Department of the Treasury
Internal Revenue Service

General Description

1973 Tax Model for National Estimates

Individual Income Tax Returns

Statistics Division
December 1975

1973 INDIVIDUAL TAX MODEL, TAPE RECORD LAYOUT

CODE 0	OSAMP	CODE 4	CODE 6	IXEC	OTITRT	CAPTRL	OTLPRT	CODE 16	CODE 18	CAPENDX	TXLEX	OTHRV	MARS	TXNT	FDED	SCHED	FLPD	TXST	FORM	TXPYEX	AGEX	BLINDX	CODE 36	DEP_NC	NCMPT	CODE 39	CODE 40	CODE 41	CODE 42	CODE 43	CODE 44	CODE 45	CODE 46	CODE 47	CODE 48	CODE 49	BLANK	BLANK
0 1	2 3	4 5	6 7	8 9	10 11	12 13	14 15	16 17	18 19	20 21	22 23	24 25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50 51 52 53 54 55	56 57 58 59 60

1	2	3	4	5	6	7 Dividends	8	9	10
Taxpayer Exemptions	Age Exemptions	Blind Exemptions	Dependent Exemptions	Total Exemptions	Wages, Salaries, Etc.	Total before Exclusion	Balance in AGI	Gross Dividends	Interest
11	12	13	14	15	16	17	18 Overpayments	19	20
AGI or Deficit	Income Tax Before Credits	Income Tax After Credits	Income Tax Withheld	1973 Estimated Taxpayments	Amount Paid With Form 4868	Balance Due	Refunded	Credited to 1974 Est. Tax	Tax Paid With Return
21	22	23	24	25	26	27	28	29 Statutory Adjustments	30
Business Income or Loss	Supplemental Schedule Net Gain or Loss	Farm Income or Loss	Fully Taxable Pensions and Annuities	Capital Gain Distribution	State Income Tax Refunds	Alimony	Other Income or Loss	Sick Pay	Moving Expense
31 Statutory Adj.--Con.	32	33	34	35	36 Credits	37	38	39	40
Employee Business Expense	Payments to a Retirement Plan	Income Subject to Tax	Total Deductions	Taxable Income	Retirement Income	Investment	Foreign Tax	Contributions to Candidates	Work Incentive Program
41 Credits--Con.	42 Other Taxes	43	44	45	46	47	48	49 Other Payments	50
Other Tax Credits	Self-Employment	Recomputed	Recomputed Prior-Year WIN	Minimum Tax	Tax on Tips Uncollected Tax	Other	Excess FICA Withheld	Credit for Federal Tax on Gasoline	Credit From Regulated Invest. Co.
51 Oth.Pay.--Con.	52	53	54 Medical and Dental Expenses	55	56	57	58	59	60
Total	Tax Savings	Additional Tax Savings Due to Alternative Tax	One-half Insurance Premium	Medicine and Drugs	Medicine and Drugs in Excess of One Percent	Balance of Insurance Premiums	Doctors, Dentists, Etc.	Hospitals	Total Med. and Dental Expenses
61 Med. and Dent. Exps.--Con.	62	63 Taxes	64	65	66	67	68	69 Interest	70
Med. and Dent. Exps. in Excess of 3 Percent	Total (After Income Limitation)	State and Local Income	Real Estate	State and Local Gasoline	General Sales	Personal Property	Total	Home Mortgage	Total
71 Contributions	72	73	74	75 Miscellaneous Deductions	76	77	78	79	80
Cash	Other	Total	Net Casualty or Theft Loss	Alimony Paid	Union Dues	Child and Dependent Care	Political Contributions	Tax Return Prep. Fees	Total
81	82	83	84	85 Long-Term Gains or Losses	86	87	88	89	90
Pre-1970/ Post-1969 Short-Term Capital Loss Carryover	Net Short-Term Gain After Carryover	Net LTG in Excess of Short-Term Loss	Net Short-Term Loss After Carryover	Pre-1970 L-T Capital loss Carryover	Post-1969 L-T Capital Loss Carryover	Net L-T Gain After Carryover	Net L-T Loss After Carryover	Net Capital Gain or Loss	Long-Term Gain From Installment Sales
91	92	93	94 Rent	95	96	97 Royalties	98	99	100 Partnership
Capital Gains Taxed at Upper Rate	Capital Gains - Tax Generated at Upper Rate	Pensions and Annuities (Taxable Portion)	Total	Depreciation	Net Income or Loss	Total	Depletion	Net Income or Loss	Total Income
101 Partnership--Continued	102	103 Estate or Trust	104	105	106 Small Business Corporation	107	108	109 Tax Preferences	110
Total Loss	Net Income or Loss	Total Income	Total Loss	Net Income or Loss	Total Income	Total Loss	Net Income or Loss	Accel. Depr. Low-Income Rental	Accel. Depr. Other Real Property
111 Tax Preferences--Continued	112	113	114	115	116	117	118	119	120 Comp. of M-T
Accel. Depr. Personal Property	Amortization	Stock Options	Reserves for Bad Debts	Depletion	Capital Gains	Total Tax Preferences	Type not Reported	Recomputed Tax Pref. Income	Tax Pref. Income Less Exclusion
121 Computation of Minimum Tax--Continued	122	123	124	125	126	127	128	129	130
Tax Carryover From Pr. Year	Tax Pref. Income Sub. to Tax	Tentative Tax on Preferences	1973 Net Operating Loss Carryover	Net Tentative Tax on Preferences	Min. Tax Deferred From Prior Year(s)	Tent. Tax for Tax Pref. Bef. Credits	Unused Retirement Inc. Credit	Minimum Tax After Adjustments	Unused Credit for Pol. Contributions
131 Computation of Maximum Tax	132	133	134	135	136	137	138	139	140
Earned Income	Earned Net Income	Tax Pref. in Excess of $30,000	Adjusted Earned Tax. Income	Earned Taxable Income	Unearned Taxable Income	Other Taxable Income	Earned Tax. Income Sub. to Reg. Rates	Earned Tax. Income Sub. to Max. Rates	Tax Bef. Cr. Gen. at Reg. Rate on Other Tax. Inc.
141 Computation of Maximum Tax--Continued	142	143	144	145 Investment Interest Expense Deduction	146	147	148	149	150
Tax Bef. Cr. Gen. at Reg. Rate on Earned Tax Inc.	Other Tax. Inc. Sub. to Reg. Rates	Ordinary Inc. Sub. to Reg. Rates	Total Non-business Deductible Int.	Max. Allow. Deduction (Nonbusiness)	Deduction Carryover to 1974	Expense Carryover to 1973	Expense Carryover to 1974	Income Subject to Tax at Regular Rates	Income Tax Withheld on Form W2-P
151	152	153	154	155	156				
Sort Control	Sort Control	Sort Control	Blank	Blank	Weight				

CONTENTS

INTRODUCTION

The Internal Revenue Service Individual Tax Model consists of a sample of 108,965 Federal tax return records selected to represent the 80.7 million Form 1040 and 1040A returns filed for 1973. This file is used in conjunction with (1) a generalized manipulation program designed to select, compute, compare, arrange, and recode the data in the input file, and (2) a table generator program that will select, weight, and tabulate specified items in the manipulated input file and provide for stub and column identification in a flexible print format.

The Tax Model file, which is designed to simulate the administrative and revenue impact of tax law changes (as well as to provide general statistical tables), can be used by government or private researchers in two ways:

(1) The user can specify in writing the types of manipulations to be made and outline the format of the tabulations measuring these changes. If the Service determines that the specifications can be handled using the Model's programs with no interference with its regular statistical programs, the IRS will prepare tables on a reimbursable basis.

(2) The user may purchase the Model file and develop his own programs to manipulate the data and/or produce the desired tabulations.

This general description provides an explanation of the codes and items, the file layout, sample counts and weights, technical specifications concerning the tapes, and facsimiles of Federal tax return forms for a reference to the line items which were abstracted for the 1973 program. In the explanations that follow, certain codes and fields are designated "For Statistics Division use only," Blank--For Statistics Division use only," and "Blank." The designation "For Statistics Division use only" means that the data so identified, although retained in the file, have little or no value to the user because they were computed for a special purpose. Codes and fields designated "Blank--For Statistics Division use only" refer to file storage spaces reserved for data that have been deleted from the copy of the file. Codes and fields designated "Blank" have no data and are available to the user to store computed items.

Explanation of Codes in Tape File

Code 0, columns 0, 1 -- BLANK -- For Statistics Division use only.

Code 2, columns 2, 3 -- SAMPLE -- Stratum in which return was classified for selection in the sample.

Description of the Sample Strata

Code	AGI or LSII*	Business Receipts
Regular Sample Non-business or Farm Return		
11	under $10,000	under $20,000
12	under $10,000	$20,000 under $50,000
12	$10,000 under $15,000	under $50,000
13	under $15,000	$50,000 under $100,000
13	$15,000 under $20,000	under $100,000
14	under $20,000	$100,000 under $500,000
14	$20,000 under $50,000	under $500,000
15	under $50,000	$500,000 under $750,000
15	$50,000 under $100,000	under $750,000
16	under $100,000	$750,000 under $1,000,000
16	$100,000 under $200,000	under $1,000,000
17	under $200,000	$1,000,000 under $5,000,000
17	$200,000 under $500,000	under $5,000,000
18	under $500,000	$5,000,000 or more
18	$500,000 or more	any amount
Regular Sample Business Returns		
21	under $10,000	under $20,000
22	under $10,000	$20,000 under $50,000
22	$10,000 under $15,000	under $50,000
23	under $15,000	$50,000 under $100,000
23	$15,000 under $20,000	under $100,000
24	under $20,000	$100,000 under $250,000
24	$20,000 under $30,000	under $250,000
25	under $30,000	$250,000 under $500,000
25	$30,000 under $50,000	under $500,000
26	under $50,000	$500,000 under $750,000
26	$50,000 under $100,000	under $750,000
27	under $100,000	$750,000 under $1,000,000
27	$100,000 under $200,000	under $1,000,000
28	under $200,000	$1,000,000 under $5,000,000
28	$200,000 under $500,000	under $5,000,000
29	under $500,000	$5,000,000 or more
29	$500,000 or more	any amount
Regular Sample Business or Non-Business Returns		
00	All nontaxable returns with AGI $200,000 under $500,000	
40	Special group of returns selected for panel study	

* Adjusted Gross Income or Largest Specific Income Item

Description of the Sample Strata (cont'd)

Code	AGI or LSII	Gross Receipts
Special Sample Non-business Non-farm Return		
50-53	under $10,000	
54-55	$10,000 under $20,000	
56	$20,000 under $50,000	not applicable
57	$50,000 under $100,000	
58	$100,000 under $200,000	
59	$200,000 and over	
Special Sample Business Returns		
60	under $10,000	under $8,000
61	under $10,000	$8,000 under $55,000
62	under $10,000	$55,000 under $100,000
63	under $10,000	$100,000 or more
64	$10,000 under $30,000	under $25,000
65	$10,000 under $30,000	$25,000 and over
66	$30,000 under $100,000	under $150,000
67	$30,000 under $100,000	over $150,000
68	$100,000 and over	under $150,000
69	$100,000 and over	over $150,000
Special Sample Farm Returns		
70	under $10,000	under $8,000
71	under $10,000	$8,000 and over
72	$10,000 under $30,000	under $25,000
73	$10,000 under $30,000	$25,000 under $100,000
74	$10,000 under $30,000	$100,000 and over
75	$30,000 under $100,000	under $25,000
76	$30,000 under $100,000	$25,000 under $150,000
77	$30,000 under $100,000	$150,000 and over
78	$30,000 under $100,000	under $150,000
79	$30,000 under $100,000	$150,000 and over

Code 4, columns 4, 5 -- BLANK -- For Statistics Division use only.

Code 6, columns 6, 7 -- BLANK -- For Statistics Division use only.

Explanation of Codes in Tape File -- cont'd

Code 8, columns 8, 9 -- TAX RATE - The highest tax rate applicable to income subject to tax.

Marginal Tax Rate..........................0, 14-70

Code 10, columns 10, 11 -- ORDINARY TAXABLE INCOME, LOWER RATE - On returns using the maximum (or maximum/alternative) tax computation, the lowest rate applicable to ordinary income subject to regular rates.

Ordinary Taxable Income Lower Rate...........0, 51-70

Code 12, columns 12, 13 -- CAPITAL GAINS, LOWER RATE -- On returns using the alternative (or maximum/alternative) tax computation, the lowest rate applicable to "capital gains taxed at upper rates."

Capital Gains Lower Rate.....................0, 36-70

Code 14, columns 14, 15 -- ORDINARY TAXABLE INCOME, UPPER RATE - On returns using the alternative (or maximum/alternative) tax computation, the highest tax rate applicable to balance for partial tax.

Ordinary Taxable Income, Upper Rate...........0, 14-70

Code 16, columns 16, 17 -- For Statistics Division use only.

