

GET THE
EARNED INCOME CREDIT
YOU DESERVE
SEE PAGE 5

Instructions for Form

1040A

and Schedules
1, 2, and EIC

1992



Department of the Treasury
Internal Revenue Service

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

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A note from the Commissioner

Dear Taxpayer:

As the Commissioner of Internal Revenue, I want to thank you on behalf of the government of the United States and every American citizen. Without your taxes, we could not provide essential social services; we could not defend ourselves; we could not fund scientific and health care research. Thank you for paying your taxes.

You are among the millions of Americans who comply with the tax law voluntarily. As a taxpayer and as a customer of the Internal Revenue Service, you deserve excellence in the services we provide; you deserve to be treated fairly, courteously and with respect; and you deserve to know that the IRS will ensure that others pay their fair share.

To fulfill our responsibilities to you, we are making major changes in the way we conduct our business. Under our new philosophy of tax administration, known as Compliance 2000, we are reaching out to provide education and assistance to taxpayers who need our help. One program is dedicated to bringing non-filers back into the system. We will work with every American who wants to "get right" with the government. At the same time, we will direct our enforcement efforts toward those who willfully fail to report and pay the proper amount of tax. All must pay their fair share, just as you are doing.

We realize that the tax law is complex and sometimes frustrating. We want to do what we can to make tax time easier for you. To that end, we are simplifying our forms and procedures to reduce the burden on taxpayers. And don't forget the option to file your tax return electronically. Electronic returns are more accurate and you can get a faster refund.

Our goal is to transform the tax system by the end of this decade. To achieve the excellence in service that you deserve, we are literally "reinventing" the Internal Revenue Service, making our internal organization more efficient and less bureaucratic. As we improve our organizational structure, we also will do a better job of serving our customers, the taxpayers. We believe in accountability. Please let us know if you have any suggestions for ways to improve our service to you.

Thank you again for your dedication to our country.



Shirley D. Peterson



Fast filing

Last year, over 10 million people filed their tax returns electronically by computer. Electronic filing is a fast and accurate way to file your return with the IRS. If you are expecting a refund, it will be issued within 3 weeks from the time the IRS accepts your return. If you have your refund directly deposited into your savings or checking account, you could receive your money even faster. Even if you are not expecting a refund, electronic filing is still a fast and accurate way to file your return.

Electronic filing is available whether you prepare your own return or use a preparer. In addition to many tax preparers, other firms are approved by the IRS to offer electronic filing services. An approved transmitter must sign your Form 8453, U.S. Individual Income Tax Declaration for Electronic Filing. For more details on electronic filing, see Tele-Tax (topic no. 112) on page 46.

Another way to file your return with the IRS is to file an "answer sheet" return. This return, called Form 1040PC, can be created only by using a personal computer. It can be processed faster and more accurately than the regular tax return. A paid tax preparer may give you Form 1040PC to sign and file instead of the tax return you are used to seeing. If you prepare your own return on a computer, you can produce Form 1040PC using many of the tax preparation software programs sold in computer stores. The form is not available from the IRS. For more details, see Tele-Tax (topic no. 106) on page 46.

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

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

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

We may give the information to the Department of Justice and to other Federal agencies, as provided by law. We may also give it to cities, states, the District of Columbia, U.S. commonwealths or possessions, and certain foreign governments to carry out their tax laws.

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

Please keep this notice with your records. It may help you if we ask you for other information. If you have questions about the rules for filing and giving information, please call or visit any Internal Revenue Service office.

The time it takes to prepare your return. We try to create forms and instructions that are accurate and can be easily understood. Often this is difficult to do because some of the tax laws enacted by Congress are very complex. For some people with income mostly from wages, filling in the forms is easy. For others who have businesses, pensions, stocks, rental income, or other investments, it is more difficult.

The time needed to complete and file the following forms will vary depending on individual circumstances. The estimated average times are:

	Form 1040A	Sch. 1 (1040A)	Sch. 2 (1040A)	Sch. 3 (1040A)	Sch. EIC (1040A)
Recordkeeping	1 hr., 3 min.	20 min.	33 min.	13 min.	39 min.
Learning about the law or the form	2 hr., 8 min.	4 min.	11 min.	14 min.	16 min.
Preparing the form	2 hr., 47 min.	10 min.	38 min.	28 min.	33 min.
Copying, assembling, and sending the form to the IRS	35 min.	20 min.	28 min.	35 min.	47 min.

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

We welcome comments on forms. If you have comments concerning the accuracy of these time estimates or suggestions for making these forms more simple, we would be happy to hear from you. You can write to both the **Internal Revenue Service**, Washington, DC 20224, Attention: IRS Reports Clearance Officer, T:FP; and the **Office of Management and Budget**, Paperwork Reduction Project (1545-0085), Washington, DC 20503. **DO NOT** send your return to either of these offices. Instead, see **Where do I file?** on page 69.

What are my rights as a taxpayer?

You have the right to be treated fairly, professionally, promptly, and courteously by Internal Revenue Service employees. Our goal at the IRS is to protect your rights so that you will have the highest confidence in the integrity, efficiency, and fairness of our tax system. To ensure that you always receive such treatment, you should know about the many rights you have at each step of the tax process. For details, get Pub. 1 by calling 1-800-TAX-FORM (1-800-829-3676) or use the order blank on page 43.

Answers to frequently asked questions

How long will it take to get my refund? About 4 to 8 weeks after you mail your return. If you file electronically, it should take about 3 weeks. The earlier you file, the faster you'll get your refund. To check on the status of your refund, call **Tele-Tax**. See page 46 for the number.

Can I get the earned income credit? If you earned less than \$22,370 and a child lived with you, you may be able to take the credit. But other rules apply. For details, call Tele-Tax (see page 46 for the number) and listen to topic no. 402.

Although we supported our unmarried, 19-year-old daughter, she spent most of 1992 away from home at school. Can we claim her as a dependent? Yes. The time your child spends at school or on vacation counts as time lived with you.

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

How can I get forms and publications? Call 1-800-829-3676 (see page 42 for the times to call); or visit your local IRS office, participating library, bank, or post office; or use the order blank on page 43.

I asked my employer several times for my W-2 form, but I still don't have it. What should I do? If you don't get it by February 16, call the toll-free number listed on page 45 for your area. We will ask you for certain information. For details, see the instructions for line 7 on page 22.

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

Can I take an IRA deduction for the amount I contributed to a 401(k) plan in 1992? No. A 401(k) plan is not an IRA. The amount you contributed is not included in box 10 of your W-2 form so you don't pay tax on it this year.

In addition to my regular job, I had a part-time business fixing cars. Do I have to report the money I made in 1992 fixing cars? Yes. This is self-employment income. You cannot file Form 1040A. Instead, you must file Form 1040 and Schedule C or C-EZ. You may also have to file Schedule SE to pay self-employment tax.

Section 1—Before you fill in Form 1040A

What's new for 1992?

Increased earned income credit. If you earned less than \$22,370 and a qualifying child lived with you, you may be able to take the earned income credit for 1992. Read the instructions for Schedule EIC that begin on page 59 to see if you can take the credit. Also, read Part I of Schedule EIC to see if you have a qualifying child.

Increased deduction for exemptions. The deduction for each exemption—for you, your spouse, and dependents—has increased to \$2,300.

(Continued on next page.)

What's new for
1992?
(continued)

Increased standard deduction. The standard deduction has increased. Read the instructions for line 19 on page 35.

Tax law changes. For more information about tax law changes for 1992, get Pub. 553.

Operation Desert
Storm

If you were a participant in Operation Desert Storm, the deadline for taking care of tax matters such as filing returns, making contributions to an IRA, or paying taxes may be extended. For details, see Tele-Tax (topic no. 468) on page 46 or get Pub. 945.

What free tax help
is available?

