

Instructions for Form

1994 1040A



and Schedules 1 and 2

Check your social security numbers (SSNs)!

Incorrect or missing SSNs for you, your spouse, or dependents may delay your refund. See page 8 for details on how to get an SSN.

Can you take the earned income credit for 1994?

If a child didn't live with you, you earned less than \$9,000, and you or your spouse were at least age 25, you may be able to take this credit. If a child lived with you and you earned less than \$25,296, you may be able to take a larger credit. See the instructions for line 28c on page 44.

Would you like to get your refund within 21 days?

If you would, have your return filed electronically as millions of others do. See **Electronic filing** on page 5.

Note: *This booklet does not contain any tax forms.*



Department of the Treasury
Internal Revenue Service

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DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

COMMISSIONER

Dear Taxpayer:

The Internal Revenue Service has embarked on several major initiatives that will improve our service to you, the American taxpayer.

The National Performance Review (NPR), chartered by the President and led by the Vice President, conducted an extensive review of the Federal government. Its purpose is to ensure a government that works for people. The NPR recognized the Internal Revenue Service as a leader among government agencies in customer service, but challenged the IRS to make even more progress toward customer service, with emphasis on quality, fairness, and efficiency. Improving customer service is central to the job of reinventing government to make it work better and cost less.

IRS accepted the NPR's challenge. Our plans for customer service are a major step toward making better IRS customer service a reality.

I want you to know that the "S" in IRS represents a commitment to serve you. We intend to meet your needs and expectations as taxpayers and as customers. If the service you receive from the IRS does not measure up to our Customer Service Standards, please let us know.

We are also increasing our efforts to ensure accuracy of return information, particularly Social Security Numbers. Not providing correct information may delay your tax refund until accurate information is provided.

With improved service and increased accuracy, I believe that, together, we can make this the most effective filing season ever.

Margaret Milner Richardson

Customer Service Standards for 1995



For 1995, we have set the following Customer Service Standards.

- To make it easier for you to meet your tax obligations, we will expand your opportunity for simplified return filing and payment of your taxes through our electronic filing, joint federal/state filing, touchtone phone, and electronic payment programs.
- You will have more convenient access to tax law and account information. Our pre-recorded tax information will continue to be available 24 hours a day, 7 days a week, and access to refund status information will be extended. We will also extend the time that you will be able to contact our tax assistants to 10 hours each business day. (See pages 59 and 60.)
- Our goal is to answer your questions and process your tax returns accurately. To reach that goal, we will continue to make improvements yearly.

- If you file a complete and accurate tax return and you are due a refund, your refund will be issued within 40 days if you file a paper return or within 21 days if you file electronically.
- Our goal is to resolve your account inquiries with one contact. To reach that goal, we will make improvements yearly.
- If you provide sufficient and accurate information to our tax assistants but are given and reasonably rely on an incorrect answer, we will cancel related penalties.
- If you have a problem that has not been resolved through normal processes, you may contact our Problem Resolution Office. A caseworker will contact you within one week and will work with you to resolve the problem. (See page 9.)
- We will make tax forms and instructions simpler and easier for you to use. We made some good changes this year, but we want your ideas for future improvements. Please call us toll free or write to us. (See page 4.)

What should I know about the Privacy Act and Paperwork Reduction Act Notice?

The law says that when we ask you for information we must tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if we do not receive the information and whether your response is voluntary, needed for a benefit, or mandatory under the law.

This notice applies to all papers you file with us, including this tax return. It also applies to any questions we need to ask you so we can complete, correct, or process your return; figure your tax; and collect the tax, interest, or penalties. Internal Revenue Code sections 6001, 6011, and 6012(a) say that you must file a return or statement with us for any tax for which you are liable. Your response is mandatory under these sections. Code section 6109 says that you must show your social security number on what you file, so we know who you are and can process your return and other papers. You must fill in all parts of the tax form that apply to you. However, you do not have to check the boxes for the Presidential Election Campaign Fund.

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 cities, states, the District of Columbia, U.S. commonwealths or possessions, and certain foreign governments to carry out their tax laws.

If you do not file a return, do not give the information asked for, or give false information, you may be charged penalties and you may be subject to criminal prosecution. We may also have to disallow the exemptions, exclusions, credits, deductions, or adjustments shown on your 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.

The time it takes to prepare your return. We try to create forms and instructions that are accurate and can be easily understood. The time needed to complete and file the following forms will vary depending on individual circumstances. The estimated average times are:

	Form 1040A	Sch. 1	Sch. 2	Sch. 3	Sch. EIC
Recordkeeping	1 hr., 3 min.	20 min.	33 min.	13 min.	0 min.
Learning about the law or the form	2 hr., 14 min.	4 min.	11 min.	14 min.	2 min.
Preparing the form	2 hr., 51 min.	10 min.	41 min.	28 min.	4 min.
Copying, assembling, and sending the form to the IRS35 min.	20 min.	28 min.	35 min.	5 min.

The estimated average time for people with IRA distributions, pension income, social security benefits, etc., is: **Recordkeeping**, 2 hr., 17 min.; **Learning about the law or the form**, 2 hr., 20 min.; **Preparing the form**, 3 hr., 13 min.; **Copying, assembling, and sending the form to the IRS**, 35 min.

We welcome comments on forms. If you have comments concerning the accuracy of these time estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can write to both the **Internal Revenue Service**, Attention: Tax Forms Committee, PC:FP, Washington, DC 20224; and the **Office of Management and Budget**, Paperwork Reduction Project (1545-0085), Washington, DC 20503. **Or**, you can call the IRS with your suggestions at 1-800-829-9043 and leave a recorded message 24 hours a day, 7 days a week.

DO NOT send your return to either of these offices. Instead, see **Where do I file?** on page 16.

Electronic filing



Last year, 14 million people filed their tax returns electronically. Electronic filing offers the following benefits:

- **Accuracy.** Computer programs quickly catch mistakes before they become problems.
- **Acknowledgement.** The IRS notifies your transmitter that your return has been received and accepted.
- **Refunds.** If you file a complete and accurate return, your refund will be issued within 21 days.* You can also get the convenience and safety of direct deposit.
- **File now, pay later.** If you owe tax, file early and pay by April 17, 1995.
- **Simultaneous Federal/state filing.** You may be able to file your state return electronically with your Federal return. Check with your preparer or transmitter.

Electronic filing is available whether you prepare your own return or use a preparer. In addition to many tax preparers, other firms are approved by the IRS to offer electronic filing services. An approved transmitter must sign your **Form 8453**, U.S. Individual Income Tax Declaration for Electronic Filing. For more details on electronic filing, call Tele-Tax (see page 60) and listen to topic 252.

Another way to file your return with the IRS is to file an “answer sheet” return. This return, called Form 1040PC, can be created only by using a personal computer. It is shorter than the regular tax return and can be processed faster and more accurately. A paid tax preparer may give you Form 1040PC to sign and file instead of the tax return you are used to seeing. If you prepare your own return on a computer, you can produce Form 1040PC using one of the many tax preparation software programs sold in computer stores. The form is not available from the IRS. For more details, call Tele-Tax (see page 60) and listen to topic 251.

* Some refunds may be temporarily delayed as a result of compliance reviews. These reviews ensure that returns are filed accurately and that the refund or balance due is correctly determined.

Where to report certain items from 1994 Forms W-2, 1098, and 1099

Report any "Federal income tax withheld" from these forms on Form 1040A, line 28a

Form	Item and box in which it should appear	Where to report on Form 1040A
W-2	Wages, salaries, tips, etc. (box 1) Allocated tips (box 8) Advance EIC payments (box 9) Dependent care benefits (box 10)	Line 7 See Tip income on page 25 Line 26 Schedule 2, line 11
W-2G	Gambling winnings (box 1)	Must file Form 1040
1098	Mortgage interest (box 1) Points (box 2) Refund of overpaid interest (box 3)	Must file Form 1040 to deduct See the instructions on Form 1098
1099-A	Acquisition or abandonment of secured property	See Pub. 544
1099-B	Stocks, bonds, etc. (box 2) Bartering (box 3)	Must file Form 1040
1099-C	Canceled debt (box 2)	Must file Form 1040 if taxable (see Pub. 525)
1099-DIV	Ordinary dividends (box 1b) Capital gain distributions (box 1c) Nontaxable distributions (box 1d) Investment expenses (box 1e) Foreign tax paid (box 3)	Line 9 Must file Form 1040 Line 9 Must file Form 1040
1099-G	Unemployment compensation (box 1) State/local income tax refund (box 2)	Line 12. But if you repaid any unemployment compensation in 1994, see the instructions for line 12 on page 30 See the instructions on page 24
1099-INT	Interest income (box 1) Interest on U.S. savings bonds and Treasury obligations (box 3) Early withdrawal penalty (box 2) Foreign tax paid (box 5)	Line 8a See the instructions for line 8a on page 25 Must file Form 1040
1099-MISC	Miscellaneous income	Must file Form 1040
1099-OID	Original issue discount (box 1) Other periodic interest (box 2) Early withdrawal penalty (box 3)	See the instructions on Form 1099-OID Must file Form 1040
1099-PATR	Patronage dividends and other distributions from a cooperative (boxes 1, 2, 3, and 5)	Must file Form 1040 if taxable (see the instructions on Form 1099-PATR)
1099-R	Distributions from IRAs Distributions from pensions, annuities, etc. Capital gain (box 3)	See the instructions for lines 10a and 10b on page 26 See the instructions for lines 11a and 11b on page 27 See the instructions on Form 1099-R
1099-S	Gross proceeds from real estate transactions (box 2) Buyer's part of real estate tax (box 5)	Must file Form 1040

Answers to
frequently asked
questions

How can I check on the status of my refund? Call Tele-Tax to get automated refund information. See page 60 for the number.

Can I get the earned income credit? You may be able to take this credit if a child didn't live with you and you earned less than \$9,000. You may also be able to take this credit if a child lived with you and you earned less than \$25,296. But other rules apply. For details, see the instructions for line 28c on page 44.

Although we supported our unmarried, 19-year-old daughter, she spent most of 1994 away from home at school. Can we claim her as a dependent? Yes. The time your child spends at school or on vacation counts as time lived with you.

I'm single, live alone, and have no dependents. Can I file as head of household? No. To use this filing status, you must have paid over half the cost of keeping up a home for a child or other qualifying person.

How can I get forms and publications? Call 1-800-TAX-FORM (1-800-829-3676) during the times shown on page 56; or visit your local IRS office, participating library, bank, or post office; or use the order blank on page 57.

I asked my employer several times for my W-2 form, but I still don't have it. What should I do? If you don't get it by February 15, call the number listed on page 59 for your area. We will ask you for certain information. For details, see page 25.

I received an IRS notice. I've contacted the IRS at least three times about it, but the problem still hasn't been fixed. What can I do? Call your local IRS office and ask for Problem Resolution assistance. The number is listed in your phone book.

Can I take an IRA deduction for the amount I contributed to a 401(k) plan in 1994? No. A 401(k) plan is not an IRA. The amount you contributed is not included in box 1 of your W-2 form so you don't pay tax on it this year.

In addition to my regular job, I had a part-time business fixing cars. Do I have to report the money I made in 1994 fixing cars? Yes. This is self-employment income. You cannot file Form 1040A. Instead, you must file Form 1040 and Schedule C or C-EZ. You may also have to file Schedule SE to pay self-employment tax.

What is "itemizing?" How can I tell if it will help me? You itemize deductions by filing Schedule A with Form 1040. On Schedule A, you list amounts you paid during the year for certain items such as medical and dental care, state and local income taxes, real estate taxes, home mortgage interest, and gifts to charity. If your itemized deductions are more than your standard deduction, your Federal income tax will be less if you itemize.

Can I get the credit for the elderly or the disabled? If you were age 65 or older or disabled and your income is less than \$17,500 (less than \$25,000 if married filing jointly), you may be able to take this credit. For details, see the instructions for line 24b on page 41.

Section 1—Before you fill in Form 1040A

What's new for 1994?

Social security numbers (SSNs). Make sure you enter the SSN of each dependent age 1 or older. If you don't have the mailing label, also be sure to enter your SSN and your spouse's SSN. If you don't enter an SSN or if the SSN you enter is incorrect, it will take us longer to issue any refund shown on your return. To apply for an SSN, **get Form SS-5** from your local Social Security Administration (SSA) office or call the SSA at 1-800-772-1213. Fill it in and return it to the SSA. It usually takes about 2 weeks to get a number. If you won't have an SSN by April 17, 1995, see **What if I need more time to file?** on page 10.

Earned income credit. If you do not have any qualifying children, you earned less than \$9,000, and you or your spouse were at least age 25, you may be able to take this credit. See the instructions for line 28c on page 44. If you can take the credit, you do not have to file Schedule EIC.

If you have one qualifying child and you earned less than \$23,755, you may be able to take a larger credit. If you have two or more qualifying children, you must have earned less than \$25,296. See the instructions for line 28c on page 44. If you can take the credit, you **must** attach Schedule EIC to your return.

Also, the extra credit for a child born during the year and the health insurance credit are no longer allowed.

Social security benefits. If your income, including one-half of your social security benefits, is over \$34,000 if single (over \$44,000 if married filing jointly), more of your benefits may be taxable. For details, see the instructions for lines 13a and 13b on page 31.

Tax law changes. For more details, get Pub. 553.

Earned income credit with your pay

If you expect to be able to claim the earned income credit in 1995 and a child lives with you, you may be able to get part of the credit in your paycheck instead of waiting until you file your 1995 return. For details, call Tele-Tax (see page 60) and listen to topic 604 or get **Form W-5** from your employer.

How do I make a gift to reduce the public debt?

If you wish to do so, enclose a separate check with your income tax return. Make it payable to "Bureau of the Public Debt." If you file Form 1040 for 1995 and itemize your deductions, you may be able to deduct this gift.

What free tax help is available?

Tax forms and publications. You can answer most of your tax questions by reading the tax form instructions or one of our many free tax publications. See page 56.

Refund information. Our Tele-Tax service can tell you the status of your refund. For details, see page 60.

Recorded tax information by telephone. Tele-Tax also has recorded tax information covering many topics. See page 60 for the number to call.

Telephone help. IRS representatives are available to help you with your tax questions. If, after reading the tax form instructions and publications, you are not sure how to fill in your return, or have a question about a notice you received from us, please call us. Use the number for your area on page 59.

Send the IRS written questions. You may send your written tax questions to your IRS District Director. You should get an answer in about 30 days. If you don't have the address, you can get it by calling the number for your area on page 59.

Walk-in help. Assistors are available in most IRS offices throughout the country to help you prepare your return. An assistor will explain a Form 1040EZ, Form 1040A, or Form 1040 and Schedules A and B to you and a number of other taxpayers in a group setting. To find the location of the IRS office nearest you, look in the phone book under "United States Government, Internal Revenue Service."

Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE). These programs help older, disabled, low-income, and non-English-speaking people fill in their returns. For details, call the number for your area on page 59. If you received a Federal income tax package in the mail, take it with you when you go for help.

Videotaped instructions for completing your return are available in English and Spanish at many libraries.

Large-print forms and instructions. Pub. 1615 has large-print copies of the 1994 Form 1040A, Schedules 1, 2, 3, and EIC, and their instructions. You can use the large-print copies of the form and schedules as worksheets to figure your tax. You can order Pub. 1615 by calling the IRS at 1-800-TAX-FORM (1-800-829-3676) or you can use the order blank on page 57.

Telephone help for people with impaired hearing is available. See page 59 for the number to call. **Braille materials** are available at regional libraries that have special services for people with disabilities.

Unresolved tax problems. The **Problem Resolution Program** is for people who have been unable to resolve their problems with the IRS. If you have a tax problem you cannot clear up through normal channels, write to your local IRS District Director or call your local IRS office and ask for Problem Resolution assistance. People with impaired hearing who have access to TDD equipment may call 1-800-829-4059 to ask for help from Problem Resolution. This office cannot change the tax law or technical decisions. But it can help you clear up problems that resulted from previous contacts. For more details, call Tele-Tax (see page 60) and listen to topic 104 or get Pub. 1546.

Do both the name and social security number on your tax forms agree with your social security card?

If not, your refund may be delayed or you may not receive credit for your social security earnings.

If your Form W-2, Form 1099, or other tax document shows an incorrect social security number or name, notify your employer or the form-issuing agent as soon as possible to make sure your earnings are credited to your social security record. If the name or number on your social security card is incorrect, call the Social Security Administration at 1-800-772-1213.

What if a taxpayer died?

If a taxpayer died before filing a return for 1994, the taxpayer's spouse or personal representative may have to file and sign a return for that taxpayer. A personal representative can be an executor, administrator, or anyone who is in charge of the deceased taxpayer's property. If the deceased taxpayer did not have to file a return but had tax withheld, a return must be filed to get a refund. The person who files the return should write "DECEASED," the deceased taxpayer's name, and the date of death across the top of the return. **If your spouse died in 1994** and you did not remarry in 1994, or if your spouse died in 1995 before filing a return for 1994, you can file a joint return. A joint return should show your spouse's 1994 income before death and your income for all of 1994. 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. The surviving spouse or personal representative should promptly notify all payers of income, including financial institutions, of the taxpayer's death. This will ensure the proper reporting of income earned by the taxpayer's estate or heirs.

(continued)

Claiming a refund for a deceased taxpayer. If you are filing a joint return as a surviving spouse, file only the tax return to claim the refund. If you are a court-appointed representative, file the return and attach a copy of the certificate that shows your appointment. All other filers requesting the deceased taxpayer's refund must file the return and attach Form 1310.

For details, call Tele-Tax (see page 60) and listen to topic 356 or get Pub. 559.

What are the filing dates, penalties, and extensions?

When is my tax return due? Your tax return must be postmarked by **April 17, 1995**.

What if I need more time to file? If you need more time to complete your return, file Form 4868 with the IRS by April 17, 1995. This form will get you an automatic 4-month extension. If you later find that you still need more time, Form 2688 may get you an additional extension. However, even if you get an extension, the tax you owe is still due April 17, 1995. If you make a payment with Form 4868 or Form 2688, see the instructions for line 28d on page 51.

What if I file or pay late? If you file or pay late, the IRS can charge you interest and penalties on the amount you owe.

If you file late, the penalty is usually 5% of the amount due for each month or part of a month your return is late, unless you have a reasonable explanation. If you do, attach it to your return. The penalty cannot usually be more than 25% of the tax due. We will charge you interest on the penalty from the due date of the return (including extensions). If your return is more than 60 days late, the minimum penalty will be \$100 or the amount of any tax you owe, whichever is smaller. If you pay your taxes late, the penalty is usually $\frac{1}{2}$ of 1% of the unpaid amount for each month or part of a month the tax is not paid. The penalty cannot be more than 25% of the unpaid amount. It applies to any unpaid tax on the return. It also applies to any additional tax shown on a bill not paid within 10 days of the date of the bill.

Are there other penalties? Yes. Other penalties can be imposed for negligence, substantial understatement of tax, and fraud. We will charge you interest on these penalties from the due date of the return (including extensions). Criminal penalties may be imposed for willful failure to file, tax evasion, or making a false statement. Get Pub. 17 for details.

In addition to any other penalties, the law imposes a penalty of \$500 for filing a frivolous return. A frivolous return is one that does not contain information needed to figure the correct tax or shows a substantially incorrect tax, because you take a frivolous position or desire to delay or interfere with the tax laws. This includes altering or striking out the preprinted language above the space where you sign.

Operation Desert Storm

If you were a participant in Operation Desert Storm, get Pub. 945.

How do I get copies of my tax returns?

If you need a copy of your tax return, use Form 4506. If you have questions about your account, call or write your local IRS office. If you want a printed copy of your account, it will be mailed to you free of charge.

Section 2—Filing requirements

Do I have to file?

These rules apply to all U.S. citizens and resident aliens. They also apply to **nonresident aliens** and **dual-status aliens** who were married to U.S. citizens or residents at the end of 1994 and who have elected to be treated as resident aliens. Other nonresident aliens and dual-status aliens have different filing requirements. They may have to file Form 1040NR. Specific rules apply to

determine if you are a resident or nonresident alien. Get Pub. 519 for details, including the rules for students and scholars.

Use **Chart A** below to see if you must file a return. But you must use **Chart B** on page 12 if your parent (or someone else) can claim you as a dependent on his or her return. Also, see **Chart C** on page 13 for other situations when you must file.

Even if you do not have to file a return, you should file one to get a refund of any Federal income tax withheld. You should also file to get a refund of the earned income credit if you can take the credit.

Exception for children under age 14. If your child is required to file a return and **all four** of the following apply, you may elect to report your child's income on your return. But you must use Form 1040 and Form 8814 to do so. If you make this election, your child does not have to file a return.

1. Your child was under age 14 on January 1, 1995.
2. Your child had income only from interest and dividends (including Alaska Permanent Fund dividends).
3. Your child's gross income was less than \$5,000.
4. Your child had no Federal income tax withheld from his or her income (backup withholding) and did not make estimated tax payments for 1994.

If you and the child's other parent are not filing a joint return, special rules apply. See Form 8814 for details.

Chart A—For most people

To use this chart, first find your marital status at the end of 1994. Then, read across to find your filing status and age at the end of 1994. You must file a return if your **gross income** was at least the amount shown in the last column. **Gross income** means all income you received in the form of money, goods, property, and services that is not exempt from tax, including any gain on the sale of your home (even if you may exclude or postpone part or all of the gain).

Marital status	Filing status	Age*	Gross income
Single (including divorced and legally separated)	Single	under 65	\$6,250
		65 or older	7,200
	Head of household	under 65	\$8,050
		65 or older	9,000
Married with a child and living apart from your spouse during the last 6 months of 1994	Head of household (see page 18)	under 65	\$8,050
		65 or older	9,000
Married and living with your spouse at end of 1994 (or on the date your spouse died)	Married, joint return	under 65 (both spouses)	\$11,250
		65 or older (one spouse)	12,000
		65 or older (both spouses)	12,750
	Married, separate return	any age	\$2,450
Married but not living with spouse at end of 1994 (or on the date your spouse died)	Married, joint or separate return	any age	\$2,450
Widowed before 1994 and not remarried in 1994	Single	under 65	\$6,250
		65 or older	7,200
	Head of household	under 65	\$8,050
		65 or older	9,000
	Qualifying widow(er) with dependent child (see page 19)	under 65	\$8,800
		65 or older	9,550

* If you turned 65 on January 1, 1995, you are considered to be age 65 at the end of 1994.

Do I have to
file?
(continued)

Chart B—For children and other dependents

(See the instructions for line 6c that begin on page 20 to find out if someone can claim you as a dependent.)

If your parent (or someone else) can claim you as a dependent on his or her return and **any** of the four conditions below apply to you, you must file a return.

In this chart, **unearned income** includes taxable interest and dividends. **Earned income** includes wages, tips, and taxable scholarship and fellowship grants.

Caution: *If your gross income was \$2,450 or more, you usually cannot be claimed as a dependent unless you were under 19 **or** under 24 and a student. For details, see **Test 4—Income** on page 21.*

1. **Single dependents under 65.** You must file a return if—

Your unearned income was:	AND	The total of that income plus your earned income was:
\$1 or more		more than \$600
\$0		more than \$3,800

2. **Single dependents 65 or older or blind.** You must file a return if—

- Your earned income was more than \$4,750 (\$5,700 if 65 or older **and** blind), or
- Your unearned income was more than \$1,550 (\$2,500 if 65 or older **and** blind), or
- Your gross income was more than the total of your earned income (up to \$3,800) or \$600, whichever is larger, plus \$950 (\$1,900 if 65 or older **and** blind).

3. **Married dependents under 65.** You must file a return if—

- Your earned income was more than \$3,175, or
- You had any unearned income and your gross income was more than \$600, or
- Your gross income was at least \$5 and your spouse files a separate return on Form 1040 and itemizes deductions.

4. **Married dependents 65 or older or blind.** You must file a return if—

- Your earned income was more than \$3,925 (\$4,675 if 65 or older **and** blind), or
- Your unearned income was more than \$1,350 (\$2,100 if 65 or older **and** blind), or
- Your gross income was more than the total of your earned income (up to \$3,175) or \$600, whichever is larger, plus \$750 (\$1,500 if 65 or older **and** blind), or
- Your gross income was at least \$5 and your spouse files a separate return on Form 1040 and itemizes deductions.

Chart C—Other situations when you must file

You must also file a return if you received any advance earned income credit (EIC) payments from your employer. These payments should be shown in box 9 of your W-2 form.

You must file a return using Form 1040 if **any** of the following apply for 1994:

- You owe any special taxes, such as social security and Medicare tax on tips you did not report to your employer, or
- You owe uncollected social security and Medicare or RRTA tax on tips you reported to your employer or on your group-term life insurance, or
- You had net earnings from self-employment of at least \$400, or
- You earned wages of \$108.28 or more from a church or a qualified church-controlled organization that is exempt from employer social security and Medicare taxes, or
- You owe tax on a qualified retirement plan, including an individual retirement arrangement (IRA). But if you are filing a return only because you owe this tax, you can file Form 5329 by itself.

Would it help me to itemize deductions on Form 1040?

You may be able to reduce your tax by itemizing deductions on Schedule A (Form 1040). Itemized deductions include amounts you paid for state and local income taxes, real estate taxes, mortgage interest, and medical expenses. You may also include gifts to charity. You would usually benefit by itemizing if—

Your filing status is: and Your itemized deductions are more than:

Single

- | | |
|--------------------------------|-----------|
| • Under 65 | • \$3,800 |
| • 65 or older or blind | • 4,750 |
| • 65 or older and blind | • 5,700 |

Married filing joint

- | | |
|---|-----------|
| • Under 65 (both spouses) | • \$6,350 |
| • 65 or older or blind (one spouse) | • 7,100 |
| • 65 or older or blind (both spouses) | • 7,850 |
| • 65 or older and blind (one spouse) | • 7,850 |
| • 65 or older or blind (one spouse) and
65 or older and blind (other spouse) | • 8,600 |
| • 65 or older and blind (both spouses) | • 9,350 |

Married filing separate *

- | | |
|-----------------------------------|---------|
| • Your spouse itemizes deductions | • \$0 |
| • Under 65 | • 3,175 |
| • 65 or older or blind | • 3,925 |
| • 65 or older and blind | • 4,675 |

Head of household

- | | |
|--------------------------------|-----------|
| • Under 65 | • \$5,600 |
| • 65 or older or blind | • 6,550 |
| • 65 or older and blind | • 7,500 |

Qualifying widow(er) with dependent child

- | | |
|--------------------------------|-----------|
| • Under 65 | • \$6,350 |
| • 65 or older or blind | • 7,100 |
| • 65 or older and blind | • 7,850 |

* If you can take an exemption for your spouse, see **Standard deduction chart for people age 65 or older or blind** on page 39 for the amount that applies to you.

But if someone can claim you as a dependent, it would benefit you to itemize deductions if they total more than your standard deduction figured on the **Standard deduction worksheet for dependents** on page 39.

Which form should I use?

There are three tax returns for individuals: Form 1040EZ, Form 1040A, and Form 1040. You may use Form 1040 if you want to, but you will probably save time if you are able to use Form 1040EZ or Form 1040A instead. But some people must use

	Filing status	Number of dependents	Taxable income	Only income from
Form 1040EZ	Only: <ul style="list-style-type: none"> ● Single * ● Married filing joint * * must be under age 65 on 1/1/95 and not blind at the end of 1994	No dependents	Only taxable income (line 5) of less than \$50,000	<ul style="list-style-type: none"> ● Wages, salaries, tips ● Taxable scholarship and fellowship grants ● Interest of \$400 or less
Form 1040A	Any filing status	All dependents you are entitled to claim	Only taxable income (line 22) of less than \$50,000	<ul style="list-style-type: none"> ● Wages, salaries, tips ● Taxable scholarship and fellowship grants ● Interest ● Dividends ● Pensions, annuities, and IRAs ● Unemployment compensation ● Taxable social security and railroad retirement benefits
Form 1040	Any filing status	All dependents you are entitled to claim	Any amount of taxable income (line 37)	<ul style="list-style-type: none"> ● Wages, salaries, tips ● Taxable scholarship and fellowship grants ● Interest ● Dividends ● Taxable social security and railroad retirement benefits ● Unemployment compensation ● Self-employment ● Rents and royalties ● Pensions, annuities, and IRAs ● Taxable state and local income tax refunds ● Capital gains ● Gain from the sale of your home ● Alimony received ● All other sources

When must I use Form 1040?

You **must** use Form 1040 if:

1. You received **any** of the following types of income.
 - Self-employment income.
 - Certain tips you did not report to your employer. See **Tip income** on page 25.
 - Capital gain distributions or nontaxable distributions.
 - Alaska Permanent Fund dividends.
 - Income received as a partner in a partnership, shareholder in an S corporation, or a beneficiary of an estate or trust.
2. You received or paid interest on securities transferred between interest payment dates.