Code 18, columns 18, 19 -- For Statistics Division use only.

Code 20, columns 20, 21 -- DEPENDENT EXEMPTIONS - Coded from the number of dependents shown on lines 6c and 6d, page 1 of Form 1040.

Dependent Exemptions..........................00-99

Code 22, columns 22, 23 -- TOTAL EXEMPTIONS - Coded from number of exemptions as shown on line 7, page 1 of Form 1040.

Total Exemptions..............................01-99

Code 24, columns 24, 25 -- EXEMPTIONS OTHER THAN AGE OR BLINDNESS - Computed from total exemptions, line 7, page 1 of Form 1040 less lines 6a and 6b, "65 and over" and "Blind," page 1 of Form 1040.

Exemptions Other Than Age or Blindness.........01-99

Explanations of Codes in Tape File -- cont'd

Code 26, column 26 -- MARITAL STATUS - Coded from "Filing Status," lines 1-5, page 1 of Form 1040.

Marital Status	
Single	1
Joint	2
Separate	3
Head of Household	4
Surviving Spouse	5

Code 27, column 27 -- TAXABLE-NONTAXABLE - Coded according to presence or absence of an amount in either field 13 (tax after credits), or field 45 (minimum tax).

Taxable/Nontaxable	
Taxable returns	1
Nontaxable returns	2

Code 28, column 28 -- FORM OF DEDUCTION - Coded according to type of deduction used in computation of taxable income.

Form of Deduction	
Itemized	1
Itemized With No Detail	2
Percentage Standard	3
Low Income Allowance	4
No AGI	5

Code 29, column 29 -- SCHEDULE - Indicates type of tax schedule a taxpayer is eligible to use.

Schedule	
Single	1 (X)
Joint and Surviving Spouse	2 (Y1)
Separate	3 (Y2)
Head of Household	4 (Z)

Code 30, column 30 -- FILING PERIOD - Coded for full or part year as shown on top lines of page 1 of Form 1040.

Filing Period - tax year beginning:	
Before January 1, 1971	1
January 1 - December 31, 1971	2
January 1 - December 31, 1972	3
On January 1, 1973	4
After January 1, 1973	5

Explanation of Codes in Tape File -- cont'd

Code 31, column 31 -- TAX STATUS - Indicates type of tax computation used.

Tax Status
Non-Computed with Taxable Income[1]........................1
Regular with No Taxable Income...........................2
Normal Tax Regular.......................................3
Income Averaging...4
Alternative Tax (Regular)................................5
Maximum Tax (Regular)....................................6
Maximum Tax (Alternative)................................7
Minimum Tax Only...8
Non-Computed with No Taxable Income[1]....................9

1/ Returns of taxpayers electing to have their tax computed by IRS. Computations performed by IRS have been entered into the appropriate fields.

Code 32, column 32 -- FORM - Coded from the type of individual income tax return filed by taxpayer.

Type of Return Filed
1040 Return.....................1
1040A Return....................2

Code 33, column 33 -- TAXPAYER EXEMPTION - Coded from "Regular," lines 6a and 6b, page 1 of Form 1040.

Taxpayer Exemption
One Exemption...................1
Two Exemptions..................2

Code 34, column 34 -- AGE EXEMPTION - Coded from "65 or over," lines 6a and 6b, page 1 of Form 1040.

Age Exemption
One Exemption...................1
Two Exemptions..................2

Code 35, column 35 -- BLIND EXEMPTION - Coded from "Blind," lines 6a and 6b, page 1 of Form 1040.

Blind Exemption
One Exemption...................1
Two Exemptions..................2

Code 36, column 36 -- For Statistics Division Use Only

Explanation of Codes in Tape File -- cont'd

Code 37, column 37 -- DEPENDENT WITH UNEARNED INCOME -- Coded from response to statement on middle of page 1, Form 1040.

Dependent With Unearned Income
- Box Checked........................1
- Box Not Checked....................2
  (includes prior-year returns)

Code 38, column 38 -- NON-COMPUTES - Returns where tax was computed by IRS.

Non-Computes
- Tax Computed By Other Than IRS.....0
- Tax Computed By IRS................1

Code 39, column 39 -- For Statistics Division Use Only

Code 40, column 40 -- For Statistics Division Use Only

Code 41, column 41 -- BLANK — For Statistics Division Use Only

Code 42, column 42 -- BLANK

Code 43, column 43 -- BLANK

Code 44, column 44 -- BLANK

Code 45, column 45 -- BLANK

Code 46, column 46 -- BLANK

Code 47, column 47 -- BLANK

Code 48, column 48 -- BLANK

Code 49, column 49 -- BLANK

Explanation of Fields in Tape File
(References are to 1973 Form 1040 and
Form 1040A lines)

Field	
1	TAXPAYER EXEMPTIONS - lines 6a and 6b, "Regular," page 1 of Form 1040.
2	AGE EXEMPTIONS - lines 6a and 6b, "65 and over," page 1 of Form 1040.
3	BLIND EXEMPTIONS - lines 6a and 6b, "Blind," page 1 of Form 1040.
4	DEPENDENT EXEMPTIONS - the sum of lines 6c and 6d, page 1 of Form 1040.
5	TOTAL EXEMPTIONS - line 7, page 1 of Form 1040.
6	WAGES, SALARIES, ETC. - line 9, page 1 of Form 1040.
7	TOTAL DIVIDENDS BEFORE EXCLUSION - line 10a, page 1 of Form 1040.
8	DIVIDENDS IN AGI - line 10c, page 1 of Form 1040.
9	GROSS DIVIDENDS - line 10d, page 1 of Form 1040.
10	INTEREST INCOME - line 11, page 1 of Form 1040.
11	ADJUSTED GROSS INCOME OR DEFICIT - line 15, page 1 of Form 1040. This field is signed with (+) indicating adjusted gross income and (-) indicating adjusted gross deficit.
12	INCOME TAX BEFORE CREDITS - line 16, page 1 of Form 1040.
13	INCOME TAX AFTER CREDITS - line 18, page 1 of Form 1040.
14	INCOME TAX WITHHELD - line 21a, page 1 of Form 1040.
15	1973 ESTIMATED TAX PAYMENTS - line 21b, page 1 of Form 1040.
16	AMOUNT PAID WITH FORM 4868 - line 21c, page 1 of Form 1040.
17	BALANCE DUE - line 23, page 1 of Form 1040.
18	OVERPAYMENT: REFUNDED - line 25, page 1 of Form 1040.
19	OVERPAYMENT: CREDITED TO 1974 ESTIMATED TAX - line 26, page 1 of Form 1040.
20	TAX PAID WITH RETURN - amount submitted with return.

Explanations of Fields in Tape File (cont'd)

Field	
21	BUSINESS INCOME/LOSS - line 28, if positive or negative, page 2 of Form 1040.
22	SUPPLEMENTAL SCHEDULE NET GAIN/NET LOSS - line 30, if positive or negative, page 2 of Form 1040.
23	FARM INCOME/LOSS - line 32, if positive or negative, page 2 of Form 1040.
24	FULLY TAXABLE PENSIONS AND ANNUITIES - line 33, page 2 of Form 1040.
25	CAPITAL GAIN DISTRIBUTION - line 34, page 2 of Form 1040. This field is incorporated into all appropriate capital gains fields.
26	STATE INCOME TAX REFUNDS - line 35, page 2 of Form 1040.
27	ALIMONY - line 36, page 2 of Form 1040.
28	OTHER INCOME/LOSS - line 37, page 2 of Form 1040.
29	SICK PAY ADJUSTMENT - line 39, page 2 of Form 1040.
30	MOVING EXPENSE ADJUSTMENT - line 40, page 2 of Form 1040.
31	EMPLOYEE BUSINESS EXPENSE ADJUSTMENT - line 41, page 2 of Form 1040.
32	PAYMENTS TO A RETIREMENT PLAN ADJUSTMENT - line 42, page 2 of Form 1040.
33	INCOME SUBJECT TO TAX - if the regular tax computation was used, this equals taxable income (Field 35). If the alternative tax computation was used, this equals the larger of taxable income (Field 35) or one-half excess net long-term capital gain over net short-term capital loss (Field 83). If income averaging was used, this equals the amount, computed for the Statistics, which would have produced the same tax under the regular tax computation method.
34	TOTAL DEDUCTIONS - line 45, page 2 of Form 1040. (Note: In the case of taxpayers using the tax tables, a computed amount was entered in Field 34)
35	TAXABLE INCOME -line 48, page 2 of Form 1040. (See note to Field 34)
36	RETIREMENT INCOME CREDIT - line 49, page 2 of Form 1040.

Explanations of Fields in Tape File (cont'd)

Field	
37	INVESTMENT CREDIT - line 50, page 2 of Form 1040.
38	FOREIGN TAX CREDIT - line 51, page 2 of Form 1040.
39	CONTRIBUTIONS TO CANDIDATES CREDIT - line 52, page 2 of Form 1040.
40	WORK INCENTIVE (WIN) CREDIT - line 53, page 2 of Form 1040.
41	OTHER TAX CREDITS - a computed amount equal to total credits (line 54, page 2 of Form 1040) minus retirement income credit (Field 36) minus investment credit (Field 37) minus foreign tax credit (Field 38) minus contributions to candidates credit (Field 39) minus Work Incentive Program credit (Field 40).
42	SELF-EMPLOYMENT TAX - line 55, page 2 of Form 1040.
43	RECOMPUTED TAX - line 56, page 2 of Form 1040.
44	RECOMPUTED PRIOR-YEAR WIN - line 57, page 2 of Form 1040.
45	MINIMUM TAX - line 58, page 2 of Form 1040.
46	SOCIAL SECURITY TAX ON TIPS, UNCOLLECTED TAX - total of lines 59 and 60, page 2 of Form 1040.
47	OTHER TAXES - all taxes that cannot be included in self-employment tax (Field 42), investment credit tax (Field 37), Work Incentive tax (Field 40), minimum tax (Field 45) and social security tax on tip (Field 46).
48	EXCESS FICA TAX WITHHELD - line 62, page 2 of Form 1040.
49	CREDIT FOR FEDERAL TAX ON GASOLINE - line 63, page 2 of Form 1040.
50	CREDIT FROM REGULATED INVESTMENT COMPANY - line 64, page 2 of Form 1040.
51	TOTAL OTHER PAYMENTS - line 65, page 2 of Form 1040.
52	TAX SAVINGS - on income averaging returns (Schedule G of Form 1040), Field 52 is a computed amount equal to the regular tax minus income averaging tax, line 21, Schedule G of Form 1040. On regular alternative tax returns, Field 52 is equal to the regular tax minus the alternative tax, line 57, Schedule D of Form 1040. On maximum regular tax returns, Field 52 is equal to the regular tax minus the maximum tax, line 17 of Form 4726.
53	ADDITIONAL TAX SAVINGS DUE TO ALTERNATIVE TAX - a computed amount equal to the tax savings on maximum alternative tax returns. Compute this amount by taking the difference between the regular alternative tax and the maximum alternative tax. The additional tax savings on on alternative tax is the regular tax minus the regular alternative tax.

Explanations of Fields in Tape File (cont'd)

Field	
54	ONE-HALF INSURANCE PREMIUMS - line 1, Schedule A of Form 1040.
55	MEDICINE AND DRUGS - line 2, Schedule A of Form 1040.
56	MEDICINE AND DRUGS IN EXCESS OF 1% of AGI - line 4 Schedule A of Form 1040
57	BALANCE OF INSURANCE PREMIUMS - line 5, Schedule A of Form 1040.
58	DOCTORS, DENTISTS, ETC. - line 6a, Schedule A of Form 1040.
59	HOSPITALS - line 6b, Schedule A of Form 1040.
60	TOTAL MEDICAL AND DENTAL EXPENSES - line 7, Schedule A of Form 1040.
61	MEDICAL AND DENTAL EXPENSES IN EXCESS OF 3% - line 9, Schedule A of Form 1040.
62	TOTAL (AFTER INCOME LIMITATION) - line 10 Schedule A of Form 1040.
63	STATE AND LOCAL INCOME TAXES - Line 11, Schedule A of Form 1040.
64	REAL ESTATE TAXES - line 12, Schedule A of Form 1040.
65	STATE AND LOCAL GASOLINE TAXES - line 13, Schedule A of Form 1040.
66	GENERAL SALES TAXES - line 14, Schedule A of Form 1040.
67	PERSONAL PROPERTY TAXES - line 15, Schedule A of Form 1040.
68	TOTAL TAXES - line 17, Schedule A of Form 1040.
69	HOME MORTGAGE INTEREST - line 18, Schedule A of Form 1040.
70	TOTAL INTEREST - line 20, Schedule A of Form 1040.
71	CASH CONTRIBUTIONS - lines 21a plus 21b, Schedule A of Form 1040.
72	OTHER CONTRIBUTIONS - line 22, Schedule A of Form 1040.
73	TOTAL CONTRIBUTIONS - line 24, Schedule A of Form 1040.
74	NET CASUALTY OR THEFT LOSS - line 29, Schedule A of Form 1040.
75	MISC. DEDUCTION: ALIMONY PAID - line 30, Schedule A of Form 1040.

