1,910	1,715	1,515	1,315	

1978 Tax Table B—MARRIED FILING JOINT RETURN (Filing Status Box 2) and QUALIFYING WIDOW(ER)S (Filing Status Box 5)

(Continued)

(If your income or exemptions are not covered, use Schedule TC (Form 1040), Part I to figure your tax)

If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—								If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—							
Over	But not over	2	3	4	5	6	7	8	9	Over	But not over	2	3	4	5	6	7	8	9
		Your tax is—										Your tax is—							
18,800	18,850	2,611	2,424	2,236	2,053	1,858	1,658	1,458	1,258	22,400	22,450	3,563	3,353	3,143	2,949	2,731	2,509	2,286	2,064
18,850	18,900	2,624	2,436	2,249	2,064	1,869	1,669	1,469	1,269	22,450	22,500	3,577	3,367	3,157	2,961	2,744	2,521	2,299	2,076
18,900	18,950	2,636	2,449	2,261	2,075	1,880	1,680	1,480	1,280	22,500	22,550	3,591	3,381	3,171	2,974	2,756	2,534	2,311	2,089
18,950	19,000	2,649	2,461	2,274	2,086	1,891	1,691	1,491	1,291	22,550	22,600	3,605	3,395	3,185	2,986	2,769	2,546	2,324	2,101
19,000	19,050	2,661	2,474	2,286	2,099	1,902	1,702	1,502	1,302	22,600	22,650	3,619	3,409	3,199	2,999	2,781	2,559	2,336	2,114
19,050	19,100	2,674	2,486	2,299	2,111	1,913	1,713	1,513	1,313	22,650	22,700	3,633	3,423	3,213	3,011	2,794	2,571	2,349	2,126
19,100	19,150	2,686	2,499	2,311	2,124	1,924	1,724	1,524	1,324	22,700	22,750	3,647	3,437	3,227	3,024	2,806	2,584	2,361	2,139
19,150	19,200	2,699	2,511	2,324	2,136	1,935	1,735	1,535	1,335	22,750	22,800	3,661	3,451	3,241	3,036	2,819	2,596	2,374	2,151
19,200	19,250	2,711	2,524	2,336	2,149	1,946	1,746	1,546	1,346	22,800	22,850	3,675	3,465	3,255	3,049	2,831	2,609	2,386	2,164
19,250	19,300	2,724	2,536	2,349	2,161	1,957	1,757	1,557	1,357	22,850	22,900	3,689	3,479	3,269	3,061	2,844	2,621	2,399	2,176
19,300	19,350	2,736	2,549	2,361	2,174	1,968	1,768	1,568	1,368	22,900	22,950	3,703	3,493	3,283	3,074	2,856	2,634	2,411	2,189
19,350	19,400	2,749	2,561	2,374	2,186	1,979	1,779	1,579	1,379	22,950	23,000	3,717	3,507	3,297	3,087	2,869	2,646	2,424	2,201
19,400	19,450	2,761	2,574	2,386	2,199	1,990	1,790	1,590	1,390	23,000	23,050	3,731	3,521	3,311	3,101	2,881	2,659	2,436	2,214
19,450	19,500	2,774	2,586	2,399	2,211	2,001	1,801	1,601	1,401	23,050	23,100	3,745	3,535	3,325	3,115	2,894	2,671	2,449	2,226
19,500	19,550	2,786	2,599	2,411	2,224	2,012	1,812	1,612	1,412	23,100	23,150	3,759	3,549	3,339	3,129	2,906	2,684	2,461	2,239
19,550	19,600	2,799	2,611	2,424	2,236	2,023	1,823	1,623	1,423	23,150	23,200	3,773	3,563	3,353	3,143	2,919	2,696	2,474	2,251
19,600	19,650	2,811	2,624	2,436	2,249	2,034	1,834	1,634	1,434	23,200	23,250	3,787	3,577	3,367	3,157	2,931	2,709	2,486	2,264
19,650	19,700	2,824	2,636	2,449	2,261	2,045	1,845	1,645	1,445	23,250	23,300	3,801	3,591	3,381	3,171	2,944	2,721	2,499	2,276
19,700	19,750	2,836	2,649	2,461	2,274	2,056	1,856	1,656	1,456	23,300	23,350	3,815	3,605	3,395	3,185	2,956	2,734	2,511	2,289
19,750	19,800	2,849	2,661	2,474	2,286	2,069	1,867	1,667	1,467	23,350	23,400	3,829	3,619	3,409	3,199	2,969	2,746	2,524	2,301
19,800	19,850	2,861	2,674	2,486	2,299	2,081	1,878	1,678	1,478	23,400	23,450	3,843	3,633	3,423	3,213	2,981	2,759	2,536	2,314
19,850	19,900	2,874	2,686	2,499	2,311	2,094	1,889	1,689	1,489	23,450	23,500	3,857	3,647	3,437	3,227	2,994	2,771	2,549	2,326
19,900	19,950	2,886	2,699	2,511	2,324	2,106	1,900	1,700	1,500	23,500	23,550	3,871	3,661	3,451	3,241	3,006	2,784	2,561	2,339
19,950	20,000	2,899	2,711	2,524	2,336	2,119	1,911	1,711	1,511	23,550	23,600	3,885	3,675	3,465	3,255	3,019	2,796	2,574	2,351
20,000	20,050	2,911	2,724	2,536	2,349	2,131	1,922	1,722	1,522	23,600	23,650	3,899	3,689	3,479	3,269	3,031	2,809	2,586	2,364
20,050	20,100	2,924	2,736	2,549	2,361	2,144	1,933	1,733	1,533	23,650	23,700	3,913	3,703	3,493	3,283	3,044	2,821	2,599	2,376
20,100	20,150	2,936	2,749	2,561	2,374	2,156	1,944	1,744	1,544	23,700	23,750	3,927	3,717	3,507	3,297	3,057	2,834	2,611	2,389
20,150	20,200	2,949	2,761	2,574	2,386	2,169	1,955	1,755	1,555	23,750	23,800	3,941	3,731	3,521	3,311	3,071	2,846	2,624	2,401
20,200	20,250	2,961	2,774	2,586	2,399	2,181	1,966	1,766	1,566	23,800	23,850	3,955	3,745	3,535	3,325	3,085	2,859	2,636	2,414
20,250	20,300	2,974	2,786	2,599	2,411	2,194	1,977	1,777	1,577	23,850	23,900	3,969	3,759	3,549	3,339	3,099	2,871	2,649	2,426
20,300	20,350	2,986	2,799	2,611	2,424	2,206	1,988	1,788	1,588	23,900	23,950	3,983	3,773	3,563	3,353	3,113	2,884	2,661	2,439
20,350	20,400	2,999	2,811	2,624	2,436	2,219	1,999	1,799	1,599	23,950	24,000	3,997	3,787	3,577	3,367	3,127	2,896	2,674	2,451
20,400	20,450	3,011	2,824	2,636	2,449	2,231	2,010	1,810	1,610	24,000	24,050	4,011	3,801	3,591	3,381	3,141	2,909	2,686	2,464
20,450	20,500	3,024	2,836	2,649	2,461	2,244	2,021	1,821	1,621	24,050	24,100	4,025	3,815	3,605	3,395	3,155	2,921	2,699	2,476
20,500	20,550	3,036	2,849	2,661	2,474	2,256	2,034	1,832	1,632	24,100	24,150	4,039	3,829	3,619	3,409	3,169	2,934	2,711	2,489
20,550	20,600	3,049	2,861	2,674	2,486	2,269	2,046	1,843	1,643	24,150	24,200	4,053	3,843	3,633	3,423	3,183	2,946	2,724	2,501
20,600	20,650	3,061	2,874	2,686	2,499	2,281	2,059	1,854	1,654	24,200	24,250	4,067	3,857	3,647	3,437	3,197	2,959	2,736	2,514
20,650	20,700	3,074	2,886	2,699	2,511	2,294	2,071	1,865	1,665	24,250	24,300	4,081	3,871	3,661	3,451	3,211	2,971	2,749	2,526
20,700	20,750	3,087	2,899	2,711	2,524	2,306	2,084	1,876	1,676	24,300	24,350	4,095	3,885	3,675	3,465	3,225	2,984	2,761	2,539
20,750	20,800	3,101	2,911	2,724	2,536	2,319	2,096	1,887	1,687	24,350	24,400	4,109	3,899	3,689	3,479	3,239	2,996	2,774	2,551
20,800	20,850	3,115	2,924	2,736	2,549	2,331	2,109	1,898	1,698	24,400	24,450	4,123	3,913	3,703	3,493	3,253	3,009	2,786	2,564
20,850	20,900	3,129	2,936	2,749	2,561	2,344	2,121	1,909	1,709	24,450	24,500	4,137	3,927	3,717	3,507	3,267	3,022	2,799	2,576
20,900	20,950	3,143	2,949	2,761	2,574	2,356	2,134	1,920	1,720	24,500	24,550	4,151	3,941	3,731	3,521	3,281	3,036	2,811	2,589
20,950	21,000	3,157	2,961	2,774	2,586	2,369	2,146	1,931	1,731	24,550	24,600	4,165	3,955	3,745	3,535	3,295	3,050	2,824	2,601
21,000	21,050	3,171	2,974	2,786	2,599	2,381	2,159	1,942	1,742	24,600	24,650	4,179	3,969	3,759	3,549	3,309	3,064	2,836	2,614
21,050	21,100	3,185	2,986	2,799	2,611	2,394	2,171	1,953	1,753	24,650	24,700	4,193	3,983	3,773	3,563	3,323	3,078	2,849	2,626
21,100	21,150	3,199	2,999	2,811	2,624	2,406	2,184	1,964	1,764	24,700	24,750	4,208	3,997	3,787	3,577	3,337	3,092	2,861	2,639
21,150	21,200	3,213	3,011	2,824	2,636	2,419	2,196	1,975	1,775	24,750	24,800	4,224	4,011	3,801	3,591	3,351	3,106	2,874	2,651
21,200	21,250	3,227	3,024	2,836	2,649	2,431	2,209	1,986	1,786	24,800	24,850	4,240	4,025	3,815	3,605	3,365	3,120	2,886	2,664
21,250	21,300	3,241	3,036	2,849	2,661	2,444	2,221	1,999	1,797	24,850	24,900	4,256	4,039	3,829	3,619	3,379	3,134	2,899	2,676
21,300	21,350	3,255	3,049	2,861	2,674	2,456	2,234	2,011	1,808	24,900	24,950	4,272	4,053	3,843	3,633	3,393	3,148	2,911	2,689
21,350	21,400	3,269	3,061	2,874	2,686	2,469	2,246	2,024	1,819	24,950	25,000	4,288	4,067	3,857	3,647	3,407	3,162	2,924	2,701
21,400	21,450	3,283	3,074	2,886	2,699	2,481	2,259	2,036	1,830	25,000	25,050	4,304	4,081	3,871	3,661	3,421	3,176	2,936	2,714
21,450	21,500	3,297	3,087	2,899	2,711	2,494	2,271	2,049	1,841	25,050	25,100	4,320	4,095	3,885	3,675	3,435	3,190	2,949	2,726
21,500	21,550	3,311	3,101	2,911	2,724	2,506	2,284	2,061	1,852	25,100	25,150	4,336	4,109	3,899	3,689	3,449	3,204	2,961	2,739
21,550	21,600	3,325	3,115	2,924	2,736	2,519	2,296	2,074	1,863	25,150	25,200	4,352	4,123	3,913	3,703	3,463	3,218	2,974	2,751
21,600	21,650	3,339	3,129	2,936	2,749	2,531	2,309	2,086	1,874	25,200	25,250	4,368	4,137	3,927	3,717	3,477	3		

1978 Tax Table B—MARRIED FILING JOINT RETURN (Filing Status Box 2) and QUALIFYING WIDOW(ER)S (Filing Status Box 5)

(Continued)

(If your income or exemptions are not covered, use Schedule TC (Form 1040), Part I to figure your tax)