Form 1040, as explained below. The chart on these pages will help you decide which form to use.

Caution: *If you were a nonresident alien at any time in 1994, you may have to file Form 1040NR. Get Pub. 519 for details, including the rules for students and scholars.*

Adjustments to income	Itemized deductions	Other taxes	Tax credits
No adjustments to income	No itemized deductions	No other taxes	Only the earned income credit for people without a qualifying child
Only the deduction for certain contributions to an IRA (including nondeductible contributions to an IRA)	No itemized deductions	Only: <ul style="list-style-type: none"> • Advance earned income credit (EIC) payments • Alternative minimum tax (see page 41) 	Only: <ul style="list-style-type: none"> • Earned income credit (see the instructions for line 28c on page 44) • Credit for child and dependent care expenses (Schedule 2) • Credit for the elderly or the disabled (Schedule 3)
<p>All adjustments to income:</p> <ul style="list-style-type: none"> • Alimony paid • Penalty for early withdrawal of savings • Moving expenses • Deduction for certain contributions to an IRA or Keogh plan (including nondeductible contributions to an IRA) • Deduction for one-half of self-employment tax • Deduction for clean-fuel vehicles • All other adjustments 	<p>All itemized deductions (use Schedule A):</p> <ul style="list-style-type: none"> • State and local income taxes • Real estate taxes • Personal property taxes • Home mortgage interest paid • Gifts to charity • Medical and dental expenses • Casualty and theft losses • Miscellaneous deductions 	<p>All other taxes:</p> <ul style="list-style-type: none"> • Advance earned income credit (EIC) payments • Self-employment tax • Tax on qualified retirement plans (including IRAs) • Alternative minimum tax • Social security and Medicare tax on tips not reported to your employer • Uncollected social security and Medicare tax on tips or group-term life insurance • All other income taxes 	<p>All tax credits:</p> <ul style="list-style-type: none"> • Earned income credit • Credit for child and dependent care expenses • Credit for the elderly or the disabled • General business credit • Foreign tax credit • Credit for prior year minimum tax • Qualified electric vehicle credit • Credit for Federal tax paid on fuels • Mortgage interest credit • All other credits

When must I use Form 1040?
(continued)

- You can exclude **either** of the following types of income:
 - Foreign earned income you received as a U.S. citizen or resident alien.
 - Certain income received from sources in a U.S. possession if you were a bona fide resident of American Samoa for all of 1994.
- You had a financial account in a foreign country, such as a bank account or securities account. **Exception.** If the combined value of the accounts was \$10,000 or less during all of 1994 or if the accounts were with a U.S. military banking facility operated by a U.S. financial institution, you may file Form 1040A.
- You are reporting original issue discount (OID) in an amount more or less than the amount shown on Form 1099-OID.

Where do I file?

Caution: *Envelopes without enough postage will be returned to you by the post office. If your envelope contains more than five pages or is oversized, it may require additional postage. Also, include your complete return address in the upper left corner of your envelope.*

If an addressed envelope came with your booklet, please use it. If you do not have one, or if you moved during the year, mail your return to the **Internal Revenue Service Center** for the place where you live. **No street address is needed.**

Alabama—Memphis, TN 37501

Alaska—Ogden, UT 84201

Arizona—Ogden, UT 84201

Arkansas—Memphis, TN 37501

California—*Counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba*—Ogden, UT 84201

All other counties—Fresno, CA 93888

Colorado—Ogden, UT 84201

Connecticut—Andover, MA 05501

Delaware—Philadelphia, PA 19255

District of Columbia—Philadelphia, PA 19255

Florida—Atlanta, GA 39901

Georgia—Atlanta, GA 39901

Hawaii—Fresno, CA 93888

Idaho—Ogden, UT 84201

Illinois—Kansas City, MO 64999

Indiana—Cincinnati, OH 45999

Iowa—Kansas City, MO 64999

Kansas—Austin, TX 73301

Kentucky—Cincinnati, OH 45999

Louisiana—Memphis, TN 37501

Maine—Andover, MA 05501

Maryland—Philadelphia, PA 19255

Massachusetts—Andover, MA 05501

Michigan—Cincinnati, OH 45999

Minnesota—Kansas City, MO 64999

Mississippi—Memphis, TN 37501

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 39901

South Dakota—Ogden, UT 84201

Tennessee—Memphis, TN 37501

Texas—Austin, TX 73301

Utah—Ogden, UT 84201

Vermont—Andover, MA 05501

Virginia—Philadelphia, PA 19255

Washington—Ogden, UT 84201

West Virginia—Cincinnati, OH 45999

Wisconsin—Kansas City, MO 64999

Wyoming—Ogden, UT 84201

American Samoa—Philadelphia, PA 19255

Guam: Permanent residents—

Department of Revenue and Taxation

Government of Guam

378 Chalan San Antonio

Tamuning, GU 96911

Guam: Nonpermanent residents—

Philadelphia, PA 19255

Puerto Rico (*or if excluding income under section 933*)—

Philadelphia, PA 19255

Virgin Islands: Nonpermanent residents—

Philadelphia, PA 19255

Virgin Islands: Permanent residents—

V.I. Bureau of Internal Revenue

Lockhart Gardens No. 1-A

Charlotte Amalie

St. Thomas, VI 00802

Foreign country: *U.S. citizens and those filing Form 2555, Form 2555-EZ, or Form 4563*—

Philadelphia, PA 19255

All APO and FPO addresses—

Philadelphia, PA 19255

Section 3—Line instructions for Form 1040A

Name, address, and social security number

Why use the label? The mailing label on the front of the instruction booklet is designed to speed processing at Internal Revenue Service Centers and prevent common errors that delay refund checks. But don't attach it until you have finished your return. Cross out any errors and print the correct information. Add any missing items, such as your apartment number.

Address change. If the address on your mailing label is not your current address, cross out the old address and print your new address. If you move after you file your 1994 return, see page 55.

Name change. If you changed your name because of marriage, divorce, etc., be sure to report this to your local Social Security Administration office before you file your return. This prevents delays in processing your return and issuing refunds. It also safeguards your future social security benefits. If you received a mailing label, cross out your former name and print your new name.

If you did not receive a label, print or type the information in the spaces provided. But if you are married filing a separate return, do not enter your husband's or wife's name here. Instead, show his or her name on line 3.

Social security number (SSN). Enter your SSN in the area marked "Your social security number." If you are married, enter your husband's or wife's SSN in the area marked "Spouse's social security number." An incorrect or missing SSN will delay your refund. To apply for an SSN, get Form SS-5 from your local Social Security Administration (SSA) office or call the SSA at 1-800-772-1213. Fill it in and return it to the SSA. It usually takes about 2 weeks to get a number.

Nonresident alien spouse. If your spouse is a nonresident alien and you file a joint return, your spouse must get a social security number (SSN). But if your spouse cannot get an SSN because he or she had no income from U.S. sources, enter "NRA" in the space for your spouse's SSN. If you file a separate return and your spouse has no SSN and no income, enter "NRA" in the space for your spouse's number.

P.O. box. If your post office does not deliver mail to your home and you have a P.O. box, show your box number instead of your home address.

Foreign address. If your address is outside the United States or its possessions or territories, enter the information on the line for "City, town or post office, state, and ZIP code" in the following order: city, province or state, postal code, and the name of the country. Do not abbreviate the country name.

**Presidential
Election
Campaign Fund**

Congress set up this fund to help pay for Presidential election campaign costs. The fund reduces candidates' dependence on large contributions from individuals and groups and places candidates on an equal financial footing in the general election. If you want \$3 to go to this fund, check the "Yes" box. If you are filing a joint return, your spouse may also have \$3 go to the fund. If you check "Yes," your tax or refund will not change.

**Check the box
for your filing
status
Lines 1-5**

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

- Married filing a separate return
- Single
- Head of household
- Married filing a joint return or qualifying widow(er) with dependent child

If more than one filing status applies to you, choose the one that will give you the lowest tax.

Line 1 Single. You may check the box on line 1 if **any** of the following was true on December 31, 1994:

- You were never married, or
- You were legally separated, according to your state law, under a decree of divorce or of separate maintenance, or
- You were widowed before January 1, 1994, and did not remarry in 1994.

Line 2 Married filing joint return. You may check the box on line 2 if **any** of the following is true:

- You were married as of December 31, 1994, even if you did not live with your spouse at the end of 1994, or
- Your spouse died in 1994 and you did not remarry in 1994, or
- Your spouse died in 1995 before filing a 1994 return.

A husband and wife may file a joint return even if only one had income or if they did not live together all year. However, both persons must sign the return and both are responsible. This means that if one spouse does not pay the tax due, the other may have to. If you file a joint return for 1994, you may not, after the due date for filing that return, amend it to file as married filing a separate return.

Nonresident aliens and dual-status aliens. You may be able to file a joint return. Get Pub. 519 for details.

Line 3 Married filing separate return. If you file a separate return, you will usually pay more tax than if you file a joint return. Generally, you report only your own income, exemptions, deductions, and credits. Different rules apply to people in community property states. See page 24.

You may be able to file as head of household if you had a child living with you and you lived apart from your spouse during the last 6 months of 1994. See **Married persons who live apart** on page 19.

Line 4 Head of household. This filing status is for **unmarried** individuals who provide a home for certain other persons. (Some **married persons who live apart** may also qualify. See page 19.) You may check the box on line 4 **only** if you were unmarried or legally separated as of December 31, 1994. But **either** 1 or 2 below must apply to you.

1. You paid over half the cost of keeping up a home that was the main home for all of 1994 of your **parent** whom you can claim as a dependent. Your parent did not have to live with you in your home; or
 2. You paid over half the cost of keeping up a home in which you lived and in which one of the following also lived for more than half of the year (if half or less, see the **Exception** on page 19).
 - Your **unmarried** child, adopted child, grandchild, great-grandchild, etc., or stepchild. This child does not have to be your dependent. But in this case, enter the child's name in the space provided on line 4. If you don't enter the name, it will take us longer to process your return.
 - Your **married** child, adopted child, grandchild, great-grandchild, etc., or stepchild. This child must be your dependent. But if your married child's other parent claims him or her as a dependent under the rules for **Children of divorced or separated parents** on page 22, this child does not have to be your dependent. Enter the child's name on line 4. If you don't enter the name, it will take us longer to process your return.
 - Your **foster** child, who must be your dependent.
 - Any other relative you can claim as a dependent. For the definition of a relative, see **Test 1** on page 20. But for this purpose, the **Exception** at the end of that test doesn't apply.
-

Note: You **cannot** file as head of household if your child, parent, or relative described on page 18 is your dependent under the rules on page 22 for **Person supported by two or more taxpayers**.

Married persons who live apart. Even if you were not divorced or legally separated in 1994, you may be able to file as head of household. You may check the box on line 4 if **all five** of the following apply.

1. You **must** have lived apart from your spouse for the **last 6 months** of 1994.
2. You file a separate return from your spouse.
3. You paid over half the cost of keeping up your home for 1994.
4. Your home was the main home of your child, adopted child, stepchild, or foster child for more than half of 1994 (if half or less, see the **Exception** below).
5. You claim this child as your dependent or the child's other parent claims him or her under the rules for **Children of divorced or separated parents** on page 22. If this child is not your dependent, be sure to enter the child's name on line 4. If you don't enter the name, it will take us longer to process your return.

Note: If all five of the above apply, you may be able to take the credit for child and dependent care expenses and the earned income credit. You can also take the standard deduction even if your spouse itemizes deductions. For more details, see the instructions for these topics.

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

If you used payments you received under the **Aid to Families With Dependent Children (AFDC)** program or **other public assistance** programs to pay part of the cost of keeping up your home, you **cannot** count them as money you paid. But you must include them in the total cost of keeping up your home to figure if you paid over half of the cost.

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

Exception. You can count temporary absences such as for school, vacation, or medical care as time lived in the home.

If the person for whom you kept up a home was born or died in 1994, you may still file as head of household as long as the home was that person's main home for the part of the year he or she was alive.

Line 5 Qualifying widow(er) with dependent child. You may check the box on line 5 and use joint return tax rates for 1994 if **all five** of the following apply.

1. Your spouse died in 1992 or 1993 and you did not remarry in 1994.
2. You have a child, adopted child, stepchild, or foster child whom you claim as a dependent.
3. This child lived in your home for all of 1994 (temporary absences such as for vacation or school count as time lived in the home).
4. You paid over half the cost of keeping up your home for this child.
5. You could have filed a joint return with your spouse the year he or she died, even if you didn't actually do so.

(continued)

Do not claim an exemption for your spouse.

If your spouse died in 1994, you may not file as qualifying widow(er) with dependent child. Instead, see the instructions for line 2.

Figure your exemptions
Lines 6a–6e

For each exemption you can take, you can deduct \$2,450 on line 21.

Line 6a Check the box on line 6a **unless** your parent (or someone else) can claim you as a dependent on his or her tax return. For example, if your parents (or someone else) could claim you as a dependent on their return but they chose not to claim you, **do not** check the box on line 6a.

Line 6b If you file a joint return and your spouse cannot be claimed as a dependent on another person's return, check the box on line 6b. If you file a separate return, you can take an exemption for your spouse only if your spouse is not filing a return, had no income, and cannot be claimed as a dependent on another person's return. If you were divorced or legally separated at the end of 1994, you cannot take an exemption for your former spouse. If, at the end of 1994, your divorce was not final (an interlocutory decree), you are considered married for the whole year.

Death of your spouse. If your spouse died in 1994 and you did not remarry by the end of 1994, check the box on line 6b if you could have taken an exemption for your spouse on the date of death. For other filing instructions, see **What if a taxpayer died?** on page 9.

Nonresident alien spouse. If your filing status is married filing separately, you can take an exemption for your nonresident alien spouse only if your spouse had no income from U.S. sources and is not the dependent of another person. If you can take an exemption for your spouse, check the box on line 6b and enter "NRA" to the right of the word "Spouse."

Line 6c Dependents. You can take an exemption for each of your dependents who was alive during some part of 1994. This includes a baby **born** in 1994 or a person who **died** in 1994. For more details, get Pub. 501. Any person who meets **all five** of the following tests qualifies as your dependent.

Test 1—Relationship

The person must be your relative. But see **Exception** at the end of **Test 1**. The following are considered your relatives:

- Your child, stepchild, adopted child; a child who lived in your home as a family member if placed with you by an authorized placement agency for legal adoption; or a foster child (any child who lived in your home as a family member for the whole year).
 - Your grandchild, great-grandchild, etc.
 - Your son-in-law, daughter-in-law.
 - Your parent, stepparent, parent-in-law.
 - Your grandparent, great-grandparent, etc.
 - Your brother, sister, half brother, half sister, stepbrother, stepsister, brother-in-law, sister-in-law.
 - If related by blood, your aunt, uncle, nephew, niece.
-

Any relationships established by marriage are not treated as ended by divorce or death.

Exception. A person who lived in your home as a family member for the entire year can also be considered a dependent. But the relationship must not violate local law.

Test 2—Married person

If the person is married and files a joint return, you cannot take an exemption for the person. However, if the person and the person's spouse file a joint return only to get a refund of all tax withheld, you may be able to claim him or her if the other four tests are met. See Pub. 501 for details.

Test 3—Citizen or resident

The person must be **one** of the following:

- A U.S. citizen or resident alien, or
- A resident of Canada or Mexico, or
- Your adopted child who is not a U.S. citizen, but who lived with you all year in a foreign country.

Test 4—Income

Generally, the person's gross income must be less than \$2,450. Gross income does not include nontaxable income, such as welfare benefits or nontaxable social security benefits. Income earned by a permanently and totally disabled person for services performed at a sheltered workshop school is generally not included for purposes of the income test. See Pub. 501 for details.

Exception for your child. Your child can have gross income of \$2,450 or more if:

1. Your child was **under age 19** at the end of 1994, **or**
2. Your child was **under age 24** at the end of 1994 **and** was a **student**.

Your child was a **student** if he or she—

- Was enrolled as a full-time student at a school during any 5 months of 1994, or
- Took a full-time, on-farm training course during any 5 months of 1994. The course had to be given by a school or a state, county, or local government agency.

A **school** includes technical, trade, and mechanical schools. It does not include on-the-job training courses or correspondence schools.

Test 5—Support

The general rule is that you had to provide over half the person's total support in 1994. If you file a joint return, support can come from either spouse. If you remarried, the support provided by your new spouse is treated as support coming from you. For exceptions to the support test, see **Children of divorced or separated parents** and **Person supported by two or more taxpayers** on page 22.

Support includes food, a place to live, clothing, medical and dental care, and education. It also includes items such as a car and furniture, but only if they are for the person's own use or benefit. In figuring total support:

- Use the actual cost of these items. But you should figure the cost of a place to live at its fair rental value.
- Include money the person used for his or her own support, even if this money was not taxable. Examples are gifts, savings, social security and welfare benefits, and other public assistance payments. This support is treated as **not** coming from you.

Support **does not** include items such as income tax, social security and Medicare tax, life insurance premiums, scholarship grants, or funeral expenses.

If you care for a foster child, see Pub. 501 for special rules that apply.

Children of divorced or separated parents. Special rules apply to determine if the support test is met for children of divorced or separated parents. The rules also apply to children of parents who lived apart from each other during the last 6 months of the year, even if they do not have a separation agreement. For these rules, a **custodial parent** is the parent who had custody of the child for most of the year. A **noncustodial parent** is the parent who had custody for the shorter period of time or who did not have custody at all. See Pub. 501 for the definition of custody.

The general rule is that the custodial parent is treated as having provided over half of the child's total support if both parents together paid over half of the child's support. This means that the custodial parent can claim the child as a dependent if the other dependency tests are also met.

But if you are the noncustodial parent, you are treated as having provided over half of the child's support and can claim the child as a dependent if both parents together paid over half of the child's support, the other dependency tests are met, and **either** 1 or 2 below applies.

1. The custodial parent agrees not to claim the child's exemption for 1994 by signing Form 8332 or a similar statement. But you (as the noncustodial parent) **must** attach this signed Form 8332 or similar statement to your return. Instead of attaching Form 8332, you can attach a copy of certain pages of your divorce decree or separation agreement if it went into effect after 1984 (see **Children who didn't live with you due to divorce or separation** on page 23), or
2. Your divorce decree or written separation agreement went into effect before 1985 and it states that you (the noncustodial parent) can claim the child as a dependent. But you must have given at least \$600 for the child's support in 1994. Also, you must check the pre-1985 agreement box on line 6d. This rule does not apply if your decree or agreement was changed after 1984 to say that you cannot claim the child as your dependent.

Person supported by two or more taxpayers. Even if you did not pay over half of another person's support, you might still be able to claim him or her as a dependent if **all five** of the following apply.

1. You and one or more other eligible person(s) together paid over half of another person's support.
 2. You paid over 10% of that person's support.
 3. No one alone paid over half of that person's support.
 4. Tests 1 through 4 on pages 20 and 21 are met.
 5. Each eligible person who paid over 10% of support completes Form 2120, and you attach these forms to your return. The form states that only you will claim the person as a dependent for 1994.
-

An **eligible person** is someone who could have claimed another person as a dependent except that he or she did not pay over half of that person's support.

After figuring out who you can claim as a dependent, fill in the columns on line 6c. If you have more than seven dependents, attach a statement to your return. Give the same information as in columns (1) through (5) for each dependent.

Column (1). Enter the name of each dependent.

Column (2). If your dependent was under age 1 on December 31, 1994, put a checkmark in column (2).

Column (3). Any dependent age 1 or older must have a social security number. You must enter that number in column (3). If you do not enter it or if the number is wrong, it will take us longer to issue any refund shown on your return. You may also have to pay a \$50 penalty. If your dependent does not have a number, he or she should apply for one by filing Form SS-5 with your local Social Security Administration (SSA) office. It usually takes about 2 weeks to get a number. If your dependent won't have an SSN by April 17, 1995, see **What if I need more time to file?** on page 10. If your dependent lives in Canada or Mexico, see Pub. 501 for details on how to get a social security number.

Column (4). Enter your dependent's relationship to you. For example, if the dependent is your child, enter "son" or "daughter."

Column (5). Enter the number of months your dependent lived with you in 1994. Do not enter more than 12. Count temporary absences, such as school or vacation, as time lived in your home. If your dependent was born or died in 1994, enter "12" in this column. If your dependent lived in Canada or Mexico during 1994, don't enter a number. Instead, enter "CN" or "MX," whichever applies.

Children who didn't live with you due to divorce or separation. If you are claiming a child who didn't live with you under the rules for **Children of divorced or separated parents** on page 22, enter the total number of such children on the line to the right of line 6c labeled "No. of your children on 6c who: didn't live with you due to divorce or separation." If you put a number on this line, you **must** do one of the following **each** year you claim the child as a dependent.

- Check the box on line 6d if your divorce decree or written separation agreement went into effect before 1985 and it states that you can claim the child as your dependent.
- **Or** attach Form 8332 or similar statement to your return. If your divorce decree or separation agreement went into effect after 1984 and it unconditionally states that you can claim the child as your dependent, you may attach a copy of the following pages from the decree or agreement instead of Form 8332:
 1. Cover page (enter the other parent's social security number on this page), and
 2. The page that unconditionally states you can claim the child as your dependent, and
 3. Signature page with the other parent's signature and the date of the agreement.

Note: *You must attach the required information even if you filed it in an earlier year.*

(continued)

Other dependent children. Enter the total number of children who did not live with you for reasons other than divorce or separation on the line labeled "Dependents on 6c not entered above." Include dependent children who lived in Canada or Mexico during 1994.

Figure your total
income
Lines 7-14

Rounding off to whole dollars

You may find it easier to do your return if you round off cents to the nearest whole dollar. You can drop amounts that are less than 50 cents. For example, \$129.39 becomes \$129. Increase amounts that are 50 cents or more to the next whole dollar. For example, \$235.50 becomes \$236. If you do round off, do so for all amounts. But if you have to add two or more amounts to figure the amount to enter on a line, include cents when adding and only round off the total.

Example. You received two W-2 forms, one showing wages of \$5,009.55 and one showing wages of \$8,760.73. On Form 1040A, line 7, you would enter \$13,770 (\$5,009.55 + \$8,760.73 = \$13,770.28).

Refunds of state or local income taxes

If you received a refund, credit, or offset of state or local income taxes in 1994, the state or other taxing authority may send you a Form 1099-G. This form will show the amount of this refund, credit, or offset. You **do not** have to include this amount in your income for 1994 if, in the year the tax was paid to the state or other taxing authority, you filed:

- Form 1040EZ, or
- Form 1040A, or
- Form 1040 and you **did not itemize** deductions on Schedule A (Form 1040).

If the amount shown on Form 1099-G was for a tax you deducted as an itemized deduction on Form 1040, you may have to report part or all of the amount shown on Form 1099-G as income on Form 1040 for 1994. Call Tele-Tax (see page 60) and listen to topic 405 or get Pub. 525 for details.

Special rules for people in community property states

Married couples living in community property states must follow state law to determine what is community income and what is separate income. Community property states are Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, and Wisconsin.

Pub. 555 explains the rules for couples living in community property states. In general, the special rules for reporting only your own income apply if **(1)** you and your spouse lived apart all year, **(2)** you do not file a joint return, and **(3)** none of the community income you earned was transferred to your spouse.

Line 7 Enter the total of your income from wages, salaries, and tips. This should be shown in box 1 of your W-2 form from your employer. For a joint return, be sure to include your spouse's income on line 7.

Also, include on line 7 disability pensions if you have not reached the minimum retirement age set by your employer. Disability pensions received after you reach your employer's minimum retirement age and other pensions shown on Form 1099-R (other than payments from an IRA) are reported on lines 11a and 11b of Form 1040A. Payments from an IRA are reported on lines 10a and 10b.

If you used an **employer-provided vehicle** for both personal and business purposes and 100% of its annual lease value was included as wages on your W-2

form, you may be able to deduct the business use of the vehicle. But you must use Form 1040 and Form 2106 to do so. For details, get Pub. 917.

If you don't get a W-2 form by January 31, 1995, ask your employer for one. If you don't get it by February 15, call the number for your area listed on page 59. You will be asked for your employer's name, address, telephone number, and, if known, identification number. You will also be asked for your address, social security number, daytime telephone number, dates of employment, and your best estimate of your total wages and Federal income tax withheld. Even if you don't get a W-2 form from your employer, you must still report your earnings. If you lose your W-2 form or it is incorrect, ask your employer for a new one.

Tip income. Be sure to report all tip income you actually received, even if it is not included in box 1 of your W-2 form(s). But you must use Form 1040 and Form 4137 instead of Form 1040A if (1) you received tips of \$20 or more in any month and did not report the full amount to your employer OR (2) your W-2 form(s) shows **allocated tips** that you **must** report as income. You must report as income the amount of allocated tips shown on your W-2 form(s) unless you can prove with adequate records that you received a smaller amount. Allocated tips should be shown in box 8 of your W-2 form(s). They are not included in box 1 of your W-2 form(s). Use Form 4137 to figure the social security and Medicare tax on unreported tips. If you reported the full amount to your employer but the social security and Medicare tax was not withheld, you are still required to pay the taxes. For more details on tips, get Pub. 531.

Scholarship and fellowship grants. If you received a scholarship or fellowship, part or all of it may be taxable even if you didn't receive a W-2 form. If you were a degree candidate, the amounts you used for expenses other than tuition and course-related expenses are taxable. For example, amounts used for room, board, and travel are taxable. If you were not a degree candidate, the full amount of the scholarship or fellowship is taxable. Add the taxable amount not reported on a W-2 form to any other amounts on line 7. Then, write "SCH" and the taxable amount not reported on a W-2 form in the space to the left of line 7.

Dependent care benefits (DCB). If you received benefits for 1994 under your employer's dependent care plan, you may be able to exclude part or all of them from your income. But you must use Schedule 2 to do so. The benefits should be shown in box 10 of your W-2 form(s). First, go to Schedule 2 and fill in Parts I and III. Include any taxable benefits from line 20 of that schedule on Form 1040A, line 7. In the space to the left of line 7, write "DCB."

Line 8a Taxable interest. Report all of your taxable interest income on line 8a even if it is \$400 or less. But you must also fill in Schedule 1, Part I, if **any** of the following apply:

- You had over \$400 of taxable interest income, or
- You received interest from a seller-financed mortgage and the buyer used the property as a personal residence, or
- You are claiming the exclusion of interest from series EE U.S. savings bonds issued after 1989, or
- You received interest as a nominee or a Form 1099-INT for tax-exempt interest.

Each payer should send you a Form 1099-INT or Form 1099-OID showing interest you must report. A copy of the form is also sent to the IRS. Even if you did not receive a Form 1099-INT or Form 1099-OID, you must report all taxable interest.

(continued)

If you received a 1994 Form 1099-INT for U.S. savings bond interest that includes amounts you reported before 1994, get Pub. 550.

Include taxable interest from seller-financed mortgages, banks, savings and loan associations, money market certificates, credit unions, savings bonds, etc. Also, include any interest you received or that was credited to your account so you could withdraw it, even if it wasn't entered in your passbook. Interest credited in 1994 on deposits that you could not withdraw because of the bankruptcy or insolvency of the financial institution may not have to be included in your 1994 income. For details, see Pub. 550.

Be sure each payer of interest income has your correct social security number. Otherwise, the payer may withhold 31% of the interest income (backup withholding). You may also be subject to penalties.

For more information, call Tele-Tax (see page 60) and listen to topic 403 or see Pub. 550.

Line 8b Tax-exempt interest. If you received any tax-exempt interest, such as from municipal bonds, report it on line 8b. Include any exempt-interest dividends from a mutual fund. **Do not** report interest earned on your IRA on line 8b.

You should not have received a Form 1099-INT for tax-exempt interest. But if you did, fill in Schedule 1 and see the instructions on page 69.

Line 9 Dividends. Report your total dividends on line 9 even if they total \$400 or less. If the total is over \$400 or you received dividends as a nominee (that is, in your name but the dividends actually belong to someone else), first fill in Schedule 1, Part II (see page 69).

Each payer should send you a Form 1099-DIV. A copy of the form is also sent to the IRS. Even if you did not receive a Form 1099-DIV, you must report all taxable dividends.

But you must use Form 1040 if you had capital gain or nontaxable distributions.

Be sure each payer of dividends has your correct social security number. Otherwise, the payer may withhold 31% of the dividend income (backup withholding). You may also be subject to penalties.

For more information, get Pub. 550.

Lines 10a and 10b IRA distributions. Use lines 10a and 10b to report payments (distributions) you received from your individual retirement arrangement (IRA). These include regular distributions, early distributions, rollovers, and any other money or property you received from your IRA account or annuity. You should receive a Form 1099-R showing the amount of your distribution. Attach Form 1099-R to Form 1040A if any Federal income tax was withheld from your distribution.