Tax forms and publications. Most of your tax questions can be answered by reading the tax form instructions or one of our many free tax publications. See page 42.

Recorded tax information by telephone. Our **Tele-Tax** service has recorded tax information covering about 140 topics. See page 46 for the number to call.

Refund information. Tele-Tax can tell you the status of your refund. For details, see page 46.

Telephone help. IRS representatives are available to help you with your tax questions. If, after reading the tax form instructions and publications, you are not sure how to fill in your return, or have a question about a notice you received from us, please call us. Use the number for your area on page 45.

Send the IRS written questions. You may send your written tax questions to your IRS District Director. If you don't have the address, you can get it by calling the number for your area on page 45.

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

Volunteer Income Tax Assistance (VITA) and Tax Counseling for the Elderly (TCE). These programs help older, disabled, low-income, and non-English-speaking people fill in their returns. For details, call the toll-free number for your area on page 45. If you received a Federal income tax package in the mail, take it with you when you go for help.

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

Large-print forms and instructions. Pub. 1615 has large-print copies of the 1992 Form 1040A, Schedules 1, 3, and EIC, and their instructions. You can use the large-print copies of the form and schedules as worksheets to figure your tax. You can order Pub. 1615 by calling the IRS toll free at 1-800-TAX-FORM (1-800-829-3676) or you can use the order blank on page 43.

Telephone help for hearing-impaired people is available. See page 45 for the number to call. **Braille materials for the blind** are available at regional libraries for the blind and the disabled.

Unresolved tax problems. The **Problem Resolution Program** is for people who have been unable to resolve their problems with the IRS. If you have a tax problem you cannot clear up through normal channels, write to your local IRS District Director or call your local IRS office and ask for Problem Resolution assistance. Hearing-impaired people who have access to TDD equipment may

call 1-800-829-4059 to ask for help from Problem Resolution. This office cannot change the tax law or technical decisions. But it can help you clear up problems that resulted from previous contacts.

Free Social Security Personal Earnings and Benefit Estimate Statement

The Social Security Administration (SSA) can mail you a statement of your social security earnings and your estimated future benefits. To get this statement, complete a request form and return it to the SSA. You may get a form by writing to **Consumer Information Center**, Department 72, Pueblo, CO 81009.

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

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

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

What if a taxpayer died?

If a taxpayer died before filing a return for 1992, the taxpayer's spouse or personal representative may have to file and sign a return for that taxpayer. A personal representative can be an executor, administrator, or anyone who is in charge of the deceased taxpayer's property. If the taxpayer did not have to file a return but had tax withheld, a return must be filed to get a refund. The person who files the return should write "DECEASED," the deceased taxpayer's name, and the date of death across the top of the return.

If your spouse died in 1992 and you did not remarry in 1992, or if your spouse died in 1993 before filing a return for 1992, you can file a joint return. A joint return should show your spouse's 1992 income before death and your income for all of 1992. Write "Filing as surviving spouse" in the area where you sign the return. If someone else is the personal representative, he or she must also sign. The taxpayer's spouse or personal representative should promptly notify all payers of income to the deceased taxpayer, including financial institutions, of his or her death. This will ensure the proper reporting of income earned by the taxpayer's estate or heirs.

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

For more details, see Tele-Tax (topic no. 158) on page 46 or get Pub. 559.

What are the filing dates, penalties, and extensions?

When is my tax return due? Your tax return must be postmarked by **April 15, 1993**.

What if I need more time to file? If you need more time to complete your return, file Form 4868 with the IRS by April 15, 1993. This form will get you an automatic 4-month extension. If you later find that you still need more time, Form 2688 may get you an additional extension. However, even if you get an extension, the tax you owe is still due April 15, 1993. If you make a payment with Form 4868 or Form 2688, see the instructions for line 28d on page 39.

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

What are the filing dates, penalties, and extensions?
(continued)

If you file late, the penalty is usually 5% of the amount due for each month or part of a month your return is late, unless you have a reasonable explanation. If you do, attach it to your return. The penalty cannot usually be more than 25% of the tax due. We will charge you interest on the penalty from the due date of the return (including extensions). If your return is more than 60 days late, the minimum penalty will be \$100 or the amount of any tax you owe, whichever is smaller.

If you pay your taxes late, the penalty is usually $\frac{1}{2}$ of 1% of the unpaid amount for each month or part of a month the tax is not paid. The penalty cannot be more than 25% of the unpaid amount. It applies to any unpaid tax on the return. It also applies to any additional tax shown on a bill not paid within 10 days of the date of the bill.

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

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

Gift to reduce the public debt

You may make a gift to reduce the public debt. If you wish to do so, enclose a separate check with your income tax return. Make it payable to "Bureau of the Public Debt". If you file Form 1040 for 1993 and itemize your deductions, you may be able to deduct this gift.

Can I use substitute tax forms?

Yes, but only if they meet the requirements in Pub. 1167. You can get Pub. 1167 by writing to the Distribution Center for your state. See page 44 for the address.

How do I get copies of my tax returns?

If you need a copy of your tax return, use Form 4506. There is a charge of \$4.25. If you have questions about your account, call or write your local IRS office. If you want a printed copy of your account, it will be mailed to you free of charge.

Section 2—Filing requirements

Do I have to file?

These rules apply to all U.S. citizens and resident aliens. They also apply to nonresident aliens and dual-status aliens who were married to U.S. citizens or residents at the end of 1992 and who have elected to be treated as resident aliens. Specific rules apply to determine if you are a resident or nonresident alien. Get Pub. 519 for details.

Use **Chart A** on page 9 to see if you must file a return. But you must use **Chart B** on page 10 if your parent (or someone else) can claim you as a dependent on his or her return. Also, see **Chart C** on page 11 for other situations when you must file.

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

Exception for children under age 14. If your child was under age 14 on January 1, 1993, and **all three** of the following apply, you may elect to report your child's income on your return. But you must use Form 1040 and Form 8814 to do so. If you make this election, your child does not have to file a return.

1. Your child had income only from interest and dividends (including Alaska Permanent Fund dividends), and
2. Your child's gross income was more than \$500 but less than \$5,000, and
3. Your child had no Federal income tax withheld from his or her income (backup withholding) and did not make estimated tax payments for 1992.

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

Chart A—For most people

To use this chart, first find your marital status at the end of 1992. Then, read across to find your filing status and age at the end of 1992. You must file a return if your **gross income** was at least the amount shown in the last column. **Gross income** means all income you received in the form of money, goods, property, and services that is not exempt from tax, including any gain on the sale of your main home (even if you may exclude or postpone part or all of the gain).

Marital status	Filing status	Age*	Gross income
Single (including divorced and legally separated)	Single	under 65	\$5,900
		65 or older	\$6,800
Married with a child and living apart from your spouse during the last 6 months of 1992	Head of household	under 65	\$7,550
		65 or older	\$8,450
Married and living with your spouse at end of 1992 (or on the date your spouse died)	Married, joint return	under 65 (both spouses)	\$10,600
		65 or older (one spouse)	\$11,300
Married but not living with spouse at end of 1992 (or on the date your spouse died)	Married, separate return	65 or older (both spouses)	\$12,000
		any age	\$2,300
Widowed before 1992 and not remarried in 1992	Single	any age	\$2,300
		under 65	\$5,900
Widowed before 1992 and not remarried in 1992	Head of household	65 or older	\$6,800
		under 65	\$7,550
Widowed before 1992 and not remarried in 1992	Qualifying widow(er) with dependent child (see page 17)	65 or older	\$8,450
		under 65	\$8,300
Widowed before 1992 and not remarried in 1992	Qualifying widow(er) with dependent child (see page 17)	65 or older	\$9,000
		under 65	\$8,300

* If you turned 65 on January 1, 1993, you are considered to be age 65 at the end of 1992.