If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—								If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—							
Over	But not over	2	3	4	5	6	7	8	9	Over	But not over	2	3	4	5	6	7	8	9
		Your tax is—										Your tax is—							
26,000	26,050	4,624	4,384	4,151	3,941	3,701	3,456	3,211	2,966	29,600	29,650	5,813	5,543	5,296	5,056	4,786	4,511	4,236	3,974
26,050	26,100	4,640	4,400	4,165	3,955	3,715	3,470	3,225	2,980	29,650	29,700	5,831	5,561	5,312	5,072	4,802	4,527	4,252	3,988
26,100	26,150	4,656	4,416	4,179	3,969	3,729	3,484	3,239	2,994	29,700	29,750	5,849	5,579	5,328	5,088	4,818	4,543	4,268	4,002
26,150	26,200	4,672	4,432	4,193	3,983	3,743	3,498	3,253	3,008	29,750	29,800	5,867	5,597	5,344	5,104	4,834	4,559	4,284	4,016
26,200	26,250	4,688	4,448	4,208	3,997	3,757	3,512	3,267	3,022	29,800	29,850	5,885	5,615	5,360	5,120	4,850	4,575	4,300	4,030
26,250	26,300	4,704	4,464	4,224	4,011	3,771	3,526	3,281	3,036	29,850	29,900	5,903	5,633	5,376	5,136	4,866	4,591	4,316	4,044
26,300	26,350	4,720	4,480	4,240	4,025	3,785	3,540	3,295	3,050	29,900	29,950	5,921	5,651	5,392	5,152	4,882	4,607	4,332	4,058
26,350	26,400	4,736	4,496	4,256	4,039	3,799	3,554	3,309	3,064	29,950	30,000	5,939	5,669	5,408	5,168	4,898	4,623	4,348	4,073
26,400	26,450	4,752	4,512	4,272	4,053	3,813	3,568	3,323	3,078	30,000	30,050	5,957	5,687	5,424	5,184	4,914	4,639	4,364	4,089
26,450	26,500	4,768	4,528	4,288	4,067	3,827	3,582	3,337	3,092	30,050	30,100	5,975	5,705	5,440	5,200	4,930	4,655	4,380	4,105
26,500	26,550	4,784	4,544	4,304	4,081	3,841	3,596	3,351	3,106	30,100	30,150	5,993	5,723	5,456	5,216	4,946	4,671	4,396	4,121
26,550	26,600	4,800	4,560	4,320	4,095	3,855	3,610	3,365	3,120	30,150	30,200	6,011	5,741	5,472	5,232	4,962	4,687	4,412	4,137
26,600	26,650	4,816	4,576	4,336	4,109	3,869	3,624	3,379	3,134	30,200	30,250	6,029	5,759	5,489	5,248	4,978	4,703	4,428	4,153
26,650	26,700	4,832	4,592	4,352	4,123	3,883	3,638	3,393	3,148	30,250	30,300	6,047	5,777	5,507	5,266	4,994	4,719	4,444	4,169
26,700	26,750	4,848	4,608	4,368	4,137	3,897	3,652	3,407	3,162	30,300	30,350	6,065	5,795	5,525	5,280	5,010	4,735	4,460	4,185
26,750	26,800	4,864	4,624	4,384	4,151	3,911	3,666	3,421	3,176	30,350	30,400	6,083	5,813	5,543	5,296	5,026	4,751	4,476	4,201
26,800	26,850	4,880	4,640	4,400	4,165	3,925	3,680	3,435	3,190	30,400	30,450	6,101	5,831	5,561	5,312	5,042	4,767	4,492	4,217
26,850	26,900	4,896	4,656	4,416	4,179	3,939	3,694	3,449	3,204	30,450	30,500	6,119	5,849	5,579	5,328	5,058	4,783	4,508	4,233
26,900	26,950	4,912	4,672	4,432	4,193	3,953	3,708	3,463	3,218	30,500	30,550	6,137	5,867	5,597	5,344	5,074	4,799	4,524	4,249
26,950	27,000	4,928	4,688	4,448	4,208	3,967	3,722	3,477	3,232	30,550	30,600	6,155	5,885	5,615	5,360	5,090	4,815	4,540	4,265
27,000	27,050	4,944	4,704	4,464	4,224	3,981	3,736	3,491	3,246	30,600	30,650	6,173	5,903	5,633	5,376	5,106	4,831	4,556	4,281
27,050	27,100	4,960	4,720	4,480	4,240	3,995	3,750	3,505	3,260	30,650	30,700	6,191	5,921	5,651	5,392	5,122	4,847	4,572	4,297
27,100	27,150	4,976	4,736	4,496	4,256	4,009	3,764	3,519	3,274	30,700	30,750	6,209	5,939	5,669	5,408	5,138	4,863	4,588	4,313
27,150	27,200	4,992	4,752	4,512	4,272	4,023	3,778	3,533	3,288	30,750	30,800	6,227	5,957	5,687	5,424	5,154	4,879	4,604	4,329
27,200	27,250	5,008	4,768	4,528	4,288	4,037	3,792	3,547	3,302	30,800	30,850	6,245	5,975	5,705	5,440	5,170	4,895	4,620	4,345
27,250	27,300	5,024	4,784	4,544	4,304	4,051	3,806	3,561	3,316	30,850	30,900	6,263	5,993	5,723	5,456	5,186	4,911	4,636	4,361
27,300	27,350	5,040	4,800	4,560	4,320	4,065	3,820	3,575	3,330	30,900	30,950	6,281	6,011	5,741	5,472	5,202	4,927	4,652	4,377
27,350	27,400	5,056	4,816	4,576	4,336	4,079	3,834	3,589	3,344	30,950	31,000	6,299	6,029	5,759	5,489	5,218	4,943	4,668	4,393
27,400	27,450	5,072	4,832	4,592	4,352	4,093	3,848	3,603	3,358	31,000	31,050	6,317	6,047	5,777	5,507	5,234	4,959	4,684	4,409
27,450	27,500	5,088	4,848	4,608	4,368	4,107	3,862	3,617	3,372	31,050	31,100	6,335	6,065	5,795	5,525	5,250	4,975	4,700	4,425
27,500	27,550	5,104	4,864	4,624	4,384	4,121	3,876	3,631	3,386	31,100	31,150	6,353	6,083	5,813	5,543	5,266	4,991	4,716	4,441
27,550	27,600	5,120	4,880	4,640	4,400	4,135	3,890	3,645	3,400	31,150	31,200	6,371	6,101	5,831	5,561	5,282	5,007	4,732	4,457
27,600	27,650	5,136	4,896	4,656	4,416	4,149	3,904	3,659	3,414	31,200	31,250	6,389	6,119	5,849	5,579	5,298	5,023	4,748	4,473
27,650	27,700	5,152	4,912	4,672	4,432	4,163	3,918	3,673	3,428	31,250	31,300	6,407	6,137	5,867	5,597	5,314	5,039	4,764	4,489
27,700	27,750	5,168	4,928	4,688	4,448	4,178	3,932	3,687	3,442	31,300	31,350	6,425	6,155	5,885	5,615	5,330	5,055	4,780	4,505
27,750	27,800	5,184	4,944	4,704	4,464	4,194	3,946	3,701	3,456	31,350	31,400	6,443	6,173	5,903	5,633	5,346	5,071	4,796	4,521
27,800	27,850	5,200	4,960	4,720	4,480	4,210	3,960	3,715	3,470	31,400	31,450	6,461	6,191	5,921	5,651	5,362	5,087	4,812	4,537
27,850	27,900	5,216	4,976	4,736	4,496	4,226	3,974	3,729	3,484	31,450	31,500	6,479	6,209	5,939	5,669	5,378	5,103	4,828	4,553
27,900	27,950	5,232	4,992	4,752	4,512	4,242	3,988	3,743	3,498	31,500	31,550	6,497	6,227	5,957	5,687	5,394	5,119	4,844	4,569
27,950	28,000	5,248	5,008	4,768	4,528	4,258	4,002	3,757	3,512	31,550	31,600	6,515	6,245	5,975	5,705	5,410	5,135	4,860	4,585
28,000	28,050	5,264	5,024	4,784	4,544	4,274	4,016	3,771	3,526	31,600	31,650	6,533	6,263	5,993	5,723	5,426	5,151	4,876	4,601
28,050	28,100	5,280	5,040	4,800	4,560	4,290	4,030	3,785	3,540	31,650	31,700	6,551	6,281	6,011	5,741	5,442	5,167	4,892	4,617
28,100	28,150	5,296	5,056	4,816	4,576	4,306	4,044	3,799	3,554	31,700	31,750	6,569	6,299	6,029	5,759	5,459	5,183	4,908	4,633
28,150	28,200	5,312	5,072	4,832	4,592	4,322	4,058	3,813	3,568	31,750	31,800	6,587	6,317	6,047	5,777	5,477	5,199	4,924	4,649
28,200	28,250	5,328	5,088	4,848	4,608	4,338	4,072	3,827	3,582	31,800	31,850	6,605	6,335	6,065	5,795	5,495	5,219	4,944	4,669
28,250	28,300	5,344	5,104	4,864	4,624	4,354	4,086	3,841	3,596	31,850	31,900	6,623	6,353	6,083	5,813	5,513	5,231	4,956	4,681
28,300	28,350	5,360	5,120	4,880	4,640	4,370	4,100	3,855	3,610	31,900	31,950	6,641	6,371	6,101	5,831	5,531	5,247	4,972	4,697
28,350	28,400	5,376	5,136	4,896	4,656	4,386	4,114	3,869	3,624	31,950	32,000	6,659	6,389	6,119	5,849	5,549	5,263	4,988	4,713
28,400	28,450	5,392	5,152	4,912	4,672	4,402	4,128	3,883	3,638	32,000	32,050	6,677	6,407	6,137	5,867	5,567	5,279	5,004	4,729
28,450	28,500	5,408	5,168	4,928	4,688	4,418	4,143	3,897	3,652	32,050	32,100	6,695	6,425	6,155	5,885	5,585	5,295	5,020	4,745
28,500	28,550	5,424	5,184	4,944	4,704	4,434	4,159	3,911	3,666	32,100	32,150	6,713	6,443	6,173	5,903	5,603	5,311	5,036	4,761
28,550	28,600	5,440	5,200	4,960	4,720	4,450	4,175	3,925	3,680	32,150	32,200	6,731	6,461	6,191	5,921	5,621	5,327	5,052	4,777
28,600	28,650	5,456	5,216	4,976	4,736	4,466	4,191	3,939	3,694	32,200	32,250	6,749	6,479	6,209	5,939	5,639	5,343	5,068	4,793
28,650	28,700	5,472	5,232	4,992	4,752	4,482	4,207	3,953	3,708	32,250	32,300	6,767	6,497	6,227	5,957	5,657	5,359	5,084	4,809
28,700	28,750	5,488	5,248	5,008	4,768	4,498	4,223	3,967	3,722	32,300	32,350	6,785	6,515	6,245	5,975	5,675	5,375	5,100	4,825
28,750	28,800	5,507	5,264	5,024	4,784	4,514	4,239	3,981	3,736	32,350	32,400	6,803	6,533	6,263	5,993	5,693	5,391	5,116	4,841
28,800	28,850	5,525	5,280	5,040	4,800	4,530	4,255	3,995	3,750	32,400	32,450	6,821	6,551	6,281	6,011				

1978 Tax Table B—MARRIED FILING JOINT RETURN (Filing Status Box 2) and QUALIFYING WIDOW(ER)S (Filing Status Box 5)

(Continued)

(If your income or exemptions are not covered, use Schedule TC (Form 1040), Part I to figure your tax)

If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—								If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—									
Over	But not over	2	3	4	5	6	7	8	9	Over	But not over	2	3	4	5	6	7	8	9		
		Your tax is—											Your tax is—								
33,200	33,250	7,125	6,839	6,569	6,299	5,999	5,694	5,389	5,113	36,600	36,650	8,451	8,158	7,866	7,573	7,251	6,923	6,613	6,308		
33,250	33,300	7,144	6,857	6,587	6,317	6,017	5,712	5,407	5,129	36,650	36,700	8,470	8,178	7,885	7,593	7,270	6,943	6,631	6,326		
33,300	33,350	7,164	6,875	6,605	6,335	6,035	5,730	5,425	5,145	36,700	36,750	8,491	8,197	7,905	7,612	7,290	6,962	6,649	6,344		
33,350	33,400	7,183	6,893	6,623	6,353	6,053	5,748	5,443	5,161	36,750	36,800	8,512	8,217	7,924	7,632	7,309	6,982	6,667	6,362		
33,400	33,450	7,203	6,911	6,641	6,371	6,071	5,766	5,461	5,177	36,800	36,850	8,533	8,236	7,944	7,651	7,329	7,001	6,685	6,380		
33,450	33,500	7,222	6,930	6,659	6,389	6,089	5,784	5,479	5,193	36,850	36,900	8,554	8,256	7,963	7,671	7,348	7,021	6,703	6,398		
33,500	33,550	7,242	6,949	6,677	6,407	6,107	5,802	5,497	5,209	36,900	36,950	8,575	8,275	7,983	7,690	7,368	7,040	6,721	6,416		
33,550	33,600	7,261	6,969	6,695	6,425	6,125	5,820	5,515	5,225	36,950	37,000	8,596	8,295	8,002	7,710	7,387	7,060	6,739	6,434		
33,600	33,650	7,281	6,988	6,713	6,443	6,143	5,838	5,533	5,241	37,000	37,050	8,617	8,314	8,022	7,729	7,407	7,079	6,757	6,452		
33,650	33,700	7,300	7,008	6,731	6,461	6,161	5,856	5,551	5,257	37,050	37,100	8,638	8,334	8,041	7,749	7,426	7,099	6,775	6,470		
33,700	33,750	7,320	7,027	6,749	6,479	6,179	5,874	5,569	5,273	37,100	37,150	8,659	8,353	8,061	7,768	7,446	7,118	6,793	6,488		
33,750	33,800	7,339	7,047	6,767	6,497	6,197	5,892	5,587	5,289	37,150	37,200	8,680	8,373	8,080	7,788	7,465	7,138	6,811	6,506		
33,800	33,850	7,359	7,066	6,785	6,515	6,215	5,910	5,605	5,305	37,200	37,250	8,701	8,392	8,100	7,807	7,485	7,157	6,830	6,524		
33,850	33,900	7,378	7,086	6,803	6,533	6,233	5,928	5,623	5,321	37,250	37,300	8,722	8,412	8,119	7,827	7,504	7,177	6,849	6,542		
33,900	33,950	7,398	7,105	6,821	6,551	6,251	5,946	5,641	5,337	37,300	37,350	8,743	8,431	8,139	7,846	7,524	7,196	6,869	6,560		
33,950	34,000	7,417	7,125	6,839	6,569	6,269	5,964	5,659	5,354	37,350	37,400	8,764	8,451	8,158	7,866	7,543	7,216	6,888	6,578		
34,000	34,050	7,437	7,144	6,857	6,587	6,287	5,982	5,677	5,372	37,400	37,450	8,785	8,470	8,178	7,885	7,563	7,235	6,908	6,596		
34,050	34,100	7,456	7,164	6,875	6,605	6,305	6,000	5,695	5,390	37,450	37,500	8,806	8,491	8,197	7,905	7,582	7,255	6,927	6,614		
34,100	34,150	7,476	7,183	6,893	6,623	6,323	6,018	5,713	5,408	37,500	37,550	8,827	8,512	8,217	7,924	7,602	7,274	6,947	6,632		
34,150	34,200	7,495	7,203	6,911	6,641	6,341	6,036	5,731	5,426	37,550	37,600	8,848	8,533	8,236	7,944	7,621	7,294	6,966	6,650		
34,200	34,250	7,515	7,222	6,930	6,659	6,359	6,054	5,749	5,444	37,600	37,650	8,869	8,554	8,256	7,963	7,641	7,313	6,986	6,668		
34,250	34,300	7,534	7,242	6,949	6,677	6,377	6,072	5,767	5,462	37,650	37,700	8,890	8,575	8,275	7,983	7,660	7,333	7,005	6,686		
34,300	34,350	7,554	7,261	6,969	6,695	6,395	6,090	5,785	5,480	37,700	37,750	8,911	8,596	8,295	8,002	7,680	7,352	7,025	6,704		
34,350	34,400	7,573	7,281	6,988	6,713	6,413	6,108	5,803	5,498	37,750	37,800	8,932	8,617	8,314	8,022	7,699	7,372	7,044	6,722		
34,400	34,450	7,593	7,300	7,008	6,731	6,431	6,126	5,821	5,516	37,800	37,850	8,953	8,638	8,334	8,041	7,719	7,391	7,064	6,740		
34,450	34,500	7,612	7,320	7,027	6,749	6,449	6,144	5,839	5,534	37,850	37,900	8,974	8,659	8,353	8,061	7,738	7,411	7,083	6,758		
34,500	34,550	7,632	7,339	7,047	6,767	6,467	6,162	5,857	5,552	37,900	37,950	8,995	8,680	8,373	8,080	7,758	7,430	7,103	6,776		
34,550	34,600	7,651	7,359	7,066	6,785	6,485	6,180	5,875	5,570	37,950	38,000	9,016	8,701	8,392	8,100	7,777	7,450	7,122	6,795		
34,600	34,650	7,671	7,378	7,086	6,803	6,503	6,198	5,893	5,588	38,000	38,050	9,037	8,722	8,412	8,119	7,797	7,469	7,142	6,814		
34,650	34,700	7,690	7,398	7,105	6,821	6,521	6,216	5,911	5,606	38,050	38,100	9,058	8,743	8,431	8,139	7,816	7,489	7,161	6,834		
34,700	34,750	7,710	7,417	7,125	6,839	6,539	6,234	5,929	5,624	38,100	38,150	9,079	8,764	8,451	8,158	7,836	7,508	7,181	6,853		
34,750	34,800	7,729	7,437	7,144	6,857	6,557	6,252	5,947	5,642	38,150	38,200	9,100	8,785	8,470	8,178	7,855	7,528	7,200	6,873		
34,800	34,850	7,749	7,456	7,164	6,875	6,575	6,270	5,965	5,660	38,200	38,250	9,121	8,806	8,491	8,197	7,875	7,547	7,220	6,892		
34,850	34,900	7,768	7,476	7,183	6,893	6,593	6,288	5,983	5,678	38,250	38,300	9,142	8,827	8,512	8,217	7,894	7,567	7,239	6,912		
34,900	34,950	7,788	7,495	7,203	6,911	6,611	6,306	6,001	5,696	38,300	38,350	9,163	8,848	8,533	8,236	7,914	7,586	7,259	6,931		
34,950	35,000	7,807	7,515	7,222	6,930	6,629	6,324	6,019	5,714	38,350	38,400	9,184	8,869	8,554	8,256	7,933	7,606	7,278	6,951		
35,000	35,050	7,827	7,534	7,242	6,949	6,647	6,342	6,037	5,732	38,400	38,450	9,205	8,890	8,575	8,275	7,953	7,625	7,298	6,970		
35,050	35,100	7,846	7,554	7,261	6,969	6,665	6,360	6,055	5,750	38,450	38,500	9,226	8,911	8,596	8,295	7,972	7,645	7,317	6,990		
35,100	35,150	7,866	7,573	7,281	6,988	6,683	6,378	6,073	5,768	38,500	38,550	9,247	8,932	8,617	8,314	7,992	7,664	7,337	7,009		
35,150	35,200	7,885	7,593	7,300	7,008	6,701	6,396	6,091	5,786	38,550	38,600	9,268	8,953	8,638	8,334	8,011	7,684	7,356	7,029		
35,200	35,250	7,905	7,612	7,320	7,027	6,719	6,414	6,109	5,804	38,600	38,650	9,289	8,974	8,659	8,353	8,031	7,703	7,376	7,048		
35,250	35,300	7,924	7,632	7,339	7,047	6,737	6,432	6,127	5,822	38,650	38,700	9,310	8,995	8,680	8,373	8,050	7,723	7,395	7,068		
35,300	35,350	7,944	7,651	7,359	7,066	6,755	6,450	6,145	5,840	38,700	38,750	9,331	9,016	8,701	8,392	8,070	7,742	7,415	7,087		
35,350	35,400	7,963	7,671	7,378	7,086	6,773	6,468	6,163	5,858	38,750	38,800	9,352	9,037	8,722	8,412	8,089	7,762	7,434	7,107		
35,400	35,450	7,983	7,690	7,398	7,105	6,791	6,486	6,181	5,876	38,800	38,850	9,373	9,058	8,743	8,431	8,109	7,781	7,454	7,126		
35,450	35,500	8,002	7,710	7,417	7,125	6,809	6,504	6,199	5,894	38,850	38,900	9,394	9,079	8,764	8,451	8,128	7,801	7,473	7,146		
35,500	35,550	8,022	7,729	7,437	7,144	6,827	6,522	6,217	5,912	38,900	38,950	9,415	9,100	8,785	8,470	8,148	7,820	7,493	7,165		
35,550	35,600	8,041	7,749	7,456	7,164	6,845	6,540	6,235	5,930	38,950	39,000	9,436	9,121	8,806	8,491	8,167	7,840	7,512	7,185		
35,600	35,650	8,061	7,768	7,476	7,183	6,863	6,558	6,253	5,948	39,000	39,050	9,457	9,142	8,827	8,512	8,187	7,859	7,532	7,204		
35,650	35,700	8,080	7,788	7,495	7,203	6,881	6,576	6,271	5,966	39,050	39,100	9,478	9,163	8,848	8,533	8,206	7,879	7,551	7,224		
35,700	35,750	8,100	7,807	7,515	7,222	6,900	6,594	6,289	5,984	39,100	39,150	9,499	9,184	8,869	8,554	8,226	7,898	7,571	7,243		
35,750	35,800	8,119	7,827	7,534	7,242	6,919	6,612	6,307	6,002	39,150	39,200	9,520	9,205	8,890	8,575	8,245	7,918	7,590	7,263		
35,800	35,850	8,139	7,846	7,554	7,261	6,939	6,630	6,325	6,020	39,200	39,250	9,541	9,226	8,911	8,596	8,265	7,937	7,610	7,282		
35,850	35,900	8,158	7,866	7,573	7,281	6,958	6,648	6,343	6,038	39,250	39,300	9,562	9,247	8,932	8,617	8,284	7,957	7,629	7,302		
35,900	35,950	8,178	7,885	7,593	7,300	6,978	6,666	6,361	6,056	39,300	39,350	9,583	9,268	8,953	8,638	8,304	7,976	7,649	7,321		
35,950	36,000	8,197	7,905	7,612	7,320	6,997	6,684	6,379	6,074	39,350	39,400	9,604	9,289	8,974	8						