But you must use Form 1040 if you owe an additional tax on an early distribution from your IRA. For details, get Pub. 590. If the total amount of the early distribution was rolled over, you do not owe this tax.

If you made any nondeductible contributions to your IRA for 1994 or an earlier year or you rolled your IRA distribution over into another IRA, see page 27. **Do not** use line 10a or 10b to report a rollover from a qualified employer's plan to an IRA. Instead, see the instructions for lines 11a and 11b.

If your IRA distribution is fully taxable, enter it on line 10b; **do not** make an entry on line 10a. If only part is taxable, enter the total distribution on line 10a and the taxable part on line 10b.

Nondeductible contributions. If you made nondeductible contributions for any year, only part of your IRA distribution may be taxable. Get Form 8606 to figure the taxable part of your IRA distribution. If you made any nondeductible contributions for 1994, you may need to make a special computation. See Pub. 590 for details. Enter the total distribution on line 10a and the taxable part on line 10b.

Rollovers. A rollover is a tax-free distribution of cash or other assets from one retirement plan that is contributed to another plan. Use lines 10a and 10b to report a rollover from one IRA to another IRA. Enter the total distribution on line 10a. If the total on line 10a was rolled over, enter zero on line 10b. If the total was not rolled over, enter the part not rolled over on line 10b. But if you ever made nondeductible contributions to any of your IRAs, use Form 8606 to figure the taxable part to enter on line 10b. For more details, see Pub. 590.

Lines 11a and 11b Pensions and annuities. Use lines 11a and 11b to report pension and annuity payments you received, including payments (distributions) from retirement plans, life insurance annuity contracts, profit-sharing plans, and employee-savings plans. See page 29 for information on rollovers and lump-sum distributions.

Also, use these lines to report disability pensions received after you reach the minimum retirement age set by your employer. Disability pensions received before you reach your employer's minimum retirement age are reported on line 7.

You should receive a Form 1099-R showing the amount you received. Attach Form 1099-R to Form 1040A if any Federal income tax was withheld.

Do not use lines 11a and 11b to report any social security or railroad retirement benefits shown on Forms SSA-1099 and RRB-1099. Instead, see the instructions for lines 13a and 13b.

Caution: *Certain transactions, such as loans against your interest in a qualified plan, may be treated as taxable distributions and may also be subject to additional taxes. For details, get Pub. 575. If you owe an additional tax, you must use Form 1040.*

Fully taxable pensions and annuities. If your pension or annuity is fully taxable, enter it on line 11b; **do not** make an entry on line 11a. Your payments are fully taxable if **either** of the following applies:

- You did not contribute to the cost of your pension or annuity, or
- You used the 3-Year Rule and you got your entire cost back tax free before 1994.

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

Partially taxable pensions and annuities. If your pension or annuity is partially taxable and your Form 1099-R does not show the taxable part, you must use the General Rule to figure the taxable part. The General Rule is explained in Pub. 939. But if your annuity starting date (defined on page 28) was **after** July 1, 1986, you may be able to use the Simplified General Rule explained later.

You can ask the IRS to figure the taxable part for you for a \$50 fee. Submit your request before the due date of your return, including extensions. For details, see Pub. 939.

(continued)

If your Form 1099-R shows a taxable amount, you may report that amount on line 11b. But you may be able to report a lower taxable amount by using the General Rule or, if you qualify, the Simplified General Rule.

Once you have figured the taxable part of your pension or annuity, enter that amount on line 11b and the total amount on line 11a.

Annuity starting date. Your annuity starting date is the later of:

1. The first day of the first period for which you received a payment, or
2. The date the plan's obligations became fixed.

Simplified General Rule. This method will usually give you the same amount or more of the pension or annuity tax free each year as the General Rule or as figured by the IRS. You can use this simpler method if **all four** of the following apply.

1. Your annuity starting date was **after** July 1, 1986.
2. The payments are for (a) your life or (b) your life and that of your beneficiary.
3. The payments are from a qualified employee plan, a qualified employee annuity, or a tax-sheltered annuity.
4. At the time the pension or annuity payments began, either you were under age 75 or the number of years of guaranteed payments was fewer than 5.

If all four of the above apply, use the worksheet on page 30 to figure the taxable part of your pension or annuity. If you are a beneficiary entitled to a death benefit exclusion (see below), add the exclusion to the amount you enter on line 2 of the worksheet. Do this even if you received a Form 1099-R showing a taxable amount. The payer of the annuity cannot add the death benefit exclusion to your cost when figuring the taxable amount. Attach a signed statement to your return stating that you are entitled to a death benefit exclusion. For more details on the Simplified General Rule, see Pub. 575 or Pub. 721.

Caution: *If you received U.S. Civil Service retirement benefits and you chose the lump-sum credit option, use the worksheet in Pub. 721. Do not use the one on page 30.*

Age at annuity starting date. If you are the retiree, use your age on the annuity starting date. If you are the survivor of a retiree, use the retiree's age on his or her annuity starting date. If you are the beneficiary of an employee who died, see Pub. 575. If there is more than one beneficiary, see Pub. 575 or Pub. 721 to figure each beneficiary's taxable amount.

Changing methods. If your annuity starting date was **after** July 1, 1986, you may be able to change from the General Rule to the Simplified General Rule (or the other way around). For details, see Pub. 575 or Pub. 721.

Death benefit exclusion. If you are the beneficiary of a deceased employee or former employee, amounts paid to you by, or on behalf of, an employer because of the death of the employee may qualify for a death benefit exclusion of up to \$5,000. If you are entitled to this exclusion, add it to the cost of the pension or annuity. Special rules apply if you are the survivor under a joint and survivor's annuity. For details, see Pub. 575.

Rollovers. A rollover is a tax-free distribution of cash or other assets from one retirement plan that is contributed to another plan. Use lines 11a and 11b to report a rollover, including a direct rollover, from one qualified employer's plan to another or to an IRA.

Enter on line 11a the total distribution before income tax or other deductions were withheld. This amount should be shown in box 1 of Form 1099-R. If the total on line 11a (minus any contributions that were taxable to you when made) was rolled over, either directly or within 60 days of receiving the distribution, enter zero on line 11b. Otherwise, subtract the amount that was rolled over and any contributions that were taxable to you when made from the total on line 11a. Enter the result on line 11b. Special rules apply to partial rollovers of property. For more details on rollovers, including distributions under qualified domestic relations orders, see Pub. 575.

Lump-sum distributions. If you received a lump-sum distribution from a profit-sharing or retirement plan, your Form 1099-R should have the "Total distribution" box in box 2b checked. Enter the total distribution on line 11a and the taxable part on line 11b.

You may pay less tax on the distribution if you were born before 1936, you meet certain other conditions, and you choose to use Form 4972 to figure the tax on any part of the distribution. You may also be able to use Form 4972 if you are the beneficiary of a deceased employee who was born before 1936 and was age 50 or older on the date of death. But you must use Form 1040 to do so. For details, get Form 4972.

You must also use Form 1040 if you owe an additional tax on an early distribution from a qualified retirement plan. See Pub. 575 for details. If the total amount of the early distribution was rolled over, you do not owe this tax.

**Simplified
General Rule
worksheet**

Simplified General Rule worksheet—Lines 11a and 11b
(keep for your records)

<p>1. Enter the total pension or annuity payments received this year. Also, enter this amount on Form 1040A, line 11a.</p>	1.													
<p>2. Enter your cost in the plan at the annuity starting date plus any death benefit exclusion (see page 28).</p>	2.													
<p>3. Age at annuity starting date (see instructions on page 28):</p> <table style="margin-left: 40px; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black;"></td> <td style="border-bottom: 1px solid black; text-align: right;">Enter:</td> </tr> <tr> <td>55 and under</td> <td style="text-align: right;">300</td> </tr> <tr> <td>56-60</td> <td style="text-align: right;">260</td> </tr> <tr> <td>61-65</td> <td style="text-align: right;">240</td> </tr> <tr> <td>66-70</td> <td style="text-align: right;">170</td> </tr> <tr> <td>71 and older</td> <td style="text-align: right;">120</td> </tr> </table>		Enter:	55 and under	300	56-60	260	61-65	240	66-70	170	71 and older	120	3.	
	Enter:													
55 and under	300													
56-60	260													
61-65	240													
66-70	170													
71 and older	120													
<p>4. Divide line 2 by the number on line 3.</p>	4.													
<p>5. Multiply line 4 by the number of months for which this year's payments were made. If your annuity starting date was before 1987, skip lines 6 and 7 and enter this amount on line 8. Otherwise, go to line 6.</p>	5.													
<p>6. Enter the amount, if any, recovered tax free in years after 1986.</p>	6.													
<p>7. Subtract line 6 from line 2.</p>	7.													
<p>8. Enter the smaller of line 5 or line 7.</p>	8.													
<p>9. Taxable amount. Subtract line 8 from line 1. Enter the result, but not less than zero. Also, enter this amount on Form 1040A, line 11b. If your Form 1099-R shows a larger amount, use the amount on this line instead of the amount from Form 1099-R.</p>	9.													

Note: *If you had more than one partially taxable pension or annuity, figure the taxable part of each separately. Enter the total of the taxable parts on Form 1040A, line 11b. Enter the total pension or annuity payments received in 1994 on Form 1040A, line 11a.*

Line 12 Unemployment compensation. Enter on line 12 the unemployment compensation (insurance) you received. By January 31, 1995, you should receive a Form 1099-G showing the total amount paid to you during 1994. This amount should be shown in box 1.

If you received an overpayment of unemployment compensation in 1994 and you repaid any of it in 1994, subtract the amount you repaid from the total amount you received. Enter the result on line 12. Write "Repaid" and the amount you repaid in the space to the left of line 12. If you repaid unemployment compensation in 1994 that you included in gross income in an earlier year, you can deduct the amount repaid. But you must use Form 1040 to do so. Get Pub. 525 for details.

Do not include on line 12 any supplemental unemployment benefits you received from a company-financed supplemental unemployment benefit fund. Instead, report these benefits on line 7. If you pay back these supplemental unemployment benefits in a later year because you receive payments under the

Trade Act of 1974, you can deduct the repayment. But you must use Form 1040 to do so. For more details, see Pub. 525.

Lines 13a and 13b Social security benefits. Social security and equivalent railroad retirement benefits you received may be taxable. Social security benefits include any monthly benefit under title II of the Social Security Act or the part of a tier 1 railroad retirement benefit treated as a social security benefit. Social security benefits include monthly survivor and disability benefits paid to you. They do not include any supplemental security income (SSI) payments.

By January 31, 1995, you should receive a Form SSA-1099 showing in box 3 the total social security benefits paid to you in 1994. Box 4 will show the amount of any benefits you repaid in 1994. If you received railroad retirement benefits treated as social security, you should receive a Form RRB-1099. For more details, get Pub. 915.

Caution: Do not use lines 13a and 13b to report any railroad retirement benefits shown on Form RRB-1099-R. Instead, see the instructions for lines 11a and 11b.

To find out if any of your benefits are taxable, first complete Form 1040A, lines 7 through 12, and 15c if they apply to you. Then, use the worksheet that begins on page 32. However, **do not** use the worksheet on page 32 if any of the following apply to you:

- You made IRA contributions for 1994 and you were covered by a retirement plan at work. Instead, use the worksheets in Pub. 590 to see if any of your social security benefits are taxable and to figure your IRA deduction.
 - You file Form 8815. Instead, use the worksheet in Pub. 915.
 - You repaid any benefits in 1994 and your total repayments (box 4) were more than your total benefits for 1994 (box 3). **None** of your benefits are taxable for 1994. In addition, you may be able to take an itemized deduction for part of the excess repayments if they were for benefits you included in gross income in an earlier year. But you must use Form 1040 to do so. See Pub. 915.
-

Social security benefits worksheet

Social security benefits worksheet—Lines 13a and 13b (keep for your records)

If you are married filing separately and you **lived apart** from your spouse for all of 1994, enter “D” in the space to the left of line 13a.

1. Enter the amount from **box 5** of all your Forms SSA-1099 and Forms RRB-1099. 1.

Note: If line 1 is zero or less, stop; none of your social security benefits are taxable. Otherwise, go to line 2.

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

3. Add the amounts on Form 1040A, lines 7, 8a, 9, 10b, 11b, and 12. Do not include amounts from box 5 of Forms SSA-1099 or RRB-1099. 3.

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

5. Add lines 2, 3, and 4. 5.

6. Enter the amount, if any, from Form 1040A, line 15c. 6.

7. Subtract line 6 from line 5. 7.

8. Enter \$25,000 (\$32,000 if married filing jointly; \$0 if married filing separately and you lived with your spouse at any time during 1994). 8.

9. Subtract line 8 from line 7. If zero or less, enter -0-. 9.

Is line 9 more than zero?

No. Stop; none of your social security benefits are taxable. Do not enter any amount on line 13a or 13b. But if you are married filing separately and you **lived apart** from your spouse for all of 1994, enter -0- on line 13b. Be sure to enter “D” to the left of line 13a.

Yes. Go to line 10.

10. Enter \$9,000 (\$12,000 if married filing jointly; \$0 if married filing separately and you lived with your spouse at any time during 1994). 10.

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

12. Enter the **smaller** of line 9 or line 10. Go to line 13 on page 33. 12.

**Social security
benefits worksheet**
(continued)

13. Enter one-half of line 12.

13.

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

14.

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

15.

16. Add lines 14 and 15.

16.

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

17.

18. Taxable social security benefits. Enter the **smaller** of line 16
or line 17.

18.

- Enter the amount from line 1 on Form 1040A, line 13a.
 - Enter the amount from line 18 on Form 1040A, line 13b.
-

Note: *If part of your benefits are taxable for 1994 and they include benefits paid in 1994 that were for a prior year, you may be able to reduce the taxable amount shown on the worksheet. Get Pub. 915 for details.*

Figure your
adjusted
gross
income
Lines 15a-16

Lines 15a
and 15b

IRA deduction. If you made contributions to an individual retirement arrangement (IRA) for 1994, you may be able to take an IRA deduction. Read the instructions below and on page 35 to see if you can take this deduction and, if you can, which worksheet to use to figure it. Enter your IRA deduction on line 15a. If you file a joint return, enter your spouse's deduction on line 15b. You should receive a statement by May 31, 1995, that shows all contributions to your IRA for 1994.

You **must** use Form 1040 if you owe tax on any excess contributions made to an IRA, or any excess accumulations in an IRA. For details, get Pub. 590.

Caution: You **may not** deduct contributions to a 401(k) plan or the Federal Thrift Savings Plan. These amounts are not included as income in box 1 of your W-2 form.

Were you covered by an employer retirement plan? If you were covered by a plan at work, your IRA deduction may be reduced or eliminated. But you can still make contributions to an IRA even if you can't deduct them. In any case, the income earned on your contributions is not taxed until it is paid to you. The "Pension plan" box in box 15 of your W-2 form should be checked if you were covered by a plan (such as a 401(k) plan). This box should be checked even if you were not vested in the plan.

If you were covered by a plan and you file Form 8815, get Pub. 590 to figure the amount, if any, of your IRA deduction.

Special rule for married individuals who file separate returns. If you were not covered by a plan but your spouse was, **you** are considered covered by a plan unless you **lived apart** from your spouse for all of 1994. See the chart below to find out if you can take the deduction and, if you can, which worksheet to use.

Not covered by a retirement plan. If you (and your spouse if filing a joint return) were not covered by a plan at work, use **worksheet 1** on page 36 to figure your deduction.

Covered by a retirement plan. If you (or your spouse if filing a joint return) were covered by a plan at work, see the chart below. It will tell you if you can take the deduction and, if you can, which worksheet to use.

Chart for people covered by a retirement plan*

If you (or your spouse if filing a joint return) were covered by a retirement plan and—

Your filing status is:	And Form 1040A, line 14, is:	You can take:
Single, Head of household, or Married filing separately and lived apart from your spouse for all of 1994	\$25,000 or less	Full IRA deduction (use worksheet 1 on page 36)
	Over \$25,000 but less than \$35,000	Partial IRA deduction (use worksheet 2 on pages 36-37)
	\$35,000 or more	No IRA deduction (but see Nondeductible contributions on page 35)
Married filing jointly or Qualifying widow(er) with dependent child	\$40,000 or less	Full IRA deduction (use worksheet 1 on page 36)
	Over \$40,000 but less than \$50,000	Partial IRA deduction (use worksheet 2 on pages 36-37)
	\$50,000 or more	No IRA deduction (but see Nondeductible contributions on page 35)
Married filing separately and lived with your spouse at any time during 1994	Over -0- but less than \$10,000	Partial IRA deduction (use worksheet 2 on pages 36-37)
	\$10,000 or more	No IRA deduction (but see Nondeductible contributions on page 35)

* If married filing separately and you were not covered by a plan but your spouse was, **you** are considered covered by a plan unless you **lived apart** from your spouse for all of 1994.

Nondeductible contributions. Your nondeductible contribution is the difference between the total allowable contributions to your IRA and the amount you deduct. You can make nondeductible contributions to your IRA whether you are allowed to deduct all, part, or none of your contributions.

Example. Your filing status is single and you paid \$2,000 into your IRA. You were covered by a retirement plan at work and the amount on Form 1040A, line 14, is over \$35,000 (all wages). You can't deduct the \$2,000. But you can treat it as a nondeductible contribution.

Use Form 8606 to report all contributions you treat as nondeductible. If you don't, you may have to pay a \$50 penalty. If you and your spouse each make nondeductible contributions, each of you must complete a separate Form 8606.

Read the following list before you fill in your IRA worksheet.

- If you were age 70½ or older at the end of 1994, you cannot deduct any contributions made to your IRA for 1994 or treat them as nondeductible contributions.
 - If you made contributions to your IRA in 1994 that you deducted for 1993, **do not** include them in the worksheet.
 - If you received a distribution from a nonqualified deferred compensation plan, see Pub. 590 to figure your IRA deduction. The distribution should be shown in box 11 of your W-2 form.
 - If the total of your IRA deduction on Form 1040A plus any nondeductible contribution on your Form 8606 is less than your total IRA contributions for 1994, see Pub. 590 for special rules.
 - You must file a joint return to deduct contributions to your nonworking spouse's IRA. A **nonworking spouse** is one who had no wages or other earned income in 1994, or a working spouse who chooses to be treated as having no earned income for figuring the deduction.
 - Do not include rollover contributions in figuring your deduction. See the instructions for lines 10a and 10b that begin on page 26 for more details on rollover contributions.
 - Do not include trustee's fees that were billed separately and paid by you for your IRA. You may be able to deduct those fees as an itemized deduction. But you must use Form 1040 to do so.
-

IRA worksheet 1

IRA worksheet 1—Lines 15a and 15b (keep for your records)

	(a) Your IRA	(b) Your working spouse's IRA
1. Enter IRA contributions you made, or will make by April 17, 1995, for 1994. But do not enter more than \$2,000 in either column.	1. <input type="text"/>	<input type="text"/>
2. Enter wages, salaries, and tips for each person from Form 1040A, line 7.	2. <input type="text"/>	<input type="text"/>
3. Enter the smaller of line 1 or line 2. Enter on Form 1040A, line 15a, the amount from line 3, column (a). Enter on Form 1040A, line 15b, the amount, if any, from line 3, column (b). If filing a joint return and contributions were made to your nonworking spouse's IRA, go to line 4.	3. <input type="text"/>	<input type="text"/>

Nonworking spouse's IRA

4. Enter the smaller of line 2, column (a), or \$2,250.	4. <input type="text"/>
5. Enter the amount from line 3, column (a).	5. <input type="text"/>
6. Subtract line 5 from line 4.	6. <input type="text"/>
7. Enter IRA contributions made, or that will be made by April 17, 1995, for 1994 for your nonworking spouse. But do not enter more than \$2,000.	7. <input type="text"/>
8. Enter the smaller of line 6 or line 7. Also, enter this amount on Form 1040A, line 15b.	8. <input type="text"/>

IRA worksheet 2

IRA worksheet 2—Lines 15a and 15b (keep for your records)

1. If your filing status is:	<table style="border: none;"> <tr> <td style="font-size: 3em; vertical-align: middle;">{</td> <td>Single or Head of household, enter \$35,000</td> </tr> <tr> <td></td> <td>Married filing jointly or Qualifying widow(er), enter \$50,000</td> </tr> <tr> <td></td> <td>Married filing separately, enter \$10,000*</td> </tr> </table>	{	Single or Head of household, enter \$35,000		Married filing jointly or Qualifying widow(er), enter \$50,000		Married filing separately, enter \$10,000*	1. <input type="text"/>
{	Single or Head of household, enter \$35,000							
	Married filing jointly or Qualifying widow(er), enter \$50,000							
	Married filing separately, enter \$10,000*							
2. Enter the amount from Form 1040A, line 14. If this amount is equal to or more than the amount on line 1, none of your IRA contributions are deductible. Stop here. If you want to make a nondeductible IRA contribution, see Form 8606.		2. <input type="text"/>						
3. Subtract line 2 from line 1. If the result is \$10,000 or more, stop here and use worksheet 1.		3. <input type="text"/>						
4. Multiply line 3 above by 20% (.20). If the result is not a multiple of \$10, round it up to the next multiple of \$10 (for example, round \$490.30 to \$500). If the result is \$200 or more, enter the result. But if it is less than \$200, enter \$200. Go to line 5 on page 37.		4. <input type="text"/>						

* Enter \$10,000 only if you lived with your spouse at any time in 1994. If you **lived apart** from your spouse for all of 1994, enter \$35,000.

IRA worksheet 2
 (continued)

Deductible IRA contributions	(a) Your IRA	(b) Your working spouse's IRA
5. Enter wages, salaries, and tips for each person from Form 1040A, line 7.	5.	
6. Enter IRA contributions you made, or will make by April 17, 1995, for 1994. But do not enter more than \$2,000 in either column.	6.	
7. Enter the smallest of line 4, 5, or 6. This is the most you can deduct. Enter on Form 1040A, line 15a, the amount from line 7, column (a). Enter on Form 1040A, line 15b, the amount, if any, from line 7, column (b). If line 6 is more than line 7, go to line 8.	7.	

Nondeductible IRA contributions

8. Subtract line 7 from line 5 or line 6, whichever is smaller . Enter on line 1 of your Form 8606 the amount from line 8 you choose to make nondeductible.	8.	
--	----	--

If filing a joint return and contributions were made to your nonworking spouse's IRA, go to line 9.

Deductible IRA contributions for nonworking spouse

9. Enter the smaller of line 5, column (a), or \$2,250.	9.	
10. Add the amount on line 7, column (a), to the part of line 8, column (a), that you choose to make nondeductible.	10.	
11. Subtract line 10 from line 9. If the result is zero or less, stop here. You cannot make deductible or nondeductible IRA contributions for your nonworking spouse.	11.	
12. Enter the smallest of (a) IRA contributions made, or that will be made by April 17, 1995, for 1994 that are for your nonworking spouse; (b) \$2,000; or (c) the amount on line 11.	12.	
13. Multiply line 3 above by 22.5% (.225). If the result is not a multiple of \$10, round it up to the next multiple of \$10. If the result is \$200 or more, enter the result. But if it is less than \$200, enter \$200.	13.	
14. Enter the amount from line 7, column (a).	14.	
15. Subtract line 14 from line 13.	15.	
16. Enter the smaller of line 12 or line 15.	16.	
17. Enter the smallest of line 4, 5, or 16. This is the most you can deduct. Enter this amount on Form 1040A, line 15b. If line 12 is more than line 17, go to line 18.	17.	

Nondeductible IRA contributions for nonworking spouse

18. Subtract line 17 from line 12. Enter on line 1 of your spouse's Form 8606 the amount from line 18 that you choose to make nondeductible.	18.	
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Figure your
standard
deduction,
exemption
amount, and
taxable
income
Lines 17–22

Line 18a If you were age 65 or older or blind, check the appropriate boxes on line 18a. If you were married and checked the box on line 6b on page 1 of Form 1040A and your spouse was age 65 or older or blind, also check the appropriate boxes on line 18a. Then, add the number of boxes checked on line 18a. Enter the total in the box provided on line 18a. You need to know this total to use the **Standard deduction chart for people age 65 or older or blind** on page 39.

Age. If you were age 65 or older on January 1, 1995, check the “65 or older” box on your 1994 return.

Blindness. If you were completely blind as of December 31, 1994, attach a statement to your return describing this condition. If you were partially blind, you must attach a statement certified by your eye doctor or registered optometrist that:

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

If your eye condition is not likely to improve beyond the conditions listed above, attach a statement certified by your eye doctor or registered optometrist to this effect. Keep a copy of this statement for your records. If you attached this statement in a prior year, attach a note saying that you have already filed a statement.

Line 18b **Dependents.** If your parent (or someone else) can claim you as a dependent on his or her return (even if that person chose not to claim you), check the box on line 18b. You must use the **Standard deduction worksheet for dependents** on page 39 to figure your standard deduction.

Line 18c If you are married filing a separate return and your spouse itemizes deductions on a separate return, check the box on line 18c. You CANNOT take the standard deduction even if you were age 65 or older or blind (that is, you completed line 18a). Enter zero on line 19 and go to line 20. If you have any itemized deductions, such as state and local income taxes, your Federal income tax will be less if you itemize your deductions, but you must use Form 1040 to do so.

Line 19 **Standard deduction.** Most people can find their standard deduction by looking at line 19 of Form 1040A. But if you checked **any** of the boxes on **line 18a or 18b**, use the chart or worksheet on page 39 that applies to you to figure your standard deduction. Also, if you checked the box on **line 18c**, you **cannot** take the standard deduction even if you were age 65 or older or blind.

Standard deduction chart for people age 65 or older or blind

Standard deduction chart for people age 65 or older or blind

If someone can claim you as a dependent, use the worksheet below instead.

Enter the number from the box on line 18a of Form 1040A.

Caution: Do not use the number of exemptions from line 6e.

If your filing status is:	And the number in the box above is:	Enter on Form 1040A, line 19:
Single	1	\$4,750
	2	5,700
Married filing jointly or Qualifying widow(er)	1	\$7,100
	2	7,850
	3	8,600
	4	9,350
Married filing separately	1	\$3,925
	2	4,675
	3	5,425
	4	6,175
Head of household	1	\$6,550
	2	7,500

Standard deduction worksheet for dependents

Standard deduction worksheet for dependents (keep for your records)

Use this worksheet **ONLY** if someone can claim you as a dependent.

1. Enter the amount from Form 1040A, line 7. If none, enter -0-.	1.	<input type="text"/>
2. Minimum amount.	2.	<input type="text" value="600.00"/>
3. Enter the larger of line 1 or line 2.	3.	<input type="text"/>
4. Enter on line 4 the amount shown below for your filing status. <ul style="list-style-type: none"> • Single, enter \$3,800 • Married filing separately, enter \$3,175 • Married filing jointly or Qualifying widow(er), enter \$6,350 • Head of household, enter \$5,600 	4.	<input type="text"/>
5. Standard deduction.		
a. Enter the smaller of line 3 or line 4. If under 65 and not blind, stop here and enter this amount on Form 1040A, line 19. Otherwise, go to line 5b.	5a.	<input type="text"/>
b. If 65 or older or blind, multiply \$950 (\$750 if married filing a joint or separate return, or qualifying widow(er)) by the number on Form 1040A, line 18a.	5b.	<input type="text"/>
c. Add lines 5a and 5b. Enter the total here and on Form 1040A, line 19.	5c.	<input type="text"/>

Line 22 Subtract line 21 from line 20. Your tax is figured on this amount.

Tax figured by the IRS. If you want, we will figure your tax for you. If you have paid too much, we will send you a refund. If you did not pay enough, we'll send you a bill. We won't charge you interest or a late payment penalty if you pay within 30 days of the notice date or by the due date for filing your return, whichever is later.

Note: If you are required to use **Form 8615, Tax for Children Under Age 14 Who Have Investment Income of More Than \$1,200**, or if you want any of your refund applied to your 1995 estimated tax, we cannot figure your tax for you.

(continued)

To have us figure your tax for you, please do all of the following.

1. Fill in the parts of your return through line 22 that apply to you.
2. If you file a joint return, use the space to the left of line 22 to separately show your own and your spouse's taxable income.
3. Complete lines 24a, 24b, 26, 28a through 28c, and any write-ins on line 28d if they apply to you. Read the instructions below if you want us to figure your credit for the elderly or the disabled, or your earned income credit.
4. Attach the first copy or Copy B of all your W-2 forms and any 1099-R form that shows Federal income tax withheld.
5. Fill in and attach any schedules or forms asked for on the lines you completed.
6. Sign and date your return (both spouses must sign a joint return) and enter your occupation(s).
7. Mail your return by April 17, 1995.