Do I have to
file?
(continued)

Chart B—For children and other dependents

(See the instructions for line 6c that begin on page 18 to find out if someone can claim you as a dependent.)

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

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

Caution: *If your gross income was \$2,300 or more, you usually cannot be claimed as a dependent unless you were under 19 **or** under 24 and a student. For details, see **Test 4—Income** on page 19.*

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

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

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

- Your earned income was more than \$4,500 (\$5,400 if 65 or older **and** blind), or
- Your unearned income was more than \$1,500 (\$2,400 if 65 or older **and** blind), or
- Your gross income was more than the total of your earned income (up to \$3,600) or \$600, whichever is larger, plus \$900 (\$1,800 if 65 or older **and** blind).

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

- Your earned income was more than \$3,000, or
- You had any unearned income and your gross income was more than \$600, or
- Your gross income was at least \$5 and your spouse files a separate return on Form 1040 and itemizes deductions.

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

- Your earned income was more than \$3,700 (\$4,400 if 65 or older **and** blind), or
- Your unearned income was more than \$1,300 (\$2,000 if 65 or older **and** blind), or
- Your gross income was more than the total of your earned income (up to \$3,000) or \$600, whichever is larger, plus \$700 (\$1,400 if 65 or older **and** blind), or
- Your gross income was at least \$5 and your spouse files a separate return on Form 1040 and itemizes deductions.

Chart C—Other situations when you must file

You must also file a return if you received any advance earned income credit (AEIC) payments from your employer. These payments should be shown in box 8 of your W-2 form.

You must file a return using Form 1040 if **any** of the following applies for 1992:

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

Would it help me to use Form 1040?

You may itemize deductions on Form 1040. Itemizing may help you if you have large deductions for items such as state and local income taxes, real estate taxes, mortgage interest, gifts to charity, or medical expenses. It would usually benefit you to itemize deductions if—

Your filing status is:	And itemized deductions are more than:
Single	
• Under 65	• \$3,600
• 65 or older or blind	• \$4,500
• 65 or older and blind	• \$5,400
Married filing joint	
• Under 65 (both spouses)	• \$6,000
• 65 or older or blind (one spouse)	• \$6,700
• 65 or older or blind (both spouses)	• \$7,400
• 65 or older and blind (one spouse)	• \$7,400
• 65 or older or blind (one spouse) and 65 or older and blind (other spouse)	• \$8,100
• 65 or older and blind (both spouses)	• \$8,800
Married filing separate *	
• Your spouse itemizes deductions	• \$0
• Under 65	• \$3,000
• 65 or older or blind	• \$3,700
• 65 or older and blind	• \$4,400
Head of household	
• Under 65	• \$5,250
• 65 or older or blind	• \$6,150
• 65 or older and blind	• \$7,050
Qualifying widow(er) with dependent child	
• Under 65	• \$6,000
• 65 or older or blind	• \$6,700
• 65 or older and blind	• \$7,400

* If you can take an exemption for your spouse, see **Standard deduction chart for people age 65 or older or blind** on page 36 for the amount that applies to you.

But if someone can claim you as a dependent, it would benefit you to itemize deductions if they total more than your standard deduction figured on the **Standard deduction worksheet for dependents** on page 36.

Which form should I use?

There are three tax returns for individuals: Form 1040EZ, Form 1040A, and Form 1040. You may use Form 1040 if you want to, but you will probably save time if you

	Filing status	Number of exemptions	Taxable income	Only income from
Form 1040EZ	Single (under age 65 on 1/1/93 and not blind at the end of 1992)	No more than one personal exemption for yourself	Only taxable income (line 5) of less than \$50,000	<ul style="list-style-type: none"> ● Wages, salaries, tips ● Taxable scholarship and fellowship grants ● Interest of \$400 or less
Form 1040A	<ul style="list-style-type: none"> ● Single ● Married filing joint ● Married filing separate ● Head of household ● Qualifying widow(er) with dependent child 	All exemptions that you are entitled to claim	Only taxable income (line 22) of less than \$50,000	<ul style="list-style-type: none"> ● Wages, salaries, tips ● Taxable scholarship and fellowship grants ● Interest ● Dividends ● Pensions, annuities, and IRAs ● Unemployment compensation ● Taxable social security and railroad retirement benefits
Form 1040	<ul style="list-style-type: none"> ● Single ● Married filing joint ● Married filing separate ● Head of household ● Qualifying widow(er) with dependent child 	All exemptions that you are entitled to claim	Any amount of taxable income (line 37)	<ul style="list-style-type: none"> ● Wages, salaries, tips ● Taxable scholarship and fellowship grants ● Interest ● Dividends ● Taxable social security and railroad retirement benefits ● Unemployment compensation ● Self-employment ● Rents and royalties ● Pensions, annuities, and IRAs ● Taxable state and local income tax refunds ● Capital gains ● Gain from the sale of your home ● Alimony received ● All other sources

When must I use Form 1040?

You **must** use Form 1040 if:

1. You received **any** of the following types of income:
 - Self-employment income.
 - Certain tips you did not report to your employer. See **Tip income** on page 23.
 - Capital gain distributions or nontaxable distributions.
 - Alaska Permanent Fund dividends.
 - Income received as a partner in a partnership, shareholder in an S corporation, or a beneficiary of an estate or trust.
2. You received or paid interest on securities transferred between interest payment dates.
3. You were a nonresident alien at any time in 1992 and do not file a joint return.

are able to use Form 1040EZ or Form 1040A instead. But some people must use Form 1040, as explained below. The chart on these pages will help you decide which form to use.

Adjustments to income	Itemized deductions	Other taxes	Tax credits
No adjustments to income	No itemized deductions	No other taxes	No tax credits
Only the deduction for certain contributions to an IRA (including nondeductible contributions to an IRA)	No itemized deductions	Only advance earned income credit (AEIC) payments	Only: <ul style="list-style-type: none"> • Earned income credit (Schedule EIC) • Credit for child and dependent care expenses (Schedule 2) • Credit for the elderly or the disabled (Schedule 3)
<p>All adjustments to income:</p> <ul style="list-style-type: none"> • Alimony paid • Penalty for early withdrawal of savings • Deduction for certain contributions to an IRA or Keogh plan (including nondeductible contributions to an IRA) • Deduction for self-employed health insurance • Deduction for one-half of self-employment tax • All other adjustments 	<p>All itemized deductions (use Schedule A):</p> <ul style="list-style-type: none"> • State and local income taxes • Real estate taxes • Home mortgage interest paid • Gifts to charity • Medical and dental expenses • Casualty and theft losses • Moving expenses • Miscellaneous deductions 	<p>All other taxes:</p> <ul style="list-style-type: none"> • Advance earned income credit (AEIC) payments • Self-employment tax • Tax on qualified retirement plans (including IRAs) • Alternative minimum tax • Social security and Medicare tax on tips not reported to your employer • Uncollected social security and Medicare tax on tips shown on your Form W-2 • Uncollected social security and Medicare tax on your group-term life insurance • All other income taxes 	<p>All tax credits:</p> <ul style="list-style-type: none"> • Earned income credit • Credit for child and dependent care expenses • Credit for the elderly or the disabled • General business credit • Foreign tax credit • Credit for prior year minimum tax • Credit for Federal tax paid on fuels • Mortgage interest credit • All other credits

When must I use Form 1040?
(continued)