Explanation of Fields in Tape File (cont'd)

Field	
76	MISC. DEDUCTION: UNION DUES - line 31, Schedule A of Form 1040.
77	MISC. DEDUCTION: CHILD AND DEPENDENT CARE - line 32, Schedule A of Form 1040.
78	MISC DEDUCTION: POLITICAL CONTRIBUTION - an amount taken from line 33, Schedule A of Form 1040.
79	MISC. DEDUCTION: TAX RETURN PREPARATION FEES: an amount taken from line 33, Schedule A of Form 1040.
80	MISC. DEDUCTION: TOTAL - line 34, Schedule A of Form 1040.
81	PRE-1970/POST-1969 SHORT-TERM CAPITAL LOSS CARRYOVER - the sum of lines 4a and 4b, Part I, Schedule D of Form 1040.
82	NET SHORT-TERM GAIN AFTER CARRYOVER - line 5, if positive, Part I, Schedule D of Form 1040.
83	NET LONG-TERM GAIN IN EXCESS OF SHORT-TERM LOSS - a computed amount equal to net long-term gain after carryover (Field 87) minus net short-term loss after carryover (Field 84).
84	NET SHORT-TERM LOSS AFTER CARRYOVER - line 5, if negative, Part I Schedule D of Form 1040.
85	PRE-1970 LONG-TERM CAPITAL LOSS CARRYOVER - line 12a, PART II, Schedule D of Form 1040.
86	POST 1969 LONG-TERM CAPITAL LOSS CARRYOVER - line 12b, Part II, Schedule D of Form 1040.
87	NET LONG-TERM GAIN AFTER CARRYOVER - line 13, if positive, Part II, Schedule D of Form 1040.
88	NET LONG-TERM LOSS AFTER CARRYOVER - line 13, if negative, Part II, Schedule D of Form 1040.
89	NET CAPITAL GAIN/LOSS (+-) - line 15b, if positive, line 16b or line 34, if negative, Part III and IV, Schedule D of Form 1040.
90	LONG-TERM GAIN FROM INSTALLMENT SALES - line 48, Part VI, Schedule D of Form 1040.
91	CAPITAL GAINS TAXED AT UPPER RATE - a computed amount equal to one-half excess net-long term capital gain (line 15a, Part III, Schedule D of Form 1040) minus capital gains tax at 50% rate[17].

Explanation of Fields in Tape File (cont'd)

Field	
92	CAPITAL GAINS TAX GENERATED AT UPPER RATE - line 54, Part VI, Schedule D of Form 1040, if tax status code equals 5, alternative (regular) tax computation; line 28 of Form 4726 if status code equals 7, maximum/alternative tax computation.
93	PENSIONS AND ANNUITIES (TAXABLE PORTION) - a computed amount equal to line 33, page 2 of Form 1040 plus line 5, Part I, Schedule E of Form 1040.
94	TOTAL RENTS - line 1b, Part II, Schedule E of Form 1040.
95	RENT DEPRECIATION - line 1d, Part II, Schedule E of Form 1040 minus amount(s) for depletion.
96	RENT NET INCOME/NET LOSS - portion of line 2 attributable to rent, if positive (Net Income), if negative (Net Loss), Part II, Schedule E of Form 1040.
97	TOTAL ROYALTIES - line 1c, Part II, Schedule E of Form 1040.
98	ROYALTY DEPLETION - line 1d, Part II, Schedule E of Form 1040 minus amount(s) for depreciation.
99	ROYALTY NET INCOME/NET LOSS (+-) - portion of line 2 attributable to royalties, if positive (Net Income), if negative (Net Loss), Part II, Schedule E of Form 1040.
100	PARTNERSHIP TOTAL INCOME - the sum of all positive amounts from partnerships in column D, Part III, Schedule E of Form 1040.
101	PARTNERSHIP TOTAL LOSS - the sum of all negative amounts from partnerships in column D, Part III, Schedule E of Form 1040.
102	PARTNERSHIP NET INCOME/NET LOSS - portion of line 2 attributable to partnerships, if positive (Net Income), if negative (Net Loss), Part III, Schedule E of Form 1040.
103	ESTATE OR TRUST TOTAL INCOME - the sum of all positive amounts from estates or trusts, column D, Part III, Schedule E of Form 1040.

Explanations of Fields in Tape File (cont'd)

Field	
104	ESTATE OR TRUST TOTAL LOSS - the sum of all negative amounts from estates or trusts, column D, Part III, Schedule E of Form 1040.
105	ESTATE OR TRUST NET INCOME/NET LOSS - portion of line 2 attributable to estates or trusts, if positive (Net Income), if negative (Net Loss), Part III, Schedule E of Form 1040.
106	SMALL BUSINESS CORPORATION TOTAL INCOME - the sum of all positive amounts from small business corporation, column D, Part III, Schedule E of Form 1040.
107	SMALL BUSINESS CORPORATION TOTAL LOSS - the sum of all negative amounts from small business corporation, column D, Part III, Schedule E of Form 1040.
108	SMALL BUSINESS CORPORATION NET INCOME/NET LOSS - portion of line 2 attributable to small business corporation, if positive (Net Income), if negative (Net Loss), Part III, Schedule E of Form 1040.
109	ACCEL. DEPR. ON LOW-INCOME RENTAL HOUSING - line 1(A)(1) of Form 4625.
110	ACCEL. DEPR. ON OTHER REAL PROPERTY - line 1(A)(2) of Form 4625.
111	ACCEL. DEPR. ON PERSONAL PROPERTY - line 1(B) of Form 4625.
112	AMORTIZATION - the sum of lines 1(C), 1(D), 1(E) and 1(F) of Form 4625.
113	STOCK OPTIONS - line 1(G) of Form 4625.
114	RESERVES FOR BAD DEBTS - line 1(H) of Form 4625.
115	DEPLETION - line 1(I) of Form 4625.
116	CAPITAL GAINS - line 1(J) of Form 4625.
117	TOTAL ITEMS OF TAX PREFERENCE - line 2 of Form 4625.
118	TAX PREFERENCE, TYPE NOT REPORTED - a computed amount equal to minimum tax (Field 45) times 10 plus exclusion (line 3 of Form 4625) plus recomputed tax (Field 43) plus recomputed prior-year WIN (Field 44) minus net long-term gain in excess of short-term loss (Field 83 times ½ plus income tax after credits (Field 13). On returns with minimum tax (Field 45) but no Form 4625 filed, a computed amount of tax preferences which would be needed to generate the indicated amount of minimum tax.

Explanations of Fields in Tape File (cont'd)

Field	
119	RECOMPUTED TAX PREFERENCE INCOME - a computed amount comparable to line 2 of Form 4625 minus no benefit deduction claimed (This occurs whenever a taxpayer had so many deductions and exemptions that even if he had not enjoyed certain tax preferences, he would still be nontaxable under the regular tax computation method. This exclusion does not appear as a line item on Form 4625 and taxpayers take advantage of it at different places in their tax computation).
120	TAX PREFERENCE INCOME LESS EXCLUSION - a computed amount equal to recomputed total tax preference income (Field 119) minus exclusion (line 3 of Form 4625).
121	TAX CARRYOVER FROM PRIOR-YEAR - line 8 of Form 4625.
122	TAX PREFERENCE INCOME SUBJECT TO TAX - a computed amount equal to tax preference income less exclusion (Field 120) minus income tax after credits (Field 13) minus recomputed tax (Field 43) minus recomputed prior-year WIN credit (Field 44) minus tax carryover from prior-year (Field 121) but never less than zero.
123	TENTATIVE TAX ON PREFERENCES - a computed amount equal to tax preference income subject to tax (Field 122) times .10.
124	1973 NET OPERATING LOSS CARRYOVER - line 12 of Form 4625.
125	NET TENTATIVE TAX ON PREFERENCES - a computed amount equal to tentative tax on preferences (Field 123) minus 1973 Net operating loss carryover (Field 124) times .10.
126	MINIMUM TAX DEFERRED FROM PRIOR-YEAR(S) - line 16 of Form 4625.
127	TENTATIVE TAX FOR TAX PREFERENCES BEFORE CREDITS - a computed amount equal to line 17 of Form 4625 (takes account of no benefit deduction claimed).
128	UNUSED RETIREMENT INCOME CREDIT - line 20 of Form 4625.
129	MINIMUM TAX AFTER ADJUSTMENTS - line 22 of Form 4625.
130	UNUSED CREDIT FOR POLITICAL CONTRIBUTIONS - a computed amount that occurs whenever credit for policatical contributions is elected and the entire allowable credit is not included in line 17 of Form 1040. This credit will be shown in the margin below line 22 of Form 4625.
131	EARNED INCOME - line 1 of Form 4726
132	EARNED NET INCOME - line 3 of For 4726.
133	TAX PREFERENCE IN EXCESS OF $30,000 - line 8c of Form 4726.
134	ADJUSTED EARNED TAXABLE INCOME - line 11 of Form 4726. (Unverified, keypunch field).

Explanations of Fields in Tape File (cont'd)

Field	
135	EARNED TAXABLE INCOME - a computed amount comparable to line 9 of Form 4726. The computation involved multiplying the ratio of earned net income (Field 132) to adjusted gross income (Field 11) by taxable income (Field 35). This result was then reduced by the tax preference offset (Field 133).
136	UNEARNED TAXABLE INCOME - a computed amount for maximum tax returns equal to other taxable income (Field 137) minus tax preference offset (Field 133) minus net long-term gain in excess of short-term loss (Field 83) times ½.
137	OTHER TAXABLE INCOME - a computed amount for maximum tax returns equal to taxable income (Field 35) minus earned taxable income (Field 135).
138	EARNED TAXABLE INCOME SUBJECT TO REGULAR RATES - equal to $38,000 for returns with marital status codes 1 and 4 (single returns and head of household returns); equal to $52,000 for marital status codes 2 and 5 (joint returns and surviving spouse returns) (line 10 of Form 4726).
139	EARNED TAXABLE INCOME SUBJECT TO MAXIMUM RATES - a computed amount equal to earned taxable income (Field 135) minus earned taxable income subject to regular rates (Field 138) (line 11 of Form 4726).
140	INCOME TAX BEFORE CREDITS GEN. AT REG. RATES ON OTHER TAXABLE INCOME - line 15 of Form 4726.
141	INCOME TAX BEFORE CREDITS GEN. AT REG. RATES ON EARNED TAXABLE INCOME - line 16 of Form 4726.
142	OTHER TAXABLE INCOME SUBJECT TO REGULAR RATES - if taxpayer uses regular maximum tax (line 17 of Form 4726), then equals other taxable income (Field 137); if taxpayer uses alternative/maximum tax (line 34 of Form 4726), the equals other taxable income (Field 137) minus net long-term gain in excess of short-term loss (Field 83) times ½.
143	ORDINARY INCOME SUBJECT TO REGULAR RATES - if taxpayer uses regular maximum tax (line 17 of For 4726) then equals other taxable income (Field 137); if taxpayer uses alternative/maximum tax (line 34 of Form 4726) then equals other taxable income subject to regular rates (Field 142) minus capital gains taxed at upper rate (Field 91).
144	TOTAL NON-BUSINESS DEDUCTIBLE INTEREST - line 4a of Form 4952.

Explanations of Fields in Tape File (cont'd)

Field	
145	MAXIMUM ALLOWABLE DEDUCTION (NON-BUSINESS) - line 21a, Part III of Form 4952.
146	DEDUCTION CARRYOVER TO 1974 - line 22a of Form 4952.
147	EXPENSES CARRYOVER TO 1973 - line 28(a)(1) of Form 4952.
148	EXPENSES CARRYOVER TO 1974 - line 31 of Form 4952.
149	INCOME SUBJECT TO TAX AT REGULAR RATES - if taxpayer uses regular alternative tax (line 57, Schedule D of Form 1040), then equals the sum of balance for partial tax (line 46, Schedule D of Form 1040) and capital gains taxed at upper rate (Field 91); if taxpayer uses maximum tax (line 17 or line 34 of Form 4726), then equals the sum of earned taxable income subject to regular rates (Field 138) and other taxable income subject to regular rates (Field 142); if taxpayer uses normal tax regular, (Line 48 of Form 1040), income averaging (Schedule G of Form 1040), or special income averaging, (Form 4972), then equals income subject to tax (Field 33).
150	INCOME TAX WITHHELD ON FORM W-2P - line 1 of Form W-2P.
151	SORT CONTROL, WEIGHT, and BLANK - For Statistics Division use only.