We will also figure the following credits:

Credit for the elderly or the disabled. If you can take this credit, you **must** attach Schedule 3 to your return and write "CFE" next to line 24b. Check the box on Schedule 3 for your filing status and age, and fill in Part II and lines 11 and 13 of Part III if applicable.

Earned income credit (EIC). If you can take this credit, write "EIC" next to line 28c. Enter the amount and type of any nontaxable earned income (see page 47) in the spaces provided below line 28c. If you have a qualifying child, fill in Schedule EIC and attach it to your return. If you don't have to file a return, but are filing only to take the earned income credit, follow all of the above instructions.

Figure your
tax, credits,
and payments
Lines 23–28d

Line 23 Find your tax in the tax table on pages 62–67.

Form 8615. If this return is for a child who was under age 14 on January 1, 1995, and the child had more than \$1,200 of investment income, such as taxable interest or dividends, Form 8615 must be used to figure the tax. But if neither of the child's parents was alive at the end of 1994, do not use Form 8615. Instead, use the tax table to figure the child's tax.

Line 24a **Child and dependent care credit.** You may be able to take this credit if you paid someone to care for your child **under age 13** or your dependent or spouse who could not care for himself or herself. But to do so, the care must have been provided so that you (and your spouse if you were married) could work or look for work and you must have had income from a job.

Use Schedule 2 to figure the credit. If you received any dependent care benefits for 1994, you must file Schedule 2 to figure the amount of the benefits you may exclude from your income even if you cannot take the credit. For more details, including special rules for divorced or separated parents, see the instructions for Schedule 2 and Pub. 503.

Note: *If the care was provided in your home, both you and the employee may have to pay a share of the social security and Medicare tax on the employee's wages. You may also have to pay Federal unemployment tax. For more details, get Pub. 926.*

Line 24b Credit for the elderly or the disabled. You may be able to take this credit if by the end of 1994:

- You were age 65 or older, **or**
- You were under age 65, you retired on **permanent and total** disability, and you had taxable disability income in 1994.

Income limits. Generally, you **CANNOT** take the credit if your income is equal to or more than the dollar amount shown below that applies to you.

If you are:	You generally cannot take the credit if:
Single, Head of household, or Qualifying widow(er)	The amount on Form 1040A, line 17, is \$17,500 or more; or you received \$5,000 or more of nontaxable social security or other nontaxable pensions
Married filing a joint return and only one spouse is eligible for the credit	The amount on Form 1040A, line 17, is \$20,000 or more; or you received \$5,000 or more of nontaxable social security or other nontaxable pensions
Married filing a joint return and both spouses are eligible for the credit	The amount on Form 1040A, line 17, is \$25,000 or more; or you received \$7,500 or more of nontaxable social security or other nontaxable pensions
Married filing a separate return and you lived apart from your spouse all year	The amount on Form 1040A, line 17, is \$12,500 or more; or you received \$3,750 or more of nontaxable social security or other nontaxable pensions

For more details, see the separate instructions for Schedule 3 and Pub. 524. If you want the IRS to figure the credit for you, see the instructions for line 22.

Line 26 Advance earned income credit (EIC) payments. If you received advance EIC payments, enter them on line 26. These payments should be shown in box 9 of your W-2 form(s).

Line 27 Total tax. If you owe the alternative minimum tax, include that tax in the total on line 27.

Alternative minimum tax. If **both** 1 and 2 below apply to you, use the worksheet on page 42 to see if you owe this tax and, if you do, the amount to include on line 27.

1. The amount on Form 1040A, line 17, plus any tax-exempt interest on Form 1040A, line 8b, is more than \$45,000 if married filing jointly or qualifying widow(er); more than \$33,750 if single or head of household; more than \$22,500 if married filing separately.
2. The amount on Form 1040A, line 21, is more than \$9,800.

Caution: *If filing for a child under age 14, add the amount on Form 1040A, line 17, to the child's tax-exempt interest from private activity bonds issued after August 7, 1986. If that total is more than the total of \$1,000 plus the amount on Form 1040A, line 7, **do not** file this form. Instead, file Form 1040 for the child. Use Form 6251 to see if the child owes this tax.*

**Alternative
minimum tax
worksheet**
Alternative minimum tax worksheet (keep for your records)

1.	Enter the amount from Form 1040A, line 17, plus any tax-exempt interest from private activity bonds issued after August 7, 1986.	1.	<input type="text"/>
2.	Enter on line 2 the amount shown below for your filing status. <ul style="list-style-type: none"> • Single or Head of household, enter \$33,750. • Married filing jointly or Qualifying widow(er), enter \$45,000. • Married filing separately, enter \$22,500. 	2.	<input type="text"/>
3.	Subtract line 2 from line 1. If zero or less, stop ; you don't owe this tax. <ul style="list-style-type: none"> • If you are married filing separately, go to line 4. • All others, enter the amount from line 3 on line 6 and go to line 7. 	3.	<input type="text"/>
4.	Subtract \$75,000 from the amount on line 1. If zero or less, enter -0- here and on line 5, and go to line 6.	4.	<input type="text"/>
5.	Multiply line 4 by 25% (.25).	5.	<input type="text"/>
6.	Add lines 3 and 5.	6.	<input type="text"/>
7.	Multiply line 6 by 26% (.26).	7.	<input type="text"/>
8.	Enter the amount from Form 1040A, line 23.	8.	<input type="text"/>
9.	Alternative minimum tax. If line 8 is equal to or more than line 7, you don't owe this tax. If line 8 is less than line 7, subtract line 8 from line 7 and enter the result. Also, include this amount in the total on Form 1040A, line 27. Write "AMT" and show the amount in the space to the left of line 27.	9.	<input type="text"/>

Line 28a Federal income tax withheld. Add the amounts shown as Federal income tax withheld on your Forms W-2 and 1099-R. Enter the total on line 28a. The amount of Federal income tax withheld should be shown in box 2 of Form W-2 and box 4 of Form 1099-R. If line 28a includes amounts withheld as shown on Form 1099-R, check the box on line 28a. Be sure to attach the Form 1099-R.

Backup withholding. If you received a 1994 Form 1099 showing Federal income tax withheld (backup withholding) on dividends or interest income, include the amount withheld in the total on line 28a. This should be shown in box 2 of Form 1099-DIV and in box 4 of the other 1099 forms. Be sure to check the box on line 28a.

Line 28b 1994 estimated tax payments. Enter any payments you made on your estimated Federal income tax (Form 1040-ES) for 1994. Include any overpayment from your 1993 return that you applied to your 1994 estimated tax.

If you and your spouse paid joint estimated tax but are now filing separate income tax returns, get Pub. 505 for details on how to divide your payments. 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 these instructions even if your spouse died in 1994 or in 1995 before filing a 1994 return.

Divorced taxpayers. If you were divorced in 1994 and you made joint estimated tax payments with your former spouse, enter your former spouse's SSN in the space provided on the front of Form 1040A. If you were divorced and remarried in 1994, enter your present spouse's SSN in the space provided on the front of Form 1040A. Also, in the margin to the left of line 28b, write your former spouse's SSN, followed by "DIV."

Name change. If you changed your name because of marriage, divorce, etc., and you made estimated tax payments using your former name, attach a statement to the front of Form 1040A explaining all the payments you and your spouse made in 1994, where you made the payments, and the name(s) and SSN(s) under which you made the payments.

Line 28c Earned income credit (EIC). The EIC is a special credit for certain workers. It reduces tax you owe. It may give you a refund even if you don't owe any tax. To see if you can take this credit, answer the questions below. But first see the **Caution** below. The credit can be as much as \$306 if you don't have a qualifying child (defined on page 46). If you have one qualifying child, the credit can be as much as \$2,038. If you have more than one qualifying child, it can be as much as \$2,528. If you have a qualifying child and can take the credit, you must fill in and attach Schedule EIC to your return.

Caution: You **cannot** take the credit if your filing status is married filing a separate return. You also **cannot** take the credit if you were the qualifying child of another person in 1994. If you were, enter "No" next to line 28c.

Questions to see if you can take the earned income credit

All filers—

1. Do you have at least one qualifying child (defined on page 46)?

- No.** Skip to question 4.
 Yes. Go to question 2.
-

If you have at least one qualifying child—

2. Is the total of your **taxable and nontaxable earned income** (see page 47) less than \$23,755 (less than \$25,296 if you have more than one qualifying child)? (Nontaxable earned income includes military housing and subsistence, and contributions to a 401(k) plan.)

- No. Stop.** You **cannot** take the credit. Enter "No" next to line 28c.
 Yes. Go to question 3.
-

3. Is the amount on Form 1040A, line 16, less than \$23,755 (less than \$25,296 if you have more than one qualifying child)?

- No. Stop.** You **cannot** take the credit.
 Yes. You can take the credit. **If you want the IRS to figure it for you, stop.** Enter "EIC" next to line 28c and attach Schedule EIC to your return. Also, enter the amount and type of any nontaxable earned income below line 28c. **If you want to figure the credit yourself, stop** and complete the worksheet on page 45 now.
-

If you don't have a qualifying child—

4. Were you (or your spouse if filing a joint return) at least age 25 but under age 65 at the end of 1994?

- No. Stop.** You **cannot** take the credit. Enter "No" next to line 28c.
 Yes. Go to question 5.
-

5. Can your parents (or someone else) claim you as a dependent on their 1994 tax return?

- Yes. Stop.** You **cannot** take the credit.
 No. Go to question 6.
-

6. Was your home in the United States for more than half of 1994?

- No. Stop.** You **cannot** take the credit. Enter "No" next to line 28c.
 Yes. Go to question 7.
-

7. Is the total of your **taxable and nontaxable earned income** (see page 47) less than \$9,000? (Nontaxable earned income includes military housing and subsistence, and contributions to a 401(k) plan.)

- No. Stop.** You **cannot** take the credit. Enter "No" next to line 28c.
 Yes. Go to question 8.
-

8. Is the amount on Form 1040A, line 16, less than \$9,000?

- No. Stop.** You **cannot** take the credit.
 Yes. You can take the credit. **If you want the IRS to figure it for you,** enter "EIC" next to line 28c. Also, enter the amount and type of any nontaxable earned income below line 28c. **If you want to figure the credit yourself,** complete the worksheet on page 45.
-

**Earned income
credit worksheet**
Earned income credit worksheet—Line 28c (keep for your records)

If you want the IRS
to figure your
credit, see page 40.

1. Enter the amount from Form 1040A, line 7. 1.

2. If you received a taxable scholarship or fellowship grant that
wasn't reported on a W-2 form, enter that amount here. 2.

3. Subtract line 2 from line 1. 3.

4. Enter any **nontaxable earned income** (see
page 47). Types of nontaxable earned income
include contributions to a 401(k) plan, which
should be shown in box 13 of your W-2 form,
and military housing and subsistence. 4.

5. Add lines 3 and 4. 5.

6. Look up the amount on **line 5** above
in the **EIC Table** on pages **49–50** to
find your credit. Enter the credit here. 6.

If line 6 is zero, **stop**. You **cannot** take the credit. Enter "No" next
to line 28c of Form 1040A.

7. Enter the amount from Form 1040A, line 16. 7.

8. Is line 7 less than—

- \$5,000 if you don't have a qualifying child, or
- \$11,000 if you have at least one qualifying child?

YES. Go to line 9 now.

NO. Look up the amount on **line 7**
above in the **EIC Table** on
pages **49–50** to find your
credit. Enter the credit here. 8.

9. Earned income credit.

- If you checked "YES" on line 8, enter the amount from line 6.
- If you checked "NO" on line 8, enter the **smaller** of
line 6 or line 8. 9.

Next: Take the amount from line 9 above and enter it on Form
1040A, line 28c.

AND

If you had any nontaxable earned income (see line 4
above), enter the amount and type of that income in the
spaces marked "amount" and "type" below line 28c.

AND

Complete Schedule EIC and attach it to your return **ONLY**
if you have a qualifying child.

If you included the alternative minimum tax on line 27, subtract it from the
amount on line 9 of the worksheet. Enter the result (if more than zero) on Form
1040A, line 28c. Also, replace the amount on line 9 of the worksheet with the
amount entered on Form 1040A, line 28c.

Qualifying child

A qualifying child is a child who:

1. Is your son, daughter, adopted child, grandchild, stepchild, or foster child, **and**
2. Was (at the end of 1994)—
 - under age 19, or
 - under age 24 and a student (see below), or
 - any age and permanently and totally disabled (see page 47), **and**
3. Lived with you in the United States for more than half of 1994 (for all of 1994 if a foster child). If the child didn't live with you for the required time, see the **Exception** on page 47.

A child doesn't have to be your dependent in most cases. But if the child was married or is also a qualifying child of another person (other than your spouse if filing a joint return), special rules apply. See **Married child** and **Qualifying child of more than one person** on page 47.

Example. You are divorced and have a 7-year-old son. Although you had custody of your son, he is claimed as a dependent on his other parent's 1994 tax return. Your son is your qualifying child because he meets one condition from each of the three requirements listed above. Your son is not a qualifying child of his other parent because he did not live with the other parent for more than half of 1994 and the **Exception** on page 47 does not apply.

The following explains some of the terms used above.

- A **foster child** is any child you cared for as your own child. For example, if you acted as the parent of your niece or nephew, this child is considered your foster child.
- A child placed with you by an authorized placement agency for legal adoption is an **adopted child** even if the adoption isn't final.
- A **grandchild** is any descendant of your son, daughter, or adopted child. For example, a grandchild includes your great-grandchild, great-great-grandchild, etc.
- A **student** is a child who—
 1. Was enrolled as a full-time student at a school during any 5 months of 1994, or
 2. Took a full-time, on-farm training course during any 5 months of 1994. The course had to be given by a school or a state, county, or local government agency.

A **school** includes technical, trade, and mechanical schools. It does not include on-the-job training courses or correspondence schools.

- A child is **permanently and totally disabled** if **both** of the following apply.
 1. He or she cannot engage in any substantial gainful activity because of a physical or mental condition.
 2. A doctor determines the condition has lasted or can be expected to last continuously for at least a year or can lead to death.

Exception. The child, including a foster child, is considered to have lived with you for all of 1994 if both of the following apply.

1. The child was born or died in 1994, and
2. Your home was the child's home for the entire time he or she was alive during 1994.

Temporary absences, such as for school, vacation, or medical care, count as time lived at home.

Married child. If your child was married at the end of 1994, that child is a qualifying child only if you can claim him or her as your dependent on Form 1040A, line 6c. But if this child's other parent claimed him or her as a dependent under the rules on page 22 for **Children of divorced or separated parents**, this child is your qualifying child.

Qualifying child of more than one person. If a child meets the conditions to be a qualifying child of more than one person, only the person who had the **highest** adjusted gross income for 1994 may treat that child as a qualifying child. If the other person is your spouse and you are filing a joint return, this rule doesn't apply. If you cannot take the earned income credit because of this rule, enter "No" next to line 28c.

Example. You and your 5-year-old daughter moved in with your mother in April 1994. You are not a qualifying child of your mother. Your daughter meets the conditions to be a qualifying child for both you and your mother. Your adjusted gross income for 1994 was \$10,000 and your mother's was \$14,000. Because your mother's adjusted gross income was higher, your daughter is your mother's qualifying child.

Taxable earned income

This is usually the amount reported on Form 1040A, line 7. But if line 7 includes an amount for a taxable scholarship or fellowship grant that wasn't reported on a W-2 form, subtract that amount from the total on line 7. The result is your taxable earned income for purposes of the earned income credit.

Nontaxable earned income

Certain earned income is not taxable, but it must be included to see if you can take the earned income credit. It is also used to figure the credit. It includes anything of value (money, goods, or services) that is not taxable which you received from your employer for your work. Some examples of nontaxable earned income are listed below.

- Basic quarters and subsistence allowances and the value of in-kind quarters and subsistence received from the U.S. military. This amount may be shown on your last Leave and Earnings Statement for 1994. If it isn't or you need additional help, contact your legal assistance office or unit tax advisor.
- Housing allowances or rental value of a parsonage for clergy members.

(continued)

- Meals and lodging provided for the convenience of your employer.
- Voluntary salary deferrals. If you chose to have your employer contribute part of your pay to certain retirement plans (such as a 401(k) plan or the Federal Thrift Savings Plan) instead of having it paid to you, the “Deferred compensation” box in box 15 of your W-2 form should be checked. The amount deferred should be shown in box 13 of your W-2 form.
- Excludable dependent care benefits from Schedule 2, line 19.
- Voluntary salary reductions, such as under a cafeteria plan, unless they are included in box 1 of your W-2 form(s). For details, get Pub. 596.
- Combat zone excluded pay. If you served in Operation Desert Storm, contact your legal assistance office or unit tax advisor to find out the amount you received in 1994.

Note: *Nontaxable earned income does not include welfare benefits*

Effect of credit on certain welfare benefits

Any refund you receive as the result of claiming the earned income credit will not be used to determine if you are eligible for the following benefit programs, or how much you can receive from them.

- Aid to Families With Dependent Children (AFDC).
 - Medicaid and supplemental security income (SSI).
 - Food stamps and low-income housing.
-

1994 Earned Income Credit (EIC) Table

To find your credit: First, read down the "At least — But less than" columns and find the line that includes the amount you entered on line 5 or line 7 of the **Earned income credit worksheet** on page 45. Next, read across to the column that includes the number of qualifying children you have. Then, enter the credit from that column on line 6 or line 8 of the worksheet, whichever applies.

Caution: This is not a tax table.

If the amount on line 5 or line 7 of the worksheet is—		And you have—			If the amount on line 5 or line 7 of the worksheet is—		And you have—			If the amount on line 5 or line 7 of the worksheet is—		And you have—		
At least	But less than	No children	One child	Two children	At least	But less than	No children	One child	Two children	At least	But less than	No children	One child	Two children
\$1	\$50	\$2	\$7	\$8	3,000	3,050	231	796	908	6,000	6,050	228	1,585	1,808
50	100	6	20	23	3,050	3,100	235	809	923	6,050	6,100	224	1,598	1,823
100	150	10	33	38	3,100	3,150	239	822	938	6,100	6,150	220	1,611	1,838
150	200	13	46	53	3,150	3,200	243	835	953	6,150	6,200	216	1,624	1,853
200	250	17	59	68	3,200	3,250	247	848	968	6,200	6,250	212	1,637	1,868
250	300	21	72	83	3,250	3,300	251	861	983	6,250	6,300	208	1,650	1,883
300	350	25	85	98	3,300	3,350	254	874	998	6,300	6,350	205	1,663	1,898
350	400	29	99	113	3,350	3,400	258	888	1,013	6,350	6,400	201	1,677	1,913
400	450	33	112	128	3,400	3,450	262	901	1,028	6,400	6,450	197	1,690	1,928
450	500	36	125	143	3,450	3,500	266	914	1,043	6,450	6,500	193	1,703	1,943
500	550	40	138	158	3,500	3,550	270	927	1,058	6,500	6,550	189	1,716	1,958
550	600	44	151	173	3,550	3,600	273	940	1,073	6,550	6,600	186	1,729	1,973
600	650	48	164	188	3,600	3,650	277	953	1,088	6,600	6,650	182	1,742	1,988
650	700	52	178	203	3,650	3,700	281	967	1,103	6,650	6,700	178	1,756	2,003
700	750	55	191	218	3,700	3,750	285	980	1,118	6,700	6,750	174	1,769	2,018
750	800	59	204	233	3,750	3,800	289	993	1,133	6,750	6,800	170	1,782	2,033
800	850	63	217	248	3,800	3,850	293	1,006	1,148	6,800	6,850	166	1,795	2,048
850	900	67	230	263	3,850	3,900	296	1,019	1,163	6,850	6,900	163	1,808	2,063
900	950	71	243	278	3,900	3,950	300	1,032	1,178	6,900	6,950	159	1,821	2,078
950	1,000	75	256	293	3,950	4,000	304	1,045	1,193	6,950	7,000	155	1,834	2,093
1,000	1,050	78	270	308	4,000	4,050	306	1,059	1,208	7,000	7,050	151	1,848	2,108
1,050	1,100	82	283	323	4,050	4,100	306	1,072	1,223	7,050	7,100	147	1,861	2,123
1,100	1,150	86	296	338	4,100	4,150	306	1,085	1,238	7,100	7,150	143	1,874	2,138
1,150	1,200	90	309	353	4,150	4,200	306	1,098	1,253	7,150	7,200	140	1,887	2,153
1,200	1,250	94	322	368	4,200	4,250	306	1,111	1,268	7,200	7,250	136	1,900	2,168
1,250	1,300	98	335	383	4,250	4,300	306	1,124	1,283	7,250	7,300	132	1,913	2,183
1,300	1,350	101	348	398	4,300	4,350	306	1,137	1,298	7,300	7,350	128	1,926	2,198
1,350	1,400	105	362	413	4,350	4,400	306	1,151	1,313	7,350	7,400	124	1,940	2,213
1,400	1,450	109	375	428	4,400	4,450	306	1,164	1,328	7,400	7,450	120	1,953	2,228
1,450	1,500	113	388	443	4,450	4,500	306	1,177	1,343	7,450	7,500	117	1,966	2,243
1,500	1,550	117	401	458	4,500	4,550	306	1,190	1,358	7,500	7,550	113	1,979	2,258
1,550	1,600	120	414	473	4,550	4,600	306	1,203	1,373	7,550	7,600	109	1,992	2,273
1,600	1,650	124	427	488	4,600	4,650	306	1,216	1,388	7,600	7,650	105	2,005	2,288
1,650	1,700	128	441	503	4,650	4,700	306	1,230	1,403	7,650	7,700	101	2,019	2,303
1,700	1,750	132	454	518	4,700	4,750	306	1,243	1,418	7,700	7,750	98	2,032	2,318
1,750	1,800	136	467	533	4,750	4,800	306	1,256	1,433	7,750	7,800	94	2,038	2,333
1,800	1,850	140	480	548	4,800	4,850	306	1,269	1,448	7,800	7,850	90	2,038	2,348
1,850	1,900	143	493	563	4,850	4,900	306	1,282	1,463	7,850	7,900	86	2,038	2,363
1,900	1,950	147	506	578	4,900	4,950	306	1,295	1,478	7,900	7,950	82	2,038	2,378
1,950	2,000	151	519	593	4,950	5,000	306	1,308	1,493	7,950	8,000	78	2,038	2,393
2,000	2,050	155	533	608	5,000	5,050	304	1,322	1,508	8,000	8,050	75	2,038	2,408
2,050	2,100	159	546	623	5,050	5,100	300	1,335	1,523	8,050	8,100	71	2,038	2,423
2,100	2,150	163	559	638	5,100	5,150	296	1,348	1,538	8,100	8,150	67	2,038	2,438
2,150	2,200	166	572	653	5,150	5,200	293	1,361	1,553	8,150	8,200	63	2,038	2,453
2,200	2,250	170	585	668	5,200	5,250	289	1,374	1,568	8,200	8,250	59	2,038	2,468
2,250	2,300	174	598	683	5,250	5,300	285	1,387	1,583	8,250	8,300	55	2,038	2,483
2,300	2,350	178	611	698	5,300	5,350	281	1,400	1,598	8,300	8,350	52	2,038	2,498
2,350	2,400	182	625	713	5,350	5,400	277	1,414	1,613	8,350	8,400	48	2,038	2,513
2,400	2,450	186	638	728	5,400	5,450	273	1,427	1,628	8,400	8,450	44	2,038	2,528
2,450	2,500	189	651	743	5,450	5,500	270	1,440	1,643	8,450	8,500	40	2,038	2,528
2,500	2,550	193	664	758	5,500	5,550	266	1,453	1,658	8,500	8,550	36	2,038	2,528
2,550	2,600	197	677	773	5,550	5,600	262	1,466	1,673	8,550	8,600	33	2,038	2,528
2,600	2,650	201	690	788	5,600	5,650	258	1,479	1,688	8,600	8,650	29	2,038	2,528
2,650	2,700	205	704	803	5,650	5,700	254	1,493	1,703	8,650	8,700	25	2,038	2,528
2,700	2,750	208	717	818	5,700	5,750	251	1,506	1,718	8,700	8,750	21	2,038	2,528
2,750	2,800	212	730	833	5,750	5,800	247	1,519	1,733	8,750	8,800	17	2,038	2,528
2,800	2,850	216	743	848	5,800	5,850	243	1,532	1,748	8,800	8,850	13	2,038	2,528
2,850	2,900	220	756	863	5,850	5,900	239	1,545	1,763	8,850	8,900	10	2,038	2,528
2,900	2,950	224	769	878	5,900	5,950	235	1,558	1,778	8,900	8,950	6	2,038	2,528
2,950	3,000	228	782	893	5,950	6,000	231	1,571	1,793	8,950	9,000	2	2,038	2,528

(This table continues on next page)