1978 Tax Table C—MARRIED FILING SEPARATE RETURN (Filing Status Box 3)

(For married persons filing separate returns with income of \$20,000 or less on Form 1040, line 34, who claim 3 or fewer exemptions)

To find your tax: Read down the income column until you find your income as shown on Form 1040, line 34. Read across to the column headed by the total number of exemptions claimed on Form 1040, line 7. The amount shown where the two lines meet is your tax. Enter on Form 1040, line 35. The \$1,600 zero bracket amount, your deduction for exemptions and the general tax credit have been taken into account in figuring the tax shown in this table. **Do not take a separate deduction for them.**

Caution: If your spouse itemizes deductions and your itemized deductions are less than \$1,600 (or if you can be claimed as a dependent on your parent's return AND you have unearned income (interest, dividends, etc.) of \$750 or more AND your earned income is less than \$1,600), you must first use Schedule TC (Form 1040), Part II.

If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—			If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—			If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—		
Over	But not over	1	2	3	Over	But not over	1	2	3	Over	But not over	1	2	3
		Your tax is—					Your tax is—					Your tax is—		
If \$2,600 or less your tax is 0														
2,600	2,625	2	0	0	5,000	5,050	403	227	68	7,800	7,850	980	780	580
2,625	2,650	5	0	0	5,050	5,100	413	236	76	7,850	7,900	991	791	591
2,650	2,675	9	0	0	5,100	5,150	422	245	84	7,900	7,950	1,002	802	602
2,675	2,700	12	0	0	5,150	5,200	432	254	92	7,950	8,000	1,013	813	613
2,700	2,725	16	0	0	5,200	5,250	441	264	100	8,000	8,050	1,024	824	624
2,725	2,750	19	0	0	5,250	5,300	451	273	108	8,050	8,100	1,035	835	635
2,750	2,775	23	0	0	5,300	5,350	460	283	116	8,100	8,150	1,046	846	646
2,775	2,800	26	0	0	5,350	5,400	470	292	124	8,150	8,200	1,057	857	657
2,800	2,825	30	0	0	5,400	5,450	479	302	133	8,200	8,250	1,068	868	668
2,825	2,850	33	0	0	5,450	5,500	489	311	141	8,250	8,300	1,079	879	679
2,850	2,875	37	0	0	5,500	5,550	498	321	150	8,300	8,350	1,090	890	690
2,875	2,900	41	0	0	5,550	5,600	508	330	158	8,350	8,400	1,101	901	701
2,900	2,925	44	0	0	5,600	5,650	517	340	167	8,400	8,450	1,114	912	712
2,925	2,950	48	0	0	5,650	5,700	527	349	175	8,450	8,500	1,126	923	723
2,950	2,975	52	0	0	5,700	5,750	536	359	184	8,500	8,550	1,139	934	734
2,975	3,000	56	0	0	5,750	5,800	546	368	192	8,550	8,600	1,151	945	745
3,000	3,050	61	0	0	5,800	5,850	555	378	201	8,600	8,650	1,164	956	756
3,050	3,100	69	0	0	5,850	5,900	565	387	210	8,650	8,700	1,176	967	767
3,100	3,150	76	0	0	5,900	5,950	574	397	219	8,700	8,750	1,189	978	778
3,150	3,200	84	0	0	5,950	6,000	584	406	229	8,750	8,800	1,201	989	789
3,200	3,250	91	0	0	6,000	6,050	593	416	238	8,800	8,850	1,214	1,000	800
3,250	3,300	99	0	0	6,050	6,100	603	425	248	8,850	8,900	1,226	1,011	811
3,300	3,350	106	0	0	6,100	6,150	612	435	257	8,900	8,950	1,239	1,022	822
3,350	3,400	114	0	0	6,150	6,200	622	444	267	8,950	9,000	1,251	1,033	833
3,400	3,450	122	0	0	6,200	6,250	631	454	276	9,000	9,050	1,264	1,044	844
3,450	3,500	130	0	0	6,250	6,300	641	463	286	9,050	9,100	1,276	1,055	855
3,500	3,550	138	0	0	6,300	6,350	650	473	295	9,100	9,150	1,289	1,066	866
3,550	3,600	146	0	0	6,350	6,400	661	482	305	9,150	9,200	1,301	1,079	877
3,600	3,650	154	4	0	6,400	6,450	672	492	314	9,200	9,250	1,314	1,091	888
3,650	3,700	162	11	0	6,450	6,500	683	501	324	9,250	9,300	1,326	1,104	899
3,700	3,750	170	19	0	6,500	6,550	694	511	333	9,300	9,350	1,339	1,116	910
3,750	3,800	178	26	0	6,550	6,600	705	520	343	9,350	9,400	1,351	1,129	921
3,800	3,850	186	34	0	6,600	6,650	716	530	352	9,400	9,450	1,364	1,141	932
3,850	3,900	194	41	0	6,650	6,700	727	539	362	9,450	9,500	1,376	1,154	943
3,900	3,950	203	49	0	6,700	6,750	738	549	371	9,500	9,550	1,389	1,166	954
3,950	4,000	211	56	0	6,750	6,800	749	558	381	9,550	9,600	1,401	1,179	965
4,000	4,050	220	64	0	6,800	6,850	760	568	390	9,600	9,650	1,414	1,191	976
4,050	4,100	228	71	0	6,850	6,900	771	577	400	9,650	9,700	1,426	1,204	987
4,100	4,150	237	79	0	6,900	6,950	782	587	409	9,700	9,750	1,439	1,216	998
4,150	4,200	245	87	0	6,950	7,000	793	596	419	9,750	9,800	1,451	1,229	1,009
4,200	4,250	254	95	0	7,000	7,050	804	606	428	9,800	9,850	1,464	1,241	1,020
4,250	4,300	262	103	0	7,050	7,100	815	615	438	9,850	9,900	1,476	1,254	1,031
4,300	4,350	271	111	0	7,100	7,150	826	626	447	9,900	9,950	1,489	1,266	1,044
4,350	4,400	280	119	0	7,150	7,200	837	637	457	9,950	10,000	1,501	1,279	1,056
4,400	4,450	289	127	0	7,200	7,250	848	648	466	10,000	10,050	1,514	1,291	1,069
4,450	4,500	299	135	0	7,250	7,300	859	659	476	10,050	10,100	1,526	1,304	1,081
4,500	4,550	308	143	0	7,300	7,350	870	670	485	10,100	10,150	1,539	1,316	1,094
4,550	4,600	318	151	0	7,350	7,400	881	681	495	10,150	10,200	1,551	1,329	1,106
4,600	4,650	327	159	6	7,400	7,450	892	692	504	10,200	10,250	1,564	1,341	1,119
4,650	4,700	337	168	14	7,450	7,500	903	703	514	10,250	10,300	1,576	1,354	1,131
4,700	4,750	346	176	21	7,500	7,550	914	714	523	10,300	10,350	1,589	1,366	1,144
4,750	4,800	356	185	29	7,550	7,600	925	725	533	10,350	10,400	1,602	1,379	1,156
4,800	4,850	365	193	36	7,600	7,650	936	736	542	10,400	10,450	1,616	1,391	1,169
4,850	4,900	375	202	44	7,650	7,700	947	747	552	10,450	10,500	1,630	1,404	1,181
4,900	4,950	384	210	52	7,700	7,750	958	758	561	10,500	10,550	1,644	1,416	1,194
4,950	5,000	394	219	60	7,750	7,800	969	769	571	10,550	10,600	1,658	1,429	1,206

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1978 Tax Table C—MARRIED FILING SEPARATE RETURN (Filing Status Box 3)

(Continued)

(If your income or exemptions are not covered, use Schedule TC (Form 1040), Part I to figure your tax)