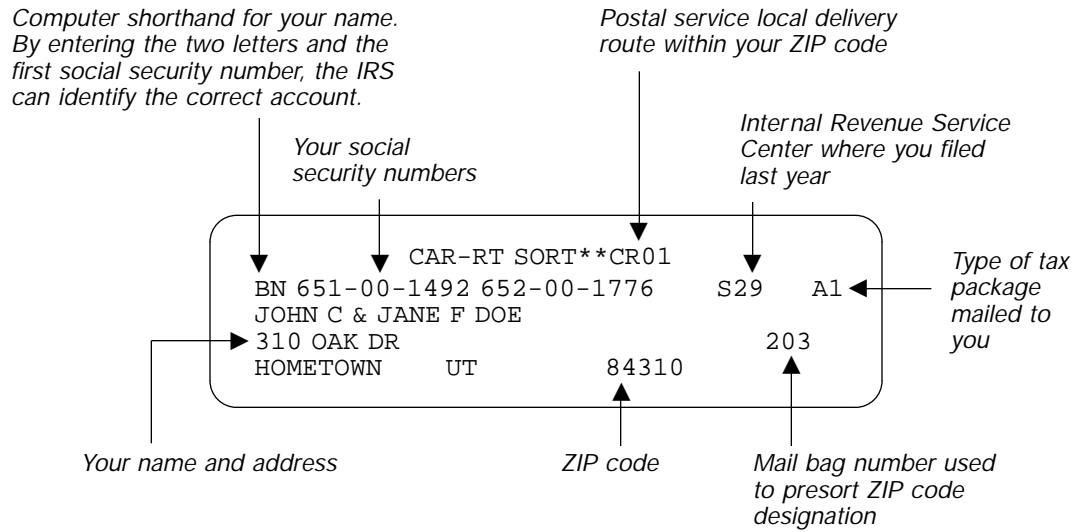
- You can exclude **either** of the following types of income:
 - Foreign earned income you received as a U.S. citizen or resident alien.
 - Certain income received from sources in a U.S. possession if you were a bona fide resident of American Samoa for all of 1992.
- You had a financial account in a foreign country, such as a bank account or securities account. **Exception.** If the combined value of the accounts was \$10,000 or less during all of 1992 or if the accounts were with a U.S. military banking facility operated by a U.S. financial institution, you may file Form 1040A.
- You are reporting original issue discount (OID) in an amount more or less than the amount shown on Form 1099-OID.

Section 3—Line instructions for Form 1040A

Name, address, and social security number

Why use the label? The mailing label on the front of the instruction booklet is designed to speed processing at Internal Revenue Service Centers and prevent common errors that delay refund checks. But don't attach it until you have finished your return. Cross out any errors and print the correct information. Add any missing items, such as your apartment number. In addition to your name, address, and social security number, the label contains various code numbers and letters. The diagram below explains what these numbers and letters mean.

Your mailing label—what does it mean?



Address change. If the address on your mailing label is not your current address, cross out your old address and print your new address. If you move after you file your 1992 return, see page 69.

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

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

Social security number. Enter your social security number in the area marked "Your social security number." If you are married, enter your husband's or wife's social security number in the area marked "Spouse's social security number." If you don't have a social security number, get Form SS-5 from your local Social Security Administration (SSA) office. Fill it in and return it to the SSA office. If you do not have a number by the time your return is due, enter "applied for" in the space for the number.

Nonresident alien spouse. If your spouse is a nonresident alien and you file a joint return, your spouse must get a social security number. If you file a separate return and your spouse has no social security number and no income, enter "NRA" in the space for your spouse's number.

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

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

**Presidential
Election
Campaign Fund**

Congress set up this fund to help pay for Presidential election campaign costs. If you want \$1 of your tax to go to this fund, check the "Yes" box. If you are filing a joint return, your spouse may also have \$1 go to the fund. If you check "Yes," your tax or refund will not change.

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

Check **only** the filing status that applies to you. In general, your filing status depends on whether you are considered single or married. The filing statuses are listed below. The one that will usually give you the highest tax is listed first and the ones that will usually give you the lowest tax are listed last.

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

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

Line 1 Single. You may check the box on line 1 if **any** of the following was true on December 31, 1992:

- You were never married, or
- You were legally separated, according to your state law, under a decree of divorce or of separate maintenance, or
- You were widowed before January 1, 1992, and did not remarry in 1992.

If you had a child living with you, you may be able to take the earned income credit on line 28c. Read the Schedule EIC instructions that begin on page 59 to see if you can take the credit.

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

- You were married as of December 31, 1992, even if you did not live with your spouse at the end of 1992, or
- Your spouse died in 1992 and you did not remarry in 1992, or
- Your spouse died in 1993 before filing a 1992 return.

A husband and wife may file a joint return even if only one had income or if they did not live together all year. However, both persons must sign the return and both are responsible. This means that if one spouse does not pay the tax due, the other may have to. If you file a joint return for 1992, you may not, after the due date for filing that return, amend that return to file as married filing a separate return.

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

Line 3 Married filing separate return. If you file a separate return, you will generally pay more tax than if you file a joint return. Also, if you file a separate return, the following apply:

- You cannot take the standard deduction if your spouse itemizes deductions on Schedule A of Form 1040.
- You cannot take the credit for child and dependent care expenses in most cases.
- You cannot take the earned income credit.
- You cannot take the credit for the elderly or the disabled if you lived with your spouse at any time in 1992.
- You may have to include in income up to one-half of any social security or equivalent railroad retirement benefits you received in 1992.
- You cannot exclude the interest from series EE U.S. savings bonds issued after 1989, even if you paid higher education expenses in 1992.
- Generally, you report only your own income, exemptions, deductions, and credits. Different rules apply to people in community property states. See page 22.

But you may be able to file as head of household if you had a child living with you and you lived apart from your spouse during the last 6 months of 1992. See **Married persons who live apart** on page 17.

Line 4 Head of household. This filing status is for unmarried individuals who provide a home for certain other persons. Also, if you were married in 1992, had a child living with you, and lived apart from your spouse during the last 6 months of 1992, you may be able to file as head of household. See **Married persons who live apart** on page 17. You may check the box on line 4 if you were unmarried as of December 31, 1992, and:

- You paid over half the cost of keeping up a home that was the main home for all of 1992 of your **parent** whom you can claim as a dependent. Your parent did not have to live with you in your home; or
 - You paid over half the cost of keeping up a home in which you lived and in which one of the following also lived for more than 6 months (temporary absences, such as for school or vacations, count as time lived in the home):
 1. Your **unmarried** child, grandchild, great-grandchild, etc., stepchild, or adopted child. This child does not have to be your dependent. But your foster child must be your dependent.
 2. Your **married** child, grandchild, great-grandchild, etc., stepchild, or adopted child. This child must be your dependent. But if your married child's other parent claims him or her as a dependent under the rules for **Children of divorced or separated parents** on page 20, this child does not have to be your dependent.
 3. Any other relative you can claim as a dependent. For the definition of a relative, see **Test 1** on page 18. But for this purpose, the **Exception** at the end of that test doesn't apply.
-

To find out what is included in the cost of keeping up a home, get Pub. 501. To find out if someone is your dependent, see the instructions for line 6c.

If the person for whom you kept up a home was born, or died, in 1992, you may still file as head of household as long as the home was that person's main home for the part of the year he or she was alive.

You **do not** qualify as head of household if your child, parent, or relative described on page 16 is your dependent under the rules on page 20 for **Person supported by two or more taxpayers**.

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

Married persons who live apart. Even if you were not divorced or legally separated in 1992, you may be considered unmarried and file as head of household. You may also be able to take the credit for child and dependent care expenses and the earned income credit. You can take the standard deduction even if your spouse itemizes deductions. You may check the box on line 4 if **all five** of the following apply:

1. You file a separate return from your spouse, and
2. You lived apart from your spouse during the last 6 months of 1992, and
3. You paid over half the cost of keeping up your home for 1992, and
4. Your home was the main home of your child, stepchild, adopted child, or foster child for more than 6 months of 1992, and
5. You claim this child as your dependent or the child's other parent claims him or her under the rules for **Children of divorced or separated parents** on page 20.