1994 Earned Income Credit (EIC) Table *Continued*

If the amount on line 5 or line 7 of the worksheet is—		And you have—			If the amount on line 5 or line 7 of the worksheet is—		And you have—			If the amount on line 5 or line 7 of the worksheet is—		And you have—							
At least	But less than	No children	One child	Two children	At least	But less than	No children	One child	Two children	At least	But less than	No children	One child	Two children					
		Your credit is—					Your credit is—					Your credit is—							
13,750	13,800	0	1,595	2,037	16,950	17,000	0	1,083	1,471	20,150	20,200	0	572	905	23,350	23,400	0	61	340
13,800	13,850	0	1,587	2,028	17,000	17,050	0	1,075	1,462	20,200	20,250	0	564	897	23,400	23,450	0	53	331
13,850	13,900	0	1,579	2,019	17,050	17,100	0	1,067	1,453	20,250	20,300	0	556	888	23,450	23,500	0	45	322
13,900	13,950	0	1,571	2,010	17,100	17,150	0	1,059	1,445	20,300	20,350	0	548	879	23,500	23,550	0	37	313
13,950	14,000	0	1,563	2,002	17,150	17,200	0	1,051	1,436	20,350	20,400	0	540	870	23,550	23,600	0	29	304
14,000	14,050	0	1,555	1,993	17,200	17,250	0	1,043	1,427	20,400	20,450	0	532	861	23,600	23,650	0	21	295
14,050	14,100	0	1,547	1,984	17,250	17,300	0	1,036	1,418	20,450	20,500	0	524	852	23,650	23,700	0	13	287
14,100	14,150	0	1,539	1,975	17,300	17,350	0	1,028	1,409	20,500	20,550	0	516	843	23,700	23,750	0	5	278
14,150	14,200	0	1,531	1,966	17,350	17,400	0	1,020	1,400	20,550	20,600	0	508	835	23,750	23,800	0	*	269
14,200	14,250	0	1,523	1,957	17,400	17,450	0	1,012	1,392	20,600	20,650	0	500	826	23,800	23,850	0	0	260
14,250	14,300	0	1,515	1,948	17,450	17,500	0	1,004	1,383	20,650	20,700	0	492	817	23,850	23,900	0	0	251
14,300	14,350	0	1,507	1,940	17,500	17,550	0	996	1,374	20,700	20,750	0	484	808	23,900	23,950	0	0	242
14,350	14,400	0	1,499	1,931	17,550	17,600	0	988	1,365	20,750	20,800	0	476	799	23,950	24,000	0	0	234
14,400	14,450	0	1,491	1,922	17,600	17,650	0	980	1,356	20,800	20,850	0	468	790	24,000	24,050	0	0	225
14,450	14,500	0	1,483	1,913	17,650	17,700	0	972	1,347	20,850	20,900	0	460	782	24,050	24,100	0	0	216
14,500	14,550	0	1,475	1,904	17,700	17,750	0	964	1,339	20,900	20,950	0	452	773	24,100	24,150	0	0	207
14,550	14,600	0	1,467	1,895	17,750	17,800	0	956	1,330	20,950	21,000	0	444	764	24,150	24,200	0	0	198
14,600	14,650	0	1,459	1,887	17,800	17,850	0	948	1,321	21,000	21,050	0	436	755	24,200	24,250	0	0	189
14,650	14,700	0	1,451	1,878	17,850	17,900	0	940	1,312	21,050	21,100	0	428	746	24,250	24,300	0	0	180
14,700	14,750	0	1,443	1,869	17,900	17,950	0	932	1,303	21,100	21,150	0	420	737	24,300	24,350	0	0	172
14,750	14,800	0	1,435	1,860	17,950	18,000	0	924	1,294	21,150	21,200	0	412	729	24,350	24,400	0	0	163
14,800	14,850	0	1,427	1,851	18,000	18,050	0	916	1,285	21,200	21,250	0	404	720	24,400	24,450	0	0	154
14,850	14,900	0	1,419	1,842	18,050	18,100	0	908	1,277	21,250	21,300	0	396	711	24,450	24,500	0	0	145
14,900	14,950	0	1,411	1,834	18,100	18,150	0	900	1,268	21,300	21,350	0	388	702	24,500	24,550	0	0	136
14,950	15,000	0	1,403	1,825	18,150	18,200	0	892	1,259	21,350	21,400	0	380	693	24,550	24,600	0	0	127
15,000	15,050	0	1,395	1,816	18,200	18,250	0	884	1,250	21,400	21,450	0	372	684	24,600	24,650	0	0	119
15,050	15,100	0	1,387	1,807	18,250	18,300	0	876	1,241	21,450	21,500	0	364	676	24,650	24,700	0	0	110
15,100	15,150	0	1,379	1,798	18,300	18,350	0	868	1,232	21,500	21,550	0	356	667	24,700	24,750	0	0	101
15,150	15,200	0	1,371	1,789	18,350	18,400	0	860	1,224	21,550	21,600	0	348	658	24,750	24,800	0	0	92
15,200	15,250	0	1,363	1,781	18,400	18,450	0	852	1,215	21,600	21,650	0	340	649	24,800	24,850	0	0	83
15,250	15,300	0	1,355	1,772	18,450	18,500	0	844	1,206	21,650	21,700	0	332	640	24,850	24,900	0	0	74
15,300	15,350	0	1,347	1,763	18,500	18,550	0	836	1,197	21,700	21,750	0	324	631	24,900	24,950	0	0	66
15,350	15,400	0	1,339	1,754	18,550	18,600	0	828	1,188	21,750	21,800	0	316	622	24,950	25,000	0	0	57
15,400	15,450	0	1,331	1,745	18,600	18,650	0	820	1,179	21,800	21,850	0	308	614	25,000	25,050	0	0	48
15,450	15,500	0	1,323	1,736	18,650	18,700	0	812	1,171	21,850	21,900	0	300	605	25,050	25,100	0	0	39
15,500	15,550	0	1,315	1,727	18,700	18,750	0	804	1,162	21,900	21,950	0	292	596	25,100	25,150	0	0	30
15,550	15,600	0	1,307	1,719	18,750	18,800	0	796	1,153	21,950	22,000	0	284	587	25,150	25,200	0	0	21
15,600	15,650	0	1,299	1,710	18,800	18,850	0	788	1,144	22,000	22,050	0	276	578	25,200	25,250	0	0	13
15,650	15,700	0	1,291	1,701	18,850	18,900	0	780	1,135	22,050	22,100	0	268	569	25,250	25,296	0	0	4
15,700	15,750	0	1,283	1,692	18,900	18,950	0	772	1,126	22,100	22,150	0	260	561	25,296	or more	0	0	0
15,750	15,800	0	1,275	1,683	18,950	19,000	0	764	1,118	22,150	22,200	0	252	552					
15,800	15,850	0	1,267	1,674	19,000	19,050	0	756	1,109	22,200	22,250	0	244	543					
15,850	15,900	0	1,259	1,666	19,050	19,100	0	748	1,100	22,250	22,300	0	237	534					
15,900	15,950	0	1,251	1,657	19,100	19,150	0	740	1,091	22,300	22,350	0	229	525					
15,950	16,000	0	1,243	1,648	19,150	19,200	0	732	1,082	22,350	22,400	0	221	516					
16,000	16,050	0	1,235	1,639	19,200	19,250	0	724	1,073	22,400	22,450	0	213	508					
16,050	16,100	0	1,227	1,630	19,250	19,300	0	716	1,064	22,450	22,500	0	205	499					
16,100	16,150	0	1,219	1,621	19,300	19,350	0	708	1,056	22,500	22,550	0	197	490					
16,150	16,200	0	1,211	1,613	19,350	19,400	0	700	1,047	22,550	22,600	0	189	481					
16,200	16,250	0	1,203	1,604	19,400	19,450	0	692	1,038	22,600	22,650	0	181	472					
16,250	16,300	0	1,195	1,595	19,450	19,500	0	684	1,029	22,650	22,700	0	173	463					
16,300	16,350	0	1,187	1,586	19,500	19,550	0	676	1,020	22,700	22,750	0	165	455					
16,350	16,400	0	1,179	1,577	19,550	19,600	0	668	1,011	22,750	22,800	0	157	446					
16,400	16,450	0	1,171	1,568	19,600	19,650	0	660	1,003	22,800	22,850	0	149	437					
16,450	16,500	0	1,163	1,560	19,650	19,700	0	652	994	22,850	22,900	0	141	428					
16,500	16,550	0	1,155	1,551	19,700	19,750	0	644	985	22,900	22,950	0	133	419					
16,550	16,600	0	1,147	1,542	19,750	19,800	0	636	976	22,950	23,000	0	125	410					
16,600	16,650	0	1,139	1,533	19,800	19,850	0	628	967	23,000	23,050	0	117	401					
16,650	16,700	0	1,131	1,524	19,850	19,900	0	620	958	23,050	23,100	0	109	393					
16,700	16,750	0	1,123	1,515	19,900	19,950	0	612	950	23,100	23,150	0	101	384					
16,750	16,800	0	1,115	1,506	19,950	20,000	0	604	941	23,150	23,200	0	93	375					
16,800	16,850	0	1,107	1,498	20,000	20,050	0	596	932	23,200	23,250	0	85	366					
16,850	16,900	0	1,099	1,489	20,050	20,100	0	588	923	23,250	23,300	0	77	357					
16,900	16,950	0	1,091	1,480	20,100	20,150	0	580	914	23,300	23,350	0	69	348					

*If the amount on line 5 or line 7 of the worksheet is at least \$23,750 but less than \$23,755, your credit is \$1. Otherwise, you cannot take the credit.

Line 28d Add lines 28a, 28b, and 28c. Enter the total on line 28d. Also, include in the total on line 28d any of the following that applies.

Amount paid with extensions of time to file. If you filed Form 4868 to get an automatic extension of time to file Form 1040A, include in the total on line 28d the amount you paid with that form. To the left of line 28d, write "Form 4868" and show the amount paid. Also, include any amount paid with Form 2688 if you filed for an additional extension.

Excess social security taxes withheld. If you had more than one employer for 1994 and your total wages were over \$60,600, too much social security tax may have been withheld. If so, you can include the excess amount in the total on line 28d. Get Pub. 505 to figure any excess amount to include on line 28d. Also, write "Excess SST" and show the amount in the space to the left of line 28d. If any employer withheld more than \$3,757.20 of social security tax, you must ask that employer to refund the excess to you. You cannot claim it on your return.

Excess railroad retirement (RRTA) taxes withheld. If you had more than one railroad employer for 1994 and your total compensation was over \$60,600, too much tier 1 tax may have been withheld. If your total compensation was over \$45,000, too much tier 2 tax may have been withheld. Get Pub. 505 to figure any excess amount to include on line 28d. If any employer withheld more than \$3,757.20 of tier 1 RRTA tax or more than \$2,205 of tier 2 tax, you must ask that employer to refund the excess to you. You cannot claim it on your return.

Figure your
refund or
amount you
owe
Lines 29–33

Line 29 Amount overpaid. If line 29 is less than \$1, we will send the refund only if you request it when you file your return. If the amount you overpaid is large, you may want to decrease the amount of income tax withheld from your pay. See **Income tax withholding and estimated tax payments for 1995** on page 55.

Injured spouse claim. If you file a joint return and your spouse has not paid child or spousal support payments or certain Federal debts such as student loans, all or part of the overpayment on line 29 may be used to pay the past-due amount. But **your** part of the overpayment may be refunded to you if **all three** of the following apply.

1. You are not required to pay the past-due amount.
2. You received and reported income (such as wages, taxable interest, etc.) on the joint return.
3. You made and reported payments (such as Federal income tax withheld from your wages or estimated tax payments) on the joint return.

If **all three** of the above apply to you and you want your part of the amount on line 29 refunded to you, complete Form 8379. Write "Injured spouse" in the upper left corner of Form 1040A and attach Form 8379. If you have already filed your return for 1994, file Form 8379 by itself to get your refund. You may also be able to file an injured spouse claim for prior years. See Form 8379 for details.

Line 31 Amount applied to 1995 estimated tax. Subtract line 30 from line 29 and enter the result on line 31. This is the amount that will be applied to your estimated tax for 1995. We will apply this amount to your account unless you request us to apply it to your spouse's account. The request should include your spouse's social security number.

This election to apply part or all of the amount overpaid to your 1995 estimated tax cannot be changed later.

Line 32 Amount you owe. Enclose in the envelope with your return a check or money order payable to the Internal Revenue Service for the full amount when you file. **Do not** attach the payment to your return. Write your name, address, social security number, daytime phone number, and "1994 Form 1040A" on your payment. You do not have to pay if line 32 is under \$1.

Do not include any estimated tax payment in your check or money order. Mail any estimated tax payment in an envelope separate from the one you use to pay the tax due on Form 1040A.

Note: *If you owe tax for 1994, you may need to (a) increase the amount of income tax withheld from your pay or (b) make estimated tax payments for 1995. See **Income tax withholding and estimated tax payments for 1995** on page 55.*

Installment payments. If you cannot pay the full amount shown on line 32 with your return, you may ask to make monthly installment payments. However, you will be charged interest and a late payment penalty on the tax not paid by April 17, 1995, even if your request to pay in installments is granted. To limit the interest and penalty charges, pay as much of the tax as possible when you file. But before requesting an installment agreement, you should consider other less costly alternatives, such as a bank loan.

To ask for an installment agreement, use **Form 9465**, Installment Agreement Request. You can get Form 9465 by calling 1-800-TAX-FORM (1-800-829-3676). You should receive a response to your request for installments within 30 days. But if you file your return after March 31, it may take us longer to reply.

Line 33 Estimated tax penalty. If line 32 is at least \$500 and it is more than 10% of the tax shown on line 27 of your return, you may owe this penalty. Also, you may owe the penalty if you did not pay enough estimated tax by any of the due dates. Get Form 2210 to see if you owe the penalty. If so, you can use the form to figure the amount. In certain situations, you may be able to lower your penalty. For details, see the Instructions for Form 2210. Because Form 2210 is complicated, if you want, the IRS will figure the penalty for you and send you a bill.

Exceptions to the penalty. You will not owe the penalty if:

1. You had no tax liability for 1993, you were a U.S. citizen or resident for all of 1993, AND your 1993 tax return was for a tax year of 12 full months, **or**
2. The total of lines 28a and 28b on your 1994 return is at least as much as your 1993 tax liability, AND your 1993 tax return was for a tax year of 12 full months. Your estimated tax payments for 1994 must have been made on time and for the required amount.

Caution: *If your 1994 filing status is married filing separately and your 1993 adjusted gross income was over \$75,000, item 2 above may not apply. For details, see Form 2210 and its instructions.*

Figuring the penalty. If the **Exceptions** above do not apply and you choose to figure the penalty yourself, use Form 2210. Enter the penalty on Form 1040A, line 33. Add the penalty to any tax due and enter the total on line 32. If you are due a refund, subtract the penalty from the overpayment you show on line 29. **Do not** file Form 2210 with your return. Instead, keep it for your records.

If you leave line 33 blank, the IRS will figure the penalty and send you a bill. We will not begin to charge you interest on the penalty until 10 days after the date of the bill.

Sign your return

Form 1040A is not considered a valid return unless you sign it. If you are filing a joint return, your spouse must also sign. Be sure to date your return and enter your occupation(s). If you are filing a joint return as a surviving spouse, see **What if a taxpayer died?** on page 9.

Child's return. If your child cannot sign the return, sign your child's name in the space provided. Then, add "By (your signature), parent for minor child."

Paid preparers must sign your return. Generally, anyone you pay to prepare your return must sign it by hand in the space provided. Signature stamps or labels cannot be used. The preparer must give you a copy of the return for your records. Someone who prepares your return but does not charge you should not sign your return.

Attach required forms and schedules

Attach the first copy or Copy B of Form(s) W-2 to the front of Form 1040A. If you received a 1994 Form 1099-R showing Federal income tax withheld, also attach the first copy or Copy B of that form to the front of Form 1040A.

Attach all other schedules and forms behind Form 1040A in order by number. If you are filing Schedule EIC, put it last.

If you owe tax and are sending in your payment, **do not** attach it to Form 1040A. Instead, place it loose inside the envelope.

**Avoid common mistakes
Errors may delay
your refund**

1. If the amount on line 16 is less than \$25,296 and a child lived with you (less than \$9,000 if a child didn't live with you), did you read the instructions for line 28c that begin on page 44 to see if you can take the earned income credit?
 2. Are your name, address, and social security number correct on the label? If not, did you enter the correct information?
 3. If you are married filing a joint return and didn't get a label, or you are married filing a separate return, did you enter your spouse's social security number in the space provided on page 1 of Form 1040A? Did you enter your social security number in the space provided next to your name?
 4. Did you use the correct filing status? If you think you can file as Head of household, did you read the instructions for line 4 that begin on page 18 to make sure you qualify?
 5. Did you enter your standard deduction on line 19? Also, if you checked any box on line 18a or 18b, did you see page 39 to find the amount to enter on line 19?
 6. If you (or your spouse if you checked the box on line 6b) were age 65 or older or blind, did you check the appropriate boxes on line 18a?
 7. If your parents (or someone else) can claim you as a dependent on their tax return (even if they chose not to claim you), did you check the box on line 18b?
 8. Did you enter the correct tax on line 23? Did you enter your total tax on line 27?
 9. Did you check your additions, subtractions, etc., especially when figuring your taxable income, Federal income tax withheld, and your refund or amount you owe?
 10. Did you attach your W-2 form(s) and any other required forms and schedules? Did you sign and date Form 1040A and enter your occupation?
-

Section 4—General information

What do I need if I write to the IRS?

If you write to the IRS, include your social security number on your correspondence. If you don't include it, it may take us longer to reply.

What should I do if I move?

If you move after you file, always notify, in writing, the Internal Revenue Service Center where you filed your last return or the Chief, Taxpayer Service Division, in your local IRS district office. You can use Form 8822 to notify us of your new address. If you are expecting a refund, also notify the post office serving your old address. This will help forward your check to your new address.

How long should I keep my tax return?

Keep a copy of your tax return, worksheets you used, and records of all items appearing on it (such as W-2 and 1099 forms) until the statute of limitations runs out for that return. Usually, this is 3 years from the date the return was due or filed, or 2 years from the date the tax was paid, whichever is later. You should keep some records longer. For example, keep property records (including those on your home) as long as they are needed to figure the basis of the original or replacement property. For more details, get Pub. 552.

Income tax withholding and estimated tax payments for 1995

If the amount you owe (line 32) or the amount you overpaid (line 29) is large, you may want to file a new Form W-4 with your employer to change the amount of income tax to be withheld from your pay. In general, you do not have to make estimated tax payments if you expect that your 1995 tax return will show a tax refund OR a tax balance due the IRS of less than \$500. If your total estimated tax (including any alternative minimum tax) for 1995 is \$500 or more, please get Form 1040-ES. It has a worksheet you can use to see if you have to make estimated tax payments. Get Pub. 505 for more details.

How do I amend my tax return?

If you find changes in your income, deductions, or credits after you mail your return, file Form 1040X to change the return you already filed. If you filed a joint return, you may not, after the due date of that return, amend it to file as married filing a separate return. Generally, Form 1040X must be filed within 3 years after the date the original return was filed, or within 2 years after the date the tax was paid, whichever is later.

What are my rights as a taxpayer?

You have the right to be treated fairly, professionally, promptly, and courteously by IRS employees. Our goal at the IRS is to protect your rights so that you will have the highest confidence in the integrity, efficiency, and fairness of our tax system. To ensure that you always receive such treatment, you should know about the many rights you have at each step of the tax process. For details, get Pub. 1 by calling 1-800-TAX-FORM (1-800-829-3676) or use the order blank on page 57.

Recycling



The IRS tries to use recycled paper for all of its forms and instructions. The tax forms and instructions you received are printed on recyclable paper. If your community has a recycling program, please recycle. But remember to keep a copy of your return and any worksheets you used.

How do I get forms and publications?

Generally, we mail forms and schedules to you based on what you filed last year. Forms, schedules, and publications you may need are listed below. If you do not have any tax questions and you only need tax forms and publications, you can—

- Visit your local IRS office.
- Visit a participating bank or post office to get Forms 1040, 1040A, 1040EZ, Schedules A, B, and EIC, Schedules 1 and 2, and their instructions.
- Visit a participating library, which stocks a wider variety of forms and publications.
- Use the order blank on page 57. You should receive your order or notification of the status of your order within 7-15 workdays after we receive your request.
- Call 1-800-TAX-FORM (1-800-829-3676). The hours of operation during the filing season are **8:00 A.M. to 5:00 P.M. (weekdays)** and **9:00 A.M. to 3:00 P.M. (Saturdays)**. For callers in Alaska and Hawaii, the hours are Pacific Standard Time. For callers in Puerto Rico, the hours are Eastern Standard Time. You should get your order or notification of the status of your order within 7-15 workdays after you call.

You can get the following forms, schedules, and instructions at participating banks, post offices, or libraries.

Form 1040

Instructions for Form 1040 & Schedules

Schedule A for itemized deductions

Schedule B for interest and dividend income if over \$400, and for answering the foreign accounts or foreign trusts questions

Schedule EIC qualifying child information for the earned income credit

Form 1040A

Instructions for Form 1040A & Schedules

Schedule 1 for Form 1040A filers to report interest and dividend income

Schedule 2 for Form 1040A filers to report child and dependent care expenses

Form 1040EZ

Instructions for Form 1040EZ

You can photocopy the items listed below (as well as those listed above) at participating libraries or order them from the IRS.

Schedule 3, Credit for the Elderly or the Disabled for Form 1040A Filers

Schedule C, Profit or Loss From Business

Schedule C-EZ, Net Profit From Business

Schedule D, Capital Gains and Losses

Schedule E, Supplemental Income and Loss

Schedule F, Profit or Loss From Farming

Schedule R, Credit for the Elderly or the Disabled

Schedule SE, Self-Employment Tax

Form 1040-ES, Estimated Tax for Individuals

Form 1040X, Amended U.S. Individual Income Tax Return

Form 2106, Employee Business Expenses

Form 2106-EZ, Unreimbursed Employee Business Expenses

Form 2119, Sale of Your Home

Form 2210, Underpayment of Estimated Tax by Individuals, Estates, and Trusts

Form 2441, Child and Dependent Care Expenses

Form 3903, Moving Expenses

Form 4562, Depreciation and Amortization

Form 4868, Application for Automatic Extension of Time To File U.S. Individual Income Tax Return

Form 5329, Additional Taxes Attributable to Qualified Retirement Plans (Including IRAs), Annuities, and Modified Endowment Contracts

Form 8283, Noncash Charitable Contributions

Form 8582, Passive Activity Loss Limitations

Form 8606, Nondeductible IRAs (Contributions, Distributions, and Basis)

Form 8822, Change of Address

Form 8829, Expenses for Business Use of Your Home

Pub. 1, Your Rights as a Taxpayer

Pub. 17, Your Federal Income Tax

Pub. 334, Tax Guide for Small Business

Pub. 463, Travel, Entertainment, and Gift Expenses

Pub. 501, Exemptions, Standard Deduction, and Filing Information

Pub. 502, Medical and Dental Expenses

Pub. 505, Tax Withholding and Estimated Tax

Pub. 508, Educational Expenses

Pub. 521, Moving Expenses

Pub. 523, Selling Your Home

Pub. 525, Taxable and Nontaxable Income

Pub. 527, Residential Rental Property

(Including Rental of Vacation Homes)

Pub. 529, Miscellaneous Deductions

Pub. 550, Investment Income and Expenses

Pub. 554, Tax Information for Older Americans

Pub. 575, Pension and Annuity Income

Pub. 590, Individual Retirement Arrangements (IRAs)

Pub. 596, Earned Income Credit

Pub. 910, Guide to Free Tax Services (includes a list of publications)

Pub. 917, Business Use of a Car

Pub. 929, Tax Rules for Children and Dependents

Pub. 936, Home Mortgage Interest Deduction

How do I use the order blank?

1. Cut the order blank on the dotted line and **be sure to print or type your name accurately in the space provided.**
2. Circle the items you need. Use the blank spaces to order items not listed. If you need more space, attach a separate sheet of paper listing the additional items you need. To help reduce waste, please order only the items you think you will need to prepare your return. We will send you two copies of each form and one copy of each set of instructions or publication you circle.
3. Enclose the order blank in your own envelope and send it to the IRS address shown on page 58. Do not use the envelope we sent you in your tax package because this envelope may be used only for filing your income tax return. You should receive your order or notification of the status of your order within 7-15 workdays after we receive your request.

Detach at this line

Order blank

Name

Fill in your name and address

Number, street, and apt. number

City, town or post office, state, and ZIP code

The items in bold type may be picked up at many banks, post offices, and libraries.

Circle the forms, instructions, and publications you need

1040	Schedule F (1040)	1040EZ	2441 & instructions	8822 & instructions	Pub. 505	Pub. 554	
Instructions for 1040 & Schedules	Schedule R (1040) & instructions	Instructions for 1040EZ	3903 & instructions	8829 & instructions	Pub. 508	Pub. 575	
Schedules A&B (1040)	Schedule SE (1040)	1040-ES & instructions (1995)	4562 & instructions	Pub. 1	Pub. 521	Pub. 590	
Schedule C (1040)	1040A	1040X & instructions	4868 & instructions	Pub. 17	Pub. 523	Pub. 596	
Schedule C-EZ (1040)	Instructions for 1040A & Schedules	2106 & instructions	5329 & instructions	Pub. 334	Pub. 525	Pub. 910	
Schedule D (1040)	Schedule 1 (1040A)	2106-EZ & instructions	8283 & instructions	Pub. 463	Pub. 527	Pub. 917	
Schedule E (1040)	Schedule 2 (1040A)	2119 & instructions	8582 & instructions	Pub. 501	Pub. 529	Pub. 929	
Schedule EIC (1040A or 1040)	Schedule 3 (1040A) & instructions	2210 & instructions	8606 & instructions	Pub. 502	Pub. 550	Pub. 936	

Where do I send my order for free forms and publications?

Caution: *Do not send your tax return to any of the addresses listed below. Instead, see **Where do I file?** on page 16.*

If you live in:

Send your order blank to:

Alaska, Arizona, California, Colorado, Hawaii, Idaho, Kansas, Montana, Nevada, New Mexico, Oklahoma, Oregon, Utah, Washington, Wyoming, Guam, Northern Marianas, American Samoa

Western Area Distribution Center
Rancho Cordova, CA
95743-0001

Alabama, Arkansas, Illinois, Indiana, Iowa, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Tennessee, Texas, Wisconsin

Central Area Distribution Center
P.O. Box 8903
Bloomington, IL 61702-8903

Connecticut, Delaware, District of Columbia, Florida, Georgia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Carolina, Vermont, Virginia, West Virginia

Eastern Area Distribution Center
P.O. Box 85074
Richmond, VA 23261-5074

Foreign addresses—Taxpayers with mailing addresses in foreign countries should send the order blank to either: Eastern Area Distribution Center, P.O. Box 25866, Richmond, VA 23286-8107; or Western Area Distribution Center, Rancho Cordova, CA 95743-0001, whichever is closer. Send letter requests for other forms and publications to: Eastern Area Distribution Center, P.O. Box 25866, Richmond, VA 23286-8107.

Puerto Rico—Eastern Area Distribution Center, P.O. Box 25866, Richmond, VA 23286-8107

Virgin Islands—V.I. Bureau of Internal Revenue, Lockhart Gardens No. 1-A, Charlotte Amalie, St. Thomas, VI 00802

Where do I call to get answers to my Federal tax questions?

If you want to check on the status of your **refund**, call Tele-Tax. See page 60 for the number.

Call the IRS with your tax question. If you cannot answer your tax question by reading the tax form instructions or one of our free tax publications, please call us for assistance. You will not be charged for the call unless your phone company charges you for local calls. This service is available Monday through Friday from 7:30 A.M. to 5:30 P.M. (hours in Alaska and Hawaii may vary).

Before you call— IRS representatives care about the quality of the service we provide to you, our customer. You can help us provide accurate, complete answers to your tax questions by having the following information available:

1. The tax form, schedule, or notice to which your question relates.
2. The facts about your particular situation. The answer to the same question often varies from one taxpayer to another because of differences in their age, income, whether they can be claimed as a dependent, etc.
3. The name of any IRS publication or other source of information that you used to look for the answer.

Before you hang up— If you do not fully understand the answer you receive, or you feel our representative may not fully understand your question, our representative needs to know this. The representative will be happy to take the additional time required to be sure he or she has answered your question fully and in the manner that is most helpful to you.

By law, you are responsible for paying your fair share of Federal income tax. If we should make an error in answering your question, you are still responsible for the payment of the correct tax. Should this occur, however, you will not be charged any penalty. To make sure that IRS representatives give accurate and courteous answers, a second IRS representative sometimes listens in on telephone calls. No record is kept of any taxpayer's identity.

Choosing the right number— Use only the number listed for your state or local calling area. Use a local number only if it is not a long distance call for you. **Do not dial "1-800" when using a local number.** However, if your area does not have a local number, dial 1-800-829-1040.

Alabama 1-800-829-1040	Illinois Chicago, 435-1040 In area code 708, 1-312-435-1040 Elsewhere, 1-800-829-1040	Missouri St. Louis, 342-1040 Elsewhere, 1-800-829-1040	Oklahoma 1-800-829-1040	Washington Seattle, 442-1040 Elsewhere, 1-800-829-1040
Alaska Anchorage, 561-7484 Elsewhere, 1-800-829-1040	Indiana Indianapolis, 226-5477 Elsewhere, 1-800-829-1040	Montana 1-800-829-1040	Oregon Portland, 221-3960 Elsewhere, 1-800-829-1040	West Virginia 1-800-829-1040
Arizona Phoenix, 640-3900 Elsewhere, 1-800-829-1040	Iowa Des Moines, 283-0523 Elsewhere, 1-800-829-1040	Nebraska Omaha, 422-1500 Elsewhere, 1-800-829-1040	Pennsylvania Philadelphia, 574-9900 Pittsburgh, 281-0112 Elsewhere, 1-800-829-1040	Wisconsin Milwaukee, 271-3780 Elsewhere, 1-800-829-1040
Arkansas 1-800-829-1040	Kansas 1-800-829-1040	Nevada 1-800-829-1040	Puerto Rico San Juan Metro Area, 766-5040 Elsewhere, 1-800-829-1040	Wyoming 1-800-829-1040
California Oakland, 839-1040 Elsewhere, 1-800-829-1040	Kentucky 1-800-829-1040	New Hampshire 1-800-829-1040	Rhode Island 1-800-829-1040	Phone Help for People With Impaired Hearing All areas in U.S., including Alaska, Hawaii, Virgin Islands, and Puerto Rico: 1-800-829-4059 <i>Note: This number is answered by TDD equipment only.</i>
Colorado Denver, 825-7041 Elsewhere, 1-800-829-1040	Louisiana 1-800-829-1040	New Jersey 1-800-829-1040	South Carolina 1-800-829-1040	
Connecticut 1-800-829-1040	Maine 1-800-829-1040	New Mexico 1-800-829-1040	South Dakota 1-800-829-1040	Hours of TDD Operation 8:00 A.M. to 6:30 P.M. EST (Jan. 1–April 1) 9:00 A.M. to 7:30 P.M. EDT (April 2–April 17) 9:00 A.M. to 5:30 P.M. EDT (April 18–Oct. 28) 8:00 A.M. to 4:30 P.M. EST (Oct. 29–Dec. 31)
Delaware 1-800-829-1040	Maryland Baltimore, 962-2590 Elsewhere, 1-800-829-1040	New York Bronx, 488-9150 Brooklyn, 488-9150 Buffalo, 685-5432 Manhattan, 732-0100 Nassau, 222-1131 Queens, 488-9150 Staten Island, 488-9150 Suffolk, 724-5000 Elsewhere, 1-800-829-1040	Tennessee Nashville, 834-9005 Elsewhere, 1-800-829-1040	
District of Columbia 1-800-829-1040	Massachusetts Boston, 536-1040 Elsewhere, 1-800-829-1040	North Carolina 1-800-829-1040	Texas Dallas, 742-2440 Houston, 541-0440 Elsewhere, 1-800-829-1040	
Florida Jacksonville, 354-1760 Elsewhere, 1-800-829-1040	Michigan Detroit, 237-0800 Elsewhere, 1-800-829-1040	North Dakota 1-800-829-1040	Utah 1-800-829-1040	
Georgia Atlanta, 522-0050 Elsewhere, 1-800-829-1040	Minnesota Minneapolis, 644-7515 St. Paul, 644-7515 Elsewhere, 1-800-829-1040	Ohio Cincinnati, 621-6281 Cleveland, 522-3000 Elsewhere, 1-800-829-1040	Vermont 1-800-829-1040	
Hawaii Oahu, 541-1040 Elsewhere, 1-800-829-1040	Mississippi 1-800-829-1040		Virginia Richmond, 649-2361 Elsewhere, 1-800-829-1040	
Idaho 1-800-829-1040				

What is Tele-Tax?