1/ Capital gains taxed at 50% rate is a computed amount equal to one-half excess net long-term capital gains when $25,000 or less ($12,500 for returns with marital status code 3, separate returns). When greater than $25,000 ($12,500 for returns with marital status code 3, separate returns), a computed amount equal to the larger of $25,000 ($12,500 for returns with marital status code 3, separate returns) or one-half of long-term gains from installment sales (Field 90). On returns with tax status code equal to 7, maximum/alternative tax computation, capital gains taxed at 50% rate was limited to taxable income (Field 35) minus earned taxable income (Field 135). **(See reference to Field 91)**

SAMPLE DESCRIPTION

The 1973 Individual Tax Model (National File) is a random subsample of 108,965 returns selected from the Statistics of Income sample of 233,898 Forms 1040 and 1040A filed for 1973.

The coefficient of variation table on page 20 gives some indication of the reliability of Tax Model estimates. It should be noted, however, that in this table an assumption is made that returns are only stratified by adjusted gross income when in fact they may also be stratified by other criteria.

A more detailed description of the Statistics of Income sample, as well as measures of sampling variability for selected estimates, are shown in Statistics of Income--1973, Individual Income Tax Returns, Publication 79, which may be purchased from the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402. It is also available at many public and university libraries.

Estimates of Coefficient of Variation for the estimated Number of Returns, 1973 Tax Model
(expressed in percent)

Estimated Number of Returns	RETURNS WITH ADJUSTED GROSS INCOME OR DEFICIT							
	Under 10,000	10,000 under 15,000	15,000 under 20,000	20,000 under 50,000	50,000 under 100,000	100,000 under 200,000	200,000 under 500,000	500,000 and over
30	(1)	(1)	(1)	(1)	(1)	(1)	18.26	No sampling variability (all returns in this category are in the sample)
100	(1)	(1)	(1)	(1)	(1)	20.30	10.00	
300	(1)	(1)	(1)	(1)	(1)	11.72	5.77	
500	(1)	(1)	(1)	(1)	(1)	9.08	4.47	
1,000	(1)	(1)	(1)	(1)	25.75	6.42	3.16	
3,000	(1)	(1)	(1)	(1)	14.87	3.71	1.83	
5,000	(1)	(1)	(1)	(1)	11.52	2.87	1.41	
10,000	(1)	(1)	(1)	34.92	8.14	2.03	1.00	
15,000	(1)	(1)	34.28	28.51	6.65	1.66	0.82	
20,000	(1)	(1)	29.68	24.69	5.76	1.44	0.71	
25,000	(1)	34.49	26.55	22.08	5.15	1.28	0.63	
50,000	(1)	24.39	18.77	15.62	3.64	0.91	(2)	
100,000	24.77	17.25	13.28	11.04	2.58	0.64	(2)	
300,000	14.30	9.96	7.66	6.37	1.49	(2)	(2)	
500,000	11.08	7.71	5.94	4.94	1.15	(2)	(2)	
1,000,000	7.83	5.45	4.20	3.49	(2)	(2)	(2)	
3,000,000	4.52	3.15	2.42	2.02	(2)	(2)	(2)	
10,000,000	2.48	1.72	1.33	(2)	(2)	(2)	(2)	
15,000,000	2.02	1.41	(2)	(2)	(2)	(2)	(2)	

Note: For frequencies not classified by Adjusted Gross Income, the second column, "under 10,000," should be used.

(1) Sample too small to yield reliable estimate of sampling variability.
(2) Not applicable since the Estimated Number of Returns, in the first column, exceeds the range of possible frequency estimates.

TECHNICAL DESCRIPTION OF THE FILES

Each "data record" in the file, representing one tax return, is composed of 846 bytes. Logical tape records are made up of 5 data records and are separated by a 3/4 inch "inter record gap" (IRG). There is no special indication of the end of a logical tape record other than the IRG, and no indication of the end of a data record.

Tape characters are recorded in EBCDIC (extended binary coded decimal interchange) on standard 2,400 1/2 inch, nine-track tape, at a density of 1600 bpi (bytes per inch) in the PE (phase encoding) mode. In this mode, a 1-bit and a 0-bit are recorded as signals of opposite polarity in ODD parity (a parity bit is set to 1 or 0 so that there is always an ODD number of 1-bits in a nine-bit character).

Each code and data field is numeric and defined as packed decimal. In the packed decimal format, each byte contains two decimal digits, except the byte containing the units digit. This byte contains the unit digit and the sign of the field. Each code and field is defined as being signed and contains a bit configuration for the plus sign (C, binary 1100).

Codes are defined as 1 or 2 bytes in length. The one-byte codes contain a decimal digit from 0 through 9. The two-byte codes contain three decimal digits in the range 000 through 099. The largest decimal value is 99. The fields in the file are five bytes in length and contain 9 decimal digits with leading zeroes. The first six fields are number fields and contain decimal values in the range of 0 through 99. Fields 7 through 150 have a maximum of eight significant digits. The weight field contains an integer weight value.

The file is a single data set on multiple volumes and uses IBM 360 Standard labels. A standard set of 360 labels consists of a volume label two header labels, and two trailer labels. All labels are 80 characters in length, recorded in EBCDIC, in ODD parity.

The IBM Standard volume label(VOL1) is used to identify the tape volume and its owner. It is always the first record on an IBM Standard labeled tape.

The volume label is followed by data set label 1 (HDR1). The HDR1 label contains such information as "HDR1," the data set name, expiration date, and block count.

Data set label 2 (HDR2) follows data set label 1. The HDR2 label contains such information as "HDR2", the record format, i.e; fixed, variable or undefined length, record length, block length, and other attributes of the data set.

TECHNICAL DESCRIPTION OF THE FILES (con't)

The HDR2 label is followed by a tape mark, the data set or part of the data set for multiple volumes, a tape mark, a data set label 1 (EOV1 or EOF1) containing the same information as the "HDR1" label, a data set label 2 (EOV2 or EOF2) containing the same information as the "HDR2" label. An EOV label is followed by a tape mark. An EOF2 label is followed by two tape marks which indicate the end of the data set.

A detailed layout and description of each type of label may be found in the IBM Publication - "IBM System/360 Operating System, Tape Labels" (order number GC-28-6680-3).

The following pages of this booklet contain a narrative description of each type of label as defined in the above mentioned IBM publication. VOL1 appears as figure 5 on page 32,Data Set Label 1 appears as figure 6 on page 36, and Data Set Label 2 as figure 7 on page 42 of the above mentioned IBM publication.

A regular IBM user needs the following information:

1. Volume serial number - on outside of reel
2. Data Set Name (DSN or DSNAME) - as requested
3. Record length - 846 bytes per record (packed decimal)
4. Record format - FB for fixed block

Non-360 users would also need tape density, block size, and recording mode.

Note: Unlabeled tapes contain only data sets and tape marks.

Format of IBM Standard Volume Label (VOL1)

Position	Number of Bytes	Field Number and Name	Contents
1-3	3	1 - Label Identifier	VOL
4	1	2 - Label Number	1
5-10	6	3 - Volume Serial Number	
11	1	4 - Reserved	0
12-21	10	5 - VTOC Pointer (Direct access only)	blanks
22-31	10	6 - Reserved	blanks
32-41	10	7 - Reserved	blanks
42-51	10	8 - Owner's Name	
52-80	29	9 - Reserved	blanks

Format of IBM Standard Data Set Label 1

Position	Number of Bytes	Field Number and Name	Contents
1-3	3	1 - Label Identifier	HDR - for a header label (at the beginning of a data set). EOV - for a trailer label (at the end of a tape volume, when the data set continues on another volume. EOF - for a trailer label (at the end of a data set).
4	1	2 - Label Number	1
5-21	17	3 - Data Set Identifier	TAPE.SMI304A4
22-27	6	4 - Data Set Serial Number	TAPE serial number of the first volume of the data set.

Format of IBM Standard Data Set Label 1 (cont'd)

Position	Number of Bytes	Field Number and Name	Contents
28-31	4	5 - Volume Sequence Number	Sequence number of the volume in the data set. The number is in the range 0001-9999.
32-35	4	6 - Data Set Sequence Number	1
36-39	4	7 - Generation Number	blanks
40-41	2	8 - Version Number	blanks
42-47	6	9 - Creation Date	In the format byyddd
48-53	6	10 - Expiration Date	In the format byyddd
54	1	11 - Data Set Security	0 - no security protection
55-60	6	12 - Block Count	Zeroes for a header and block count for a trailer.
61-73	13	13 - System Code	
74-80	7	14 - Reserved	blanks

Format of IBM Standard Data Set Label 2

Position	Number of Bytes	Field Number and Name	Contents
1-3	3	1 - Label Identifier	HDR - for a header label (at the beginning of a data set). EOV - for a trailer label (at the end of a tape volume, when the data set continues on another volume). EOF - for a trailer label (at the end of a data set).

Format of IBM Standard Data Set Label 2 (cont'd)

Position	Number of Bytes	Field Number and Name	Contents
4	1	2 - Label Number	Always 2
5	1	3 - Record Format	F - Fixed Length
6-10	5	4 - Block Length	04230
11-15	5	5 - Record Length	00846
16	1	6 - Tape Density	3 - for 1600 bpi
17	1	7 - Data Set Position	0 - for first volume 1 - for other volumes of data set
18-34	17	8 - Job/Job Step Identification	
35-36	2	9 - Tape Recording Technique	blank
37	1	10 - Printer Control Character	blank
38	1	11 - Reserved	blank
39	1	12 - Block Attribute	B - blocked records
40-80	41	13 - Reserved	

Form **1040** U.S. Department of the Treasury—Internal Revenue Service
Individual Income Tax Return **1973**

For the year January 1–December 31, 1973, or other taxable year beginning ...., 1973, ending ...., 19......

Please print or type

Name (If joint return, give first names and initials of both) | Last name | COUNTY OF RESIDENCE | Your social security number

Present home address (Number and street, including apartment number, or rural route) | Spouse's social security no.

City, town or post office, State and ZIP code | Occupation: Yours ▶ / Spouse's ▶

Filing Status—check only one:

1 ☐ Single
2 ☐ Married filing joint return (even if only one had income)
3 ☐ Married filing separately. If spouse is also filing give spouse's social security number in designated space above and enter full name here ▶
4 ☐ Unmarried Head of Household
5 ☐ Widow(er) with dependent child (Year spouse died ▶ 19)

Exemptions Regular / 65 or over / Blind

6a Yourself . . . ☐ ☐ ☐
b Spouse . . . ☐ ☐ ☐ Enter number of boxes checked ▶
c First names of your dependent children who lived with you .... Enter number ▶
d Number of other dependents (from line 27) . . . ▶
7 Total exemptions claimed . . . . ▶

8 Presidential Election Campaign Fund.—Check ☐ if you wish to designate $1 of your taxes for this fund. If joint return, check ☐ if spouse wishes to designate $1. Note: *This will not increase your tax or reduce your refund.* See note below.

Please attach Copy B of Forms W–2 here

Income

9 Wages, salaries, tips, and other employee compensation. (Attach Forms W–2. If unavailable, attach explanation) — 9
10a Dividends (See instructions on page 6.) $..........., 10b Less exclusion $........., Balance ▶ — 10c
10d (Gross amount received, if different from line 10a . . . . $..........)
11 Interest income . . . — 11
12 Income other than wages, dividends, and interest (from line 38) . . . — 12
13 Total (add lines 9, 10c, 11, and 12) . . . — 13
14 Adjustments to income (such as "sick pay," moving expenses, etc. from line 43) . — 14
15 Subtract line 14 from line 13 (adjusted gross income) . . . — 15

- **If you do not itemize deductions and line 15 is under $10,000, find tax in Tables and enter on line 16.**
- **If you itemize deductions or line 15 is $10,000 or more, go to line 44 to figure tax.**
- CAUTION. If you have unearned income and can be claimed as a dependent on your parent's return, check here ▶ ☐ and see instructions on page 7.

Tax, Payments and Credits

16 Tax, check if from: ☐ Tax Tables 1–12 ☐ Tax Rate Schedule X, Y, or Z ☐ Schedule D ☐ Schedule G ☐ Form 4726 OR ☐ Form 4972 — 16
17 Total credits (from line 54) . . . — 17
18 Income tax (subtract line 17 from line 16) . . . — 18
19 Other taxes (from line 61) . . . — 19
20 Total (add lines 18 and 19) . . . — 20
21a Total Federal income tax withheld (attach Forms W–2 or W–2P to front) . . . — 21a
b 1973 estimated tax payments (include amount allowed as credit from 1972 return) . . . — b
c Amount paid with Form 4868, Application for Automatic Extension of Time to File U.S. Individual Income Tax Return — c
d Other payments (from line 65) . . . — d
22 Total (add lines 21a, b, c, and d) . . . — 22

Please attach Check or Money Order here

Balance Due or Refund

23 If line 20 is larger than line 22, enter BALANCE DUE IRS (Pay in full with return. Make check or money order payable to Internal Revenue Service) ▶ — 23
(Check here ▶ ☐, if Form 2210, Form 2210F, or statement is attached. See instructions on page 8.)
24 If line 22 is larger than line 20, enter amount OVERPAID . . . ▶ — 24
25 Amount of line 24 to be REFUNDED TO YOU . . . ▶ — 25
26 Amount of line 24 to be credited on 1974 estimated tax . . . ▶ — 26

Note: 1972 Presidential Election Campaign Fund Designation.—Check ☐ if you did not designate $1 of your taxes on your 1972 return, but now wish to do so. If joint return, check ☐ if spouse did not designate on 1972 return but now wishes to do so.