Line 5 Qualifying widow(er) with dependent child. You may check the box on line 5 and use joint return tax rates for 1992 if **all five** of the following apply:

1. Your spouse died in 1990 or 1991 and you did not remarry in 1992, and
2. You have a child, adopted child, stepchild, or foster child whom you claim as a dependent, and
3. This child lived in your home for all of 1992 (temporary absences count as time lived in the home), and
4. You paid over half the cost of keeping up your home for this child, and
5. You could have filed a joint return with your spouse the year he or she died, even if you didn't actually do so.

Do not claim an exemption for your spouse.

If your spouse died in 1992, you may not file as qualifying widow(er) with dependent child. Instead, see the instructions for line 2.

If you cannot file as qualifying widow(er) with dependent child, read the instructions for line 4 to see if you can file as head of household. You must file

as single if you cannot file as qualifying widow(er) with dependent child, married filing joint return, or head of household.

Figure your exemptions—
Lines 6a–6e

- Line 6a** For each exemption you can take, you can deduct \$2,300 on line 21. Check the box on line 6a **unless** your parent (or someone else) can claim you as a dependent on his or her tax return. For example, if your parents (or someone else) could claim you as a dependent on their return but they chose not to claim you, **do not** check the box on line 6a.
- Line 6b** If you file a joint return and your spouse cannot be claimed as a dependent on another person's return, check the box on line 6b. If you are filing a separate return, you can take an exemption for your spouse only if your spouse is not filing a return, had no income, and cannot be claimed as a dependent on another person's return. If you were divorced or legally separated by December 31, 1992, you cannot take an exemption for your former spouse. If, at the end of 1992, your divorce was not final (an interlocutory decree), you are considered married for the whole year.
- Death of your spouse.** If your spouse died in 1992 and you did not remarry by December 31, 1992, check the box on line 6b if you could have taken an exemption for your spouse on the date of death. For other filing instructions, see **What if a taxpayer died?** on page 7.
- Nonresident alien spouse.** If you do not file a joint return, you can take an exemption for your nonresident alien spouse only if your spouse had no income from U.S. sources and is not the dependent of another person. If you can take an exemption for your spouse, check the box on line 6b and enter "NRA" to the right of the word "Spouse."
-

- Line 6c Dependents.** You can take an exemption for each of your dependents who was alive during some part of 1992. This includes a baby **born** in 1992 or a person who **died** in 1992. For more details, get Pub. 501. Any person who meets **all five** of the following tests qualifies as your dependent.

Test 1—Relationship

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

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

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

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

Test 2—Married person

If the person is married and files a joint return, you cannot take an exemption for the person. However, if neither the person nor the person's spouse is required to file, but they file a joint return only to get a refund of all tax withheld, you may claim him or her if the other four tests are met.

Test 3—Citizen or resident

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

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

Test 4—Income

Generally, the person's gross income must be less than \$2,300. Gross income does not include nontaxable income, such as welfare benefits or nontaxable social security benefits. Income earned by a permanently and totally disabled person for services performed at a sheltered workshop school is generally not included for purposes of the income test. See Pub. 501 for details.

Exception for your child. Your child can have gross income of \$2,300 or more if:

1. Your child was **under age 19** at the end of 1992, **or**
2. Your child was **under age 24** at the end of 1992 **and** was a **student**.

Your child was a student if he or she—

- Was enrolled as a full-time student at a school during any 5 months of 1992, or
- Took a full-time, on-farm training course during any 5 months of 1992. The course had to be given by a school or a state, county, or local government agency.

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

Test 5—Support

The general rule is that you had to provide over half the person's total support in 1992. If you file a joint return, support can come from either spouse. If you remarried, the support provided by your new spouse is treated as support coming from you. For exceptions to the support test, see **Children of divorced or separated parents** and **Person supported by two or more taxpayers** on page 20.

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

- Use the actual cost of these items. But you should figure the cost of a place to live at its fair rental value.
-

- Include money the person used for his or her own support, even if this money was not taxable. Examples are gifts, savings, social security and welfare benefits, and other public assistance payments. This support is treated as **not** coming from you.

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

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

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

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

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

1. The custodial parent agrees not to claim the child's exemption for 1992 by signing Form 8332 or a similar statement. But you (as the noncustodial parent) **must** attach this signed Form 8332 or similar statement to your return. Instead of attaching Form 8332, you can attach a copy of certain pages of your divorce decree or separation agreement if it went into effect after 1984 (see **Children who didn't live with you due to divorce or separation** on page 21), or
2. Your divorce decree or written separation agreement went into effect before 1985 and it states that you (the noncustodial parent) can claim the child as a dependent. But you must have given at least \$600 for the child's support in 1992. Also, you must check the pre-1985 agreement box on line 6d. This rule does not apply if your decree or agreement was changed after 1984 to say that you cannot claim the child as your dependent.

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

1. You and one or more other eligible person(s) together paid over half of another person's support, and
2. You paid over 10% of that person's support, and
3. No one alone paid over half of that person's support, and
4. Tests 1 through 4 on pages 18 and 19 are met, and
5. Each eligible person who paid over 10% of support completes Form 2120, and you attach these forms to your return. The form states that only you will claim the person as a dependent for 1992.

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

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

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

Column (2). If your dependent was under age 1 on December 31, 1992, put a checkmark in column (2).

Column (3). Any dependent age 1 or older must have a social security number. You must enter that number in column (3). If you do not enter it or if the number is wrong, you may have to pay a \$50 penalty. If your dependent does not have a number, he or she should apply for one by filing Form SS-5 with your local Social Security Administration (SSA) office. It usually takes about 2 weeks to get a number. If your dependent won't have a number by the time you are ready to file your return, ask the SSA to give you a receipt. When you file your return, enter "applied for" in column (3). If the SSA gave you a receipt, attach a copy of it to your return. If your dependent lives in Canada or Mexico, see Pub. 501 for details on how to get a social security number.

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

Column (5). Enter the number of months your dependent lived with you in 1992. Do not enter more than 12. Count temporary absences, such as school or vacation, as time lived in your home. If your dependent was born, or died, in 1992, enter "12" in this column. If your dependent lived in Canada or Mexico during 1992, don't enter a number. Instead, enter "CN" or "MX", whichever applies.

Children who didn't live with you due to divorce or separation. If you are claiming a child who didn't live with you under the rules for **Children of divorced or separated parents** on page 20, enter the total number of such children on the line to the right of line 6c labeled "No. of your children on 6c who: didn't live with you due to divorce or separation." If you put a number on this line, you **must** do one of the following:

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

Other dependent children. Enter the total number of children who did not live with you for reasons other than divorce or separation on the line labeled "No. of other dependents on 6c." Include dependent children who lived in Canada or Mexico during 1992.

Figure your total income—
Lines 7-14

Rounding off to whole dollars

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

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

Refunds of state or local income taxes

If you received a refund, credit, or offset of state or local income taxes in 1992, the state or other taxing authority may send you a Form 1099-G. This form will show the amount of this refund, credit, or offset. You **do not** have to include this amount in your income for 1992 if, in the year the tax was paid to the state or other taxing authority, you filed:

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

If the amount shown on Form 1099-G was for a tax you deducted as an itemized deduction on Form 1040, you may have to report part or all of the amount shown on Form 1099-G as income on Form 1040 for 1992. See Tele-Tax (topic no. 205) on page 46 or get Pub. 525 for details.

Special rules for people in community property states

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

Pub. 555 explains the rules for couples living in community property states. In general, the special rules for reporting only your own income apply if **all three** of the following are true:

1. You and your spouse lived apart all year, and
2. You do not file a joint return, and
3. None of the community income you earned was transferred to your spouse.

Line 7 Show the total of your income from wages, salaries, and tips. This should be shown in box 10 of your W-2 form from your employer. For a joint return, be sure to include your spouse's income on line 7.