If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—			If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—			If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—		
Over	But not over	1	2	3	Over	But not over	1	2	3	Over	But not over	1	2	3
		Your tax is—					Your tax is—					Your tax is—		
10,600	10,650	1,672	1,441	1,219	13,800	13,850	2,627	2,352	2,078	17,000	17,050	3,778	3,453	3,148
10,650	10,700	1,686	1,454	1,231	13,850	13,900	2,643	2,368	2,093	17,050	17,100	3,798	3,471	3,166
10,700	10,750	1,700	1,466	1,244	13,900	13,950	2,659	2,384	2,109	17,100	17,150	3,817	3,490	3,184
10,750	10,800	1,714	1,479	1,256	13,950	14,000	2,675	2,400	2,125	17,150	17,200	3,837	3,509	3,202
10,800	10,850	1,728	1,491	1,269	14,000	14,050	2,691	2,416	2,141	17,200	17,250	3,856	3,529	3,220
10,850	10,900	1,742	1,504	1,281	14,050	14,100	2,707	2,432	2,157	17,250	17,300	3,876	3,548	3,238
10,900	10,950	1,756	1,516	1,294	14,100	14,150	2,723	2,448	2,173	17,300	17,350	3,895	3,568	3,256
10,950	11,000	1,770	1,529	1,306	14,150	14,200	2,739	2,464	2,189	17,350	17,400	3,915	3,587	3,274
11,000	11,050	1,784	1,541	1,319	14,200	14,250	2,755	2,480	2,205	17,400	17,450	3,934	3,607	3,292
11,050	11,100	1,798	1,554	1,331	14,250	14,300	2,771	2,496	2,221	17,450	17,500	3,954	3,626	3,310
11,100	11,150	1,812	1,567	1,344	14,300	14,350	2,787	2,512	2,237	17,500	17,550	3,973	3,646	3,328
11,150	11,200	1,826	1,581	1,356	14,350	14,400	2,804	2,528	2,253	17,550	17,600	3,993	3,665	3,346
11,200	11,250	1,840	1,595	1,369	14,400	14,450	2,822	2,544	2,269	17,600	17,650	4,012	3,685	3,364
11,250	11,300	1,854	1,609	1,381	14,450	14,500	2,840	2,560	2,285	17,650	17,700	4,032	3,704	3,382
11,300	11,350	1,868	1,623	1,394	14,500	14,550	2,858	2,576	2,301	17,700	17,750	4,051	3,724	3,400
11,350	11,400	1,882	1,637	1,406	14,550	14,600	2,876	2,592	2,317	17,750	17,800	4,071	3,743	3,418
11,400	11,450	1,896	1,651	1,419	14,600	14,650	2,894	2,608	2,333	17,800	17,850	4,090	3,763	3,436
11,450	11,500	1,910	1,665	1,431	14,650	14,700	2,912	2,624	2,349	17,850	17,900	4,110	3,782	3,455
11,500	11,550	1,924	1,679	1,444	14,700	14,750	2,930	2,640	2,365	17,900	17,950	4,129	3,802	3,474
11,550	11,600	1,938	1,693	1,456	14,750	14,800	2,948	2,656	2,381	17,950	18,000	4,149	3,821	3,494
11,600	11,650	1,952	1,707	1,469	14,800	14,850	2,966	2,672	2,397	18,000	18,050	4,168	3,841	3,513
11,650	11,700	1,966	1,721	1,481	14,850	14,900	2,984	2,688	2,413	18,050	18,100	4,188	3,860	3,533
11,700	11,750	1,980	1,735	1,494	14,900	14,950	3,002	2,704	2,429	18,100	18,150	4,207	3,880	3,552
11,750	11,800	1,994	1,749	1,506	14,950	15,000	3,020	2,720	2,445	18,150	18,200	4,227	3,899	3,572
11,800	11,850	2,008	1,763	1,519	15,000	15,050	3,038	2,736	2,461	18,200	18,250	4,246	3,919	3,591
11,850	11,900	2,022	1,777	1,532	15,050	15,100	3,056	2,752	2,477	18,250	18,300	4,266	3,938	3,611
11,900	11,950	2,036	1,791	1,546	15,100	15,150	3,074	2,769	2,493	18,300	18,350	4,285	3,958	3,630
11,950	12,000	2,050	1,805	1,560	15,150	15,200	3,092	2,787	2,509	18,350	18,400	4,306	3,977	3,650
12,000	12,050	2,064	1,819	1,574	15,200	15,250	3,110	2,805	2,525	18,400	18,450	4,327	3,997	3,669
12,050	12,100	2,078	1,833	1,588	15,250	15,300	3,128	2,823	2,541	18,450	18,500	4,348	4,016	3,689
12,100	12,150	2,092	1,847	1,602	15,300	15,350	3,146	2,841	2,557	18,500	18,550	4,369	4,036	3,708
12,150	12,200	2,106	1,861	1,616	15,350	15,400	3,164	2,859	2,573	18,550	18,600	4,390	4,055	3,728
12,200	12,250	2,120	1,875	1,630	15,400	15,450	3,182	2,877	2,589	18,600	18,650	4,411	4,075	3,747
12,250	12,300	2,134	1,889	1,644	15,450	15,500	3,200	2,895	2,605	18,650	18,700	4,432	4,094	3,767
12,300	12,350	2,148	1,903	1,658	15,500	15,550	3,218	2,913	2,621	18,700	18,750	4,453	4,114	3,786
12,350	12,400	2,163	1,917	1,672	15,550	15,600	3,236	2,931	2,637	18,750	18,800	4,474	4,133	3,806
12,400	12,450	2,179	1,931	1,686	15,600	15,650	3,254	2,949	2,653	18,800	18,850	4,495	4,153	3,825
12,450	12,500	2,195	1,945	1,700	15,650	15,700	3,272	2,967	2,669	18,850	18,900	4,516	4,172	3,845
12,500	12,550	2,211	1,959	1,714	15,700	15,750	3,290	2,985	2,685	18,900	18,950	4,537	4,192	3,864
12,550	12,600	2,227	1,973	1,728	15,750	15,800	3,308	3,003	2,701	18,950	19,000	4,558	4,211	3,884
12,600	12,650	2,243	1,987	1,742	15,800	15,850	3,326	3,021	2,717	19,000	19,050	4,579	4,231	3,903
12,650	12,700	2,259	2,001	1,756	15,850	15,900	3,344	3,039	2,734	19,050	19,100	4,600	4,250	3,923
12,700	12,750	2,275	2,015	1,770	15,900	15,950	3,362	3,057	2,752	19,100	19,150	4,621	4,271	3,942
12,750	12,800	2,291	2,029	1,784	15,950	16,000	3,380	3,075	2,770	19,150	19,200	4,642	4,292	3,962
12,800	12,850	2,307	2,043	1,798	16,000	16,050	3,398	3,093	2,788	19,200	19,250	4,663	4,313	3,981
12,850	12,900	2,323	2,057	1,812	16,050	16,100	3,416	3,111	2,806	19,250	19,300	4,684	4,334	4,001
12,900	12,950	2,339	2,071	1,826	16,100	16,150	3,434	3,129	2,824	19,300	19,350	4,705	4,355	4,020
12,950	13,000	2,355	2,085	1,840	16,150	16,200	3,452	3,147	2,842	19,350	19,400	4,726	4,376	4,040
13,000	13,050	2,371	2,099	1,854	16,200	16,250	3,470	3,165	2,860	19,400	19,450	4,747	4,397	4,059
13,050	13,100	2,387	2,113	1,868	16,250	16,300	3,488	3,183	2,878	19,450	19,500	4,768	4,418	4,079
13,100	13,150	2,403	2,128	1,882	16,300	16,350	3,506	3,201	2,896	19,500	19,550	4,789	4,439	4,098
13,150	13,200	2,419	2,144	1,896	16,350	16,400	3,525	3,219	2,914	19,550	19,600	4,810	4,460	4,118
13,200	13,250	2,435	2,160	1,910	16,400	16,450	3,544	3,237	2,932	19,600	19,650	4,831	4,481	4,137
13,250	13,300	2,451	2,176	1,924	16,450	16,500	3,564	3,255	2,950	19,650	19,700	4,852	4,502	4,157
13,300	13,350	2,467	2,192	1,938	16,500	16,550	3,583	3,273	2,968	19,700	19,750	4,873	4,523	4,176
13,350	13,400	2,483	2,208	1,952	16,550	16,600	3,603	3,291	2,986	19,750	19,800	4,894	4,544	4,196
13,400	13,450	2,499	2,224	1,966	16,600	16,650	3,622	3,309	3,004	19,800	19,850	4,915	4,565	4,215
13,450	13,500	2,515	2,240	1,980	16,650	16,700	3,642	3,327	3,022	19,850	19,900	4,936	4,586	4,236
13,500	13,550	2,531	2,256	1,994	16,700	16,750	3,661	3,345	3,040	19,900	19,950	4,957	4,607	4,257
13,550	13,600	2,547	2,272	2,008	16,750	16,800	3,681	3,363	3,058	19,950	20,000	4,978	4,628	4,278
13,600	13,650	2,563	2,288	2,022	16,800	16,850	3,700	3,381	3,076					
13,650	13,700	2,579	2,304	2,036	16,850	16,900	3,720	3,399	3,094					
13,700	13,750	2,595	2,320	2,050	16,900	16,950	3,739	3,417	3,112					
13,750	13,800	2,611	2,336	2,064	16,950	17,000	3,759	3,435	3,130					

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1978 Tax Table D—UNMARRIED HEAD OF HOUSEHOLD (Filing Status Box 4)

(Continued)

(If your income or exemptions are not covered, use Schedule TC (Form 1040), Part I to figure your tax)

If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—								If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—							
Over	But not over	1	2	3	4	5	6	7	8	Over	But not over	1	2	3	4	5	6	7	8
		Your tax is—										Your tax is—							
8,800	8,850	899	771	626	453	283	113	0	0	11,600	11,650	1,462	1,305	1,155	994	803	626	448	277
8,850	8,900	907	780	636	462	292	122	0	0	11,650	11,700	1,472	1,315	1,165	1,005	813	635	458	286
8,900	8,950	916	788	645	471	301	131	0	0	11,700	11,750	1,483	1,325	1,175	1,016	822	645	467	295
8,950	9,000	925	797	655	480	310	140	0	0	11,750	11,800	1,493	1,336	1,185	1,027	832	654	477	304
9,000	9,050	935	805	664	489	319	149	0	0	11,800	11,850	1,504	1,346	1,195	1,038	841	664	486	313
9,050	9,100	945	814	674	498	328	158	0	0	11,850	11,900	1,514	1,357	1,205	1,049	851	673	496	322
9,100	9,150	955	822	683	507	337	167	3	0	11,900	11,950	1,525	1,367	1,215	1,060	860	683	505	331
9,150	9,200	965	831	693	516	346	176	11	0	11,950	12,000	1,536	1,378	1,225	1,071	871	692	515	340
9,200	9,250	975	839	702	525	355	185	19	0	12,000	12,050	1,547	1,388	1,235	1,082	882	702	524	349
9,250	9,300	985	848	712	534	364	194	27	0	12,050	12,100	1,559	1,399	1,245	1,093	893	711	534	358
9,300	9,350	995	856	721	544	373	203	35	0	12,100	12,150	1,570	1,409	1,255	1,104	904	721	543	367
9,350	9,400	1,005	865	731	553	382	212	43	0	12,150	12,200	1,582	1,420	1,265	1,115	915	730	553	376
9,400	9,450	1,015	873	740	563	391	221	51	0	12,200	12,250	1,593	1,430	1,275	1,125	926	740	562	385
9,450	9,500	1,025	882	750	572	400	230	60	0	12,250	12,300	1,605	1,441	1,285	1,135	937	749	572	394
9,500	9,550	1,035	890	759	582	409	239	69	0	12,300	12,350	1,616	1,451	1,295	1,145	948	759	581	404
9,550	9,600	1,045	899	769	591	418	248	78	0	12,350	12,400	1,628	1,462	1,305	1,155	959	768	591	413
9,600	9,650	1,055	907	778	601	427	257	87	0	12,400	12,450	1,639	1,472	1,315	1,165	970	778	600	423
9,650	9,700	1,065	916	788	610	436	266	96	0	12,450	12,500	1,651	1,483	1,325	1,175	981	787	610	432
9,700	9,750	1,075	925	797	620	445	275	105	0	12,500	12,550	1,662	1,493	1,336	1,185	992	797	619	442
9,750	9,800	1,085	935	805	629	454	284	114	0	12,550	12,600	1,674	1,504	1,346	1,195	1,003	806	629	451
9,800	9,850	1,095	945	814	639	463	293	123	0	12,600	12,650	1,685	1,514	1,357	1,205	1,014	816	638	461
9,850	9,900	1,105	955	822	648	472	302	132	0	12,650	12,700	1,697	1,525	1,367	1,215	1,025	825	648	470
9,900	9,950	1,115	965	831	658	481	311	141	0	12,700	12,750	1,708	1,536	1,378	1,225	1,036	836	657	480
9,950	10,000	1,125	975	839	667	490	320	150	0	12,750	12,800	1,720	1,547	1,388	1,235	1,047	847	667	489
10,000	10,050	1,135	985	848	677	499	329	159	0	12,800	12,850	1,731	1,559	1,399	1,245	1,058	858	676	499
10,050	10,100	1,145	995	856	686	509	338	168	0	12,850	12,900	1,743	1,570	1,409	1,255	1,069	869	686	508
10,100	10,150	1,155	1,005	865	696	518	347	177	8	12,900	12,950	1,754	1,582	1,420	1,265	1,080	880	695	518
10,150	10,200	1,165	1,015	873	705	528	356	186	16	12,950	13,000	1,766	1,593	1,430	1,275	1,091	891	705	527
10,200	10,250	1,175	1,025	882	715	537	365	195	25	13,000	13,050	1,779	1,605	1,441	1,285	1,102	902	714	537
10,250	10,300	1,185	1,035	890	724	547	374	204	34	13,050	13,100	1,791	1,616	1,451	1,295	1,113	913	724	546
10,300	10,350	1,195	1,045	899	734	556	383	213	43	13,100	13,150	1,804	1,628	1,462	1,305	1,124	924	733	556
10,350	10,400	1,205	1,055	907	743	566	392	222	52	13,150	13,200	1,816	1,639	1,472	1,315	1,135	935	743	565
10,400	10,450	1,215	1,065	916	753	575	401	231	61	13,200	13,250	1,829	1,651	1,483	1,325	1,146	946	752	575
10,450	10,500	1,225	1,075	925	762	585	410	240	70	13,250	13,300	1,841	1,662	1,493	1,336	1,157	957	762	584
10,500	10,550	1,235	1,085	935	772	594	419	249	79	13,300	13,350	1,854	1,674	1,504	1,346	1,168	968	771	594
10,550	10,600	1,245	1,095	945	781	604	428	258	88	13,350	13,400	1,866	1,685	1,514	1,357	1,179	979	781	603
10,600	10,650	1,255	1,105	955	791	613	437	267	97	13,400	13,450	1,879	1,697	1,525	1,367	1,190	990	790	613
10,650	10,700	1,265	1,115	965	800	623	446	276	106	13,450	13,500	1,891	1,708	1,536	1,378	1,201	1,001	801	622
10,700	10,750	1,275	1,125	975	810	632	455	285	115	13,500	13,550	1,904	1,720	1,547	1,388	1,212	1,012	812	632
10,750	10,800	1,285	1,135	985	819	642	464	294	124	13,550	13,600	1,916	1,731	1,559	1,399	1,223	1,023	823	641
10,800	10,850	1,295	1,145	995	829	651	474	303	133	13,600	13,650	1,929	1,743	1,570	1,409	1,234	1,034	834	651
10,850	10,900	1,305	1,155	1,005	838	661	483	312	142	13,650	13,700	1,941	1,754	1,582	1,420	1,245	1,045	845	660
10,900	10,950	1,315	1,165	1,015	848	670	493	321	151	13,700	13,750	1,954	1,766	1,593	1,430	1,256	1,056	856	670
10,950	11,000	1,325	1,175	1,025	857	680	502	330	160	13,750	13,800	1,966	1,779	1,605	1,441	1,267	1,067	867	679
11,000	11,050	1,336	1,185	1,035	867	689	512	339	169	13,800	13,850	1,979	1,791	1,616	1,451	1,278	1,078	878	689
11,050	11,100	1,346	1,195	1,045	876	699	521	348	178	13,850	13,900	1,991	1,804	1,628	1,462	1,289	1,089	889	698
11,100	11,150	1,357	1,205	1,055	886	708	531	357	187	13,900	13,950	2,004	1,816	1,639	1,472	1,300	1,100	900	708
11,150	11,200	1,367	1,215	1,065	895	718	540	366	196	13,950	14,000	2,016	1,829	1,651	1,483	1,311	1,111	911	717
11,200	11,250	1,378	1,225	1,075	906	727	550	375	205	14,000	14,050	2,029	1,841	1,662	1,493	1,322	1,122	922	727
11,250	11,300	1,388	1,235	1,085	917	737	559	384	214	14,050	14,100	2,041	1,854	1,674	1,504	1,334	1,133	933	736
11,300	11,350	1,399	1,245	1,095	928	746	569	393	223	14,100	14,150	2,054	1,866	1,685	1,514	1,345	1,144	944	746
11,350	11,400	1,409	1,255	1,105	939	756	578	402	232	14,150	14,200	2,066	1,879	1,697	1,525	1,357	1,155	955	755
11,400	11,450	1,420	1,265	1,115	950	765	588	411	241	14,200	14,250	2,079	1,891	1,708	1,536	1,368	1,166	966	766
11,450	11,500	1,430	1,275	1,125	961	775	597	420	250	14,250	14,300	2,091	1,904	1,720	1,547	1,380	1,177	977	777
11,500	11,550	1,441	1,285	1,135	972	784	607	429	259	14,300	14,350	2,104	1,916	1,731	1,559	1,391	1,188	988	788
11,550	11,600	1,451	1,295	1,145	983	794	616	439	268	14,350	14,400	2,116	1,929	1,743	1,570	1,403	1,199	999	799

Continued next column

Continued on next page

1978 Tax Table D—UNMARRIED HEAD OF HOUSEHOLD (Filing Status Box 4)

(Continued)

(If your income or exemptions are not covered, use Schedule TC (Form 1040), Part I to figure your tax)