Automated refund information allows you to check the status of your refund.

Recorded tax information includes about 140 topics that answer many Federal tax questions. You can listen to up to three topics on each call you make.

How do I use Tele-Tax?

Automated refund information

Be sure to have a copy of your tax return available because you will need to know the first social security number shown on your return, the filing status, and the **exact** whole-dollar amount of your refund.

Then, call the appropriate phone number listed below and follow the recorded instructions.

The IRS updates refund information every 7 days. If you call to find out about the status of your refund and do not receive a refund mailing date, please wait 7 days before calling back.

Touch-tone service is available Monday through Friday from 7:00 A.M. to 11:30 P.M. (Hours may vary in your area.)

Recorded tax information

A complete list of these topics is on the next page.

Touch-tone service is available 24 hours a day, 7 days a week.

Select the number of the topic you want to hear. Then, call the appropriate phone number listed below.

For the directory of topics, listen to topic 123.

Have paper and pencil handy to take notes.

Choosing the right number—Use only the number listed for your state or local calling area. Use a local number only if it is not a long distance call for you. **Do not dial “1-800” when using a local number.** However, if your area does not have a local number, dial 1-800-829-4477.

Alabama 1-800-829-4477	Georgia Atlanta, 331-6572 Elsewhere, 1-800-829-4477	Mississippi 1-800-829-4477	Oregon Portland, 294-5363 Elsewhere, 1-800-829-4477
Alaska 1-800-829-4477	Hawaii 1-800-829-4477	Missouri St. Louis, 241-4700 Elsewhere, 1-800-829-4477	Pennsylvania Philadelphia, 627-1040 Pittsburgh, 261-1040 Elsewhere, 1-800-829-4477
Arizona Phoenix, 640-3933 Elsewhere, 1-800-829-4477	Idaho 1-800-829-4477	Montana 1-800-829-4477	Puerto Rico 1-800-829-4477
Arkansas 1-800-829-4477	Illinois Chicago, 886-9614 In area code 708, 1-312-886-9614 Springfield, 789-0489 Elsewhere, 1-800-829-4477	Nebraska Omaha, 221-3324 Elsewhere, 1-800-829-4477	Rhode Island 1-800-829-4477
California <i>Counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba,</i> 1-800-829-4032 Oakland, 839-4245 Elsewhere, 1-800-829-4477	Indiana Indianapolis, 631-1010 Elsewhere, 1-800-829-4477	Nevada 1-800-829-4477	South Carolina 1-800-829-4477
Colorado Denver, 592-1118 Elsewhere, 1-800-829-4477	Iowa Des Moines, 284-7454 Elsewhere, 1-800-829-4477	New Hampshire 1-800-829-4477	South Dakota 1-800-829-4477
Connecticut 1-800-829-4477	Kansas 1-800-829-4477	New Jersey 1-800-829-4477	Tennessee Nashville, 781-5040 Elsewhere, 1-800-829-4477
Delaware 1-800-829-4477	Kentucky 1-800-829-4477	New Mexico 1-800-829-4477	Texas Dallas, 767-1792 Houston, 541-3400 Elsewhere, 1-800-829-4477
District of Columbia 628-2929	Louisiana 1-800-829-4477	New York Bronx, 488-8432 Brooklyn, 488-8432 Buffalo, 685-5533 Manhattan, 406-4080 Queens, 488-8432 Staten Island, 488-8432 Elsewhere, 1-800-829-4477	Utah 1-800-829-4477
Florida 1-800-829-4477	Maine 1-800-829-4477	North Carolina 1-800-829-4477	Vermont 1-800-829-4477
	Maryland Baltimore, 244-7306 Elsewhere, 1-800-829-4477	North Dakota 1-800-829-4477	Virginia Richmond, 783-1569 Elsewhere, 1-800-829-4477
	Massachusetts Boston, 536-0709 Elsewhere, 1-800-829-4477	Ohio Cincinnati, 421-0329 Cleveland, 522-3037 Elsewhere, 1-800-829-4477	Washington Seattle, 343-7221 Elsewhere, 1-800-829-4477
	Michigan Detroit, 961-4282 Elsewhere, 1-800-829-4477	Oklahoma 1-800-829-4477	West Virginia 1-800-829-4477
	Minnesota St. Paul, 644-7748 Elsewhere, 1-800-829-4477		Wisconsin Milwaukee, 273-8100 Elsewhere, 1-800-829-4477
			Wyoming 1-800-829-4477

Section 5—1994 Tax Table

For persons with taxable incomes of less than \$50,000

Example. Mr. and Mrs. Green are filing a joint return. Their taxable income on line 22 of Form 1040A is \$23,250. First, they find the \$23,250–23,300 income line. Next, they find the column for married filing jointly and read down the column. The amount shown where the income line and filing status column meet is \$3,491. This is the tax amount they must enter on line 23 of Form 1040A.

At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household
Your tax is—					
23,200	23,250	3,546	3,484	4,033	3,484
23,250	23,300	3,560	<u>3,491</u>	4,047	3,491
23,300	23,350	3,574	3,499	4,061	3,499
23,350	23,400	3,588	3,506	4,075	3,506

If Form 1040A, line 22, is—		And you are—				If Form 1040A, line 22, is—		And you are—				If Form 1040A, line 22, is—		And you are—			
At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household
Your tax is—		Your tax is—				Your tax is—		Your tax is—				Your tax is—		Your tax is—			
0	5	0	0	0	0	1,300	1,325	197	197	197	197	2,700	2,725	407	407	407	407
5	15	2	2	2	2	1,325	1,350	201	201	201	201	2,725	2,750	411	411	411	411
15	25	3	3	3	3	1,350	1,375	204	204	204	204	2,750	2,775	414	414	414	414
25	50	6	6	6	6	1,375	1,400	208	208	208	208	2,775	2,800	418	418	418	418
50	75	9	9	9	9	1,400	1,425	212	212	212	212	2,800	2,825	422	422	422	422
75	100	13	13	13	13	1,425	1,450	216	216	216	216	2,825	2,850	426	426	426	426
100	125	17	17	17	17	1,450	1,475	219	219	219	219	2,850	2,875	429	429	429	429
125	150	21	21	21	21	1,475	1,500	223	223	223	223	2,875	2,900	433	433	433	433
150	175	24	24	24	24	1,500	1,525	227	227	227	227	2,900	2,925	437	437	437	437
175	200	28	28	28	28	1,525	1,550	231	231	231	231	2,925	2,950	441	441	441	441
200	225	32	32	32	32	1,550	1,575	234	234	234	234	2,950	2,975	444	444	444	444
225	250	36	36	36	36	1,575	1,600	238	238	238	238	2,975	3,000	448	448	448	448
250	275	39	39	39	39	1,600	1,625	242	242	242	242	3,000					
275	300	43	43	43	43	1,625	1,650	246	246	246	246	3,000	3,050	454	454	454	454
300	325	47	47	47	47	1,650	1,675	249	249	249	249	3,050	3,100	461	461	461	461
325	350	51	51	51	51	1,675	1,700	253	253	253	253	3,100	3,150	469	469	469	469
350	375	54	54	54	54	1,700	1,725	257	257	257	257	3,150	3,200	476	476	476	476
375	400	58	58	58	58	1,725	1,750	261	261	261	261	3,200	3,250	484	484	484	484
400	425	62	62	62	62	1,750	1,775	264	264	264	264	3,250	3,300	491	491	491	491
425	450	66	66	66	66	1,775	1,800	268	268	268	268	3,300	3,350	499	499	499	499
450	475	69	69	69	69	1,800	1,825	272	272	272	272	3,350	3,400	506	506	506	506
475	500	73	73	73	73	1,825	1,850	276	276	276	276	3,400	3,450	514	514	514	514
500	525	77	77	77	77	1,850	1,875	279	279	279	279	3,450	3,500	521	521	521	521
525	550	81	81	81	81	1,875	1,900	283	283	283	283	3,500	3,550	529	529	529	529
550	575	84	84	84	84	1,900	1,925	287	287	287	287	3,550	3,600	536	536	536	536
575	600	88	88	88	88	1,925	1,950	291	291	291	291	3,600	3,650	544	544	544	544
600	625	92	92	92	92	1,950	1,975	294	294	294	294	3,650	3,700	551	551	551	551
625	650	96	96	96	96	1,975	2,000	298	298	298	298	3,700	3,750	559	559	559	559
650	675	99	99	99	99	2,000						3,750	3,800	566	566	566	566
675	700	103	103	103	103	2,000	2,025	302	302	302	302	3,800	3,850	574	574	574	574
700	725	107	107	107	107	2,025	2,050	306	306	306	306	3,850	3,900	581	581	581	581
725	750	111	111	111	111	2,050	2,075	309	309	309	309	3,900	3,950	589	589	589	589
750	775	114	114	114	114	2,075	2,100	313	313	313	313	3,950	4,000	596	596	596	596
775	800	118	118	118	118	2,100	2,125	317	317	317	317	4,000					
800	825	122	122	122	122	2,125	2,150	321	321	321	321	4,000	4,050	604	604	604	604
825	850	126	126	126	126	2,150	2,175	324	324	324	324	4,050	4,100	611	611	611	611
850	875	129	129	129	129	2,175	2,200	328	328	328	328	4,100	4,150	619	619	619	619
875	900	133	133	133	133	2,200	2,225	332	332	332	332	4,150	4,200	626	626	626	626
900	925	137	137	137	137	2,225	2,250	336	336	336	336	4,200	4,250	634	634	634	634
925	950	141	141	141	141	2,250	2,275	339	339	339	339	4,250	4,300	641	641	641	641
950	975	144	144	144	144	2,275	2,300	343	343	343	343	4,300	4,350	649	649	649	649
975	1,000	148	148	148	148	2,300	2,325	347	347	347	347	4,350	4,400	656	656	656	656
1,000						2,325	2,350	351	351	351	351	4,400	4,450	664	664	664	664
1,000	1,025	152	152	152	152	2,350	2,375	354	354	354	354	4,450	4,500	671	671	671	671
1,025	1,050	156	156	156	156	2,375	2,400	358	358	358	358	4,500	4,550	679	679	679	679
1,050	1,075	159	159	159	159	2,400	2,425	362	362	362	362	4,550	4,600	686	686	686	686
1,075	1,100	163	163	163	163	2,425	2,450	366	366	366	366	4,600	4,650	694	694	694	694
1,100	1,125	167	167	167	167	2,450	2,475	369	369	369	369	4,650	4,700	701	701	701	701
1,125	1,150	171	171	171	171	2,475	2,500	373	373	373	373	4,700	4,750	709	709	709	709
1,150	1,175	174	174	174	174	2,500	2,525	377	377	377	377	4,750	4,800	716	716	716	716
1,175	1,200	178	178	178	178	2,525	2,550	381	381	381	381	4,800	4,850	724	724	724	724
1,200	1,225	182	182	182	182	2,550	2,575	384	384	384	384	4,850	4,900	731	731	731	731
1,225	1,250	186	186	186	186	2,575	2,600	388	388	388	388	4,900	4,950	739	739	739	739
1,250	1,275	189	189	189	189	2,600	2,625	392	392	392	392	4,950	5,000	746	746	746	746
1,275	1,300	193	193	193	193	2,625	2,650	396	396	396	396						
						2,650	2,675	399	399	399	399						
						2,675	2,700	403	403	403	403						

Continued on next page

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

1994 Tax Table—Continued

If Form 1040A, line 22, is—		And you are—				If Form 1040A, line 22, is—		And you are—				If Form 1040A, line 22, is—		And you are—			
At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household
		Your tax is—						Your tax is—						Your tax is—			
5,000						8,000						11,000					
5,000	5,050	754	754	754	754	8,000	8,050	1,204	1,204	1,204	1,204	11,000	11,050	1,654	1,654	1,654	1,654
5,050	5,100	761	761	761	761	8,050	8,100	1,211	1,211	1,211	1,211	11,050	11,100	1,661	1,661	1,661	1,661
5,100	5,150	769	769	769	769	8,100	8,150	1,219	1,219	1,219	1,219	11,100	11,150	1,669	1,669	1,669	1,669
5,150	5,200	776	776	776	776	8,150	8,200	1,226	1,226	1,226	1,226	11,150	11,200	1,676	1,676	1,676	1,676
5,200	5,250	784	784	784	784	8,200	8,250	1,234	1,234	1,234	1,234	11,200	11,250	1,684	1,684	1,684	1,684
5,250	5,300	791	791	791	791	8,250	8,300	1,241	1,241	1,241	1,241	11,250	11,300	1,691	1,691	1,691	1,691
5,300	5,350	799	799	799	799	8,300	8,350	1,249	1,249	1,249	1,249	11,300	11,350	1,699	1,699	1,699	1,699
5,350	5,400	806	806	806	806	8,350	8,400	1,256	1,256	1,256	1,256	11,350	11,400	1,706	1,706	1,706	1,706
5,400	5,450	814	814	814	814	8,400	8,450	1,264	1,264	1,264	1,264	11,400	11,450	1,714	1,714	1,714	1,714
5,450	5,500	821	821	821	821	8,450	8,500	1,271	1,271	1,271	1,271	11,450	11,500	1,721	1,721	1,721	1,721
5,500	5,550	829	829	829	829	8,500	8,550	1,279	1,279	1,279	1,279	11,500	11,550	1,729	1,729	1,729	1,729
5,550	5,600	836	836	836	836	8,550	8,600	1,286	1,286	1,286	1,286	11,550	11,600	1,736	1,736	1,736	1,736
5,600	5,650	844	844	844	844	8,600	8,650	1,294	1,294	1,294	1,294	11,600	11,650	1,744	1,744	1,744	1,744
5,650	5,700	851	851	851	851	8,650	8,700	1,301	1,301	1,301	1,301	11,650	11,700	1,751	1,751	1,751	1,751
5,700	5,750	859	859	859	859	8,700	8,750	1,309	1,309	1,309	1,309	11,700	11,750	1,759	1,759	1,759	1,759
5,750	5,800	866	866	866	866	8,750	8,800	1,316	1,316	1,316	1,316	11,750	11,800	1,766	1,766	1,766	1,766
5,800	5,850	874	874	874	874	8,800	8,850	1,324	1,324	1,324	1,324	11,800	11,850	1,774	1,774	1,774	1,774
5,850	5,900	881	881	881	881	8,850	8,900	1,331	1,331	1,331	1,331	11,850	11,900	1,781	1,781	1,781	1,781
5,900	5,950	889	889	889	889	8,900	8,950	1,339	1,339	1,339	1,339	11,900	11,950	1,789	1,789	1,789	1,789
5,950	6,000	896	896	896	896	8,950	9,000	1,346	1,346	1,346	1,346	11,950	12,000	1,796	1,796	1,796	1,796
6,000						9,000						12,000					
6,000	6,050	904	904	904	904	9,000	9,050	1,354	1,354	1,354	1,354	12,000	12,050	1,804	1,804	1,804	1,804
6,050	6,100	911	911	911	911	9,050	9,100	1,361	1,361	1,361	1,361	12,050	12,100	1,811	1,811	1,811	1,811
6,100	6,150	919	919	919	919	9,100	9,150	1,369	1,369	1,369	1,369	12,100	12,150	1,819	1,819	1,819	1,819
6,150	6,200	926	926	926	926	9,150	9,200	1,376	1,376	1,376	1,376	12,150	12,200	1,826	1,826	1,826	1,826
6,200	6,250	934	934	934	934	9,200	9,250	1,384	1,384	1,384	1,384	12,200	12,250	1,834	1,834	1,834	1,834
6,250	6,300	941	941	941	941	9,250	9,300	1,391	1,391	1,391	1,391	12,250	12,300	1,841	1,841	1,841	1,841
6,300	6,350	949	949	949	949	9,300	9,350	1,399	1,399	1,399	1,399	12,300	12,350	1,849	1,849	1,849	1,849
6,350	6,400	956	956	956	956	9,350	9,400	1,406	1,406	1,406	1,406	12,350	12,400	1,856	1,856	1,856	1,856
6,400	6,450	964	964	964	964	9,400	9,450	1,414	1,414	1,414	1,414	12,400	12,450	1,864	1,864	1,864	1,864
6,450	6,500	971	971	971	971	9,450	9,500	1,421	1,421	1,421	1,421	12,450	12,500	1,871	1,871	1,871	1,871
6,500	6,550	979	979	979	979	9,500	9,550	1,429	1,429	1,429	1,429	12,500	12,550	1,879	1,879	1,879	1,879
6,550	6,600	986	986	986	986	9,550	9,600	1,436	1,436	1,436	1,436	12,550	12,600	1,886	1,886	1,886	1,886
6,600	6,650	994	994	994	994	9,600	9,650	1,444	1,444	1,444	1,444	12,600	12,650	1,894	1,894	1,894	1,894
6,650	6,700	1,001	1,001	1,001	1,001	9,650	9,700	1,451	1,451	1,451	1,451	12,650	12,700	1,901	1,901	1,901	1,901
6,700	6,750	1,009	1,009	1,009	1,009	9,700	9,750	1,459	1,459	1,459	1,459	12,700	12,750	1,909	1,909	1,909	1,909
6,750	6,800	1,016	1,016	1,016	1,016	9,750	9,800	1,466	1,466	1,466	1,466	12,750	12,800	1,916	1,916	1,916	1,916
6,800	6,850	1,024	1,024	1,024	1,024	9,800	9,850	1,474	1,474	1,474	1,474	12,800	12,850	1,924	1,924	1,924	1,924
6,850	6,900	1,031	1,031	1,031	1,031	9,850	9,900	1,481	1,481	1,481	1,481	12,850	12,900	1,931	1,931	1,931	1,931
6,900	6,950	1,039	1,039	1,039	1,039	9,900	9,950	1,489	1,489	1,489	1,489	12,900	12,950	1,939	1,939	1,939	1,939
6,950	7,000	1,046	1,046	1,046	1,046	9,950	10,000	1,496	1,496	1,496	1,496	12,950	13,000	1,946	1,946	1,946	1,946
7,000						10,000						13,000					
7,000	7,050	1,054	1,054	1,054	1,054	10,000	10,050	1,504	1,504	1,504	1,504	13,000	13,050	1,954	1,954	1,954	1,954
7,050	7,100	1,061	1,061	1,061	1,061	10,050	10,100	1,511	1,511	1,511	1,511	13,050	13,100	1,961	1,961	1,961	1,961
7,100	7,150	1,069	1,069	1,069	1,069	10,100	10,150	1,519	1,519	1,519	1,519	13,100	13,150	1,969	1,969	1,969	1,969
7,150	7,200	1,076	1,076	1,076	1,076	10,150	10,200	1,526	1,526	1,526	1,526	13,150	13,200	1,976	1,976	1,976	1,976
7,200	7,250	1,084	1,084	1,084	1,084	10,200	10,250	1,534	1,534	1,534	1,534	13,200	13,250	1,984	1,984	1,984	1,984
7,250	7,300	1,091	1,091	1,091	1,091	10,250	10,300	1,541	1,541	1,541	1,541	13,250	13,300	1,991	1,991	1,991	1,991
7,300	7,350	1,099	1,099	1,099	1,099	10,300	10,350	1,549	1,549	1,549	1,549	13,300	13,350	1,999	1,999	1,999	1,999
7,350	7,400	1,106	1,106	1,106	1,106	10,350	10,400	1,556	1,556	1,556	1,556	13,350	13,400	2,006	2,006	2,006	2,006
7,400	7,450	1,114	1,114	1,114	1,114	10,400	10,450	1,564	1,564	1,564	1,564	13,400	13,450	2,014	2,014	2,014	2,014
7,450	7,500	1,121	1,121	1,121	1,121	10,450	10,500	1,571	1,571	1,571	1,571	13,450	13,500	2,021	2,021	2,021	2,021
7,500	7,550	1,129	1,129	1,129	1,129	10,500	10,550	1,579	1,579	1,579	1,579	13,500	13,550	2,029	2,029	2,029	2,029
7,550	7,600	1,136	1,136	1,136	1,136	10,550	10,600	1,586	1,586	1,586	1,586	13,550	13,600	2,036	2,036	2,036	2,036
7,600	7,650	1,144	1,144	1,144	1,144	10,600	10,650	1,594	1,594	1,594	1,594	13,600	13,650	2,044	2,044	2,044	2,044
7,650	7,700	1,151	1,151	1,151	1,151	10,650	10,700	1,601	1,601	1,601	1,601	13,650	13,700	2,051	2,051	2,051	2,051
7,700	7,750	1,159	1,159	1,159	1,159	10,700	10,750	1,609	1,609	1,609	1,609	13,700	13,750	2,059	2,059	2,059	2,059
7,750	7,800	1,166	1,166	1,166	1,166	10,750	10,800	1,616	1,616	1,616	1,616	13,750	13,800	2,066	2,066	2,066	2,066
7,800	7,850	1,174	1,174	1,174	1,174	10,800	10,850	1,624	1,624	1,624	1,624	13,800	13,850	2,074	2,074	2,074	2,074
7,850	7,900	1,181	1,181	1,181	1,181	10,850	10,900	1,631	1,631	1,631	1,631	13,850	13,900	2,081	2,081	2,081	2,081
7,900	7,950	1,189	1,189	1,189	1,189	10,900	10,950	1,639	1,639	1,639	1,639	13,900	13,950	2,089	2,089	2,089	2,089
7,950	8,000	1,196	1,196	1,196	1,196	10,950	11,000	1,646	1,646	1,646	1,646	13,950	14,000	2,096	2,096	2,096	2,096

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

1994 Tax Table—Continued

If Form 1040A, line 22, is—		And you are—				If Form 1040A, line 22, is—		And you are—				If Form 1040A, line 22, is—		And you are—			
At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a house- hold	At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a house- hold	At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a house- hold
		Your tax is—						Your tax is—						Your tax is—			
14,000						17,000						20,000					
14,000	14,050	2,104	2,104	2,104	2,104	17,000	17,050	2,554	2,554	2,554	2,554	20,000	20,050	3,004	3,004	3,137	3,004
14,050	14,100	2,111	2,111	2,111	2,111	17,050	17,100	2,561	2,561	2,561	2,561	20,050	20,100	3,011	3,011	3,151	3,011
14,100	14,150	2,119	2,119	2,119	2,119	17,100	17,150	2,569	2,569	2,569	2,569	20,100	20,150	3,019	3,019	3,165	3,019
14,150	14,200	2,126	2,126	2,126	2,126	17,150	17,200	2,576	2,576	2,576	2,576	20,150	20,200	3,026	3,026	3,179	3,026
14,200	14,250	2,134	2,134	2,134	2,134	17,200	17,250	2,584	2,584	2,584	2,584	20,200	20,250	3,034	3,034	3,193	3,034
14,250	14,300	2,141	2,141	2,141	2,141	17,250	17,300	2,591	2,591	2,591	2,591	20,250	20,300	3,041	3,041	3,207	3,041
14,300	14,350	2,149	2,149	2,149	2,149	17,300	17,350	2,599	2,599	2,599	2,599	20,300	20,350	3,049	3,049	3,221	3,049
14,350	14,400	2,156	2,156	2,156	2,156	17,350	17,400	2,606	2,606	2,606	2,606	20,350	20,400	3,056	3,056	3,235	3,056
14,400	14,450	2,164	2,164	2,164	2,164	17,400	17,450	2,614	2,614	2,614	2,614	20,400	20,450	3,064	3,064	3,249	3,064
14,450	14,500	2,171	2,171	2,171	2,171	17,450	17,500	2,621	2,621	2,621	2,621	20,450	20,500	3,071	3,071	3,263	3,071
14,500	14,550	2,179	2,179	2,179	2,179	17,500	17,550	2,629	2,629	2,629	2,629	20,500	20,550	3,079	3,079	3,277	3,079
14,550	14,600	2,186	2,186	2,186	2,186	17,550	17,600	2,636	2,636	2,636	2,636	20,550	20,600	3,086	3,086	3,291	3,086
14,600	14,650	2,194	2,194	2,194	2,194	17,600	17,650	2,644	2,644	2,644	2,644	20,600	20,650	3,094	3,094	3,305	3,094
14,650	14,700	2,201	2,201	2,201	2,201	17,650	17,700	2,651	2,651	2,651	2,651	20,650	20,700	3,101	3,101	3,319	3,101
14,700	14,750	2,209	2,209	2,209	2,209	17,700	17,750	2,659	2,659	2,659	2,659	20,700	20,750	3,109	3,109	3,333	3,109
14,750	14,800	2,216	2,216	2,216	2,216	17,750	17,800	2,666	2,666	2,666	2,666	20,750	20,800	3,116	3,116	3,347	3,116
14,800	14,850	2,224	2,224	2,224	2,224	17,800	17,850	2,674	2,674	2,674	2,674	20,800	20,850	3,124	3,124	3,361	3,124
14,850	14,900	2,231	2,231	2,231	2,231	17,850	17,900	2,681	2,681	2,681	2,681	20,850	20,900	3,131	3,131	3,375	3,131
14,900	14,950	2,239	2,239	2,239	2,239	17,900	17,950	2,689	2,689	2,689	2,689	20,900	20,950	3,139	3,139	3,389	3,139
14,950	15,000	2,246	2,246	2,246	2,246	17,950	18,000	2,696	2,696	2,696	2,696	20,950	21,000	3,146	3,146	3,403	3,146
15,000						18,000						21,000					
15,000	15,050	2,254	2,254	2,254	2,254	18,000	18,050	2,704	2,704	2,704	2,704	21,000	21,050	3,154	3,154	3,417	3,154
15,050	15,100	2,261	2,261	2,261	2,261	18,050	18,100	2,711	2,711	2,711	2,711	21,050	21,100	3,161	3,161	3,431	3,161
15,100	15,150	2,269	2,269	2,269	2,269	18,100	18,150	2,719	2,719	2,719	2,719	21,100	21,150	3,169	3,169	3,445	3,169
15,150	15,200	2,276	2,276	2,276	2,276	18,150	18,200	2,726	2,726	2,726	2,726	21,150	21,200	3,176	3,176	3,459	3,176
15,200	15,250	2,284	2,284	2,284	2,284	18,200	18,250	2,734	2,734	2,734	2,734	21,200	21,250	3,184	3,184	3,473	3,184
15,250	15,300	2,291	2,291	2,291	2,291	18,250	18,300	2,741	2,741	2,741	2,741	21,250	21,300	3,191	3,191	3,487	3,191
15,300	15,350	2,299	2,299	2,299	2,299	18,300	18,350	2,749	2,749	2,749	2,749	21,300	21,350	3,199	3,199	3,501	3,199
15,350	15,400	2,306	2,306	2,306	2,306	18,350	18,400	2,756	2,756	2,756	2,756	21,350	21,400	3,206	3,206	3,515	3,206
15,400	15,450	2,314	2,314	2,314	2,314	18,400	18,450	2,764	2,764	2,764	2,764	21,400	21,450	3,214	3,214	3,529	3,214
15,450	15,500	2,321	2,321	2,321	2,321	18,450	18,500	2,771	2,771	2,771	2,771	21,450	21,500	3,221	3,221	3,543	3,221
15,500	15,550	2,329	2,329	2,329	2,329	18,500	18,550	2,779	2,779	2,779	2,779	21,500	21,550	3,229	3,229	3,557	3,229
15,550	15,600	2,336	2,336	2,336	2,336	18,550	18,600	2,786	2,786	2,786	2,786	21,550	21,600	3,236	3,236	3,571	3,236
15,600	15,650	2,344	2,344	2,344	2,344	18,600	18,650	2,794	2,794	2,794	2,794	21,600	21,650	3,244	3,244	3,585	3,244
15,650	15,700	2,351	2,351	2,351	2,351	18,650	18,700	2,801	2,801	2,801	2,801	21,650	21,700	3,251	3,251	3,599	3,251
15,700	15,750	2,359	2,359	2,359	2,359	18,700	18,750	2,809	2,809	2,809	2,809	21,700	21,750	3,259	3,259	3,613	3,259
15,750	15,800	2,366	2,366	2,366	2,366	18,750	18,800	2,816	2,816	2,816	2,816	21,750	21,800	3,266	3,266	3,627	3,266
15,800	15,850	2,374	2,374	2,374	2,374	18,800	18,850	2,824	2,824	2,824	2,824	21,800	21,850	3,274	3,274	3,641	3,274
15,850	15,900	2,381	2,381	2,381	2,381	18,850	18,900	2,831	2,831	2,831	2,831	21,850	21,900	3,281	3,281	3,655	3,281
15,900	15,950	2,389	2,389	2,389	2,389	18,900	18,950	2,839	2,839	2,839	2,839	21,900	21,950	3,289	3,289	3,669	3,289
15,950	16,000	2,396	2,396	2,396	2,396	18,950	19,000	2,846	2,846	2,846	2,846	21,950	22,000	3,296	3,296	3,683	3,296
16,000						19,000						22,000					
16,000	16,050	2,404	2,404	2,404	2,404	19,000	19,050	2,854	2,854	2,857	2,854	22,000	22,050	3,304	3,304	3,697	3,304
16,050	16,100	2,411	2,411	2,411	2,411	19,050	19,100	2,861	2,861	2,871	2,861	22,050	22,100	3,311	3,311	3,711	3,311
16,100	16,150	2,419	2,419	2,419	2,419	19,100	19,150	2,869	2,869	2,885	2,869	22,100	22,150	3,319	3,319	3,725	3,319
16,150	16,200	2,426	2,426	2,426	2,426	19,150	19,200	2,876	2,876	2,899	2,876	22,150	22,200	3,326	3,326	3,739	3,326
16,200	16,250	2,434	2,434	2,434	2,434	19,200	19,250	2,884	2,884	2,913	2,884	22,200	22,250	3,334	3,334	3,753	3,334
16,250	16,300	2,441	2,441	2,441	2,441	19,250	19,300	2,891	2,891	2,927	2,891	22,250	22,300	3,341	3,341	3,767	3,341
16,300	16,350	2,449	2,449	2,449	2,449	19,300	19,350	2,899	2,899	2,941	2,899	22,300	22,350	3,349	3,349	3,781	3,349
16,350	16,400	2,456	2,456	2,456	2,456	19,350	19,400	2,906	2,906	2,955	2,906	22,350	22,400	3,356	3,356	3,795	3,356
16,400	16,450	2,464	2,464	2,464	2,464	19,400	19,450	2,914	2,914	2,969	2,914	22,400	22,450	3,364	3,364	3,809	3,364
16,450	16,500	2,471	2,471	2,471	2,471	19,450	19,500	2,921	2,921	2,983	2,921	22,450	22,500	3,371	3,371	3,823	3,371
16,500	16,550	2,479	2,479	2,479	2,479	19,500	19,550	2,929	2,929	2,997	2,929	22,500	22,550	3,379	3,379	3,837	3,379
16,550	16,600	2,486	2,486	2,486	2,486	19,550	19,600	2,936	2,936	3,011	2,936	22,550	22,600	3,386	3,386	3,851	3,386
16,600	16,650	2,494	2,494	2,494	2,494	19,600	19,650	2,944	2,944	3,025	2,944	22,600	22,650	3,394	3,394	3,865	3,394
16,650	16,700	2,501	2,501	2,501	2,501	19,650	19,700	2,951	2,951	3,039	2,951	22,650	22,700	3,401	3,401	3,879	3,401
16,700	16,750	2,509	2,509	2,509	2,509	19,700	19,750	2,959	2,959	3,053	2,959	22,700	22,750	3,409	3,409	3,893	3,409
16,750	16,800	2,516	2,516	2,516	2,516	19,750	19,800	2,966	2,966	3,067	2,966	22,750	22,800	3,420	3,416	3,907	3,416
16,800	16,850	2,524	2,524	2,524	2,524	19,800	19,850	2,974	2,974	3,081	2,974	22,800	22,850	3,434	3,424	3,921	3,424
16,850	16,900	2,531	2,531	2,531	2,531	19,850	19,900	2,981	2,981	3,095	2,981	22,850	22,900	3,448	3,431	3,935	3,431
16,900	16,950	2,539	2,539	2,539	2,539	19,900	19,950	2,989	2,989	3,109	2,989	22,900	22,950	3,462	3,4		