Write soc. sec. no. on Check or Money Order.

Sign here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which he has any knowledge.

▶ Your signature — Date
▶ Preparer's signature (other than taxpayer) — Date
▶ Spouse's signature (if filing jointly, BOTH must sign even if only one had income)
Address (and ZIP Code) — Preparer's Emp. Ident. or Soc. Sec. No.

Other Dependents

(a) NAME	(b) Relationship	(c) Months lived in your home. If born or died during year, write B or D.	(d) Did dependent have income of $750 or more?	(e) Amount YOU furnished for dependent's support. If 100% write ALL.	(f) Amount furnished by OTHERS including dependent.
				$	$

27 Total number of dependents listed in column (a). Enter here and on line 6d . . . . ▶

Part I Income other than Wages, Dividends, and Interest

28 Business income or (loss) (attach Schedule C)	28	
29 Net gain or (loss) from sale or exchange of capital assets (attach Schedule D)	29	
30 Net gain or (loss) from Supplemental Schedule of Gains and Losses (attach Form 4797) . .	30	
31 Pensions, annuities, rents, royalties, partnerships, estates or trusts, etc. (attach Schedule E) . .	31	
32 Farm income or (loss) (attach Schedule F)	32	
33 Fully taxable pensions and annuities (not reported on Schedule E—see instructions on page 8)	33	
34 50% of capital gain distributions (not reported on Schedule D)	34	
35 State income tax refunds (does not apply if refund is for year in which you took the standard deduction—others see instructions on page 8)	35	
36 Alimony received	36	
37 Other (state nature and source) ▶	37	
38 **Total** (add lines 28, 29, 30, 31, 32, 33, 34, 35, 36, and 37). **Enter here and on line 12** . . ▶	38	

Part II Adjustments to Income

39 "Sick pay." (From Forms W-2 and W-2P. If not shown on Forms W-2 or W-2P, attach Form 2440 or statement.)	39	
40 Moving expense (attach Form 3903)	40	
41 Employee business expense (attach Form 2106 or statement)	41	
42 Payments as a self-employed person to a retirement plan, etc. (see Form 4848)	42	
43 **Total adjustments** (add lines 39, 40, 41, and 42). **Enter here and on line 14** . . . ▶	43	

Part III Tax Computation (Do not use this part if you use Tax Tables 1–12 to find your tax.)

44 Adjusted gross income (from line 15)	44	
45 (a) If you itemize deductions, enter total from Schedule A, line 41 and attach Schedule A (b) If you do not itemize deductions, enter 15% of line 44, but do NOT enter more than $2,000. ($1,000 if line 3 checked) .	45	
46 Subtract line 45 from line 44	46	
47 Multiply total number of exemptions claimed on line 7, by $750	47	
48 **Taxable income.** Subtract line 47 from line 46	48	

(Figure your tax on the amount on line 48 by using Tax Rate Schedule X, Y, or Z, or if applicable, the alternative tax from Schedule D, income averaging from Schedule G, maximum tax from Form 4726, or special averaging from Form 4972.) Enter tax on line 16.

Part IV Credits

49 Retirement income credit (attach Schedule R)	49	
50 Investment credit (attach Form 3468)	50	
51 Foreign tax credit (attach Form 1116)	51	
52 Credit for contributions to candidates for public office—see instructions on page 9	52	
53 Work Incentive (WIN) credit (attach Form 4874)	53	
54 **Total credits** (add lines 49, 50, 51, 52, and 53). **Enter here and on line 17** . . . . . ▶	54	

Part V Other Taxes

55 Self-employment tax (attach Schedule SE)	55	
56 Tax from recomputing prior-year investment credit (attach Form 4255)	56	
57 Tax from recomputing prior-year Work Incentive (WIN) credit (attach schedule)	57	
58 Minimum tax. Check here ▶ ☐, if Form 4625 is attached	58	
59 Social security tax on tip income not reported to employer (attach Form 4137)	59	
60 Uncollected employee social security tax on tips (from Forms W-2)	60	
61 **Total** (add lines 55, 56, 57, 58, 59, and 60). **Enter here and on line 19** . . . . ▶	61	

Part VI Other Payments

62 Excess FICA tax withheld (two or more employers—see instructions on page 9)	62	
63 Credit for Federal tax on special fuels, nonhighway gasoline and lubricating oil (attach Form 4136)	63	
64 Credit from a Regulated Investment Company (attach Form 2439)	64	
65 **Total** (add lines 62, 63, and 64). **Enter here and on line 21d** . . . . ▶	65	

Foreign Accounts
Did you, at any time during the taxable year, have any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except in a U.S. military banking facility operated by a U.S. financial institution)? . . . . ▶ ☐ Yes ☐ No
If "Yes," attach Form 4683. (For definitions, see Form 4683.)

SCHEDULE A (Form 1040)
Department of the Treasury
Internal Revenue Service

Itemized Deductions

► Attach to Form 1040.

1973

Name(s) as shown on Form 1040 | Your social security number

Medical and Dental Expenses (not compensated by insurance or otherwise) for medicine and drugs, doctors, dentists, nurses, hospital care, insurance premiums for medical care, etc.

1 **One half (but not more than $150) of insurance premiums for medical care. (Be sure to include in line 10 below)** . . . . ______

2 Medicine and drugs . . . . ______

3 Enter 1% of line 15, Form 1040 . . ______

4 Subtract line 3 from line 2. Enter difference (if less than zero, enter zero) . ______

5 Enter balance of insurance premiums for medical care not entered on line 1 . ______

6 Enter other medical and dental expenses:

a Doctors, dentists, etc. . . . . . . ______

b Hospitals . . . . ______

c Other (Itemize—include hearing aids, dentures, eyeglasses, transportation, etc.) ► ______

7 Total (add lines 4, 5, 6a, b, and c) . . ______

8 Enter 3% of line 15, Form 1040 . . . ______

9 Subtract line 8 from line 7 (if less than zero, enter zero) . . . . ______

10 Total (add lines 1 and 9). Enter here and on line 35 . . . . ► ______

Taxes

11 State and local income . . . . . ______

12 Real estate . . . . ______

13 State and local gasoline (see gas tax tables) ______

14 General sales (see sales tax tables) . ______

15 Personal property . . . . ______

16 Other (Itemize) ► ______

17 Total (add lines 11, 12, 13, 14, 15, and 16). Enter here and on line 36 . . ► ______

Interest Expense

18 Home mortgage . . . . ______

19 Other (Itemize) ► ______

20 Total (add lines 18 and 19). Enter here and on line 37 . . . . ► ______

Contributions (See instructions on page 11 for examples.)

21 a Cash contributions for which you have receipts, cancelled checks, etc. ______

b Other cash contributions. List donees and amounts. ► ______

22 Other than cash (see instructions on page 12 for required statement) . . ______

23 Carryover from prior years . . . . ______

24 Total contributions (add lines 21a, b, 22, and 23). Enter here and on line 38 . . . . ► ______

Casualty or Theft Loss(es) (See instructions on page 12.)

Note: *If you had* **more than one loss,** *omit lines 25 through 28 and see instructions on page 12 for guidance.*

25 Loss before insurance reimbursement . ______

26 Insurance reimbursement . . . . ______

27 Subtract line 26 from line 25. Enter difference (if less than zero, enter zero) . . . . ______

28 Enter $100 or amount on line 27, whichever is smaller . . . . . . ______

29 Casualty or theft loss (subtract line 28 from line 27). Enter here and on line 39 . ► ______

Miscellaneous Deductions (See instructions on page 12.)

30 Alimony paid . . . . ______

31 Union dues . . . . ______

32 Expenses for child and dependent care services (attach Form 2441) . . . ______

33 Other (Itemize) ► ______

34 Total (add lines 30, 31, 32, and 33). Enter here and on line 40 . . . . ► ______

Summary of Itemized Deductions **A**

35 Total medical and dental—line 10 . . ______

36 Total taxes—line 17 . . . . . . ______

37 Total interest—line 20 . . . . . ______

38 Total contributions—line 24 . . . . ______

39 Casualty or theft loss(es)—line 29 . . ______

40 Total miscellaneous—line 34 . . . ______

41 **Total deductions** (add lines 35, 36, 37, 38, 39, and 40). Enter here and on Form 1040, line 45 . . . . ► ______

SCHEDULE D
(Form 1040)
Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

▶ Attach to Form 1040. ▶ Examples of property to be reported on this Schedule are gains and losses on stocks, bonds, and similar investments, and gains (but not losses) on personal assets such as a home or jewelry.

1973

Name(s) as shown on Form 1040 | Social security number

Part I Short-term Capital Gains and Losses—Assets Held Not More Than 6 Months

D

a. Kind of property and description (Example, 100 shares of "Z" Co.)	b. How acquired. Enter letter symbol (see instruction D)	c. Mo., day, yr. (Put date sold above dotted line and date acquired below dotted line)	d. Gross sales price	e. Cost or other basis, as adjusted (see Instruction E) and expense of sale	f. Gain or (loss) (d less e)
1					

2	Enter your share of net short-term gain or (loss) from partnerships and fiduciaries	2	
3	Enter net gain or (loss), combine lines 1 and 2	3	
4(a)	Short-term capital loss component carryover from years beginning before 1970 (see Instruction H)	4(a)	
4(b)	Short-term capital loss carryover attributable to years beginning after 1969 (see Instruction H)	4(b)	
5	Net short-term gain or (loss), combine lines 3, 4(a) and 4(b)	5	

Part II Long-term Capital Gains and Losses—Assets Held More Than 6 Months

6					

7	Capital gain distributions	7	
8	Enter gain, if applicable, from line 4(a)(1), Form 4797 (see Instruction A)	8	
9	Enter your share of net long-term gain or (loss) from partnerships and fiduciaries	9	
10	Enter your share of net long-term gain from small business corporations (Subchapter S)	10	
11	Net gain or (loss), combine lines 6 through 10	11	
12(a)	Long-term capital loss component carryover from years beginning before 1970 (see Instruction H)	12(a)	
12(b)	Long-term capital loss carryover attributable to years beginning after 1969 (see Instruction H)	12(b)	
13	Net long-term gain or (loss), combine lines 11, 12(a) and 12(b)	13	

Part III Summary of Parts I and II

14 Combine the amounts shown on lines 5 and 13, and enter the net gain or loss here **14**

15 **If line 14 shows a gain—**

(a) Enter 50% of line 13 or 50% of line 14, whichever is smaller (see Part VI for computation of alternative tax). Enter zero if there is a loss or no entry on line 13 . . . . **15(a)**

(b) Subtract line 15(a) from line 14. Enter here and on line 29, Form 1040 . . . . **15(b)**

16 **If line 14 shows a loss—**

▶ Omit lines 16(a) and 16(b) and go to Part IV if losses are shown on BOTH lines 12(a) and 13. See Instruction I.

▶ Otherwise,

(a) Enter one of the following amounts:

(i) If amount on line 5 is zero or a net gain, enter 50% of amount on line 14;

(ii) If amount on line 13 is zero or a net gain, enter amount on line 14; or,

(iii) If amounts on line 5 and line 13 are net losses, enter amount on line 5 added to 50% of amount on line 13 . . . . **16(a)**

(b) Enter here and enter as a (loss) on line 29, Form 1040, the smallest of:

(i) The amount on line 16(a);

(ii) $1,000 ($500 if married and filing a separate return—If a loss is shown on line 4(a) or 12(a), see instruction M for a higher limit not to exceed $1,000); or,

(iii) Taxable income, as adjusted (see Instruction L) . . . . **16(b)** ( )

Part IV Capital Loss Limitation—Where Losses Are Shown on Both Lines 12(a) AND 13

17 Enter loss from line 5; if line 5 is zero or a gain, enter a zero 17

18 Enter loss from line 13 18

19 Enter gain, if any, from line 5; if line 5 is zero or a loss, enter a zero 19

20 Reduce loss on line 18 to the extent of the gain, if any, on line 19 20

21 Combine lines 3 and 11 and if gain, enter gain; if zero or a loss, enter a zero 21

NOTE: If the entry on line 21 is zero, OMIT lines 22 through 28, and enter on line 29 the loss shown on line 12(a).