If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—								If Form 1040, line 34, is—		And the total number of exemptions claimed on line 7 is—							
Over	But not over	1	2	3	4	5	6	7	8	Over	But not over	1	2	3	4	5	6	7	8
		Your tax is—										Your tax is—							
14,400	14,450	2,129	1,941	1,754	1,582	1,414	1,210	1,010	810	17,200	17,250	2,877	2,672	2,469	2,267	2,079	1,861	1,643	1,436
14,450	14,500	2,141	1,954	1,766	1,593	1,426	1,221	1,021	821	17,250	17,300	2,891	2,685	2,483	2,280	2,091	1,874	1,655	1,447
14,500	14,550	2,154	1,966	1,779	1,605	1,437	1,232	1,032	832	17,300	17,350	2,905	2,699	2,496	2,294	2,104	1,886	1,666	1,459
14,550	14,600	2,166	1,979	1,791	1,616	1,449	1,243	1,043	843	17,350	17,400	2,919	2,712	2,510	2,307	2,116	1,899	1,678	1,470
14,600	14,650	2,179	1,991	1,804	1,628	1,460	1,254	1,054	854	17,400	17,450	2,933	2,726	2,523	2,321	2,129	1,911	1,689	1,482
14,650	14,700	2,191	2,004	1,816	1,639	1,472	1,265	1,065	865	17,450	17,500	2,947	2,739	2,537	2,334	2,141	1,924	1,701	1,493
14,700	14,750	2,204	2,016	1,829	1,651	1,483	1,276	1,076	876	17,500	17,550	2,961	2,753	2,550	2,348	2,154	1,936	1,714	1,505
14,750	14,800	2,216	2,029	1,841	1,662	1,493	1,287	1,087	887	17,550	17,600	2,975	2,766	2,564	2,361	2,166	1,949	1,726	1,516
14,800	14,850	2,229	2,041	1,854	1,674	1,504	1,299	1,098	898	17,600	17,650	2,989	2,780	2,577	2,375	2,179	1,961	1,739	1,528
14,850	14,900	2,241	2,054	1,866	1,685	1,514	1,310	1,109	909	17,650	17,700	3,003	2,793	2,591	2,388	2,191	1,974	1,751	1,539
14,900	14,950	2,254	2,066	1,879	1,697	1,525	1,322	1,120	920	17,700	17,750	3,017	2,807	2,604	2,402	2,204	1,986	1,764	1,551
14,950	15,000	2,267	2,079	1,891	1,708	1,536	1,333	1,131	931	17,750	17,800	3,031	2,821	2,618	2,415	2,216	1,999	1,776	1,562
15,000	15,050	2,280	2,091	1,904	1,720	1,547	1,345	1,142	942	17,800	17,850	3,045	2,835	2,631	2,429	2,229	2,011	1,789	1,574
15,050	15,100	2,294	2,104	1,916	1,731	1,559	1,356	1,153	953	17,850	17,900	3,059	2,849	2,645	2,442	2,241	2,024	1,801	1,585
15,100	15,150	2,307	2,116	1,929	1,743	1,570	1,368	1,164	964	17,900	17,950	3,073	2,863	2,658	2,456	2,254	2,036	1,814	1,597
15,150	15,200	2,321	2,129	1,941	1,754	1,582	1,379	1,175	975	17,950	18,000	3,087	2,877	2,672	2,469	2,267	2,049	1,826	1,608
15,200	15,250	2,334	2,141	1,954	1,766	1,593	1,391	1,186	986	18,000	18,050	3,101	2,891	2,685	2,483	2,280	2,061	1,839	1,620
15,250	15,300	2,348	2,154	1,966	1,779	1,605	1,402	1,197	997	18,050	18,100	3,115	2,905	2,699	2,496	2,294	2,074	1,851	1,631
15,300	15,350	2,361	2,166	1,979	1,791	1,616	1,414	1,208	1,008	18,100	18,150	3,129	2,919	2,712	2,510	2,307	2,086	1,864	1,643
15,350	15,400	2,375	2,179	1,991	1,804	1,628	1,425	1,219	1,019	18,150	18,200	3,143	2,933	2,726	2,523	2,321	2,099	1,876	1,654
15,400	15,450	2,388	2,191	2,004	1,816	1,639	1,437	1,230	1,030	18,200	18,250	3,157	2,947	2,739	2,537	2,334	2,111	1,889	1,666
15,450	15,500	2,402	2,204	2,016	1,829	1,651	1,448	1,241	1,041	18,250	18,300	3,171	2,961	2,753	2,550	2,348	2,124	1,901	1,679
15,500	15,550	2,415	2,216	2,029	1,841	1,662	1,460	1,252	1,052	18,300	18,350	3,185	2,975	2,766	2,564	2,361	2,136	1,914	1,691
15,550	15,600	2,429	2,229	2,041	1,854	1,674	1,471	1,264	1,063	18,350	18,400	3,199	2,989	2,780	2,577	2,375	2,149	1,926	1,704
15,600	15,650	2,442	2,241	2,054	1,866	1,685	1,483	1,275	1,074	18,400	18,450	3,213	3,003	2,793	2,591	2,388	2,161	1,939	1,716
15,650	15,700	2,456	2,254	2,066	1,879	1,697	1,494	1,287	1,085	18,450	18,500	3,227	3,017	2,807	2,604	2,402	2,174	1,951	1,729
15,700	15,750	2,469	2,267	2,079	1,891	1,708	1,506	1,298	1,096	18,500	18,550	3,241	3,031	2,821	2,618	2,415	2,186	1,964	1,741
15,750	15,800	2,483	2,280	2,091	1,904	1,720	1,517	1,310	1,107	18,550	18,600	3,255	3,045	2,835	2,631	2,429	2,199	1,976	1,754
15,800	15,850	2,496	2,294	2,104	1,916	1,731	1,529	1,321	1,118	18,600	18,650	3,269	3,059	2,849	2,645	2,442	2,211	1,989	1,766
15,850	15,900	2,510	2,307	2,116	1,929	1,743	1,540	1,333	1,129	18,650	18,700	3,283	3,073	2,863	2,658	2,456	2,224	2,001	1,779
15,900	15,950	2,523	2,321	2,129	1,941	1,754	1,552	1,344	1,140	18,700	18,750	3,297	3,087	2,877	2,672	2,469	2,237	2,014	1,791
15,950	16,000	2,537	2,334	2,141	1,954	1,766	1,563	1,356	1,151	18,750	18,800	3,311	3,101	2,891	2,685	2,483	2,250	2,026	1,804
16,000	16,050	2,550	2,348	2,154	1,966	1,779	1,575	1,367	1,162	18,800	18,850	3,325	3,115	2,905	2,699	2,496	2,264	2,039	1,816
16,050	16,100	2,564	2,361	2,166	1,979	1,791	1,586	1,379	1,173	18,850	18,900	3,339	3,129	2,919	2,712	2,510	2,277	2,051	1,829
16,100	16,150	2,577	2,375	2,179	1,991	1,804	1,598	1,390	1,184	18,900	18,950	3,353	3,143	2,933	2,726	2,523	2,291	2,064	1,841
16,150	16,200	2,591	2,388	2,191	2,004	1,816	1,609	1,402	1,195	18,950	19,000	3,368	3,157	2,947	2,739	2,537	2,304	2,076	1,854
16,200	16,250	2,604	2,402	2,204	2,016	1,829	1,621	1,413	1,206	19,000	19,050	3,383	3,171	2,961	2,753	2,550	2,318	2,089	1,866
16,250	16,300	2,618	2,415	2,216	2,029	1,841	1,632	1,425	1,217	19,050	19,100	3,399	3,185	2,975	2,766	2,564	2,331	2,101	1,879
16,300	16,350	2,631	2,429	2,229	2,041	1,854	1,644	1,436	1,229	19,100	19,150	3,414	3,199	2,989	2,780	2,577	2,345	2,114	1,891
16,350	16,400	2,645	2,442	2,241	2,054	1,866	1,655	1,448	1,240	19,150	19,200	3,430	3,213	3,003	2,793	2,591	2,358	2,126	1,904
16,400	16,450	2,658	2,456	2,254	2,066	1,879	1,667	1,459	1,252	19,200	19,250	3,445	3,227	3,017	2,807	2,604	2,372	2,139	1,916
16,450	16,500	2,672	2,469	2,267	2,079	1,891	1,678	1,471	1,263	19,250	19,300	3,461	3,241	3,031	2,821	2,618	2,385	2,151	1,929
16,500	16,550	2,685	2,483	2,280	2,091	1,904	1,690	1,482	1,275	19,300	19,350	3,476	3,255	3,045	2,835	2,631	2,399	2,164	1,941
16,550	16,600	2,699	2,496	2,294	2,104	1,916	1,701	1,494	1,286	19,350	19,400	3,492	3,269	3,059	2,849	2,645	2,412	2,176	1,954
16,600	16,650	2,712	2,510	2,307	2,116	1,929	1,713	1,505	1,298	19,400	19,450	3,507	3,283	3,073	2,863	2,658	2,426	2,189	1,966
16,650	16,700	2,726	2,523	2,321	2,129	1,941	1,724	1,517	1,309	19,450	19,500	3,523	3,297	3,087	2,877	2,672	2,439	2,202	1,979
16,700	16,750	2,739	2,537	2,334	2,141	1,954	1,736	1,528	1,321	19,500	19,550	3,538	3,311	3,101	2,891	2,685	2,453	2,215	1,991
16,750	16,800	2,753	2,550	2,348	2,154	1,966	1,749	1,540	1,332	19,550	19,600	3,554	3,325	3,115	2,905	2,699	2,466	2,229	2,004
16,800	16,850	2,766	2,564	2,361	2,166	1,979	1,761	1,551	1,344	19,600	19,650	3,569	3,339	3,129	2,919	2,712	2,480	2,242	2,016
16,850	16,900	2,780	2,577	2,375	2,179	1,991	1,774	1,563	1,355	19,650	19,700	3,585	3,353	3,143	2,933	2,726	2,493	2,256	2,029
16,900	16,950	2,793	2,591	2,388	2,191	2,004	1,786	1,574	1,367	19,700	19,750	3,600	3,368	3,157	2,947	2,739	2,507	2,269	2,041
16,950	17,000	2,807	2,604	2,402	2,204	2,016	1,799	1,586	1,378	19,750	19,800	3,616	3,383	3,171	2,961	2,753	2,520	2,283	2,054
17,000	17,050	2,821	2,618	2,415	2,216	2,029	1,811	1,597	1,390	19,800	19,850	3,631	3,399	3,185	2,975	2,766	2,534	2,296	2,066
17,050	17,100	2,835	2,631	2,429	2,229	2,041	1,824	1,609	1,401	19,850	19,900	3,647	3,414	3,199	2,989	2,780	2,547	2,310	2,079
17,100	17,150	2,849	2,645	2,442	2,241	2,054	1,836	1,620	1,413	19,900	19,950	3,662	3,430	3,213	3,003	2,793	2,561	2,323	2,091
17,150	17,200	2,863	2,658	2,456	2,254	2,066	1,849	1,632	1,424	19,950	20,000	3,678	3,445	3,227	3,017	2,807	2,574	2,337	2,104

Continued next column

1978 Tax Rate Schedules

If you cannot use one of the Tax Tables, figure your tax on the amount on Schedule TC, Part I, line 3, by using the appropriate Tax Rate Schedule on this page. Enter the tax on Schedule TC, Part I, line 4.
Note: Your zero bracket amount has been built into these Tax Rate Schedules.

SCHEDULE X—Single Taxpayers

Use this schedule if you checked Filing Status Box 1 on Form 1040—

If the amount on Schedule TC, Part I, line 3, is:

Not over \$2,200.....	But not over—	of the amount over—	of the amount over—
Over—	Over—	Over—	Over—
\$2,200	\$2,700	\$2,200	\$2,200
\$3,200	\$3,200	\$3,200	\$2,700
\$4,200	\$3,700	\$4,200	\$3,200
\$5,200	\$4,200	\$5,200	\$3,700
\$6,200	\$4,700	\$6,200	\$4,200
\$7,200	\$5,200	\$7,200	\$4,700
\$8,200	\$5,700	\$8,200	\$5,200
\$9,200	\$6,200	\$9,200	\$5,700
\$10,200	\$6,700	\$10,200	\$6,200
\$11,200	\$7,200	\$11,200	\$6,700
\$12,200	\$7,700	\$12,200	\$7,200
\$13,200	\$8,200	\$13,200	\$7,700
\$14,200	\$8,700	\$14,200	\$8,200
\$15,200	\$9,200	\$15,200	\$8,700
\$16,200	\$9,700	\$16,200	\$9,200
\$17,200	\$10,200	\$17,200	\$9,700
\$18,200	\$10,700	\$18,200	\$10,200
\$19,200	\$11,200	\$19,200	\$10,700
\$20,200	\$11,700	\$20,200	\$11,200
\$21,200	\$12,200	\$21,200	\$11,700
\$22,200	\$12,700	\$22,200	\$12,200
\$23,200	\$13,200	\$23,200	\$12,700
\$24,200	\$13,700	\$24,200	\$13,200
\$25,200	\$14,200	\$25,200	\$13,700
\$26,200	\$14,700	\$26,200	\$14,200
\$27,200	\$15,200	\$27,200	\$14,700
\$28,200	\$15,700	\$28,200	\$15,200
\$29,200	\$16,200	\$29,200	\$15,700
\$30,200	\$16,700	\$30,200	\$16,200
\$31,200	\$17,200	\$31,200	\$16,700
\$32,200	\$17,700	\$32,200	\$17,200
\$33,200	\$18,200	\$33,200	\$17,700
\$34,200	\$18,700	\$34,200	\$18,200
\$35,200	\$19,200	\$35,200	\$18,700
\$36,200	\$19,700	\$36,200	\$19,200
\$37,200	\$20,200	\$37,200	\$19,700
\$38,200	\$20,700	\$38,200	\$20,200
\$39,200	\$21,200	\$39,200	\$20,700
\$40,200	\$21,700	\$40,200	\$21,200
\$41,200	\$22,200	\$41,200	\$21,700
\$42,200	\$22,700	\$42,200	\$22,200
\$43,200	\$23,200	\$43,200	\$22,700
\$44,200	\$23,700	\$44,200	\$23,200
\$45,200	\$24,200	\$45,200	\$23,700
\$46,200	\$24,700	\$46,200	\$24,200
\$47,200	\$25,200	\$47,200	\$24,700
\$48,200	\$25,700	\$48,200	\$25,200
\$49,200	\$26,200	\$49,200	\$25,700
\$50,200	\$26,700	\$50,200	\$26,200
\$51,200	\$27,200	\$51,200	\$26,700
\$52,200	\$27,700	\$52,200	\$27,200
\$53,200	\$28,200	\$53,200	\$27,700
\$54,200	\$28,700	\$54,200	\$28,200
\$55,200	\$29,200	\$55,200	\$28,700
\$56,200	\$29,700	\$56,200	\$29,200
\$57,200	\$30,200	\$57,200	\$29,700
\$58,200	\$30,700	\$58,200	\$30,200
\$59,200	\$31,200	\$59,200	\$30,700
\$60,200	\$31,700	\$60,200	\$31,200
\$61,200	\$32,200	\$61,200	\$31,700
\$62,200	\$32,700	\$62,200	\$32,200
\$63,200	\$33,200	\$63,200	\$32,700
\$64,200	\$33,700	\$64,200	\$33,200
\$65,200	\$34,200	\$65,200	\$33,700
\$66,200	\$34,700	\$66,200	\$34,200
\$67,200	\$35,200	\$67,200	\$34,700
\$68,200	\$35,700	\$68,200	\$35,200
\$69,200	\$36,200	\$69,200	\$35,700
\$70,200	\$36,700	\$70,200	\$36,200
\$71,200	\$37,200	\$71,200	\$36,700
\$72,200	\$37,700	\$72,200	\$37,200
\$73,200	\$38,200	\$73,200	\$37,700
\$74,200	\$38,700	\$74,200	\$38,200
\$75,200	\$39,200	\$75,200	\$38,700
\$76,200	\$39,700	\$76,200	\$39,200
\$77,200	\$40,200	\$77,200	\$39,700
\$78,200	\$40,700	\$78,200	\$40,200
\$79,200	\$41,200	\$79,200	\$40,700
\$80,200	\$41,700	\$80,200	\$41,200
\$81,200	\$42,200	\$81,200	\$41,700
\$82,200	\$42,700	\$82,200	\$42,200
\$83,200	\$43,200	\$83,200	\$42,700
\$84,200	\$43,700	\$84,200	\$43,200
\$85,200	\$44,200	\$85,200	\$43,700
\$86,200	\$44,700	\$86,200	\$44,200
\$87,200	\$45,200	\$87,200	\$44,700
\$88,200	\$45,700	\$88,200	\$45,200
\$89,200	\$46,200	\$89,200	\$45,700
\$90,200	\$46,700	\$90,200	\$46,200
\$91,200	\$47,200	\$91,200	\$46,700
\$92,200	\$47,700	\$92,200	\$47,200
\$93,200	\$48,200	\$93,200	\$47,700
\$94,200	\$48,700	\$94,200	\$48,200
\$95,200	\$49,200	\$95,200	\$48,700
\$96,200	\$49,700	\$96,200	\$49,200
\$97,200	\$50,200	\$97,200	\$49,700
\$98,200	\$50,700	\$98,200	\$50,200
\$99,200	\$51,200	\$99,200	\$50,700
\$100,200	\$51,700	\$100,200	\$51,200
\$101,200	\$52,200	\$101,200	\$51,700
\$102,200	\$52,700	\$102,200	\$52,200
\$103,200	\$53,200	\$103,200	\$52,700
\$104,200	\$53,700	\$104,200	\$53,200
\$105,200	\$54,200	\$105,200	\$53,700
\$106,200	\$54,700	\$106,200	\$54,200
\$107,200	\$55,200	\$107,200	\$54,700
\$108,200	\$55,700	\$108,200	\$55,200
\$109,200	\$56,200	\$109,200	\$55,700
\$110,200	\$56,700	\$110,200	\$56,200
\$111,200	\$57,200	\$111,200	\$56,700
\$112,200	\$57,700	\$112,200	\$57,200
\$113,200	\$58,200	\$113,200	\$57,700
\$114,200	\$58,700	\$114,200	\$58,200
\$115,200	\$59,200	\$115,200	\$58,700
\$116,200	\$59,700	\$116,200	\$59,200
\$117,200	\$60,200	\$117,200	\$59,700
\$118,200	\$60,700	\$118,200	\$60,200
\$119,200	\$61,200	\$119,200	\$60,700
\$120,200	\$61,700	\$120,200	\$61,200
\$121,200	\$62,200	\$121,200	\$61,700
\$122,200	\$62,700	\$122,200	\$62,200
\$123,200	\$63,200	\$123,200	\$62,700
\$124,200	\$63,700	\$124,200	\$63,200
\$125,200	\$64,200	\$125,200	\$63,700
\$126,200	\$64,700	\$126,200	\$64,200
\$127,200	\$65,200	\$127,200	\$64,700
\$128,200	\$65,700	\$128,200	\$65,200
\$129,200	\$66,200	\$129,200	\$65,700
\$130,200	\$66,700	\$130,200	\$66,200
\$131,200	\$67,200	\$131,200	\$66,700
\$132,200	\$67,700	\$132,200	\$67,200
\$133,200	\$68,200	\$133,200	\$67,700
\$134,200	\$68,700	\$134,200	\$68,200
\$135,200	\$69,200	\$135,200	\$68,700
\$136,200	\$69,700	\$136,200	\$69,200
\$137,200	\$70,200	\$137,200	\$69,700
\$138,200	\$70,700	\$138,200	\$70,200
\$139,200	\$71,200	\$139,200	\$70,700
\$140,200	\$71,700	\$140,200	\$71,200
\$141,200	\$72,200	\$141,200	\$71,700
\$142,200	\$72,700	\$142,200	\$72,200
\$143,200	\$73,200	\$143,200	\$72,700
\$144,200	\$73,700	\$144,200	\$73,200
\$145,200	\$74,200	\$145,200	\$73,700
\$146,200	\$74,700	\$146,200	\$74,200
\$147,200	\$75,200	\$147,200	\$74,700
\$148,200	\$75,700	\$148,200	\$75,200
\$149,200	\$76,200	\$149,200	\$75,700
\$150,200	\$76,700	\$150,200	\$76,200
\$151,200	\$77,200	\$151,200	\$76,700
\$152,200	\$77,700	\$152,200	\$77,200
\$153,200	\$78,200	\$153,200	\$77,700
\$154,200	\$78,700	\$154,200	\$78,200
\$155,200	\$79,200	\$155,200	\$78,700
\$156,200	\$79,700	\$156,200	\$79,200
\$157,200	\$80,200	\$157,200	\$79,700
\$158,200	\$80,700	\$158,200	\$80,200
\$159,200	\$81,200	\$159,200	\$80,700
\$160,200	\$81,700	\$160,200	\$81,200
\$161,200	\$82,200	\$161,200	\$81,700
\$162,200	\$82,700	\$162,200	\$82,200
\$163,200	\$83,200	\$163,200	\$82,700
\$164,200	\$83,700	\$164,200	\$83,200
\$165,200	\$84,200	\$165,200	\$83,700
\$166,200	\$84,700	\$166,200	\$84,200
\$167,200	\$85,200	\$167,200	\$84,700
\$168,200	\$85,700	\$168,200	\$85,200
\$169,200	\$86,200	\$169,200	\$85,700
\$170,200	\$86,700	\$170,200	\$86,200
\$171,200	\$87,200	\$171,200	\$86,700
\$172,200	\$87,700	\$172,200	\$87,200
\$173,200	\$88,200	\$173,200	\$87,700
\$174,200	\$88,700	\$174,200	\$88,200
\$175,200	\$89,200	\$175,200	\$88,700
\$176,200	\$89,700	\$176,200	\$89,200
\$177,200	\$90,200	\$177,200	\$89,700
\$178,200	\$90,700	\$178,200	\$90,200
\$179,200	\$91,200	\$179,200	\$90,700
\$180,200	\$91,700	\$180,200	\$91,200
\$181,200	\$92,200	\$181,200	\$91,700
\$182,200	\$92,700	\$182,200	\$92,200
\$183,200	\$93,200	\$183,200	\$92,700
\$184,200	\$93,700	\$184,200	\$93,200
\$185,200	\$94,200	\$185,200	\$93,700
\$186,200	\$94,700	\$186,200	\$94,200
\$187,200	\$95,200	\$187,200	\$94,700
\$188,200	\$95,700	\$188,200	\$95,200
\$189,200	\$96,200	\$189,200	\$95,700
\$190,200	\$96,700	\$190,200	\$96,200
\$191,200	\$97,200	\$191,200	\$96,700
\$192,200	\$97,700	\$192,200	\$97,200
\$193,200	\$98,200	\$193,200	\$97,700
\$194,200	\$98,700	\$194,200	\$98,200
\$195,200	\$99,200	\$195,200	\$98,700
\$196,200	\$99,700	\$196,200	\$99,200
\$197,200	\$100,200	\$197,200	\$99,700
\$198,200	\$100,700	\$198,200	\$100,200
\$199,200	\$101,200	\$199,200	\$100,700
\$200,200	\$101,700	\$200,200	\$101,200

SCHEDULE Y—Married Taxpayers and Qualifying Widows and Widowers

Married Filing Joint Returns and Qualifying Widows and Widowers

Use this schedule if you checked Filing Status Box 2 or 5 on Form 1040—

If the amount on Schedule TC, Part I, line 3, is:

Not over \$3,200.....	But not over—	of the amount over—	of the amount over—
Over—	Over—	Over—	Over—
\$3,200	\$4,200	\$3,200	\$3,200
\$4,200	\$5,200	\$4,200	\$4,200
\$5,200	\$6,200	\$5,200	\$5,200
\$6,200	\$7,200	\$6,200	\$6,200
\$7,200	\$8,200	\$7,200	\$7,200
\$8,200	\$9,200	\$8,200	\$8,200
\$9,200	\$10,200	\$9,200	\$9,200
\$10,200	\$11,200	\$10,200	\$10,200
\$11,200	\$12,200	\$11,200	\$11,200</

1978 Optional State Sales Tax Tables

Your itemized deduction for general sales tax paid can be estimated from these tables plus any qualifying sales taxes paid on the items listed on page 15.

To use the tables:

- Step 1—Figure your total available income.¹
 - Step 2—Count the number of exemptions for you and your family. Do not count exemptions claimed for being 65 or over or blind as part of your family size.
 - Step 3 A—If your total available income is not over \$40,000, find the income line for your State on the tables and read across to find the amount of sales tax for your family size.
 - Step 3 B—If your income is over \$40,000 but not over \$100,000, find the deduction listed on the income line "\$38,001-\$40,000" for your family size and State. For each \$5,000 (or part of \$5,000) of income over \$40,000, increase the deduction by the amount listed for the line "\$40,001-\$100,000."
 - Step 3 C—If your income is over \$100,000, your sales tax deduction is limited to the deduction for income of \$100,000. To figure your sales tax deduction, use Step 3 B but don't go over \$100,000.
- On Schedule A, line 14, enter the larger of the sales tax estimate from this table or the amount your records show that you paid.

Income 1	Alabama 2					Arizona 3					Arkansas 2					California 4						
	Family size		3		Over 5	Family size		3		Over 5	Family size		3		Over 5	Family size		3		Over 5		
\$1-\$8,000	93	115	122	131	142	160	106	131	138	147	158	177	79	99	103	110	118	133	125	147	155	164
\$8,001-\$10,000	109	132	142	153	165	185	124	150	161	172	184	205	92	113	120	128	137	153	147	173	183	193
\$10,001-\$12,000	124	147	161	173	187	208	140	168	182	194	207	230	104	125	135	144	154	172	167	198	208	219
\$12,001-\$14,000	138	161	178	191	206	228	155	183	201	215	229	252	115	136	149	160	170	188	186	220	232	243
\$14,001-\$16,000	152	174	194	209	225	248	169	198	219	234	250	274	126	147	163	174	186	204	204	242	255	266
\$16,001-\$18,000	164	186	210	226	242	266	183	212	237	253	269	294	136	157	176	188	200	219	222	263	276	288
\$18,001-\$20,000	176	197	225	242	259	284	196	225	253	270	288	313	146	166	188	201	214	233	238	282	297	309
\$20,001-\$22,000	188	208	239	257	275	301	209	237	269	287	306	332	155	175	200	214	227	246	254	301	317	330
\$22,001-\$24,000	199	218	253	271	290	317	221	249	284	304	323	350	164	183	211	226	240	259	270	320	336	349
\$24,001-\$26,000	210	228	266	285	305	332	232	261	299	320	340	367	173	191	222	237	252	272	285	338	355	368
\$26,001-\$28,000	221	238	279	299	320	347	243	272	313	335	356	383	181	199	232	248	264	284	299	355	373	386
\$28,001-\$30,000	231	247	291	313	334	362	254	283	327	350	372	399	189	207	242	259	275	296	313	372	391	404
\$30,001-\$32,000	241	256	303	326	347	376	265	293	341	364	387	414	197	214	252	270	286	307	327	389	408	422
\$32,001-\$34,000	251	265	315	338	360	390	276	303	354	378	402	429	205	221	262	281	297	318	341	405	425	439
\$34,001-\$36,000	261	274	327	350	373	403	286	313	367	392	417	444	212	228	272	291	308	328	354	421	441	455
\$36,001-\$38,000	271	282	338	362	386	416	296	322	380	406	431	458	219	235	281	301	318	338	367	436	457	471
\$38,001-\$40,000	280	290	349	374	399	429	305	331	392	419	445	472	226	241	290	310	328	348	380	451	473	487
\$40,001-\$100,000	14	15	17	19	20	21	15	17	20	21	22	24	11	12	15	16	16	17	19	23	24	24

Income 1	Colorado 3					Connecticut					Dist. of Columbia					Florida					Georgia 2					Hawaii					
	Family size		3		Over 5	Family size		3		Over 5	Family size		3		Over 5	Family size		3		Over 5	Family size		3		Over 5	Family size		3		Over 5	
\$1-\$8,000	74	93	97	104	112	126	112	121	127	74	90	102	102	107	116	72	83	83	88	93	82	103	110	116	125	141	158	180	183	190	204
\$8,001-\$10,000	87	106	113	121	130	145	134	147	153	86	104	118	119	126	135	86	98	98	105	110	95	117	127	135	145	161	181	206	209	219	235
\$10,001-\$12,000	98	117	128	137	146	163	154	172	178	97	117	134	136	143	152	99	113	114	121	127	107	130	143	152	163	180	201	228	234	245	263
\$12,001-\$14,000	109	128	141	151	161	179	174	195	202	108	128	148	152	160	168	111	127	129	136	142	118	141	157	167	179	198	220	249	256	269	288
\$14,001-\$16,000	119	138	154	165	176	193	193	218	225	118	139	161	167	175	184	123	140	144	151	157	129	152	171	182	195	214	238	268	277	292	312
\$16,001-\$18,000	129	147	166	177	189	207	211	240	248	127	149	173	181	190	198	134	153	158	165	171	139	162	184	196	210	229	254	286	297	313	335
\$18,001-\$20,000	138	156	177	189	202	221	228	261	270	136	159	185	195	205	212	145	165	172	179	185	149	171	196	209	224	244	270	303	315	333	356
\$20,001-\$22,000	147	164	188	201	214	233	245	282	291	144	168	197	208	219	225	156	177	185	192	199	158	180	208	222	237	258	285	319	333	352	377
\$22,001-\$24,000	155	172	199	212	226	245	261	302	312	152	177	208	221	232	238	166	189	198	205	212	167	189	219	234	250	271	299	335	350	371	397
\$24,001-\$26,000	163	180	209	223	237	257	277	322	332	160	186	219	234	245	250	176	200	211	217	224	176	198	230	246	262	283	313	350	366	389	416
\$26,001-\$28,000	171	187	219	234	248	268	293	342	352	168	194	229	246	258	262	186	211	224	229	236	184	206	240	258	274	295	326	364	382	406	434
\$28,001-\$30,000	179	194	229	244	259	279	308	361	372	175	202	239	258	270	274	196	222	236	241	248	192	213	250	269	286	307	339	378	397	423	451
\$30,001-\$32,000	187	201	238	254	269	290	323	380	391	182	210	249	270	282	285	205	232	248	253	260	200	220	260	280	297	319	351	391	412	439	468
\$32,001-\$34,000	195	208	247	264	279	300	338	398	410	189	218	259	281	294	296	214	242	260	265	272	208	227	270	290	308	330	363	404	426	454	485
\$34,001-\$36,000	202	214	256	273	289	310	353	416	429	196	225	268	292	305	307	223	252	272	276	283	215	234	279	300	319	341	375	416	440	469	501
\$36,001-\$38,000	209	220	265	282	299	320	367	434	448	203	232	277	303	316	318	232	262	283	287	294	222	241	288	310	330	352	386	428	454	484	517
\$38,001-\$40,000	215	226	273	291	308	329	381	452	466	209	239	286	314	327	328	241	272	294	298	305	229	247	297	320	340	362	397	440	467	499	533
\$40,001-\$100,000	11	11	14	15	15	16	19	23	23	10	12	14	16	16	16	12	14	15	15	15	11	12	15	16	17	18	20	22	23	25	27