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

If you don't have a W-2 form by February 1, 1993, ask your employer for one. If you don't get it by February 16, call the toll-free telephone number for your area listed on page 45. You will be asked for your employer's name, address,

telephone number, and, if known, identification number. You will also be asked for your address, social security number, daytime telephone number, dates of employment, and your best estimate of your total wages and Federal income tax withheld. Even if you don't get a W-2 form from your employer, you must still report your earnings. If you lose your W-2 form or it is incorrect, ask your employer for a new one.

Tip income. Be sure to report all tip income you actually received, even if it is not included in box 10 of your W-2 form(s). But you must use Form 1040 and Form 4137 instead of Form 1040A if (1) you received tips of \$20 or more in any month and did not report the full amount to your employer OR (2) your W-2 form(s) shows allocated tips that you **must** report as income. You must report as income the amount of allocated tips shown on your W-2 form(s) unless you can prove a smaller amount with adequate records. Allocated tips should be shown in box 7 of your W-2 form(s). They are not included in box 10 of your W-2 form(s). Form 4137 is used to figure the social security and Medicare tax on unreported tips. If you reported the full amount to your employer but the social security and Medicare tax was not withheld, you are still required to pay the taxes. For more details on tips, get Pub. 531.

Employer-provided vehicle. If you used an employer-provided vehicle for both personal and business purposes and 100% of the annual lease value of the vehicle was included in the wages box (box 10) of your W-2 form, you may be able to deduct the business use of the vehicle. But you must use Form 1040 and Form 2106 to do so. The total annual lease value of the vehicle should be shown in either box 23 or 18 of your W-2 form or on a separate statement. For more details, get Pub. 917.

Excess salary deferrals. If you chose to have your employer contribute part of your pay to certain retirement plans (such as a 401(k) plan or the Federal Thrift Savings Plan) instead of having it paid to you, the "Deferred compensation" box in box 6 of your W-2 form should be checked. The amount deferred should be shown in box 17. The total amount that may be deferred for 1992 under all plans is generally limited to \$8,728. But a different limit may apply if amounts were deferred under a tax-sheltered annuity plan or an eligible plan of a state or local government or tax-exempt organization. Get Pub. 575 for details. If the total amount deferred exceeds these limits, you must use Form 1040.

Scholarship and fellowship grants. If you received a scholarship or fellowship that was granted **after** August 16, 1986, part or all of it may be taxable even if you didn't receive a W-2 form. If you were a degree candidate, the amounts you used for expenses other than tuition and course-related expenses are taxable. For example, amounts used for room, board, and travel are taxable. If you were not a degree candidate, the full amount of the scholarship or fellowship is taxable. Add the taxable amount not reported on a W-2 form to any other amounts on line 7. Then, write "SCH" and the taxable amount not reported on a W-2 form in the space to the left of line 7.

Employer-provided dependent care benefits (DCB). If you received benefits for 1992 under your employer's dependent care plan, you may be able to exclude part or all of them from your income. But you must use Schedule 2 to do so. The benefits should be shown in box 22 of your W-2 form(s). First, go to Schedule 2 and fill in Parts I and III. Include any taxable benefits from line 24 of that schedule on Form 1040A, line 7. In the space to the left of line 7, write "DCB."

Caution: *If you have a child who was born in 1992 and you earned less than \$22,370, you may be able to take the extra credit for a child born in 1992 on **Schedule EIC**. But you **cannot** take the extra credit **and** the exclusion of employer-provided dependent care benefits for the same child. To see which would benefit you more, read **A change to note** in the instructions for Schedule 2 on page 56.*

Line 8a Taxable interest. Report all of your taxable interest income on line 8a even if it is \$400 or less. If the total is over \$400 or you are claiming the exclusion of interest from series EE U.S. savings bonds issued after 1989, first fill in Schedule 1, Part I (see page 54). Also, fill in Schedule 1 if you received interest as a nominee (that is, in your name but the interest actually belongs to someone else) or you received a Form 1099-INT for tax-exempt interest.

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

If you received a 1992 Form 1099-INT for U.S. savings bond interest that includes amounts you reported before 1992, see Pub. 550.

Include taxable interest from seller-financed mortgages, banks, savings and loan associations, money market certificates, credit unions, savings bonds, etc. Also, include any interest you received or that was credited to your account so you could withdraw it, even if it wasn't entered in your passbook. Interest credited in 1992 on deposits that you could not withdraw because of the bankruptcy or insolvency of the financial institution may not have to be included in your 1992 income. For details, get Pub. 550.

But you must use Form 1040 if **any** of the following applies:

- You are reporting original issue discount (OID) in an amount more or less than the amount shown on Form 1099-OID, or
- You received or paid accrued interest on securities transferred between interest payment dates, or
- You acquired taxable bonds after 1987 and are electing to reduce the interest income on the bonds by any amortizable bond premium.

Be sure each payer of interest income has your correct social security number. Otherwise, the payer may withhold 20% of the interest income (backup withholding). You may also be subject to penalties.

For more information, see Tele-Tax (topic no. 203) on page 46 or Pub. 550.

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

You should not have received a Form 1099-INT for tax-exempt interest. But if you did, fill in Schedule 1 and see the instructions on page 54.

Line 9 Dividends. Report your total dividends on line 9 even if they total \$400 or less. If the total is over \$400 or you received dividends as a nominee (that is, in your name but the dividends actually belong to someone else), first fill in Schedule 1, Part II (see page 55).

Dividends are distributions of money, stock, or other property that corporations pay to stockholders. Each payer should send you a Form 1099-DIV. A copy of the form is also sent to the IRS. Even if you did not receive a Form 1099-DIV, you must report all taxable dividends.

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

Be sure each payer of dividends has your correct social security number. Otherwise, the payer may withhold 20% of the dividend income (backup withholding). You may also be subject to penalties.

For more information, get Pub. 550.

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

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

If you made any nondeductible contributions to your IRA for 1992 or an earlier year or you rolled your IRA distribution over into another IRA, see below. **Do not** use line 10a or 10b to report a rollover from a qualified employer's plan to an IRA. Instead, see the instructions for lines 11a and 11b.

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

Nondeductible contributions. If you made nondeductible contributions for any year, part of your IRA distribution may be nontaxable.

If you made any nondeductible contributions for 1992, use Pub. 590 and Form 8606 to figure the taxable part of your IRA distribution. Enter the total distribution on line 10a and the taxable part on line 10b.

If all of your nondeductible contributions were made for years before 1992, use Form 8606 to figure the taxable part of your distribution by following the instructions for line 11 of that form. Enter the total distribution on line 10a and the taxable part on line 10b.

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

Lines 11a and 11b Pensions and annuities. Use lines 11a and 11b to report pension and annuity payments you received, including disability pensions received after you reach the minimum retirement age set by your employer. Also, use these lines to report payments (distributions) from profit-sharing plans, retirement plans, and employee-savings plans. See page 27 for information on rollovers and lump-sum distributions. You should receive a Form 1099-R showing the amount of your pension or annuity. Attach Form 1099-R to Form 1040A if any Federal income tax was withheld from your pension or annuity.

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

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

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

- You did not contribute to the cost of your pension or annuity, or
- You used the 3-Year Rule and you got your entire cost back tax free before 1992.

Fully taxable pensions and annuities also include military retirement pay shown on Form 1099-R. For information on military disability pensions, get Pub. 525. If you received a Form RRB-1099-R, the amount shown in box 7 is usually fully taxable. For more details, get Pub. 575. If an amount is shown in box 8 of your Form RRB-1099-R, see Pub. 575 to find out how to report your benefits.

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

If you choose to, you may submit a ruling request to the IRS before the due date of your return (including extensions) and the IRS will figure the taxable part for you for a \$50 fee. For details on how to do this, see Pub. 939.