22 Enter gain, if any, from line 11 22

23 Enter smaller of amount on line 21 or line 22 23

24 Enter excess of gain on line 21 over amount on line 23 24

25 Enter loss from line 4(a); if line 4(a) is blank, enter a zero 25

26 Reduce gain, if any, on line 24 to the extent of loss, if any, on line 25 (see Instruction J) . 26

27 Enter loss from line 12(a) 27

28 Add the gain(s) on line(s) 23 and 26 28

29 Reduce the loss on line 27 to the extent of the gain, if any, on line 28 (see Instruction K) 29

30 Enter smaller of amount on line 29 or line 20 (if line 29 is zero, enter a zero) 30

31 Subtract amount on line 30 from the loss on line 20 31

32 Enter 50% of the amount on line 31 32

33 Add lines 17, 30, and 32 33

34 Enter here and enter as a (loss) on line 29, Form 1040, the smallest of:

(a) Amount on line 33;

(b) $1,000 ($500 if married and filing a separate return—see Instruction M for a higher limit not to exceed $1,000); or,

(c) Taxable income, as adjusted (see Instruction L) . . . . 34 ( )

Part V Complete Part V if You are Married Filing a Separate Return and Losses are Shown on Lines 4(a) and 14. (See Instruction M).

35 Combine lines 3 and 11 and if gain, enter gain; if zero or a loss, enter a zero 35

NOTE: If the entry on line 35 is zero, OMIT lines 36 through 42, and enter on line 43 the loss shown on line 4(a).

36 Enter gain, if any, from line 3 36

37 Enter smaller of amount on line 35 or line 36 37

38 Enter excess of gain on line 35 over amount on line 37 38

39 Enter loss from line 12(a); if line 12(a) is blank, enter a zero 39

40 Reduce the gain, if any, on line 38 to the extent of the loss, if any, on line 39 (see Instruction J) . 40

41 Enter loss from line 4(a) 41

42 Add the gain(s) on line(s) 37 and 40 42

43 Reduce the loss on line 41 to the extent of the gain, if any, on line 42 (see Instruction K) 43

Part VI Computation of Alternative Tax (See Instruction V to See if the Alternative Tax Will Benefit You)

44 Enter amount from line 48, Form 1040 44

45 Enter amount from line 15(a) 45

46 Subtract amount on line 45 from amount on line 44 (but not less than zero) 46

47 Enter smaller of amount on line 13 or line 14 47

If line 47 does not exceed $50,000 ($25,000 if married filing separately), check here ▶ ☐ and omit lines 48 through 54.

48 Enter long-term gains from certain contracts and installment sales referred to as "certain subsection (d) gains" (see Instruction V) 48

49 Enter amount from line 48 or $50,000 ($25,000 if married filing separately), whichever is larger . 49

If line 49 is equal to or greater than line 47, check here ▶ ☐ and omit lines 50 through 54.

50 Multiply amount on line 49 by 50% 50

51 Add amounts on lines 46 and 50 51

52 Tax on line 44 or 45, whichever is greater (use Tax Rate Schedule in Instructions) 52

53 Tax on the amount on line 51 (use Tax Rate Schedule in instructions) 53

54 Subtract amount on line 53 from amount on line 52 54

55 Tax on the amount on line 46 (use Tax Rate Schedule in instructions) 55

56 If the block on line 47 or 49 is checked, enter 50% of line 45; otherwise enter 25% of line 49 . . 56

57 Alternative Tax—add amounts on lines 54 (if applicable), 55, and 56. If smaller than the tax figured on the amount on line 48, Form 1040, enter this alternative tax on line 16, Form 1040 57

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E.I. 13-1447280

Schedules E&R—Supplemental Income Schedule AND Retirement Income Credit Computation

(Form 1040)

Department of the Treasury
Internal Revenue Service

(From pensions and annuities, rents and royalties, partnerships, estates and trusts, etc.)
▶ Attach to Form 1040.

1973

Name(s) as shown on Form 1040 | Your social security number

Schedule E—Supplemental Income Schedule (Schedule R on back)

Part I Pension and Annuity Income. If fully taxable, do not complete this part. Enter amount on Form 1040, line 33. For each pension or annuity **not fully taxable**, attach a separate Part I and enter combined total of taxable portions on line 5.

1 Name of payer ....
2 Did your employer contribute part of the cost? . . . . . ☐ Yes ☐ No
If "Yes," is your contribution recoverable within 3 years of the annuity starting date? . ☐ Yes ☐ No
If "Yes," show: Your contribution $ ...., Contribution recovered in prior years . $
3 Amount received this year . . . . .
4 Amount excludable this year . . . . .
5 Taxable portion (subtract line 4 from line 3) . . . . .

Part II Rent and Royalty Income. If you need more space, you may use Form 4831.

Note: If you are reporting **farm rental** income here, see Schedule E Instructions to determine if you should also file Form 4835. If at least two-thirds of your gross income is from farming or fishing, check this box ☐.

(a) Kind and location of property If residential, also write "R"	(b) Total amount of rents	(c) Total amount of royalties	(d) Depreciation (explain below) or depletion (attach computation)	(e) Other expenses (Repairs, etc.—explain below)
1 Totals				

2 Net income or (loss) from rents and royalties (column (b) plus column (c) less columns (d) and (e)) . . .

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

If any of the partnership, estate or trust income reported below is from farming or fishing, see Schedule E Instructions to determine if you should also file Form 4835. If at least two-thirds of your gross income is from farming or fishing, check this box ☐.

(a) Name and address	(b) Check applicable box: Partnership	Estate or Trust	Small Bus. Corp.	(c) Employer identification number	(d) Income or (loss)	(e) Additional 1st year depreciation (applicable only to partnerships)
1 Totals.						

2 Income or (loss). Total of column (d) less total of column (e) . . . . .

TOTAL OF PARTS I, II, AND III (Enter here and on Form 1040, line 31)

Explanation of Column (e), Part II

Item	Amount	Item	Amount	Item	Amount

Schedule for Depreciation Claimed in Part II Above.

If you need more space, you may use Form 4562.

Note: If depreciation is computed by using the Class Life (ADR) System for assets placed in service after December 31, 1970, or the Guideline Class Life System for assets placed in service before January 1, 1971, you must file Form 4832 (Class Life (ADR) System) or Form 5006 (Guideline Class Life System). Except as otherwise expressly provided in income tax regulations sections 1.167(a)–11(b)(5)(vi) and 1.167(a)–12, the provisions of Revenue Procedures 62–21 and 65–13 are not applicable for taxable years ending after December 31, 1970.

Check box if you made an election this taxable year to use ☐ Class Life (ADR) System and/or ☐ Guideline Class Life System.

(a) Group and guideline class or description of property	(b) Date acquired	(c) Cost or other basis	(d) Depreciation allowed or allowable in prior years	(e) Method of computing depreciation	(f) Life or rate	(g) Depreciation for this year
1 Total additional first-year depreciation (do not include in items below) →						
2 Depreciation from Form 4832 . .	(See Note above)					
3 Depreciation from Form 5006 . .						
4 Other depreciation:						
5 Totals						

E

Summary of Depreciation (Other Than Additional First-Year Depreciation)

	Straight line	Declining balance	Sum of the years-digits	Units of production	Other (specify)	Total
1 Depreciation from Form 4832 . .						
2 Depreciation from Form 5006 . .						
3 Other . . .						

 Schedule R—Retirement Income Credit Computation

Name(s) as shown on Form 1040 (Do not enter name and social security number if shown on other side)	Your social security number

If you received earned income in excess of $600 in each of any 10 calendar years before 1973, you may be entitled to a retirement income credit. If you elect to have the Service compute your tax (see page 4 of Form 1040 instructions), answer the question for columns A and B below and fill in lines 2 and 5. The Service will figure your retirement income credit and allow it in computing your tax. Be sure to attach Schedule R and write "RIC" on line 17 of Form 1040. If you compute your own tax, fill out all applicable lines of this schedule.

Married residents of Community Property States see Schedule R instructions.

Joint return filers use column A for wife and column B for husband. All other filers use column B only. Did you receive earned income in excess of $600 in each of any 10 calendar years before 1973? (Widows or widowers see Schedule R instructions.) If "Yes" in either column, furnish all information below in that column. Also **furnish the combined information called for in column C for both husband and wife if joint return, both 65 or over, even if only one answered "Yes" in column A or B.**	A ☐ Yes ☐ No	B ☐ Yes ☐ No	C Alternative Computation (Combined information of husband and wife if joint return and both 65 or over)
1 Maximum amount of retirement income for credit computation . . .	$1,524 00	$1,524 00	$2,286 00
2 Deduct: (a) Amounts received as pensions or annuities under the Social Security Act, the Railroad Retirement Acts (but not supplemental annuities), and certain other exclusions from gross income			
(b) Earned income received (does not apply to persons 72 or over): (1) If you are under 62, enter the amount in excess of $900 . . .			R
(2) If you are 62 or over but under 72, enter amount determined as follows: if $1,200 or less, enter zero . . . . If over $1,200 but not over $1,700, enter ½ of amount over $1,200; or if over $1,700, enter excess over $1,450 . .			
3 Total of lines 2(a) and 2(b)			
4 Balance (subtract line 3 from line 1) . . . . If column A, B, or C is more than zero, complete this schedule. If all of these columns are zero or less, **do not file this schedule.**			
5 Retirement income: (a) **If you are under 65:** Enter only income received from pensions and annuities under public retirement systems (e.g. Fed., State Govts., etc.) included on Form 1040, line 15			
(b) **If you are 65 or older:** Enter total of pensions and annuities, interest and dividends included on Form 1040, line 15, and gross rents from Schedule E, Part II, column (b). Also include your share of gross rents from partnerships and your proportionate share of taxable rents from estates and trusts .			
6 Line 4 or line 5, whichever is smaller			

7 (a) Total (add amounts on line 6, columns A and B)	
(b) Amount from line 6, column C, if applicable	
8 Tentative credit. Enter 15% of line 7(a) or 15% of line 7(b), whichever is greater	
9 Amount of tax shown on Form 1040, line 16	
10 Retirement income credit. Enter here and on Form 1040, line 49, the amount on line 8 or line 9, whichever is smaller. Note: If you claim credit for foreign taxes or tax free covenant bonds, skip line 10 and complete lines 11, 12, and 13, below	
11 Credit for foreign taxes or tax free covenant bonds	
12 Subtract line 11 from line 9 (if less than zero, enter zero)	
13 Retirement income credit. Enter here and on Form 1040, line 49, the amount on line 8 or line 12 whichever is smaller	

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SCHEDULE G (Form 1040)
Department of the Treasury
Internal Revenue Service

Income Averaging

▶ See instructions on pages 3 and 4.
▶ Attach to Form 1040.

1973

Name(s) as shown on Form 1040 | Your social security number

Taxable Income and Adjustments

	(a) Computation year 1973	(b) 1st preceding base period year 1972	(c) 2d preceding base period year 1971	(d) 3d preceding base period year 1970	(e) 4th preceding base period year 1969
1 Taxable income (see instruction 1)					
2 Income earned outside of the United States or within U.S. possessions and excluded under sections 911 and 931					
3 Excess community income and certain amounts received by owner-employees subject to a penalty under section 72(m)(5). See instruction 3					
4 Accumulation distributions subject to section 668(a). See Form 4970					
5 Adjusted taxable income or base period income. (Line 1 plus line 2, less lines 3 and 4.) If less than zero, enter zero					

Computation of Averagable Income

6 Adjusted taxable income from line 5, column (a)	6	
7 30% of the sum of line 5, columns (b), (c), (d), and (e)	7	
8 Averagable income (line 6 less line 7)	8	

Complete the remaining parts of this form only if line 8 is more than $3,000. If $3,000 or less, you do not qualify for income averaging. Do not fill in rest of form.

G

Computation of Tax

9 Amount from line 7			9	
10 20% of line 8			10	
11 Total (add lines 9 and 10)			11	
12 Amount from line 3, column (a), less any income subject to a penalty under section 72(m)(5) which was included in line 3			12	
13 Total (add lines 11 and 12)			13	
14 Tax on amount on line 13			14	
15 Tax on amount on line 11	15			
16 Tax on amount on line 9	16			
17 Difference (line 15 less line 16)	17			
18 Multiply the amount on line 17 by 4			18	
19 Total (add lines 14 and 18)			19	
20 Tax on income subject to the penalty under section 72(m)(5) which was included in line 3			20	
21 Tax (add lines 19 and 20). Enter here and on Form 1040, line 16. Also check Schedule G box on Form 1040, line 16			21	

Computations on this page are not needed unless line 15, Form 1040 for 1973 is under $10,000 or you used the optional tax tables for 1972, 1971, 1970 or 1969.