1994 Tax Table—Continued

If Form 1040A, line 22, is—		And you are—				If Form 1040A, line 22, is—		And you are—				If Form 1040A, line 22, is—		And you are—			
At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household
		Your tax is—						Your tax is—						Your tax is—			
23,000						26,000						29,000					
23,000	23,050	3,490	3,454	3,977	3,454	26,000	26,050	4,330	3,904	4,817	3,904	29,000	29,050	5,170	4,354	5,657	4,354
23,050	23,100	3,504	3,461	3,991	3,461	26,050	26,100	4,344	3,911	4,831	3,911	29,050	29,100	5,184	4,361	5,671	4,361
23,100	23,150	3,518	3,469	4,005	3,469	26,100	26,150	4,358	3,919	4,845	3,919	29,100	29,150	5,198	4,369	5,685	4,369
23,150	23,200	3,532	3,476	4,019	3,476	26,150	26,200	4,372	3,926	4,859	3,926	29,150	29,200	5,212	4,376	5,699	4,376
23,200	23,250	3,546	3,484	4,033	3,484	26,200	26,250	4,386	3,934	4,873	3,934	29,200	29,250	5,226	4,384	5,713	4,384
23,250	23,300	3,560	3,491	4,047	3,491	26,250	26,300	4,400	3,941	4,887	3,941	29,250	29,300	5,240	4,391	5,727	4,391
23,300	23,350	3,574	3,499	4,061	3,499	26,300	26,350	4,414	3,949	4,901	3,949	29,300	29,350	5,254	4,399	5,741	4,399
23,350	23,400	3,588	3,506	4,075	3,506	26,350	26,400	4,428	3,956	4,915	3,956	29,350	29,400	5,268	4,406	5,755	4,406
23,400	23,450	3,602	3,514	4,089	3,514	26,400	26,450	4,442	3,964	4,929	3,964	29,400	29,450	5,282	4,414	5,769	4,414
23,450	23,500	3,616	3,521	4,103	3,521	26,450	26,500	4,456	3,971	4,943	3,971	29,450	29,500	5,296	4,421	5,783	4,421
23,500	23,550	3,630	3,529	4,117	3,529	26,500	26,550	4,470	3,979	4,957	3,979	29,500	29,550	5,310	4,429	5,797	4,429
23,550	23,600	3,644	3,536	4,131	3,536	26,550	26,600	4,484	3,986	4,971	3,986	29,550	29,600	5,324	4,436	5,811	4,436
23,600	23,650	3,658	3,544	4,145	3,544	26,600	26,650	4,498	3,994	4,985	3,994	29,600	29,650	5,338	4,444	5,825	4,444
23,650	23,700	3,672	3,551	4,159	3,551	26,650	26,700	4,512	4,001	4,999	4,001	29,650	29,700	5,352	4,451	5,839	4,451
23,700	23,750	3,686	3,559	4,173	3,559	26,700	26,750	4,526	4,009	5,013	4,009	29,700	29,750	5,366	4,459	5,853	4,459
23,750	23,800	3,700	3,566	4,187	3,566	26,750	26,800	4,540	4,016	5,027	4,016	29,750	29,800	5,380	4,466	5,867	4,466
23,800	23,850	3,714	3,574	4,201	3,574	26,800	26,850	4,554	4,024	5,041	4,024	29,800	29,850	5,394	4,474	5,881	4,474
23,850	23,900	3,728	3,581	4,215	3,581	26,850	26,900	4,568	4,031	5,055	4,031	29,850	29,900	5,408	4,481	5,895	4,481
23,900	23,950	3,742	3,589	4,229	3,589	26,900	26,950	4,582	4,039	5,069	4,039	29,900	29,950	5,422	4,489	5,909	4,489
23,950	24,000	3,756	3,596	4,243	3,596	26,950	27,000	4,596	4,046	5,083	4,046	29,950	30,000	5,436	4,496	5,923	4,496
24,000						27,000						30,000					
24,000	24,050	3,770	3,604	4,257	3,604	27,000	27,050	4,610	4,054	5,097	4,054	30,000	30,050	5,450	4,504	5,937	4,504
24,050	24,100	3,784	3,611	4,271	3,611	27,050	27,100	4,624	4,061	5,111	4,061	30,050	30,100	5,464	4,511	5,951	4,511
24,100	24,150	3,798	3,619	4,285	3,619	27,100	27,150	4,638	4,069	5,125	4,069	30,100	30,150	5,478	4,519	5,965	4,519
24,150	24,200	3,812	3,626	4,299	3,626	27,150	27,200	4,652	4,076	5,139	4,076	30,150	30,200	5,492	4,526	5,979	4,526
24,200	24,250	3,826	3,634	4,313	3,634	27,200	27,250	4,666	4,084	5,153	4,084	30,200	30,250	5,506	4,534	5,993	4,534
24,250	24,300	3,840	3,641	4,327	3,641	27,250	27,300	4,680	4,091	5,167	4,091	30,250	30,300	5,520	4,541	6,007	4,541
24,300	24,350	3,854	3,649	4,341	3,649	27,300	27,350	4,694	4,099	5,181	4,099	30,300	30,350	5,534	4,549	6,021	4,549
24,350	24,400	3,868	3,656	4,355	3,656	27,350	27,400	4,708	4,106	5,195	4,106	30,350	30,400	5,548	4,556	6,035	4,556
24,400	24,450	3,882	3,664	4,369	3,664	27,400	27,450	4,722	4,114	5,209	4,114	30,400	30,450	5,562	4,564	6,049	4,564
24,450	24,500	3,896	3,671	4,383	3,671	27,450	27,500	4,736	4,121	5,223	4,121	30,450	30,500	5,576	4,571	6,063	4,571
24,500	24,550	3,910	3,679	4,397	3,679	27,500	27,550	4,750	4,129	5,237	4,129	30,500	30,550	5,590	4,579	6,077	4,582
24,550	24,600	3,924	3,686	4,411	3,686	27,550	27,600	4,764	4,136	5,251	4,136	30,550	30,600	5,604	4,586	6,091	4,596
24,600	24,650	3,938	3,694	4,425	3,694	27,600	27,650	4,778	4,144	5,265	4,144	30,600	30,650	5,618	4,594	6,105	4,610
24,650	24,700	3,952	3,701	4,439	3,701	27,650	27,700	4,792	4,151	5,279	4,151	30,650	30,700	5,632	4,601	6,119	4,624
24,700	24,750	3,966	3,709	4,453	3,709	27,700	27,750	4,806	4,159	5,293	4,159	30,700	30,750	5,646	4,609	6,133	4,638
24,750	24,800	3,980	3,716	4,467	3,716	27,750	27,800	4,820	4,166	5,307	4,166	30,750	30,800	5,660	4,616	6,147	4,652
24,800	24,850	3,994	3,724	4,481	3,724	27,800	27,850	4,834	4,174	5,321	4,174	30,800	30,850	5,674	4,624	6,161	4,666
24,850	24,900	4,008	3,731	4,495	3,731	27,850	27,900	4,848	4,181	5,335	4,181	30,850	30,900	5,688	4,631	6,175	4,680
24,900	24,950	4,022	3,739	4,509	3,739	27,900	27,950	4,862	4,189	5,349	4,189	30,900	30,950	5,702	4,639	6,189	4,694
24,950	25,000	4,036	3,746	4,523	3,746	27,950	28,000	4,876	4,196	5,363	4,196	30,950	31,000	5,716	4,646	6,203	4,708
25,000						28,000						31,000					
25,000	25,050	4,050	3,754	4,537	3,754	28,000	28,050	4,890	4,204	5,377	4,204	31,000	31,050	5,730	4,654	6,217	4,722
25,050	25,100	4,064	3,761	4,551	3,761	28,050	28,100	4,904	4,211	5,391	4,211	31,050	31,100	5,744	4,661	6,231	4,736
25,100	25,150	4,078	3,769	4,565	3,769	28,100	28,150	4,918	4,219	5,405	4,219	31,100	31,150	5,758	4,669	6,245	4,750
25,150	25,200	4,092	3,776	4,579	3,776	28,150	28,200	4,932	4,226	5,419	4,226	31,150	31,200	5,772	4,676	6,259	4,764
25,200	25,250	4,106	3,784	4,593	3,784	28,200	28,250	4,946	4,234	5,433	4,234	31,200	31,250	5,786	4,684	6,273	4,778
25,250	25,300	4,120	3,791	4,607	3,791	28,250	28,300	4,960	4,241	5,447	4,241	31,250	31,300	5,800	4,691	6,287	4,792
25,300	25,350	4,134	3,799	4,621	3,799	28,300	28,350	4,974	4,249	5,461	4,249	31,300	31,350	5,814	4,699	6,301	4,806
25,350	25,400	4,148	3,806	4,635	3,806	28,350	28,400	4,988	4,256	5,475	4,256	31,350	31,400	5,828	4,706	6,315	4,820
25,400	25,450	4,162	3,814	4,649	3,814	28,400	28,450	5,002	4,264	5,489	4,264	31,400	31,450	5,842	4,714	6,329	4,834
25,450	25,500	4,176	3,821	4,663	3,821	28,450	28,500	5,016	4,271	5,503	4,271	31,450	31,500	5,856	4,721	6,343	4,848
25,500	25,550	4,190	3,829	4,677	3,829	28,500	28,550	5,030	4,279	5,517	4,279	31,500	31,550	5,870	4,729	6,357	4,862
25,550	25,600	4,204	3,836	4,691	3,836	28,550	28,600	5,044	4,286	5,531	4,286	31,550	31,600	5,884	4,736	6,371	4,876
25,600	25,650	4,218	3,844	4,705	3,844	28,600	28,650	5,058	4,294	5,545	4,294	31,600	31,650	5,898	4,744	6,385	4,890
25,650	25,700	4,232	3,851	4,719	3,851	28,650	28,700	5,072	4,301	5,559	4,301	31,650	31,700	5,912	4,751	6,399	4,904
25,700	25,750	4,246	3,859	4,733	3,859	28,700	28,750	5,086	4,309	5,573	4,309	31,700	31,750	5,926	4,759	6,413	4,918
25,750	25,800	4,260	3,866	4,747	3,866	28,750	28,800	5,100	4,316	5,587	4,316	31,750	31,800	5,940	4,766	6,427	4,932
25,800	25,850	4,274	3,874	4,761	3,874	28,800	28,850	5,114	4,324	5,601	4,324	31,800	31,850	5,954	4,774	6,441	4,946
25,850	25,900	4,288	3,881	4,775	3,881	28,850	28,900	5,128	4,331	5,615	4,331	31,850	31,900	5,968	4,781	6,455	4,960
25,900	25,950	4,302	3,889	4,789	3,889	28,900	28,950	5,142	4,339	5,629	4,339	31,900	31,950	5,982	4,789	6,469	4,974
25,950	26,000	4,316	3,896	4,803	3,896	28,950	29,000	5,156	4,346	5,643	4,346	31,950	32,000	5,996	4,796	6,483</	

1994 Tax Table—Continued

If Form 1040A, line 22, is—		And you are—				If Form 1040A, line 22, is—		And you are—				If Form 1040A, line 22, is—		And you are—			
At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly *	Married filing separately	Head of a household
		Your tax is—						Your tax is—						Your tax is—			
32,000						35,000						38,000					
32,000	32,050	6,010	4,804	6,497	5,002	35,000	35,050	6,850	5,254	7,337	5,842	38,000	38,050	7,690	5,707	8,177	6,682
32,050	32,100	6,024	4,811	6,511	5,016	35,050	35,100	6,864	5,261	7,351	5,856	38,050	38,100	7,704	5,721	8,191	6,696
32,100	32,150	6,038	4,819	6,525	5,030	35,100	35,150	6,878	5,269	7,365	5,870	38,100	38,150	7,718	5,735	8,205	6,710
32,150	32,200	6,052	4,826	6,539	5,044	35,150	35,200	6,892	5,276	7,379	5,884	38,150	38,200	7,732	5,749	8,219	6,724
32,200	32,250	6,066	4,834	6,553	5,058	35,200	35,250	6,906	5,284	7,393	5,898	38,200	38,250	7,746	5,763	8,233	6,738
32,250	32,300	6,080	4,841	6,567	5,072	35,250	35,300	6,920	5,291	7,407	5,912	38,250	38,300	7,760	5,777	8,247	6,752
32,300	32,350	6,094	4,849	6,581	5,086	35,300	35,350	6,934	5,299	7,421	5,926	38,300	38,350	7,774	5,791	8,261	6,766
32,350	32,400	6,108	4,856	6,595	5,100	35,350	35,400	6,948	5,306	7,435	5,940	38,350	38,400	7,788	5,805	8,275	6,780
32,400	32,450	6,122	4,864	6,609	5,114	35,400	35,450	6,962	5,314	7,449	5,954	38,400	38,450	7,802	5,819	8,289	6,794
32,450	32,500	6,136	4,871	6,623	5,128	35,450	35,500	6,976	5,321	7,463	5,968	38,450	38,500	7,816	5,833	8,303	6,808
32,500	32,550	6,150	4,879	6,637	5,142	35,500	35,550	6,990	5,329	7,477	5,982	38,500	38,550	7,830	5,847	8,317	6,822
32,550	32,600	6,164	4,886	6,651	5,156	35,550	35,600	7,004	5,336	7,491	5,996	38,550	38,600	7,844	5,861	8,331	6,836
32,600	32,650	6,178	4,894	6,665	5,170	35,600	35,650	7,018	5,344	7,505	6,010	38,600	38,650	7,858	5,875	8,345	6,850
32,650	32,700	6,192	4,901	6,679	5,184	35,650	35,700	7,032	5,351	7,519	6,024	38,650	38,700	7,872	5,889	8,359	6,864
32,700	32,750	6,206	4,909	6,693	5,198	35,700	35,750	7,046	5,359	7,533	6,038	38,700	38,750	7,886	5,903	8,373	6,878
32,750	32,800	6,220	4,916	6,707	5,212	35,750	35,800	7,060	5,366	7,547	6,052	38,750	38,800	7,900	5,917	8,387	6,892
32,800	32,850	6,234	4,924	6,721	5,226	35,800	35,850	7,074	5,374	7,561	6,066	38,800	38,850	7,914	5,931	8,401	6,906
32,850	32,900	6,248	4,931	6,735	5,240	35,850	35,900	7,088	5,381	7,575	6,080	38,850	38,900	7,928	5,945	8,415	6,920
32,900	32,950	6,262	4,939	6,749	5,254	35,900	35,950	7,102	5,389	7,589	6,094	38,900	38,950	7,942	5,959	8,429	6,934
32,950	33,000	6,276	4,946	6,763	5,268	35,950	36,000	7,116	5,396	7,603	6,108	38,950	39,000	7,956	5,973	8,443	6,948
33,000						36,000						39,000					
33,000	33,050	6,290	4,954	6,777	5,282	36,000	36,050	7,130	5,404	7,617	6,122	39,000	39,050	7,970	5,987	8,457	6,962
33,050	33,100	6,304	4,961	6,791	5,296	36,050	36,100	7,144	5,411	7,631	6,136	39,050	39,100	7,984	6,001	8,471	6,976
33,100	33,150	6,318	4,969	6,805	5,310	36,100	36,150	7,158	5,419	7,645	6,150	39,100	39,150	7,998	6,015	8,485	6,990
33,150	33,200	6,332	4,976	6,819	5,324	36,150	36,200	7,172	5,426	7,659	6,164	39,150	39,200	8,012	6,029	8,499	7,004
33,200	33,250	6,346	4,984	6,833	5,338	36,200	36,250	7,186	5,434	7,673	6,178	39,200	39,250	8,026	6,043	8,513	7,018
33,250	33,300	6,360	4,991	6,847	5,352	36,250	36,300	7,200	5,441	7,687	6,192	39,250	39,300	8,040	6,057	8,527	7,032
33,300	33,350	6,374	4,999	6,861	5,366	36,300	36,350	7,214	5,449	7,701	6,206	39,300	39,350	8,054	6,071	8,541	7,046
33,350	33,400	6,388	5,006	6,875	5,380	36,350	36,400	7,228	5,456	7,715	6,220	39,350	39,400	8,068	6,085	8,555	7,060
33,400	33,450	6,402	5,014	6,889	5,394	36,400	36,450	7,242	5,464	7,729	6,234	39,400	39,450	8,082	6,099	8,569	7,074
33,450	33,500	6,416	5,021	6,903	5,408	36,450	36,500	7,256	5,471	7,743	6,248	39,450	39,500	8,096	6,113	8,583	7,088
33,500	33,550	6,430	5,029	6,917	5,422	36,500	36,550	7,270	5,479	7,757	6,262	39,500	39,550	8,110	6,127	8,597	7,102
33,550	33,600	6,444	5,036	6,931	5,436	36,550	36,600	7,284	5,486	7,771	6,276	39,550	39,600	8,124	6,141	8,611	7,116
33,600	33,650	6,458	5,044	6,945	5,450	36,600	36,650	7,298	5,494	7,785	6,290	39,600	39,650	8,138	6,155	8,625	7,130
33,650	33,700	6,472	5,051	6,959	5,464	36,650	36,700	7,312	5,501	7,799	6,304	39,650	39,700	8,152	6,169	8,639	7,144
33,700	33,750	6,486	5,059	6,973	5,478	36,700	36,750	7,326	5,509	7,813	6,318	39,700	39,750	8,166	6,183	8,653	7,158
33,750	33,800	6,500	5,066	6,987	5,492	36,750	36,800	7,340	5,516	7,827	6,332	39,750	39,800	8,180	6,197	8,667	7,172
33,800	33,850	6,514	5,074	7,001	5,506	36,800	36,850	7,354	5,524	7,841	6,346	39,800	39,850	8,194	6,211	8,681	7,186
33,850	33,900	6,528	5,081	7,015	5,520	36,850	36,900	7,368	5,531	7,855	6,360	39,850	39,900	8,208	6,225	8,695	7,200
33,900	33,950	6,542	5,089	7,029	5,534	36,900	36,950	7,382	5,539	7,869	6,374	39,900	39,950	8,222	6,239	8,709	7,214
33,950	34,000	6,556	5,096	7,043	5,548	36,950	37,000	7,396	5,546	7,883	6,388	39,950	40,000	8,236	6,253	8,723	7,228
34,000						37,000						40,000					
34,000	34,050	6,570	5,104	7,057	5,562	37,000	37,050	7,410	5,554	7,897	6,402	40,000	40,050	8,250	6,267	8,737	7,242
34,050	34,100	6,584	5,111	7,071	5,576	37,050	37,100	7,424	5,561	7,911	6,416	40,050	40,100	8,264	6,281	8,751	7,256
34,100	34,150	6,598	5,119	7,085	5,590	37,100	37,150	7,438	5,569	7,925	6,430	40,100	40,150	8,278	6,295	8,765	7,270
34,150	34,200	6,612	5,126	7,099	5,604	37,150	37,200	7,452	5,576	7,939	6,444	40,150	40,200	8,292	6,309	8,779	7,284
34,200	34,250	6,626	5,134	7,113	5,618	37,200	37,250	7,466	5,584	7,953	6,458	40,200	40,250	8,306	6,323	8,793	7,298
34,250	34,300	6,640	5,141	7,127	5,632	37,250	37,300	7,480	5,591	7,967	6,472	40,250	40,300	8,320	6,337	8,807	7,312
34,300	34,350	6,654	5,149	7,141	5,646	37,300	37,350	7,494	5,599	7,981	6,486	40,300	40,350	8,334	6,351	8,821	7,326
34,350	34,400	6,668	5,156	7,155	5,660	37,350	37,400	7,508	5,606	7,995	6,500	40,350	40,400	8,348	6,365	8,835	7,340
34,400	34,450	6,682	5,164	7,169	5,674	37,400	37,450	7,522	5,614	8,009	6,514	40,400	40,450	8,362	6,379	8,849	7,354
34,450	34,500	6,696	5,171	7,183	5,688	37,450	37,500	7,536	5,621	8,023	6,528	40,450	40,500	8,376	6,393	8,863	7,368
34,500	34,550	6,710	5,179	7,197	5,702	37,500	37,550	7,550	5,629	8,037	6,542	40,500	40,550	8,390	6,407	8,877	7,382
34,550	34,600	6,724	5,186	7,211	5,716	37,550	37,600	7,564	5,636	8,051	6,556	40,550	40,600	8,404	6,421	8,891	7,396
34,600	34,650	6,738	5,194	7,225	5,730	37,600	37,650	7,578	5,644	8,065	6,570	40,600	40,650	8,418	6,435	8,905	7,410
34,650	34,700	6,752	5,201	7,239	5,744	37,650	37,700	7,592	5,651	8,079	6,584	40,650	40,700	8,432	6,449	8,919	7,424
34,700	34,750	6,766	5,209	7,253	5,758	37,700	37,750	7,606	5,659	8,093	6,598	40,700	40,750	8,446	6,463	8,933	7,438
34,750	34,800	6,780	5,216	7,267	5,772	37,750	37,800	7,620	5,666	8,107	6,612	40,750	40,800	8,460	6,477	8,947	7,452
34,800	34,850	6,794	5,224	7,281	5,786	37,800	37,850	7,634	5,674	8,121	6,626	40,800	40,850	8,474	6,491	8,961	7,466
34,850	34,900	6,808	5,231	7,295	5,800	37,850	37,900	7,648	5,681	8,135	6,640	40,850	40,900	8,488	6,505	8,975	7,480
34,900	34,950	6,822	5,239	7,309	5,814	37,900	37,950	7,662	5,689	8,149	6,654	40,900	40,950	8,502	6,519	8,989	7,494
34,950	35,000	6,836	5,246	7,323	5,8												