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

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

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

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

Simplified General Rule. Using this method will usually result in at least as much of the pension or annuity being tax free each year as under the General Rule or as figured by the IRS. You qualify to use this simpler method if **all four** of the following apply:

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

If you qualify, use the worksheet on page 28 to figure the taxable part of your pension or annuity. But if you received U.S. Civil Service retirement benefits and you chose the lump-sum credit option, use the worksheet in Pub. 721 instead of the one on page 28. If you are a beneficiary entitled to a death benefit exclusion (see below), add the exclusion to the amount you enter on line 2 of the worksheet even if you received a Form 1099-R showing a taxable amount. The payer of the annuity cannot add the death benefit exclusion to your cost when figuring the taxable amount. Attach a signed statement to your return stating that you are entitled to a death benefit exclusion. For more details on the Simplified General Rule, see Pub. 575 or Pub. 721.

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

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

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

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

Distributions that may be rolled over are generally reported to you on Form 1099-R. Enter the total distribution on line 11a. If the total on line 11a (minus any contributions that were taxable to you when made) was rolled over, enter zero on line 11b. Otherwise, enter the taxable part of the distribution that was not rolled over on line 11b. Special rules apply to partial rollovers of property. For more details on rollovers, including distributions under qualified domestic relations orders, see Pub. 575.

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

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

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

**Simplified
General Rule
worksheet**

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

<p>1. Enter the total pension or annuity payments received this year. Also, enter this amount on Form 1040A, line 11a.</p>	1.											
<p>2. Enter your cost in the plan at the annuity starting date plus any death benefit exclusion.</p>	2.											
<p>3. Age at annuity starting date (see instructions on page 27):</p> <table style="margin-left: 40px; border-collapse: collapse;"> <tr> <td style="text-align: right;">55 and under</td> <td style="text-align: right;">300</td> </tr> <tr> <td style="text-align: right;">56-60</td> <td style="text-align: right;">260</td> </tr> <tr> <td style="text-align: right;">61-65</td> <td style="text-align: right;">240</td> </tr> <tr> <td style="text-align: right;">66-70</td> <td style="text-align: right;">170</td> </tr> <tr> <td style="text-align: right;">71 and older</td> <td style="text-align: right;">120</td> </tr> </table>	55 and under	300	56-60	260	61-65	240	66-70	170	71 and older	120	3.	
55 and under	300											
56-60	260											
61-65	240											
66-70	170											
71 and older	120											
<p>4. Divide line 2 by the number on line 3.</p>	4.											
<p>5. Multiply line 4 by the number of months for which this year's payments were made. If your annuity starting date was before 1987, also enter this amount on line 8; skip lines 6 and 7. Otherwise, go to line 6.</p>	5.											
<p>6. Enter the amount, if any, recovered tax free in years after 1986.</p>	6.											
<p>7. Subtract line 6 from line 2.</p>	7.											
<p>8. Look at lines 5 and 7 above. Enter the smaller of the two amounts here.</p>	8.											
<p>9. Taxable amount. Subtract line 8 from line 1. Enter the result, but not less than zero. Also, enter this amount on Form 1040A, line 11b. If your Form 1099-R shows a larger amount, use the amount on this line instead of the amount from Form 1099-R.</p>	9.											

Note: *If you had more than one partially taxable pension or annuity, figure the taxable part of each separately. Enter the total of the taxable parts on Form 1040A, line 11b. Enter the total pension or annuity payments received in 1992 on Form 1040A, line 11a.*

Line 12 Unemployment compensation. Enter on line 12 the unemployment compensation (insurance) you received. By February 1, 1993, you should receive a Form 1099-G showing the total amount paid to you during 1992. This amount should be shown in box 1.

If you received an overpayment of unemployment compensation in 1992 and you repaid any of it in 1992, subtract the amount you repaid from the total amount you received. Enter the result on line 12. Write "Repaid" and the amount you repaid in the space to the left of line 12.

Do not include on line 12 any supplemental unemployment benefits you received from a company-financed supplemental unemployment benefit fund. Instead, report these benefits as wages on line 7. If you pay back these supplemental unemployment benefits in a later year because you receive payments under the Trade Act of 1974, you can deduct the repayment. But you must use Form 1040 to do so. For more details, get Pub. 525.

Caution: *If you expect to receive unemployment compensation in 1993, which may cause you to owe tax when you file your return next year, you may need to make estimated tax payments during 1993. See **Income tax withholding and estimated tax payments for 1993** on page 70.*

Lines 13a and 13b Social security benefits. Social security and equivalent railroad retirement benefits you received may be taxable in some instances. Social security benefits include any monthly benefit under title II of the Social Security Act or the part of a tier 1 railroad retirement benefit treated as a social security benefit. Social security benefits do not include any Supplemental Security Income (SSI) payments.

By February 1, 1993, you should receive a Form SSA-1099 showing in box 3 the total social security benefits paid to you in 1992 and in box 4 the amount of any benefits you repaid in 1992. If you received railroad retirement benefits treated as social security, you should receive a Form RRB-1099. For more details, get Pub. 915.

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

Use the worksheet on page 30 to see if any of your benefits are taxable, but **please note** the following before you begin.

- You will first need to complete Form 1040A, lines 7 through 12, and 15c if they apply to you, to figure the taxable part, if any, of your benefits.
 - If you made IRA contributions for 1992 and you were covered by a retirement plan at work, **do not** use the worksheet on page 30. Instead, use the worksheets in Pub. 590 to see if any of your social security benefits are taxable and to figure your IRA deduction.
 - If you file Form 8815, use the worksheet in Pub. 915 instead of the one on page 30.
 - If you repaid any benefits in 1992 and your total repayments (box 4) were more than your total benefits for 1992 (box 3), **do not** use the worksheet on page 30. None of your benefits are taxable for 1992. You may be able to take an itemized deduction for part of the excess repayments if they were for benefits you included in gross income in an earlier year. But you must use Form 1040 to do so. See Pub. 915.
-

Social security benefits worksheet

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

If you are married filing separately and you **did not** live with your spouse at any time in 1992, enter "D" in the space to the left of line 13a.

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

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

2. Divide line 1 above by 2. 2.

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

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

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

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

7. Subtract line 6 from line 5. 7.

8. Enter on line 8 the amount shown below for your filing status.
 • Single, Head of household, or Qualifying widow(er) with dependent child, enter \$25,000
 • Married filing jointly, enter \$32,000
 • Married filing separately, enter \$-0- (\$25,000 if you **did not** live with your spouse at any time in 1992) 8.

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

Next:

- If line 9 is zero, stop here. None of your benefits are taxable. Do not enter any amount on line 13a or 13b. But if you are married filing separately and you **did not** live with your spouse at any time in 1992, enter -0- on line 13b. Be sure you entered "D" to the left of line 13a.
- If line 9 is more than zero, go to line 10.

10. Divide line 9 above by 2. 10.

11. Taxable social security benefits.

- First, enter on Form 1040A, line 13a, the amount from line 1 above.
- Then, look at lines 2 and 10 above. Enter the **smaller** of the two amounts here and on Form 1040A, line 13b. 11.

Note: If part of your benefits are taxable for 1992 and they include benefits paid in 1992 that were for a prior year, you may be able to reduce the taxable amount shown on the worksheet. Get Pub. 915 for details.

Figure your
adjusted
gross
income—
Lines 15a-16

Lines 15a
and 15b

IRA deduction. If you made contributions to an Individual Retirement Arrangement (IRA) for 1992, you may be able to take an IRA deduction. Read the instructions below and on page 32 to see if you can take this deduction and, if you can, which worksheet to use to figure it. Enter your IRA deduction on line 15a. If you file a joint return, enter your spouse's deduction on line 15b. You should receive a statement by May 31, 1993, that shows all contributions to your IRA for 1992.