Computation of Standard Deduction for 1973 if Adjusted Gross Income is Under $10,000 and for 1972 if You Used the Optional Tax Tables

	1973	1972
1 Enter 15% { of line 15, Form 1040 (1973); of line 14, Form 1040A (1972); of line 17, Form 1040 (1972) } (limited to $1,000 if you are married and filing separately)		
2 Enter $1,300 ($650 if married filing separately)		
3 Standard deduction. Enter line 1 or 2 whichever is greater. (If married filing separately choose either line 1 or line 2. **Note:** *If your spouse uses the percentage standard deduction (line 1) both must use it.*)		

Computation of Standard Deduction for 1971 if You Used the Optional Tax Tables

1 Enter 13% of line 18, Form 1040 (1971) (limited to $750 if you were married and filed separately) . . ______

2 Enter $1,050 ($525 if you were married and filed separately) . . . . . ______

3 Standard deduction. Enter line 1 or 2 whichever is greater. (If you were married and filed separately choose either line 1 or line 2. **Note:** If your spouse used the percentage standard deduction (line 1) both must use it.) . . . . . ______

Computation of Standard Deduction for 1970 if You Used the Optional Tax Tables

1 Enter 10% of line 18, Form 1040 (1970), but not more than $500 if you were married and filed separately . . . . . ______

(If you were married and filed separately, complete only line 2 or line 3, whichever is applicable. All other filers complete only lines 4 through 14.)

2 If you used the low income allowance, enter the sum of $100 plus $100 for each exemption claimed on line 11, Form 1040 (1970), but not more than $500. 1970 standard deduction . . . . . ______

3 If you used the percentage standard deduction, enter amount from line 1. 1970 standard deduction . ______

4 Basic allowance. Enter the sum of $200 plus $100 for each exemption claimed on line 11, Form 1040 (1970), but not more than $1,000 . . . . . ______

Computation of additional allowance:

5 Limitation $900.00

6 Enter $100 for each exemption claimed on line 11, Form 1040 (1970) . . . . . ______

7 Enter amount from line 18, Form 1040 (1970) . . . . . ______

8 Enter the sum of $1,100 plus $625 for each exemption claimed on line 11, Form 1040 (1970) . . . . . ______

9 Subtract line 8 from line 7. If less than zero, enter zero . . . . . ______

10 Enter one-half of amount on line 9 . . . . . ______

11 Add lines 6 and 10 . . . . . ______

12 Additional allowance. Subtract line 11 from line 5. If less than zero, enter zero . . . . . ______

13 Low income allowance. Add lines 4 and 12 . . . . . ______

14 Standard deduction. Enter amount from line 1 or line 13, whichever is greater . . . . . ______

Computation of Standard Deduction for 1969 if You Used the Optional Tax Tables

If you were married and filed a separate return, complete only line 4 or line 5, whichever is applicable. All other filers complete only lines 1, 2, and 3.

1 Enter 10% of adjusted gross income . . . . . ______

2 Enter $200 plus $100 for each exemption claimed but not more than $1,000 . . . . . ______

3 Standard deduction. Enter amount on line 1 or line 2 whichever is greater . . . . . ______

Married persons who filed separate returns:

4 Standard deduction if you used the 10 percent standard deduction. Enter 10% of adjusted gross income . ______

5 Standard deduction if you used the minimum standard deduction. Enter $100 plus $100 for each exemption claimed but not more than $500 . . . . . ______

Form **2555**
(Rev. Oct. 1974)
Department of the Treasury
Internal Revenue Service

Exemption of Income Earned Abroad

▶ **Attach to Form 1040.**

For taxable year ending ....

This Form is to be Used Only by United States Citizens and Certain Resident Aliens (See Instruction 1.)

Name of taxpayer | **Social security number**

Foreign address (including Country) | **Your occupation**

Name of employer ▶

Employer's address: U.S. ▶
Foreign ▶

... the latest year for which you filed a U.S. income tax return ▶ Office where filed ▶

For an explanation of the provisions under which **earned** income of citizens abroad is exempt, see instructions. You may ob... Publication 54, Tax Guide for U.S. Citizens Abroad, and all forms from any Internal Revenue office, U.S. Embassy, or Consulate.

Check status under which you claim exemption of earned income from services abroad
☐ Bona fide residence. Complete Parts I and III.
☐ Physical presence. Complete Parts II and III.

Complete all items in the parts pertaining to your status. If an item does not apply, write "DOES NOT APPLY." Failure to submit required information may result in disallowance of the claimed exemption.

Part I To be Completed for Bona Fide Residence Only

1 Foreign country in which you claim bona fide residence .... Residence began .... (Date), ended .... (Date)

2 Kind of living quarters in foreign country ☐ Purchased house ☐ Rented house or apartment ☐ Rented room ☐ Quarters furnished by employer

3 Did your family live with you abroad during any part of the taxable year? . . . ☐ Yes ☐ No

If "Yes," for what period? ....

4 (a) Have you made a statement to the authorities of the foreign country you claim bona fide residence in that you are **not** a resident of that country? . . . ☐ Yes ☐ No

(b) Are you required to pay income tax to the country you claim bona fide residence in? . . . ☐ Yes ☐ No

If you made a statement to the authorities of the foreign country that you are not a resident, and the country holds you are not subject to its income tax, you do not qualify for this United States exemption. (See Instruction 8(c).)

5 Complete the following for days present in the United States or its possessions during the taxable year:

Date arrived in U.S.	Date departed from U.S.	Number of days in U.S. on business	Amount earned in U.S. on business (Attach statement showing computation.)	Date arrived in U.S.	Date departed from U.S.	Number of days in U.S. on business	Amount earned in U.S. on business (Attach statement showing computation.)

6 (a) State any contractual terms or other conditions relating to the length of your employment abroad. ....

(b) State the type of visa you entered the foreign country under. ....

(c) Did your visa contain any limitations as to the length of your stay or employment in a foreign country? . . . ☐ Yes ☐ No

If "Yes," attach explanation.

(d) List the places where you have resided and the dates of residence since you left the United States to establish residence abroad. ....

(e) Did you maintain a home in the United States while residing abroad? . . . ☐ Yes ☐ No

If "Yes," show address of your home, whether it was rented, and the names and relationships of the occupants. ....

Part II To be Completed for Physical Presence Only

7 The 18-month period the exemption for physical presence in a foreign country is based on is from .... through ....

8 Enter all travel abroad during the 18-month period the exemption is based on, except travel between foreign countries that did not involve travel on or over international waters for 24 hours or more. If the last entry is an arrival in a foreign country, insert number of full days to end of 18 month period. If there was no travel to report during the period, write in schedule that you were physically present in a foreign country or countries during the entire 18-month period.

Name of country (including U.S.)	Date and time departed	Date and time arrived	Full days present in country	Number of days in U.S. on business	Amount earned in U.S. on business (Attach statement showing computation.)

9 Enter prior years you claimed exemption for income earned abroad under section 911 ▶

Part III To be Completed for Both Bona Fide Residence and Physical Presence

10 Enter below your total earned income, including noncash remuneration. (See instructions 7 and 8(d).)
Is part of the income (such as bonuses) attributable to services performed in past years or to be performed for years other than this year? . . . . . ☐ Yes ☐ No
If "Yes," see Instructions 10(a) and 11.

Do not report exempt income on your Form 1040, but enter all taxable income in the appropriate sections of the form. If you received all or part of your income in foreign currency, translate its exchange value into terms of United States dollars at the rates prevailing at the time you actually or constructively received the income.

Earned income (for personal services rendered in foreign countries)	Exchange rates used	Amount (In U.S. dollars)
11 (a) Total wages, salaries, bonuses, commissions, etc., received during this year		
(b) Amount attributable to prior years or future years. (See Instructions 10(a) and 11.)		
(c) Balance attributable to this year. (Subtract line 11(b) from line 11(a).)		
12 Pensions and annuities (See Instruction 10(d).)		
13 Allowable share of income for personal services rendered. (See Instruction 7 and 10a.)		
(a) In a business (including farming) or profession. (Attach Schedule C or F.)		
(b) In a partnership (Give name, address, and nature of income.)		
14 Noncash remuneration (Market value of property or facilities furnished by employer. Attach statement showing how determined.)		
(a) Home		
(b) Car		
(c) Other property facilities (Specify.)		
15 Other income (Specify.)		
16 Allowances or reimbursements		
(a) Cost of living		
(b) Overseas differential		
(c) Family		
(d) Education		
(e) Home leave		
(f) Quarters		
(g) For any other purpose (Specify.)		
17 Total earned income from sources outside the United States		
18 Amount exempt (If exempt status changed during the taxable year, complete schedule below.)		
19 Taxable income (Line 17 less line 18. If less than zero, enter zero. Enter here and report on Form 1040.)		

Schedule for Computation of Exemption Claimed in Part III, line 18, above.

(The $20,000 and $25,000 exemptions are for full taxable years. Prorate them if your exempt status changes during the taxable year. See Instructions 8(a)(ii) and 10(c).)

	A	B
20 Applicable exemption	$20,000	$25,000
21 Number of exemption qualifying days in taxable year		
22 Total number of days in taxable year		
23 Percentage applicable (Divide the number of days on line 21 by the number of days on line 22.)	%	%
24 Allowable exemption (Multiply the amount on line 20 by the percent on line 23.)	$	$
25 Total allowable exemption (Add amounts on line 24, columns A and B. Enter here and on line 18.)		$

(If more space is needed for any schedule, etc., attach statement.)

Form **4625**
Department of the Treasury
Internal Revenue Service

Computation of Minimum Tax

► Attach to Form 1040

1973

Name(s) as shown on Form 1040 | **Your social security number**

1 **Items of Tax Preference.** File this form if the total items of tax preference (line 2) is more than $15,000 even though there is no minimum tax due. If short period return, see instructions for line 3. **Caution:** See "Limitations on amounts treated as items of tax preference in certain cases" in instructions.

(a) Accelerated depreciation on real property:
(1) Low-income rental housing under sec. 167(k)
(2) Other real property

(b) Accelerated depreciation on personal property subject to a net lease

(c) Amortization of certified pollution control facilities

(d) Amortization of railroad rolling stock

(e) Amortization of on-the-job training facilities

(f) Amortization of child care facilities

(g) Stock options

(h) Reserves for losses on bad debts of financial institutions

(i) Depletion

(j) Capital gains

2 Total items of tax preference (add lines 1(a) through 1(j))

3 Exclusion. Enter $30,000. If married filing separately or "certain married individuals living apart," enter $15,000

4 Subtract line 3 from line 2

5 Amount from Form 1040, line 18*

6 Amount from Form 1040, line 56

7 Amount from Form 1040, line 57

8 Tax carryover from prior year(s)

9 Add lines 5, 6, 7, and 8

10 Subtract line 9 from line 4

11 Multiply amount on line 10 by .10 and enter result

12 Enter amount of 1973 net operating loss which is a carryover to 1974, if any (attach statement showing computation)

13 Multiply amount on line 12 by .10 and enter result

14 Deferred minimum tax—enter amount from line 11 or line 13, whichever is smaller

15 Minimum Tax. Subtract line 14 from line 11

16 Enter minimum tax deferred from prior year(s) until this year (attach statement showing computation)

17 Total minimum tax. Add lines 15 and 16

If you had no retirement income (see Schedule R, lines 5(a) and 5(b)), omit lines 18 through 21. Enter amount from line 17 above on line 22 below.

18 Amount from Schedule R, line 8

19 Amount from Schedule R, line 10 or from line 13, whichever is applicable

20 Subtract line 19 from line 18

21 Enter amount from line 20 or line 17, whichever is smaller

22 Subtract line 21 from line 17. See instructions for line 22 if you elected to take a credit for contributions to a candidate for public office. Enter here and on Form 1040, line 58

*Do not include any partial tax under sec. 668 (accumulation distribution by trusts), see special rule—proposed I.T. Regs. sec. 1.56–1(c).

Instructions

(References are to the Internal Revenue Code)

Who Must File.—Individuals with items of tax preference in excess of $15,000 must file this form even though there is no minimum tax due. If short period return, see note in instructions for line 3.

Line 1—**Items of Tax Preference.**—

(a) **Accelerated depreciation on real** property:

(1) Low income rental housing under sec. 167(k)

(2) Other real property

Enter on the appropriate line(s) the excess of depreciation allowable over the depreciation that would have been allowable if the straight-line method had been used. This excess must be computed on a property by property basis. **Note:** If you amortized certain rehabilitation expenditures for sec. 1250 property over a 5-year period, enter on line (a)(1) the amount by which this amortization exceeds straight-line depreciation over the normal useful life of the improvements.

(b) Accelerated depreciation on personal property subject to a net lease.—Enter the excess of depreciation allowable over the depreciation that would have been allowable if the straight-line method had been used. This excess must be computed on a property by property basis.

(c) Amortization of certified pollution control facilities,

(d) Amortization of railroad rolling stock,

(e) Amortization of on-the-job training facilities, *and*

(f) Amortization of child care facilities.

For items (c), (d), (e), and (f) with respect to each certified pollution control facility, unit of railroad rolling stock, on-the-job training facility, and child care facility, enter the amount by which the amortization allowable exceeds the depreciation deduction otherwise allowable.