Income 1	Idaho					Illinois 5					Indiana					Iowa					Kansas 2										
	Family size		3		Over 5	Family size		3		Over 5	Family size		3		Over 5	Family size		3		Over 5	Family size		3		Over 5	Family size		3		Over 5	
\$1-\$8,000	68	84	89	97	106	120	119	151	161	173	187	214	93	110	118	124	71	79	85	85	106	111	118	124	140	95	116	118	125	142	160
\$8,001-\$10,000	80	96	104	113	123	138	139	171	187	201	216	243	109	130	138	145	83	93	100	99	121	129	137	145	162	107	130	133	141	159	177
\$10,001-\$12,000	91	107	118	128	138	155	157	189	210	225	242	270	124	148	157	165	95	107	114	112	135	146	155	164	182	120	143	146	154	172	190
\$12,001-\$14,000	101	117	131	142	153	170	174	206	232	249	267	294	138	165	175	183	106	120	127	124	148	162	172	182	201	137	160	163	171	190	208
\$14,001-\$16,000	111	127	143	155	166	184	190	222	252	270	290	316	151	181	191	200	116	132	139	136	160	177	187	199	218	147	171	174	182	201	220
\$16,001-\$18,000	120	136	155	167	179	197	206	236	271	291	311	337	164	196	207	216	126	143	151	147	171	191	202	215	234	157	181	184	192	211	230
\$18,001-\$20,000	129	144	166	179	192	210	220	250	289	310	332	357	176	211	222	232	135	154	162	157	181	204	216	231	250	169	194	197	205	224	243
\$20,001-\$22,000	137	152	176	190	204	222	234	263	307	329	352	376	187	225	237	247	144	165	173	167	191	217	230	246	265	180	205	208	216	235	254
\$22,001-\$24,000	145	160	186	201	215	234	248	275	324																						

1978 Optional State Sales Tax Tables—Cont.

Your itemized deduction for general sales tax paid can be estimated from these tables plus any qualifying sales taxes paid on the items listed on page 15. To use the tables:

- Step 1—Figure your total available income.¹
 - Step 2—Count the number of exemptions for you and your family. Do not count exemptions claimed for being 65 or over or blind as part of your family size.
 - Step 3 A—If your total available income is not over \$40,000, find the income line for your State on the tables and read across to find the amount of sales tax for your family size.
 - Step 3 B—If your income is over \$40,000 but not over \$100,000, find the deduction listed on the income line "\$38,001-\$40,000" for your family size and State. For each \$5,000 (or part of \$5,000) of income over \$40,000, increase the deduction by the amount listed for the line "\$40,001-\$100,000."
 - Step 3 C—If your income is over \$100,000 your sales tax deduction is limited to the deduction for income of \$100,000. To figure your sales tax deduction, use Step 3 B but don't go over \$100,000.
- On Schedule A, line 14, enter the larger of the sales tax estimate from this table or the amount your records show that you paid.

Income ¹	Mississippi					Missouri ²					Nebraska ²					Nevada ³					
	Family size	1	2	3	Over 5	Family size	1	2	3	Over 5	Family size	1	2	3	Over 5	Family size	1	2	3	Over 5	
\$1-\$8,000	146	183	193	203	216	82	102	107	114	122	79	98	103	111	119	78	96	102	110	119	135
\$8,001-\$10,000	170	209	224	236	251	95	116	124	132	142	92	111	120	129	138	91	109	119	128	138	155
\$10,001-\$12,000	192	232	252	266	283	108	128	140	149	160	104	123	135	145	155	103	122	135	145	156	174
\$12,001-\$14,000	212	253	279	294	313	119	140	154	165	176	115	134	149	160	171	115	133	149	160	172	191
\$14,001-\$16,000	232	273	303	320	341	130	151	168	179	191	125	145	162	174	185	126	143	163	175	187	207
\$16,001-\$18,000	250	291	327	345	368	139	161	181	193	206	135	154	174	187	199	136	153	176	189	202	222
\$18,001-\$20,000	267	309	349	369	393	150	170	193	206	220	145	163	186	199	213	146	163	188	202	216	236
\$20,001-\$22,000	284	325	370	392	418	160	179	205	219	233	154	172	198	211	226	156	172	200	215	229	250
\$22,001-\$24,000	301	341	391	414	441	169	188	216	231	246	163	180	209	223	238	165	180	211	227	242	263
\$24,001-\$26,000	315	357	411	435	464	178	196	227	243	258	171	188	219	234	250	174	188	222	239	254	276
\$26,001-\$28,000	330	371	430	455	486	187	204	238	254	270	179	196	229	245	261	183	196	233	250	266	288
\$28,001-\$30,000	344	385	449	475	507	195	212	248	265	282	187	203	239	256	272	191	204	243	261	277	300
\$30,001-\$32,000	358	399	467	494	528	203	219	258	276	293	195	210	249	266	283	199	211	253	272	288	311
\$32,001-\$34,000	372	412	482	513	548	211	226	268	287	304	203	217	258	276	293	207	218	263	282	299	322
\$34,001-\$36,000	386	425	502	533	568	219	233	278	297	315	210	224	267	286	303	215	225	273	292	310	333
\$36,001-\$38,000	399	438	519	549	587	226	240	287	307	325	217	230	276	295	313	223	232	282	302	320	344
\$38,001-\$40,000	412	450	535	566	606	233	246	296	316	335	224	235	285	304	323	230	238	291	312	330	354
\$40,001-\$100,000	21	23	27	28	30	12	12	15	16	17	11	12	14	15	16	12	12	15	16	17	18

Income ¹	New Jersey			New Mexico ²				New York ⁴			North Carolina ⁵					North Dakota				Ohio ²				Oklahoma ²				
	Family size	1	Over 2	Family size	1	2	3	Over 5	Family size	1	2	3	4	5	Over 5	Family size	1	2	3	4	5	Over 5	Family size	1	2	3	4	5
\$1-\$8,000	73	79	121	149	157	163	173	191	95	111	116	123	128	139	159	58	64	68	71	78	81	52	63	68	71	76	85	
\$8,001-\$10,000	87	95	140	170	182	190	201	221	112	131	137	145	151	162	183	69	77	81	84	90	94	61	72	78	82	88	99	
\$10,001-\$12,000	100	111	158	189	205	215	228	249	128	150	157	165	173	182	204	79	89	93	97	102	104	69	80	88	93	99	111	
\$12,001-\$14,000	112	126	174	207	227	238	252	275	143	167	176	184	192	204	224	89	100	105	109	114	118	76	88	97	103	110	122	
\$14,001-\$16,000	124	141	189	223	247	260	275	299	157	184	193	202	210	220	241	98	111	116	120	125	131	83	95	106	113	120	132	
\$16,001-\$18,000	135	155	204	239	266	281	297	322	171	200	210	219	229	251	271	107	122	127	131	136	144	90	101	114	122	129	142	
\$18,001-\$20,000	146	169	218	253	284	301	318	343	184	215	227	235	245	267	287	115	132	137	141	146	156	97	107	122	130	138	151	
\$20,001-\$22,000	156	182	231	267	301	320	338	364	195	230	243	251	261	283	303	123	142	147	151	156	169	103	113	129	138	147	160	
\$22,001-\$24,000	166	195	244	280	318	338	357	384	209	244	258	266	276	300	320	131	152	157	161	166	181	109	119	136	146	155	168	
\$24,001-\$26,000	176	208	256	293	334	356	376	404	221	258	273	281	291	315	335	139	161	166	170	176	192	115	125	143	154	163	176	
\$26,001-\$28,000	186	221	268	305	350	373	394	422	233	271	288	296	306	331	351	146	170	175	179	185	203	121	130	149	162	171	184	
\$28,001-\$30,000	195	233	279	317	365	389	412	440	244	284	302	310	320	345	365	153	179	184	188	194	214	126	135	155	169	179	192	
\$30,001-\$32,000	204	245	290	328	379	405	429	458	255	297	316	324	334	359	386	160	188	193	197	203	221	131	140	161	176	186	200	
\$32,001-\$34,000	213	257	301	339	393	421	446	475	266	310	329	337	347	372	399	167	197	202	206	212	230	136	145	167	183	193	207	
\$34,001-\$36,000	222	269	312	350	407	437	462	492	277	322	342	350	360	385	412	173	206	210	214	220	240	141	149	173	189	200	214	
\$36,001-\$38,000	231	281	322	361	421	452	478	508	287	334	355	363	373	400	427	180	214	218	222	228	250	146	153	179	195	207	221	
\$38,001-\$40,000	240	292	332	371	434	466	494	524	297	346	368	376	386	414	441	186	222	226	230	236	260	151	157	185	201	214	228	
\$40,001-\$100,000	12	15	17	19	22	23	25	26	15	17	18	19	21	21	21	9	11	11	12	12	14	8	8	9	10	11	11	

Income ¹	Pennsylvania			Rhode Island			South Carolina					South Dakota ⁶					Tennessee ²					Texas ²											
	Family size	1	Over 2	Family size	1	Over 2	Family size	1	2	3	4	5	Over 5	Family size	1	2	3	4	5	Over 5	Family size	1	2	3	4	5	Over 5	Family size	1	2	3	4	5
\$1-\$8,000	73	78	121	149	157	163	173	191	95	111	116	123	128	139	159	58	64	68	71	78	81	52	63	68	71	76	85						
\$8,001-\$10,000	87	95	140	170	182	190	201	221	112	131	137	145	151	162	183	69	77	81	84	90	94	61	72	78	82	88	99						
\$10,001-\$12,000	100	111	158	189	205	215	228	249	128	150	157	165	173	182	204	79	89	93	97	102	104	69	80	88	93	99	111						
\$12,001-\$14,000	112	126	174	207	227	238	252	275	143	167	176	184	192	204	224	89	100	105	109	114	118	76	88	97	103	110	122						
\$14,001-\$16,000	124	141	189	223	247	260	275	299	157	184	193	202	210	220	241	98	111	116	120	125	131	83	95	106	113	120	132						
\$16,001-\$18,000	135	155	204	239	266	281	297	322	171	200	210	219	229	251	271	107	122	127	131	136	144	90	101	114	122	129	142						
\$18,001-\$20,000	146	169	218	253	284	301	318	343	184	215	227	235	245	267	287	115	132	137	141	146	156	97	107	122	130	138	151						
\$20,001-\$22,000	156	182	231	267	301	320	338	364	195	230	243	251	261	283	303	123	142	147	151	156	169	103	113	129	138	147	160						
\$22,001-\$24,000	166	195	244	280	318	3																											

To Call IRS Toll Free for Answers to Your Federal Tax Questions, Use Only the Number Listed Below for Your Area

Caution: "Toll-free" is a telephone call for which you pay only local charges with no long-distance charge. Therefore, please use a local city number only if it is not a long-distance call for you. Otherwise, use the general toll-free number provided.

To help us provide courteous and correct answers, IRS sometimes listens to telephone calls. No record is kept of the taxpayer's name, address or social security number.

If you find it necessary to write rather than call us, please address your letter to your IRS District Director for a prompt reply.

Tax Advice to Taxpayers.—We are happy to answer questions to help you prepare your return. But you should know that you are responsible for the accuracy of your return and for the payment of the correct tax. If we do make an error, you are still responsible for the payment of the correct tax, and we are generally required by law to charge interest.

ALABAMA
Birmingham, 252-1155
Decatur, 355-1855
Huntsville, 539-2751
Mobile, 433-5532
Montgomery, 264-8441
Muscle Shoals Area, 767-0301
Tuscaloosa, 758-4434
Elsewhere in Alabama, 800-292-6300

ALASKA
Anchorage, 276-1040
Elsewhere in Alaska, call operator and ask for Zenith 3700

ARIZONA
Phoenix, 257-1233
Tucson, 882-4181
Elsewhere in Arizona, 800-352-6911

ARKANSAS
Little Rock, 376-4401
Elsewhere in Arkansas, 1-800-482-9350

CALIFORNIA
Please call the telephone number shown in the white pages of your local telephone directory under U.S. Government, Internal Revenue Service, Federal Tax Assistance.

COLORADO
Colorado Springs, 634-6684
Denver, 825-7041
Elsewhere in Colorado, 1-800-332-2060

CONNECTICUT
Bridgeport, 576-1433
Hartford, 249-8251
Stamford, 348-6235
Elsewhere in Connecticut, 1-800-842-1120

DELAWARE
Wilmington, 573-6400
Elsewhere in Delaware, 1-800-292-9575

DISTRICT OF COLUMBIA
Call 488-3100

FLORIDA
Fort Lauderdale, 491-3311
Jacksonville, 354-1760
Miami, 358-5072
Orlando, 422-2550
Pensacola, 434-5215
St. Petersburg, 823-7459
Sarasota, 921-6684
Tampa, 223-9741
West Palm Beach, 655-7250
Elsewhere in Florida, 1-800-342-8300

GEORGIA
Atlanta, 522-0050
Augusta, 724-9946
Columbus, 327-7491
Macon, 746-4993
Savannah, 355-1045
Elsewhere in Georgia, 1-800-222-1040

HAWAII
Hawaii, 935-4895
Oahu, 546-8660
Kauai, 245-2731
Lanai, call operator and ask for Enterprise 8036
Maui, 244-7654
Molokai, call operator and ask for Enterprise 8034

IDAHO
Boise, 336-1040
Elsewhere in Idaho, 800-632-5990

ILLINOIS
Chicago, 435-1040
Elsewhere in area code 312 (except city of Chicago) and residents in Joliet Region Telephone Directory, 800-972-5400
Belleville, 277-5500
East St. Louis, 875-5100
Springfield, 789-4220
Elsewhere in all other locations in Illinois, 800-252-2921

INDIANA
Evansville, 424-6481
Fort Wayne, 423-2331
Gary, 938-0560
Hammond, 938-0560
Indianapolis, 269-5477
Muncie, 288-4594
South Bend, 232-3981
Terre Haute, 232-9421
Elsewhere in Indiana, 800-382-9740

IOWA
Des Moines, 284-4850
Elsewhere in Iowa, 800-362-2600

KANSAS
Kansas City, 722-2910
Topeka, 357-5311
Wichita, 263-2161
Elsewhere in Kansas, 1-800-362-2190

KENTUCKY
Lexington, 255-2333
Louisville, 584-1361
Northern Kentucky (Cincinnati local dialing area), 621-6281
Elsewhere in Kentucky, 800-292-6570

LOUISIANA
Baton Rouge, 387-2206
New Orleans, 581-2440
Shreveport, 424-6301
Elsewhere in Louisiana, 1-800-362-6900

MAINE
Augusta, 622-7101
Portland, 775-7401
Elsewhere in Maine, 1-800-452-8750

MARYLAND
Baltimore, 962-2590
Prince Georges County, 488-3100
Montgomery County, 488-3100
Elsewhere in Maryland, 1-800-492-0460

MASSACHUSETTS
Boston, 523-1040
Brockton, 580-1770
New Bedford, 996-3111
Springfield, 785-1201
Worcester, 757-2712
Elsewhere in Massachusetts, 1-800-392-6288