1994 Tax Table—Continued

If Form 1040A, line 22, is—		And you are—				If Form 1040A, line 22, is—		And you are—				If Form 1040A, line 22, is—		And you are—			
At least	But less than	Single	Married filing jointly *	Married filing sepa- rately	Head of a house- hold	At least	But less than	Single	Married filing jointly *	Married filing sepa- rately	Head of a house- hold	At least	But less than	Single	Married filing jointly *	Married filing sepa- rately	Head of a house- hold
		Your tax is—						Your tax is—						Your tax is—			
41,000						44,000						47,000					
41,000	41,050	8,530	6,547	9,017	7,522	44,000	44,050	9,370	7,387	9,857	8,362	47,000	47,050	10,210	8,227	10,730	9,202
41,050	41,100	8,544	6,561	9,031	7,536	44,050	44,100	9,384	7,401	9,871	8,376	47,050	47,100	10,224	8,241	10,746	9,216
41,100	41,150	8,558	6,575	9,045	7,550	44,100	44,150	9,398	7,415	9,885	8,390	47,100	47,150	10,238	8,255	10,761	9,230
41,150	41,200	8,572	6,589	9,059	7,564	44,150	44,200	9,412	7,429	9,899	8,404	47,150	47,200	10,252	8,269	10,777	9,244
41,200	41,250	8,586	6,603	9,073	7,578	44,200	44,250	9,426	7,443	9,913	8,418	47,200	47,250	10,266	8,283	10,792	9,258
41,250	41,300	8,600	6,617	9,087	7,592	44,250	44,300	9,440	7,457	9,927	8,432	47,250	47,300	10,280	8,297	10,808	9,272
41,300	41,350	8,614	6,631	9,101	7,606	44,300	44,350	9,454	7,471	9,941	8,446	47,300	47,350	10,294	8,311	10,823	9,286
41,350	41,400	8,628	6,645	9,115	7,620	44,350	44,400	9,468	7,485	9,955	8,460	47,350	47,400	10,308	8,325	10,839	9,300
41,400	41,450	8,642	6,659	9,129	7,634	44,400	44,450	9,482	7,499	9,969	8,474	47,400	47,450	10,322	8,339	10,854	9,314
41,450	41,500	8,656	6,673	9,143	7,648	44,450	44,500	9,496	7,513	9,983	8,488	47,450	47,500	10,336	8,353	10,870	9,328
41,500	41,550	8,670	6,687	9,157	7,662	44,500	44,550	9,510	7,527	9,997	8,502	47,500	47,550	10,350	8,367	10,885	9,342
41,550	41,600	8,684	6,701	9,171	7,676	44,550	44,600	9,524	7,541	10,011	8,516	47,550	47,600	10,364	8,381	10,901	9,356
41,600	41,650	8,698	6,715	9,185	7,690	44,600	44,650	9,538	7,555	10,025	8,530	47,600	47,650	10,378	8,395	10,916	9,370
41,650	41,700	8,712	6,729	9,199	7,704	44,650	44,700	9,552	7,569	10,039	8,544	47,650	47,700	10,392	8,409	10,932	9,384
41,700	41,750	8,726	6,743	9,213	7,718	44,700	44,750	9,566	7,583	10,053	8,558	47,700	47,750	10,406	8,423	10,947	9,398
41,750	41,800	8,740	6,757	9,227	7,732	44,750	44,800	9,580	7,597	10,067	8,572	47,750	47,800	10,420	8,437	10,963	9,412
41,800	41,850	8,754	6,771	9,241	7,746	44,800	44,850	9,594	7,611	10,081	8,586	47,800	47,850	10,434	8,451	10,978	9,426
41,850	41,900	8,768	6,785	9,255	7,760	44,850	44,900	9,608	7,625	10,095	8,600	47,850	47,900	10,448	8,465	10,994	9,440
41,900	41,950	8,782	6,799	9,269	7,774	44,900	44,950	9,622	7,639	10,109	8,614	47,900	47,950	10,462	8,479	11,009	9,454
41,950	42,000	8,796	6,813	9,283	7,788	44,950	45,000	9,636	7,653	10,123	8,628	47,950	48,000	10,476	8,493	11,025	9,468
42,000						45,000						48,000					
42,000	42,050	8,810	6,827	9,297	7,802	45,000	45,050	9,650	7,667	10,137	8,642	48,000	48,050	10,490	8,507	11,040	9,482
42,050	42,100	8,824	6,841	9,311	7,816	45,050	45,100	9,664	7,681	10,151	8,656	48,050	48,100	10,504	8,521	11,056	9,496
42,100	42,150	8,838	6,855	9,325	7,830	45,100	45,150	9,678	7,695	10,165	8,670	48,100	48,150	10,518	8,535	11,071	9,510
42,150	42,200	8,852	6,869	9,339	7,844	45,150	45,200	9,692	7,709	10,179	8,684	48,150	48,200	10,532	8,549	11,087	9,524
42,200	42,250	8,866	6,883	9,353	7,858	45,200	45,250	9,706	7,723	10,193	8,698	48,200	48,250	10,546	8,563	11,102	9,538
42,250	42,300	8,880	6,897	9,367	7,872	45,250	45,300	9,720	7,737	10,207	8,712	48,250	48,300	10,560	8,577	11,118	9,552
42,300	42,350	8,894	6,911	9,381	7,886	45,300	45,350	9,734	7,751	10,221	8,726	48,300	48,350	10,574	8,591	11,133	9,566
42,350	42,400	8,908	6,925	9,395	7,900	45,350	45,400	9,748	7,765	10,235	8,740	48,350	48,400	10,588	8,605	11,149	9,580
42,400	42,450	8,922	6,939	9,409	7,914	45,400	45,450	9,762	7,779	10,249	8,754	48,400	48,450	10,602	8,619	11,164	9,594
42,450	42,500	8,936	6,953	9,423	7,928	45,450	45,500	9,776	7,793	10,263	8,768	48,450	48,500	10,616	8,633	11,180	9,608
42,500	42,550	8,950	6,967	9,437	7,942	45,500	45,550	9,790	7,807	10,277	8,782	48,500	48,550	10,630	8,647	11,195	9,622
42,550	42,600	8,964	6,981	9,451	7,956	45,550	45,600	9,804	7,821	10,291	8,796	48,550	48,600	10,644	8,661	11,211	9,636
42,600	42,650	8,978	6,995	9,465	7,970	45,600	45,650	9,818	7,835	10,305	8,810	48,600	48,650	10,658	8,675	11,226	9,650
42,650	42,700	8,992	7,009	9,479	7,984	45,650	45,700	9,832	7,849	10,319	8,824	48,650	48,700	10,672	8,689	11,242	9,664
42,700	42,750	9,006	7,023	9,493	7,998	45,700	45,750	9,846	7,863	10,333	8,838	48,700	48,750	10,686	8,703	11,257	9,678
42,750	42,800	9,020	7,037	9,507	8,012	45,750	45,800	9,860	7,877	10,347	8,852	48,750	48,800	10,700	8,717	11,273	9,692
42,800	42,850	9,034	7,051	9,521	8,026	45,800	45,850	9,874	7,891	10,361	8,866	48,800	48,850	10,714	8,731	11,288	9,706
42,850	42,900	9,048	7,065	9,535	8,040	45,850	45,900	9,888	7,905	10,375	8,880	48,850	48,900	10,728	8,745	11,304	9,720
42,900	42,950	9,062	7,079	9,549	8,054	45,900	45,950	9,902	7,919	10,389	8,894	48,900	48,950	10,742	8,759	11,319	9,734
42,950	43,000	9,076	7,093	9,563	8,068	45,950	46,000	9,916	7,933	10,405	8,908	48,950	49,000	10,756	8,773	11,335	9,748
43,000						46,000						49,000					
43,000	43,050	9,090	7,107	9,577	8,082	46,000	46,050	9,930	7,947	10,420	8,922	49,000	49,050	10,770	8,787	11,350	9,762
43,050	43,100	9,104	7,121	9,591	8,096	46,050	46,100	9,944	7,961	10,436	8,936	49,050	49,100	10,784	8,801	11,366	9,776
43,100	43,150	9,118	7,135	9,605	8,110	46,100	46,150	9,958	7,975	10,451	8,950	49,100	49,150	10,798	8,815	11,381	9,790
43,150	43,200	9,132	7,149	9,619	8,124	46,150	46,200	9,972	7,989	10,467	8,964	49,150	49,200	10,812	8,829	11,397	9,804
43,200	43,250	9,146	7,163	9,633	8,138	46,200	46,250	9,986	8,003	10,482	8,978	49,200	49,250	10,826	8,843	11,412	9,818
43,250	43,300	9,160	7,177	9,647	8,152	46,250	46,300	10,000	8,017	10,498	8,992	49,250	49,300	10,840	8,857	11,428	9,832
43,300	43,350	9,174	7,191	9,661	8,166	46,300	46,350	10,014	8,031	10,513	9,006	49,300	49,350	10,854	8,871	11,443	9,846
43,350	43,400	9,188	7,205	9,675	8,180	46,350	46,400	10,028	8,045	10,529	9,020	49,350	49,400	10,868	8,885	11,459	9,860
43,400	43,450	9,202	7,219	9,689	8,194	46,400	46,450	10,042	8,059	10,544	9,034	49,400	49,450	10,882	8,899	11,474	9,874
43,450	43,500	9,216	7,233	9,703	8,208	46,450	46,500	10,056	8,073	10,560	9,048	49,450	49,500	10,896	8,913	11,490	9,888
43,500	43,550	9,230	7,247	9,717	8,222	46,500	46,550	10,070	8,087	10,575	9,062	49,500	49,550	10,910	8,927	11,505	9,902
43,550	43,600	9,244	7,261	9,731	8,236	46,550	46,600	10,084	8,101	10,591	9,076	49,550	49,600	10,924	8,941	11,521	9,916
43,600	43,650	9,258	7,275	9,745	8,250	46,600	46,650	10,098	8,115	10,606	9,090	49,600	49,650	10,938	8,955	11,536	9,930
43,650	43,700	9,272	7,289	9,759	8,264	46,650	46,700	10,112	8,129	10,622	9,104	49,650	49,700	10,952	8,969	11,552	9,944
43,700	43,750	9,286	7,303	9,773	8,278	46,700	46,750	10,126	8,143	10,637	9,118	49,700	49,750	10,966	8,983	11,567	9,958
43,750	43,800	9,300	7,317	9,787	8,292	46,750	46,800	10,140	8,157	10,653	9,132	49,750	49,800	10,980	8,997	11,583	9,972
43,800	43,850	9,314	7,331	9,801	8,306	46,800	46,850	10,154	8,171	10,668	9,146	49,800	49,850	10,994	9,011	11,598	9,986
43,850	43,900	9,328	7,345	9,815	8,320	46,850	46,900	10,168	8,185	10,684	9,160	49,850	49,900	11,008	9,025		

Section 6—Instructions for schedules to Form 1040A

Instructions for Schedule 1

Purpose of schedule

You must file Schedule 1 if **any** of the following apply:

- You had over \$400 of taxable interest income (fill in Part I), or
- You received interest from a seller-financed mortgage and the buyer used the property as a personal residence (fill in Part I), or
- You are claiming the exclusion of interest from series EE U.S. savings bonds issued after 1989 (fill in Part I), or
- You received interest as a nominee or a Form 1099-INT for tax-exempt interest (fill in Part I), or
- You had over \$400 of dividend income or you received dividends as a nominee (fill in Part II).

Note: *If you need more space to list your interest or dividends, attach separate sheets that are the same size as Schedule 1. Use the same format as lines 1 and 5, and show your totals on Schedule 1. Be sure to put your name and social security number on the sheets and attach them at the end of Form 1040A.*

Part I Interest income

To see what interest income you must report, read the instructions for Form 1040A, line 8a, on page 25. Each payer should send you a Form 1099-INT or Form 1099-OID showing interest you must report. A copy of the form is also sent to the IRS.

Line 1 Report on line 1 **all** taxable interest you received or that was credited to your account so you could withdraw it. Include interest from series EE U.S. savings bonds. List each payer's name and show the amount. If you received a Form 1099-INT, Form 1099-OID, or substitute statement from a brokerage firm, list the brokerage firm as the payer and enter the total interest shown on that form.

Seller-financed mortgages. If you sold your home or other property and the buyer used the property as a personal residence, list first any interest that buyer paid you on a mortgage or other form of seller financing. Be sure to show that buyer's name, address, and social security number (SSN). You must also let that buyer know your SSN. If you don't show the buyer's name, address, and SSN and let the buyer know your SSN, you may have to pay a \$50 penalty.

Nominees. If you received a Form 1099-INT that includes interest you received as a nominee (that is, in your name, but the interest actually belongs to someone else), report the total on line 1. Do this even if you later distributed some or all of this income to others. Under your last entry on line 1, put a subtotal of all interest listed on line 1. Below this subtotal, write "Nominee distribution" and show the total interest you received as a nominee. Subtract this amount from the subtotal and enter the result on line 2.

Note: *If you received interest as a nominee, you must give the actual owner a Form 1099-INT unless the owner is your spouse. You must also file a copy of Form 1099-INT with the IRS. Form 1096 must be sent with Form 1099-INT. For more details, see the Instructions for Forms 1099, 1098, 5498, and W-2G.*

Tax-exempt interest. You should not have received a Form 1099-INT for tax-exempt interest. But if you did, report it on line 1. Do not include it in the total on line 2. Instead, under your last entry on line 1, put a subtotal of all interest listed. Below the subtotal, write "Tax-exempt interest" and show the amount. Subtract it from the subtotal and enter the result on line 2. Be sure to also include this tax-exempt interest on Form 1040A, line 8b.

Line 3 Excludable interest on series EE U.S. savings bonds issued after 1989. If you cashed series EE U.S. savings bonds in 1994 that were issued after 1989 and you meet **all four** of the following conditions, you may be able to exclude part or all of the interest on those bonds.

1. The bonds were issued in your name or, if married, in your name and your spouse's name.
2. You were age 24 or older before the bonds were issued.
3. You paid qualified higher education expenses in 1994 for yourself, your spouse, or your dependents.
4. Your filing status is single, married filing joint return, head of household, or qualifying widow(er) with dependent child.

If you meet **all four** of the above conditions, get Form 8815 to figure the amount of any interest you can exclude.

Part II

Dividend income

To see what dividend income you must report, read the instructions for Form 1040A, line 9, on page 26. Each payer should send you a Form 1099-DIV showing dividends you must report. A copy of the form is also sent to the IRS.

Line 5 Report on line 5 **all** of your dividend income. List each payer's name and show the amount. If you received a Form 1099-DIV or substitute statement from a brokerage firm, list the brokerage firm as the payer and enter the total dividends shown on that form.

Nominees. If you received a Form 1099-DIV that includes dividends you received as a nominee (that is, in your name, but the dividends actually belong to someone else), report the total on line 5. Do this even if you later distributed some or all of this income to others. Under your last entry on line 5, put a subtotal of all dividends listed on line 5. Below this subtotal, write "Nominee distribution" and show the total dividends you received as a nominee. Subtract this amount from the subtotal and enter the result on line 6.

Note: *If you received dividends as a nominee, you must give the actual owner a Form 1099-DIV unless the owner is your spouse. You must also file a copy of Form 1099-DIV with the IRS. Form 1096 must be sent with Form 1099-DIV. For more details, see the Instructions for Forms 1099, 1098, 5498, and W-2G.*

Instructions for Schedule 2

Purpose of schedule

If you paid someone to care for your child or other qualifying person so you (and your spouse if filing a joint return) could work or look for work in 1994, you may be able to take the credit for child and dependent care expenses. But you must have had earned income to do so. If you can take the credit, fill in Parts I and II of Schedule 2 and attach it to your return. Part II is used to figure the amount of your credit.

If you received **any dependent care benefits** for 1994, you **MUST** fill in Parts I and III of Schedule 2 and attach it to your return. Part III is used to figure the amount, if any, of the benefits you may exclude from your income on Form 1040A, line 7. You must complete Part III before you can figure the credit, if any, in Part II.

Important terms

Qualifying person(s). A qualifying person is:

- Any child **under age 13** whom you can claim as a dependent (but see **Exception for children of divorced or separated parents** below). If the child turned 13 during the year, the child is a qualifying person for the part of the year he or she was under age 13.
- Your disabled spouse who is not able to care for himself or herself.
- Any disabled person not able to care for himself or herself whom you can claim as a dependent (or could claim as a dependent except that the person had gross income of \$2,450 or more). But if this person is your child, see **Exception for children of divorced or separated parents** below.

To find out who is a dependent, see the instructions for Form 1040A, line 6c, that begin on page 20.

Caution: *To be a qualifying person, the person **must** have shared the same home with you in 1994.*

Exception for children of divorced or separated parents. If you were divorced, legally separated, or lived apart from your spouse during the last 6 months of 1994, you may be able to take the credit or the exclusion even if your child is not your dependent. If your child is not your dependent, he or she is a qualifying person only if **all five** of the following apply.

1. You had custody of the child for a longer time in 1994 than the other parent. Get Pub. 501 for the definition of custody.
2. One or both of the parents provided over half of the child's support in 1994.
3. One or both of the parents had custody of the child for more than half of 1994.
4. The child was under age 13 or was disabled and could not take care of himself or herself.
5. The other parent claims the child as a dependent under the rules for **Children of divorced or separated parents** on page 22.

If you can take the credit or the exclusion because of this exception, enter your child's name in the space to the left of line 3. The other parent cannot treat this child as a qualifying person even though the other parent claims this child as a dependent.

Dependent care benefits. These include amounts your employer paid directly to either you or your care provider for the care of your qualifying person(s) while you worked. These benefits also include the fair market value of care in a day-care facility provided or sponsored by your employer. Your salary may have

been reduced to pay for these benefits. If you received dependent care benefits, they should be shown in box 10 of your 1994 W-2 form(s).

Qualified expenses. You can count only those expenses that were for the qualifying person's well-being and protection while you worked or looked for work. These expenses include household services needed to care for the qualifying person and to run the home, expenses for the care of the qualifying person, and your share of the employment taxes paid on wages for qualifying child and dependent care services.

You may include the cost of care provided outside your home for your dependent under age 13 or any other qualifying person who regularly spends at least 8 hours a day in your home. If the care was provided by a dependent care center, the center must meet all applicable state and local regulations. A dependent care center is a place that provides care for more than six persons (other than persons who live there) and receives a fee, payment, or grant for providing services for any of those persons, even if the center is not run for profit.

You may include amounts paid for food and schooling **only** if these items are part of the total care and cannot be separated from the total cost. But **do not** include the cost of schooling for a child in the first grade or above. Also, **do not** include any expenses for sending your child to an overnight camp.

You **cannot** include expenses reimbursed by a state social service agency unless you included the reimbursement in your income. Also, child support payments are not qualified expenses.

Some disabled spouse and dependent care expenses may qualify as medical expenses if you itemize deductions. But you must use Form 1040. Get Pub. 503 and Pub. 502 for details.

Earned income. Generally, this is your wages, salaries, tips, and other employee compensation. This is usually the amount shown on Form 1040A, line 7. But earned income does not include a scholarship or fellowship grant if you did not get a W-2 form for it. For purposes of Part III of Schedule 2, earned income does not include any dependent care benefits shown on line 11 of Schedule 2.

If you are **filing a joint return**, disregard community property laws. If your spouse died in 1994 and had no earned income, get Pub. 503 for details on how to figure the credit. If your spouse was a student or disabled in 1994, see the line 6 instructions on page 73.

Who may take the credit or exclude dependent care benefits?

You may take the credit or the exclusion if **all six** of the following apply.

1. Your filing status is single, head of household, qualifying widow(er) with dependent child, or married filing jointly. But see **Special rule for married persons filing separate returns** on page 72.
 2. The care was provided so you (and your spouse if you were married) could work or look for work. However, if you did not find a job and have no earned income for the year, you cannot take the credit or the exclusion. But if your spouse was a student or disabled, see the line 6 instructions on page 73.
 3. You (and your spouse if you were married) paid over half the cost of keeping up your home. Call Tele-Tax (see page 60) and listen to topic 602 or get Pub. 503 for an explanation of what costs are included.
 4. You and the qualifying person(s) lived in the same home.
 5. The person who provided the care was not your spouse or a person whom you can claim as a dependent. If your child provided the care, he or she must have been age 19 or older by the end of 1994.
 6. You report the required information about the care provider on line 1.
-

Special rule for married persons filing separate returns. If your filing status is married filing separately and **all** of the following apply, you are considered unmarried for purposes of figuring the credit and the exclusion on Schedule 2.

- You lived apart from your spouse during the last 6 months of 1994, and
- The qualifying person lived in your home more than half of 1994, and
- You provided over half the cost of keeping up your home.

If you meet **all** the requirements to be treated as unmarried and meet items 2 through 6 listed on page 71, you may take the credit or the exclusion. If you do not meet all the requirements to be treated as unmarried, you **cannot** take the credit. However, you may take the exclusion if you meet items 2 through 6.

Other forms you may have to file

If you paid someone who worked in your home cash wages of \$50 or more in any calendar quarter in 1994, you usually must file Form 942. Also, if you paid someone who worked in your home cash wages of \$1,000 or more in any calendar quarter in 1993 or 1994, you must file a 1994 Form 940 or Form 940-EZ by January 31, 1995. Get Pub. 926 for more details.

Part I
Persons or organizations who provided the care

Line 1 Complete columns **(a)** through **(d)** for each person or organization that provided the care. You can use Form W-10 or any other source listed in its instructions to get the information from the care provider. If you do not give correct or complete information, your credit (and exclusion, if applicable) may be disallowed unless you can show you used due diligence in trying to get the required information.

Due diligence. You can show a serious and earnest effort (due diligence) to get the information by keeping in your records a Form W-10 completed by the care provider. Or you may keep one of the other sources of information listed in the instructions for Form W-10. If the provider does not give you the information, complete the entries you can on line 1 of Schedule 2. For example, enter the provider's name and address. Write "See page 2" in the columns for which you do not have the information. Then, on the bottom of page 2, explain that the provider did not give you the information you requested.

Columns (a) and (b). Enter the care provider's name and address. If you were covered by your employer's dependent care plan and your employer furnished the care (either at your workplace or by hiring a care provider), enter your employer's name in column **(a)**. Next, write "See W-2" in column **(b)**. Then, leave columns **(c)** and **(d)** blank. But if your employer paid a third party (not hired by your employer) on your behalf to provide the care, you must give information on the third party in columns **(a)** through **(d)**.

Column (c). If the care provider is an individual, enter his or her social security number (SSN). Otherwise, enter the provider's employer identification number (EIN). If the provider is a tax-exempt organization, enter "Tax-exempt."

Column (d). Enter the total amount you **actually paid** in 1994 to the care provider. Also, include amounts your employer paid to a third party on your behalf. It does not matter when the expenses were incurred. Do not reduce this amount by any reimbursement you received.

Part II
Credit for
child and
dependent
care
expenses

Line 4 Do not include on line 4 qualified expenses you incurred in 1994 but did not pay until 1995. You may be able to use these expenses to increase your 1995 credit. Also, do not include on line 4 qualified expenses you incurred in 1993 but did not pay until 1994. Instead, see **Prior year's expenses** below.

Line 6 Spouse who was a student or disabled. Your spouse was a **student** if he or she was enrolled as a full-time student at a school during any 5 months of 1994. Your spouse was **disabled** if he or she was not capable of self-care. Figure your spouse's earned income on a monthly basis.

For each month or part of a month your spouse was a student or was disabled, he or she is considered to have worked and earned income. His or her earned income for each month is considered to be at least \$200 (\$400 if more than one qualifying person was cared for in 1994). If your spouse also worked during that month, use the higher of \$200 (or \$400) or his or her actual earned income for that month. If, in the same month, both you and your spouse were either students or disabled, this rule applies to only one of you for that month.

For any month that your spouse was not a student or disabled, use your spouse's actual earned income if he or she worked during the month.

Line 10 If you had qualified expenses for 1993 that you didn't pay until 1994, see **Prior year's expenses** next. Otherwise, see **Credit limit** on page 74.

Prior year's expenses. If you had qualified expenses for 1993 that you did not pay until 1994, you may be able to increase the amount of credit you can take in 1994. For details, see **Amount of Credit** in Pub. 503. If you can take a credit for your 1993 expenses, write "PYE" and the amount of the credit next to line 10. Add the credit to the amount on line 10 and replace the amount on line 10 with that total. Also, attach a statement showing how you figured the credit. See **Credit limit** on page 74.

Credit limit. Add the amounts on Form 1040A, lines 8b and 17. If the total is not over **(a)** \$45,000 if married filing jointly or qualifying widow(er), **(b)** \$33,750 if single or head of household, or **(c)** \$22,500 if married filing separately, your credit is not limited. Enter on Form 1040A, line 24a, the amount from Schedule 2, line 10. If the total is over the dollar amount for your filing status, your credit may be limited. To figure the amount of credit you may claim, first complete lines 1-7 of the **Alternative minimum tax worksheet** on page 42. Then, complete the worksheet below.

Credit limit worksheet

Credit limit worksheet—Line 10 (keep for your records)

1. Enter the amount from Form 1040A, line 23.

1.

2. Enter the amount from line 7 of the **Alternative minimum tax worksheet** on page 42.

2.

3. Subtract line 2 from line 1.

3.

4. Enter the amount from Schedule 2, line 10.

4.

Look at lines 3 and 4 above. If line 4 is equal to or less than line 3, your credit is not limited. Enter the amount from line 4 on Form 1040A, line 24a. If line 4 is more than line 3, enter the amount from line 3 on Form 1040A, line 24a. Write "AMT" next to line 24a and replace the amount on Schedule 2, line 10, with that amount.

Part III
Dependent
care benefits

Line 12 If you had a flexible spending account, any amount included on line 11 that you did not receive because you did not incur the expense is considered forfeited. Enter the forfeited amount on line 12. **Do not** include amounts you expect to receive at a future date.

Example. Under your employer's dependent care plan, you chose to have your employer set aside \$5,000 to cover your 1994 dependent care expenses. The \$5,000 is shown in box 10 of your W-2 form. In 1994, you incurred and were reimbursed for \$4,950 of qualified expenses. You would enter \$5,000 on line 11 and \$50, the amount forfeited, on line 12.

Line 14 Enter the total of all qualified expenses incurred in 1994 for the care of your qualifying person(s). It does not matter when the expenses were paid.

Example. You received \$2,000 in cash under your employer's dependent care plan for 1994. The \$2,000 is shown in box 10 of your W-2 form. Only \$900 of qualified expenses were incurred in 1994 for the care of your 5-year-old dependent child. You would enter \$2,000 on line 11 and \$900 on line 14.

Line 17 If your filing status is married filing separately, see **Special rule for married persons filing separate returns** on page 72. If you are considered unmarried under that rule, enter your earned income (from line 16) on line 17. On line 19, enter the smaller of the amount from line 18 or \$5,000. If you are **not** considered unmarried under that rule, enter your spouse's earned income on line 17. If your spouse was a student or disabled in 1994, see the line 6 instructions. On line 19, enter the smaller of the amount from line 18 or \$2,500.

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* These items may not be included in this package. We've sent you forms based on what you filed last year to reduce printing costs.

Major categories of Federal income and outlays for fiscal year 1993

On or before the first Monday in February of each year, the President is required by law to submit to the Congress a budget proposal for the fiscal year that begins the following October. The budget plan sets forth the President's proposed receipts, spending, and the deficit for the Federal Government. The plan includes recommendations for new legislation as well as recommendations to change, eliminate, and add programs. After receipt of the President's proposal, the Congress reviews the proposal and makes changes. It first passes a budget resolution setting its own targets for receipts, outlays, and the deficit. Individual spending and revenue bills are then enacted consistent with the goals of the budget resolution.

In fiscal year 1993 (which began on October 1, 1992, and ended on September 30, 1993), Federal income was \$1,154 billion and outlays were \$1,408 billion, leaving a deficit of \$255 billion.

Federal income

Income and social insurance taxes are, by far, the largest source of receipts. In 1993, individuals paid \$510 billion in income taxes and corporations paid \$118 billion. Social security and other insurance and retirement contributions were \$428 billion. Excise taxes were \$48 billion. The remaining \$50 billion of receipts were from Federal Reserve deposits, customs duties, estate and gift taxes, and other miscellaneous receipts.

Federal outlays

About 82% of total outlays were financed by tax receipts and the remaining 18% were financed by borrowing. Government receipts and borrowing finance a wide range of public services. The following is the breakdown of total outlays for fiscal year 1993:*

1. Social security, Medicare, and other retirement: \$500 billion. These programs were 35% of total outlays. These programs provide income support for the retired and disabled and medical care for the elderly.

2. National defense, veterans, and foreign affairs: \$344 billion. About 20% of total outlays were to equip, modernize, and pay our armed forces and to fund other national defense activities; about 3% went for veterans benefits and services; and about 1% went for international activities, including military and economic assistance to foreign countries and the maintenance of U.S. embassies abroad.

3. Net interest: \$199 billion. About 14% of total outlays were for net interest payments on the public debt.

4. Physical, human, and community development: \$119 billion. About 8% of total outlays were for agriculture; natural

resources and environmental programs; transportation programs; aid for elementary and secondary education and direct assistance to college students; job training programs; deposit insurance, commerce and housing credit, and community development; and space, energy, and general science programs.

5. Social programs: \$254 billion. The Federal Government spent 11% of total outlays to fund Medicaid, food stamps, aid to families with dependent children, supplemental security income, and related

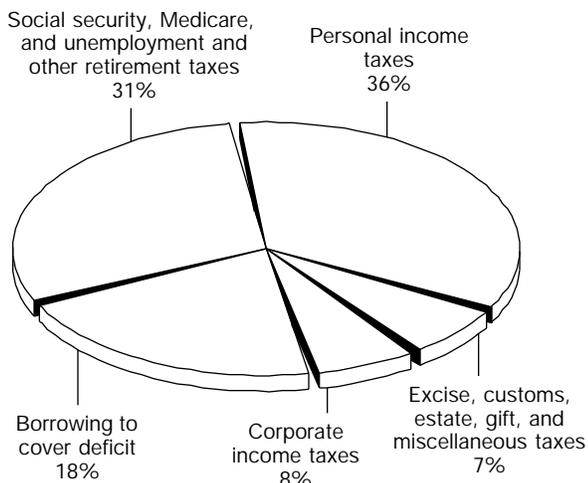
programs. About 6% was spent for health research and public health programs, unemployment compensation, assisted housing, and social services.

6. Law enforcement and general government: \$28 billion. About 2% of total outlays were for judicial activities, Federal law enforcement, and prisons; and to provide for the general costs of the Federal Government, including the collection of taxes and legislative activities.

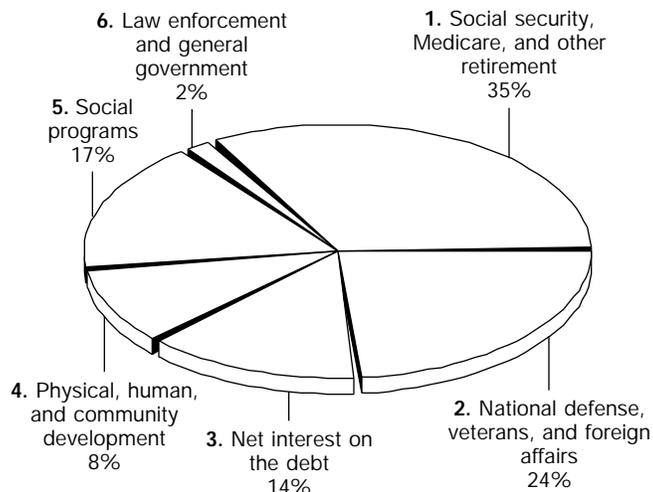
Note: The above outlay amounts do not total to \$1,408 billion due to rounding.

Income and outlays—These pie charts show the relative sizes of the major categories of Federal income and outlays for fiscal year 1993.

Where the income came from:



What the outlays were:



* The percentages on this page exclude undistributed offsetting receipts, which were -\$37 billion in fiscal year 1993. In the budget, these receipts are offset against spending in figuring the outlay totals shown above. These receipts are primarily for the U.S. Government's share of its employee retirement programs and rents and royalties on the Outer Continental Shelf.