(g) Stock options.—If you received stock subject to qualified or restricted stock options, enter amount by which the fair market value of the shares at the time of exercise exceeds the option price.

(h) Reserves for losses on bad debts of financial institutions.—Enter your share of the excess of the addition to reserve for bad debts over the reasonable addition to the reserve for bad debts that would have been allowable if the bad debt reserve had been maintained for all taxable years on the basis of actual experience. See sec. 57(a)(7).

(i) Depletion.—Determine any excess of deduction for depletion allowable under sec. 611 over the adjusted basis of the property at the end of the year (determined without regard to depletion deduction for the taxable year). Enter that amount here. This excess must be computed on a property by property basis.

(j) Capital gains.—Enter one-half of the amount by which the net long-term capital gain exceeds the net short-term capital loss for the taxable year. (Amount from Schedule D, line 15(a). However, if capital gain distributions are reported on Form 1040, line 34, enter amount included on line 34 here.)

Limitations on Amounts Treated as Items of Tax Preference in Certain Cases.—See proposed Income Tax Regulations sec. 1.57–4 for limitations on amounts treated as items of tax preference in certain cases. If limitations apply, attach schedule showing computation.

Partners, Beneficiaries of Estates and Trusts, etc.—Each partner must take into account separately his distributive share of items of income and deductions which enter into the computation of items of tax preferences. If you are a partner and have elected the optional adjustment to basis (see sec. 743), adjust the applicable items of tax preference to reflect the election.

If you are a:
- beneficiary of an estate or trust, see sec. 58(c);
- shareholder of an electing small business corporation, see sec. 58(d);
- participant in a common trust fund, see sec. 58(e);
- shareholder or holder of beneficial interest in a regulated investment company or a real estate investment trust, see sec. 58(f).

If you have tax preferences attributable to foreign sources, see sec. 58(g).

Line 3—Adjustment in Exclusion for Computing Minimum Tax for Tax Preferences for Short Period Returns.—If this return is for a short period, a special formula is used for determining the adjustment in exclusion for computing the minimum tax for tax preference. See sec. 443(d).

However, if you are married filing separately or "certain married individuals living apart," substitute $15,000 for the $30,000.

Note: *If line 2 is more than either the adjusted exclusion or $15,000, file this form even though there is no minimum tax due.*

Line 8—Tax Carryover from Prior Year(s).—If you did not file a Form 4625 for 1970, 1971, or 1972, or if you did file and the total amount shown on line 8 Form 4625 for 1972 was more than the amount shown on line 4, you may be entitled to a tax carryover. See sec. 56(c) and proposed I.T. Regs. sec. 1.56–5.

Line 12—1973 Net Operating Loss Carryover to 1974.—Under certain conditions, part or all of the amount shown on line 11 may be deferred to a subsequent year. See sec. 56(b).

Line 16—Minimum Tax deferred from Prior Year(s).—Enter amount of minimum tax deferred from prior years, if any (10 percent of the amount by which the net operating loss carryforward from a taxable year ending after December 31, 1969 reduced taxable income this year). See section 56(b). In computing the amount of minimum tax deferred from fiscal year 1969–70 which is imposed in a subsequent taxable year, the same proration rule applies to the subsequent computation that applied to the computation of the initial minimum tax liability in fiscal year 1969–70. See sec. 301(c) of Public Law 91–172 (Tax Reform Act of 1969).

Line 22.—If you elected to take a credit for political contributions (see section 41) and the entire allowable credit is not included in line 17 (Form 1040), (for example, the allowable credit exceeded the tax on line 16 (Form 1040) less the amounts on lines 49, 50, and 51 (Form 1040)); reduce the minimum tax on line 22, Form 4625 (BUT NOT BELOW ZERO) by the amount of the difference between such allowable political contributions credit and the amount of the credit, if any, included in line 17 (Form 1040). Enter the balance of minimum tax on line 58, Form 1040. Also, enter the amount of such credit that reduced the minimum tax on line 22, Form 4625 in the margin below line 22, Form 4625 and identify it as such.

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Form **4726**
Department of the Treasury
Internal Revenue Service

Maximum Tax on Earned Income

▶ **Attach to Form 1040 (or Form 1041).**

1973

Name(s) as shown on Form 1040 (or Form 1041)	**Identifying number**

Do not complete this form if—(a) Earned taxable income is:
$38,000 or less, and you checked line 1 or line 4, Form 1040,
$52,000 or less, and you checked line 2 or line 5, Form 1040,
$26,000 or less, and this is an Estate or Trust return (Form 1041);
(b) You elected income averaging; or
(c) You checked line 3, Form 1040.

1	Earned income (see instructions)	1	
2	Deductions (see instructions)	2	
3	Earned net income. Subtract line 2 from line 1	3	
4	Enter your adjusted gross income	4	
5	Divide the amount on line 3 by the amount on line 4. Enter percentage result here, but not more than 100%	5	
6	Enter your taxable income	6	
7	Multiply the amount on line 6 by the percentage on line 5	7	
8	a. Enter the larger of either (1) the total of your 1973 items of tax preference or (2) one-fourth of the total of your tax preference items for 1970, 1971, 1972, and 1973 — 8a		
	b. Less — 8b $30,000		
	c. Subtract line 8b from line 8a	8c	
9	Earned taxable income. Subtract line 8c from line 7 (see instructions)	9	
10	If: you checked line 1 or line 4, Form 1040, enter $38,000; you checked line 2 or 5, Form 1040, enter $52,000; Estate or Trust, enter $26,000	10	
11	Subtract line 10 from line 9 (if zero or less, do not complete rest of form)	11	
12	Enter 50% of line 11	12	
13	Tax on amount on line 6 (use Tax Rate Schedule in Form 1040 (or Form 1041) Instructions) — 13		
14	Tax on amount on line 9 (use Tax Rate Schedule in Form 1040 (or Form 1041) Instructions) — 14		
15	Subtract line 14 from line 13	15	
16	If the amount on line 10 is: $38,000, enter $13,290 ($12,240 if unmarried head of household); $52,000, enter $18,060; $26,000, enter $9,030	16	
17	Add lines 12, 15, and 16. This is your maximum tax. Enter here and on line 16, Form 1040 (or line 24, Form 1041); however, if you had net long-term capital gain in excess of net short-term capital loss, complete Computation of Alternative Tax below	17	

Computation of Alternative Tax

18	Amount from line 6	18	
19	Amount from Schedule D (Form 1040), line 15(a) (or line 20, page 1, Form 1041)	19	
20	Subtract line 19 from line 18	20	
21	Enter smaller of amount on Sch. D (Form 1040), line 13 or 14 (or enter amount from Sch. D (Form 1041), line 17(e)) **If line 21 does not exceed $50,000, check here** ▶ ☐ **and omit lines 22 through 28.**	21	
22	Enter long-term gains from certain binding contracts and installment sales (referred to as "certain subsection d gains"—see Sch. D (Form 1040) or Sch. D (Form 1041) instructions)	22	
23	Amount from line 22 or $50,000, whichever is larger. **If line 23 is equal to or greater than line 21, check here** ▶ ☐ **and omit lines 24 through 28.**	23	
24	Enter 50% of line 23	24	
25	Add lines 20 and 24	25	
26	Enter amount from line 13	26	
27	Tax on amount on line 25 (use Tax Rate Schedule in Form 1040 (or 1041) Instructions)	27	
28	Subtract line 27 from line 26	28	
29	Tax on amount on line 20 (use Tax Rate Schedule in Form 1040 (or 1041) Instructions). **Caution:** If line 9 is more than line 20, enter instead amount on line 14 less 50% of excess of line 9 over line 20	29	
30	Subtract line 29 from line 13	30	
31	Subtract line 30 from line 17	31	
32	If the block on line 21 or 23 is checked, enter 50% of line 19; otherwise, enter 25% of line 23	32	
33	Alternative tax, add lines 28 (if applicable), 31, and 32	33	
34	Enter here and on line 16, Form 1040 (or line 24 or 25, whichever is applicable, Form 1041), the amount on line 17 or line 33, whichever is smaller	34	

Instructions

(References are to the Internal Revenue Code)

Line 1—Earned income.—"Earned income" generally means wages, salaries, professional fees, bonuses, commissions on sales or on insurance premiums, tips, and other amounts received as compensation for personal services actually rendered. It includes prizes and awards (other than gambling gains), group-term life insurance purchased for employees that are includible in gross income, and amounts includible in gross income under section 83.

If you perform personal services for a corporation, "earned income" means only that portion of income received from the corporation that represents a reasonable allowance for salaries and other compensation for personal services actually rendered. It also includes gains (other than capital gains) and net earnings derived from the sale or other disposition of, the transfer of any interest in, or the licensing of the use of property (other than goodwill) if your personal efforts created such property.

The entire amount you receive for the performance of professional services, such as services performed by a doctor, dentist, lawyer, architect, or accountant, will be treated as earned income if you are individually and personally responsible for the services performed, even though you employ assistants to perform all or part of such services.

If you are engaged in a noncorporate trade or business in which both personal services and capital are material income-producing factors, a reasonable allowance (but not more than 30% of your share of net profits of such trade or business) will be considered to be earned income. See section 1.1348–3(a)(3) of the regulations for rules on earned income from business in which capital is material.

For rules relating to income in respect of a decedent, see section 1.1348–3(a)(4) of the regulations.

If you are a *nonresident alien,* "earned income" includes only income from sources within the United States that is effectively connected with the conduct of a trade or business in the United States.

"Earned income" does not include such income as dividends (including amounts treated as dividends by reason of section 1373(b) and Income Tax Regulations section 1.1373–1), other distributions of corporate earnings and profits, gambling gains, or gains treated as capital gains under chapter 1 of the code.

"Earned income" does not include any distribution to which sections 72(m)(5), 72(n), 402(a)(2), or 403(a)(2)(A) apply, or any deferred compensation within the meaning of section 404. "Deferred compensation" for this purpose does not include any amount received before the end of the taxable year following the first taxable year of the recipient in which his right to receive such amount is not subject to a substantial risk of forfeiture.

Section 72(m)(5) deals with premature or excessive distributions from a qualified employees' pension plan or trust to an employee who is (or was) also an owner of the business.

Sections 72(n), 402(a)(2), or 403(a)(2)(A) deal with certain lump-sum distributions from qualified plans that are treated as capital gains or are subject to special averaging rules.

See section 1.1348–3(a)(5) of the regulations for exceptions to definition of earned income.

See section 1.1348–3(b) of the regulations for definition and examples of deferred compensation.

If you are a nonresident alien, "earned income" does not include salaries, wages, compensations, remunerations, emoluments, and other fixed or determinable annual or periodic gains, profits and income subject to tax at the rate of 30 percent (or lower treaty rate) under section 871(a)(1)(A).

Line 2—Deductions.—Include on this line any deductions that are required to be taken into account under section 62 in determining adjusted gross income and are properly allocable to or chargeable against earned income. Such deductions include:

(1) deductions attributable to a trade or business from which earned income is or may be derived,

(2) expenses paid or incurred in connection with the performance of services as an employee,

(3) deductions allowable by sections 404 (employer contributions to an employer's trust or annuity plan) and 405(c) (employer contributions to qualified bond purchase plans),

(4) deductions allowable by section 217 (moving expense),

(5) deductions allowable by section 1379(b)(3) (employer contributions to qualified pension, etc., plans), and

(6) a net operating loss deduction to the extent that the net operating losses carried to the taxable year are properly allocable to or chargeable against earned income. See section 1.1348–2(d)(2)(vi) of the regulations for more information on net operating loss deduction.

Line 8—Tax preference offset.—See section 1.1348–2(d)(3) of the regulations for detailed information concerning items of tax preference to be taken into account to determine the tax preference offset.

Line 9—Earned taxable income.—"Earned taxable income" means the excess of the portion of taxable income attributable to earned net income over the tax preference offset.

See section 1.1348–2(d)(4) of the regulations for illustrations showing computation of earned taxable income.

NOTE: If short period return, see section 1.1348–2(c) of the regulations.

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Statement for Recipients of
Annuities, Pensions or Retired Pay

1973

Copy A For Internal Revenue Service Center

PAYER'S State identifying number

Type or print PAYER'S Federal identifying number, name, address and ZIP code above.

FEDERAL INCOME TAX INFORMATION

	Annuity, Pension, or Retired Pay		Disability Retirees under Normal Retirement Age	
1 Federal income tax withheld	2 Gross amount	3 Taxable amount	4 Gross amount reportable as wages or salary	5 Amount excludable as sick pay

RECIPIENT'S identifying number ►

6 State income tax withheld	7 State abbreviation	8 State code

Type or print RECIPIENT'S name, address and ZIP code above.

If this is a corrected form, put an "X" to the right of the number in the upper left corner.

Form W–2P ☆ GPO: 1972-456-024 7E136-2515832-8 Department of the Treasury—Internal Revenue Service