MICHIGAN
Ann Arbor, 769-9850
Bay City, 771-2153
Detroit, 237-0800
Flint, 767-8830
Grand Rapids, 774-8300
Jackson, 750-4677
Kalamazoo, 385-4410
Lansing, 394-1550
Mount Clemens, 469-4200
Muskegon, 726-4971
Pontiac, 858-2530
Saginaw, 771-2153
Elsewhere in area code 313, call 800-462-0830
Elsewhere in area codes 517, 616, and 906, call 800-482-0670

MINNESOTA
Minneapolis, 291-1422
St. Paul, 291-1422
Elsewhere in Minnesota, 800-652-9062

MISSISSIPPI
Biloxi, 868-2122
Gulfport, 868-2122
Jackson, 948-4500
Elsewhere in Mississippi, 1-800-241-3868

MISSOURI
Columbia, 874-4040
Jefferson City, 635-9141
Joplin, 781-8500
Kansas City, 474-0350
St. Joseph, 364-3111
St. Louis, 342-1040
Springfield, 887-5000
Elsewhere in Missouri, 800-392-4200

MONTANA
Helena, 443-2320
Elsewhere in Montana, 1-800-332-2275

NEBRASKA
Lincoln, 477-6081
Omaha, 422-1500
Elsewhere in Nebraska, 800-642-9960

NEVADA
Las Vegas, 385-6291
Reno, 784-5521
Elsewhere in Nevada, 800-492-6552

NEW HAMPSHIRE
Manchester, 668-2100
Portsmouth, 436-8810
Elsewhere in New Hampshire, 1-800-582-7200

NEW JERSEY
Camden, 966-7333
Hackensack, 487-8981
Jersey City, 622-0600
Newark, 622-0600
Paterson, 279-9400
Trenton, 394-7113
Elsewhere in New Jersey, 800-242-6750

NEW MEXICO
Albuquerque, 243-8641
Elsewhere in New Mexico, 1-800-527-3880

NEW YORK
Albany District (Eastern Upstate New York)
Albany, 449-3120
Poughkeepsie, 452-7800
Elsewhere in Eastern Upstate New York, 1-800-342-3700

Brooklyn District
Brooklyn, 596-3770
Nassau, 294-3600
Queens, 596-3770
Suffolk, 724-5000

Buffalo District (Western Upstate New York)
Buffalo, 855-3955
Rochester, 263-6770
Syracuse, 425-8111
Elsewhere in Western Upstate New York, 1-800-462-1560

Manhattan District
Bronx, 732-0100
Manhattan, 732-0100
Rockland County, 352-8900
Staten Island, 732-0100
Westchester County:
North (Peekskill Area), 739-9191
South (Mt. Vernon, New Rochelle, White Plains—Yonkers Area), 212-732-0100

NORTH CAROLINA
Charlotte, 372-7750
Greensboro, 274-3711
Raleigh, 828-6278
Winston-Salem, 761-1622
Elsewhere in North Carolina, 800-822-8800

NORTH DAKOTA
Fargo, 293-0650
Elsewhere in North Dakota, 800-342-4710

OHIO
Cleveland District
Akron, 253-1141
Canton, 455-6781
Cleveland, 522-3000
Toledo, 255-3730
Youngstown, 746-1811
Elsewhere in Northern Ohio, 800-362-9050

Cincinnati District
Cincinnati, 621-6281
Columbus, 228-0520
Dayton, 228-0557
Elsewhere in Southern Ohio, 800-582-1700

OKLAHOMA
Oklahoma City, 272-9531
Tulsa, 583-5121
Elsewhere in Oklahoma, 1-800-962-3456

OREGON
Eugene, 485-8285
Medford, 779-3375
Portland, 221-3960
Salem, 581-8720
Elsewhere in Oregon, 800-452-1980

PENNSYLVANIA
Allentown, 437-6966
Bethlehem, 437-6966
Erie, 453-5671
Harrisburg, 783-8700
Philadelphia, 574-9900
Pittsburgh, 281-0112
Elsewhere in area codes 215 and 717, call 1-800-462-4000
Elsewhere in area codes 412 and 814, call 1-800-242-0250

RHODE ISLAND
Rhode Island, call operator and ask for Enterprise 1040
Burrillville — Gloucester, 568-3100
Hope Valley, 539-2361
Newport, 847-2463
Providence, 774-1040
Tiverton—Little Compton, 624-6647
Woonsocket, 722-9245

SOUTH CAROLINA
Charleston, 722-1601
Columbia, 799-1040
Greenville, 242-5434
Elsewhere in South Carolina, 1-800-241-3868

SOUTH DAKOTA
Aberdeen, 225-9112
Elsewhere in South Dakota, 800-592-1870

TENNESSEE
Chattanooga, 892-3010
Knoxville, 637-0190
Memphis, 522-1250
Nashville, 259-4601
Elsewhere in Tennessee, 1-800-342-8420

TEXAS
Amarillo, 372-3666
Austin, 472-1974
Beaumont, 835-5076
Corpus Christi, 888-9431
Dallas, 742-2440
El Paso, 532-6116
Ft. Worth, 335-1370
Houston, 965-0440
Lubbock, 747-4361
San Antonio, 229-1700
Waco, 752-6535
Wichita Falls, 723-6702
Elsewhere in Texas, 1-800-492-4830

UTAH
Salt Lake City, 524-4060
Elsewhere in Utah, 1-800-662-5370

VERMONT
Burlington, 658-1870
Elsewhere in Vermont, 1-800-642-3110

VIRGINIA
Baileys Crossroads (Northern Virginia), 557-9230
Richmond, 649-2361
Elsewhere in Virginia, 1-800-552-9500

WASHINGTON
Everett, 259-0861
Seattle, 442-1040
Spokane, 456-8350
Tacoma, 383-2021
Vancouver, 695-9252
Yakima, 248-6891
Elsewhere in Washington, 800-732-1040

WEST VIRGINIA
Charleston, 345-2210
Huntington, 523-0213
Parkersburg, 485-1601
Wheeling, 233-4210
Elsewhere in West Virginia, 800-642-1931

WISCONSIN
Milwaukee, 271-3780
Elsewhere in Wisconsin, 800-452-9100

WYOMING
Cheyenne, 635-4124
Elsewhere in Wyoming, 1-800-525-6060

Telephone Assistance Services for Deaf/Hearing Impaired Taxpayers Who Have Access to TV—Phone/Teletypewriter Equipment.
Hours of Operation
8:30 A.M. to 6:45 P.M. EST
Indiana residents, 800-382-4059
Elsewhere in contiguous U.S., 800-428-4732

How To Get Forms

Generally, we mail forms and schedules directly to you based on what seems to be right for you. Schedules and forms you may need are listed below. You can get them from an Internal Revenue Service office, and at many banks and post offices, or by using the order blank below.

Schedule A for itemized deductions

Schedule B for dividends and other distributions on stock if more than \$400, and for interest income if more than \$400, and for answering the Foreign Accounts or Foreign Trust Questions

Schedule C for income from a personally owned business

Schedule D for income from the sale or exchange of capital assets

Schedule E for income from pensions, annuities, rents, royalties, partnerships, estates, trusts, etc.

Schedule F for income from farming

Schedule G for income averaging

Schedules R&RP credit for the elderly

Schedule SE for reporting net earnings from self-employment

Schedule TC for tax computation if Tax Tables are not used.

Form 5695, Energy Credits

These forms are available only at Internal Revenue Service offices:

- Form 1040-ES** to make estimated tax payments
- Form 1310**, Statement of Person Claiming Refund Due a Deceased Taxpayer
- Form 2106**, Employee Business Expenses
- Form 2120**, Multiple Support Declaration
- Form 2210**, Underpayment of Estimated Tax by Individuals
- Form 2440**, Disability Income Exclusion
- Form 2441**, Credit for Child and Dependent Care Expenses
- Form 2555**, Exemption of Income Earned Abroad
- Form 3468**, Computation of Investment Credit
- Form 3903**, Moving Expense Adjustment
- Form 4136**, Computation of Credit for Federal Tax on Gasoline, Special Fuels, and Lubricating Oil
- Form 4137**, Computation of Social Security Tax on Unreported Tip Income
- Form 4562**, Depreciation
- Form 4684**, Casualties and Thefts
- Form 4726**, Maximum Tax on Personal Service Income
- Form 4797**, Supplemental Schedule of Gains and Losses
- Form 4798**, Carryover of Pre-1970 Capital Losses
- Form 4831**, Rental Income
- Form 4835** for farm rental income and expenses
- Form 4868**, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return
- Form 4972**, Special 10-year Averaging Method

Some helpful publications you can send for:

- 17** Your Federal Income Tax
- 54** Tax Guide for U.S. Citizens Abroad
- 334** Tax Guide for Small Business
- 501** Your Exemptions and Exemptions for Dependents
- 502** Medical Expenses
- 503** Child Care and Disabled Dependent Care
- 504** Tax Information for Divorced or Separated Individuals
- 506** Computing Your Tax Under the Income Averaging Method
- 521** Tax Information on Moving Expenses
- 522** Tax Information on Disability Payments
- 523** Tax Information on Selling or Purchasing Your Home
- 524** Tax Credit for the Elderly
- 526** Income Tax Deduction for Contributions
- 529** Miscellaneous Deductions and Credits
- 530** Tax Information for Homeowners
- 545** Income Tax Deduction for Interest Expense
- 552** Recordkeeping Requirements and a Guide to Tax Publications
- 553** Highlights of 1978 Changes in the Tax Law
- 554** Tax Benefits for Older Americans

Other publications and forms referred to in the instructions are available without cost from any District Director.

Where to Send Your Order for Free Forms and Publications.

Please send your order to the "Forms Distribution Center" for your State. If there is more than one Center for your State, send the order to the Center nearest you.

- Alabama**—Caller No. 848, Atlanta, GA 30301
- Alaska**—P.O. Box 12626, Fresno, CA 93778
- Arizona**—P.O. Box 12626, Fresno, CA 93778
- Arkansas**—P.O. Box 2924, Austin, TX 78769
- California**—P.O. Box 12626, Fresno, CA 93778
- Colorado**—P.O. Box 2924, Austin, TX 78769
- Connecticut**—P.O. Box 1040, Wilmington, MA 01887
- Delaware**—P.O. Box 25866, Richmond, VA 23260
- District of Columbia**—P.O. Box 25866, Richmond, VA 23260
- Florida**—Caller No. 848, Atlanta, GA 30301
- Georgia**—Caller No. 848, Atlanta, GA 30301
- Hawaii**—P.O. Box 12626, Fresno, CA 93778
- Idaho**—P.O. Box 12626, Fresno, CA 93778
- Illinois**—P.O. Box 24711, Kansas City, MO 64131
- Indiana**—P.O. Box 636, Florence, KY 41042
- Iowa**—P.O. Box 24711, Kansas City, MO 64131
- Kansas**—P.O. Box 2924, Austin, TX 78769
- Kentucky**—P.O. Box 636, Florence, KY 41042
- Louisiana**—P.O. Box 2924, Austin, TX 78769
- Maine**—P.O. Box 1040, Wilmington, MA 01887

- Maryland**—P.O. Box 25866, Richmond, VA 23260
- Massachusetts**—P.O. Box 1040, Wilmington, MA 01887
- Michigan**—P.O. Box 636, Florence, KY 41042
- Minnesota**—P.O. Box 24711, Kansas City, MO 64131
- Mississippi**—Caller No. 848, Atlanta, GA 30301
- Missouri**—P.O. Box 24711, Kansas City, MO 64131
- Montana**—P.O. Box 12626, Fresno, CA 93778
- Nebraska**—P.O. Box 24711, Kansas City, MO 64131
- Nevada**—P.O. Box 12626, Fresno, CA 93778
- New Hampshire**—P.O. Box 1040, Wilmington, MA 01887
- New Jersey**—P.O. Box 25866, Richmond, VA 23260
- New Mexico**—P.O. Box 2924, Austin, TX 78769
- New York**—
 - Albany**: P.O. Box 1040, Wilmington, MA 01887
 - Buffalo**: P.O. Box 240, Buffalo, NY 14201
 - New York City**: P.O. Box 1040, Brooklyn, NY 11232
- North Carolina**—Caller No. 848, Atlanta, GA 30301
- North Dakota**—P.O. Box 24711, Kansas City, MO 64131
- Ohio**—P.O. Box 636, Florence, KY 41042
- Oklahoma**—P.O. Box 2924, Austin, TX 78769
- Oregon**—P.O. Box 12626, Fresno, CA 93778
- Pennsylvania**—P.O. Box 25866, Richmond, VA 23260

- Rhode Island**—P.O. Box 1040, Wilmington, MA 01887
 - South Carolina**—Caller No. 848, Atlanta, GA 30301
 - South Dakota**—P.O. Box 24711, Kansas City, MO 64131
 - Tennessee**—Caller No. 848, Atlanta, GA 30301
 - Texas**—P.O. Box 2924, Austin, TX 78769
 - Utah**—P.O. Box 12626, Fresno, CA 93778
 - Vermont**—P.O. Box 1040, Wilmington, MA 01887
 - Virginia**—P.O. Box 25866, Richmond, VA 23260
 - Washington**—P.O. Box 12626, Fresno, CA 93778
 - West Virginia**—P.O. Box 636, Florence, KY 41042
 - Wisconsin**—P.O. Box 24711, Kansas City, MO 64131
 - Wyoming**—P.O. Box 2924, Austin, TX 78769
- Foreign Addresses**—Taxpayers with legal residence in foreign countries: If European APO, send order blank to: Forms Distribution Center, Caller No. 848, Atlanta, GA 30301. If Pacific APO, send order blank to: IRS P.O. Box 12626, Fresno, CA 93778. Send letter requests for other forms and publications to: Director, Office of International Operations, Internal Revenue Service, Washington, D.C. 20225.
- Puerto Rico**—Director's Representative, U.S. Internal Revenue Service, Federal Office Building, Chardon Street, Hato Rey, PR 00918
- Virgin Islands**—Department of Finance, Tax Division, Charlotte Amalie, St. Thomas, VI 00801

Order Blank—The free forms and publications listed here are available at no cost. We will send you 2 copies of each form and 1 copy of each publication you circle. Please cut the order blank on the dotted line and be sure to write your name and address on the other side. Enclose this order blank in your own envelope and address your envelope to the IRS address shown above for your State or IRS office nearest your city. To help reduce waste, please order only the forms and publications you feel you will need to prepare your return. Attach a separate sheet of paper listing the additional forms you may need which are not listed on the order blank. Be sure to allow 10 days to receive your order through the mail.

Circle desired Forms & Publications for 1978		1040-ES	3468	4726	4972 Instructions	Pub. 506	Pub. 545
1040	Schedule E (1040)	1310	3468 Instructions	4797	Pub. 17	Pub. 521	Pub. 552
1040 Instructions & Schedules	Schedule F (1040)	2106	3903	4797 Instructions	Pub. 54	Pub. 522	Pub. 553
1040A	Schedule G (1040)	2120	4136	4798	Pub. 334	Pub. 523	Pub. 554
1040A Instructions	Schedules R&RP (1040)	2210	4137	4831	Pub. 501	Pub. 524	
Schedules A & B (1040)	Schedule SE (1040)	2440	4562	4835	Pub. 502	Pub. 526	
Schedule C (1040)	Schedule TC (1040)	2441	4684	4868	Pub. 503	Pub. 529	
Schedule D (1040)	5695	2555	4684 Instructions	4972	Pub. 504	Pub. 530	

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