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

Caution: You **may not** deduct contributions to a 401(k) plan or the Federal Thrift Savings Plan. These amounts are not included as income in box 10 of your W-2 form.

Were you covered by an employer retirement plan? If you were covered by a plan at work in 1992, your IRA deduction may be reduced or eliminated. But you can still make contributions to an IRA even if you can't deduct them. In any case, the income earned on your contributions is not taxed until it is paid to you. The "Pension plan" box in box 6 of your W-2 form should be checked if you were covered by a plan (such as a 401(k) plan). This box should be checked even if you were not vested in the plan.

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

Special rule for married individuals who file separate returns. If you were not covered by a plan but your spouse was, **you** are considered covered by a plan if you lived with your spouse at any time in 1992. See the chart below to find out if you can take the deduction and, if you can, which worksheet to use.

Not covered by a retirement plan. If you (and your spouse if filing a joint return) were not covered by a plan at work, use **worksheet 1** on page 33 to figure your deduction.

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

Chart for people covered by a retirement plan*

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

Your filing status is:	And Form 1040A, line 14, is:	You can take:
Single, Head of household, or Married filing separately and did not live with your spouse in 1992	\$25,000 or less	Full IRA deduction (use worksheet 1 on page 33)
	Over \$25,000 but less than \$35,000	Partial IRA deduction (use worksheet 2 on pages 33-34)
	\$35,000 or more	No IRA deduction (but see Nondeductible contributions on page 32)
Married filing jointly or Qualifying widow(er) with dependent child	\$40,000 or less	Full IRA deduction (use worksheet 1 on page 33)
	Over \$40,000 but less than \$50,000	Partial IRA deduction (use worksheet 2 on pages 33-34)
	\$50,000 or more	No IRA deduction (but see Nondeductible contributions on page 32)
Married filing separately and lived with your spouse in 1992	Over -0- but less than \$10,000	Partial IRA deduction (use worksheet 2 on pages 33-34)
	\$10,000 or more	No IRA deduction (but see Nondeductible contributions on page 32)

* If married filing separately and you were not covered by a plan but your spouse was, **you** are considered covered by a plan if you lived with your spouse at any time in 1992.

Nondeductible contributions. You can make nondeductible contributions to your IRA. You can do this even if you are allowed to deduct part or all of your contributions. Your nondeductible contribution is the difference between the total allowable contributions to your IRA and the amount you deduct.

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

Use Form 8606 to report all contributions you treat as nondeductible. Also, use it to figure the basis (nontaxable part) of your IRA. If you and your spouse each make nondeductible contributions, each of you must complete a separate Form 8606.

Read the following list before you fill in your worksheet.

- If you were age 70½ or older at the end of 1992, you cannot deduct any contributions made to your IRA for 1992 or treat them as nondeductible contributions.
 - If you made contributions to your IRA in 1992 that you deducted for 1991, do not include them in the worksheet.
 - If you received a distribution from a nonqualified deferred compensation plan, see Pub. 590 to figure your IRA deduction. The distribution should be shown in box 16 of your W-2 form.
 - Your IRA deduction can't be more than the total of your wages, salaries, and tips.
 - If the total of your IRA deduction on Form 1040A plus any nondeductible contribution on your Form 8606 is less than your total IRA contributions for 1992, see Pub. 590 for special rules.
 - You must file a joint return to deduct contributions to your nonworking spouse's IRA. A **nonworking spouse** is one who had no wages or other earned income in 1992, or a working spouse who chooses to be treated as having no earned income for figuring the deduction.
 - Do not include rollover contributions in figuring your deduction. See the instructions for lines 10a and 10b on page 25 for more details on rollover contributions.
 - Do not include trustee's fees that were billed separately and paid by you for your IRA. You may be able to deduct those fees as an itemized deduction. But you must use Form 1040 to do so.
 - If married filing a joint return and both spouses worked and had IRAs, figure each spouse's deduction separately using columns (a) and (b) of the worksheet.
-

IRA worksheet 1

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

	(a) Your IRA	(b) Your working spouse's IRA
1. Enter IRA contributions you made, or will make by April 15, 1993, for 1992. But do not enter more than \$2,000 in either column.	1. <input type="text"/>	<input type="text"/>
2. Enter wages, salaries, and tips for each person from Form 1040A, line 7.	2. <input type="text"/>	<input type="text"/>
3. Look at lines 1 and 2. Enter the smaller of the two amounts on line 3. Enter on Form 1040A, line 15a, the amount from line 3, column (a). Enter on Form 1040A, line 15b, the amount, if any, from line 3, column (b). If filing a joint return and contributions were made to your nonworking spouse's IRA, go to line 4.	3. <input type="text"/>	<input type="text"/>

Nonworking spouse's IRA

4. Compare the amount on line 2, column (a), to \$2,250 and enter the smaller amount.	4. <input type="text"/>
5. Enter the amount from line 3, column (a).	5. <input type="text"/>
6. Subtract line 5 from line 4.	6. <input type="text"/>
7. Enter IRA contributions made, or that will be made by April 15, 1993, for 1992 for your nonworking spouse. But do not enter more than \$2,000.	7. <input type="text"/>
8. Look at lines 6 and 7. Enter the smaller of the two amounts on line 8. Also, enter this amount on Form 1040A, line 15b.	8. <input type="text"/>

IRA worksheet 2

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

1. If your filing status is:	<table border="0"> <tr> <td rowspan="3" style="font-size: 3em; vertical-align: middle;">{</td> <td>Single or Head of household, enter \$35,000</td> </tr> <tr> <td>Married filing jointly or Qualifying widow(er), enter \$50,000</td> </tr> <tr> <td>Married filing separately, enter \$10,000*</td> </tr> </table>	{	Single or Head of household, enter \$35,000	Married filing jointly or Qualifying widow(er), enter \$50,000	Married filing separately, enter \$10,000*	1. <input type="text"/>
{	Single or Head of household, enter \$35,000					
	Married filing jointly or Qualifying widow(er), enter \$50,000					
	Married filing separately, enter \$10,000*					
2. Enter the amount from Form 1040A, line 14. If this amount is equal to or more than the amount on line 1, none of your IRA contributions are deductible. Stop here. If you want to make a nondeductible IRA contribution, see Form 8606.		2. <input type="text"/>				
3. Subtract line 2 from line 1. If the result is \$10,000 or more, stop here and use worksheet 1.		3. <input type="text"/>				
4. Multiply line 3 above by 20% (.20). If the result is not a multiple of \$10, round it up to the next multiple of \$10 (for example, round \$490.30 to \$500). If the result is \$200 or more, enter the result. But if it is less than \$200, enter \$200. Go to line 5 on page 34.		4. <input type="text"/>				

* Enter \$10,000 only if you lived with your spouse at any time in 1992. If you **did not** live with your spouse at all in 1992, enter \$35,000.

(Please continue on page 34)

IRA worksheet 2
(continued)

Deductible IRA contributions	(a) Your IRA	(b) Your working spouse's IRA
5. Enter wages, salaries, and tips for each person from Form 1040A, line 7.	5.	
6. Enter IRA contributions you made, or will make by April 15, 1993, for 1992. But do not enter more than \$2,000 in either column.	6.	
7. Enter the smallest of line 4, 5, or 6. This is the most you can deduct. Enter on Form 1040A, line 15a, the amount from line 7, column (a). Enter on Form 1040A, line 15b, the amount, if any, from line 7, column (b). If line 6 is more than line 7, go to line 8.	7.	

Nondeductible IRA contributions

8. Subtract line 7 from line 5 or line 6, whichever is smaller . Enter on line 2 of your Form 8606 the amount from line 8 you choose to make nondeductible.	8.	
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If filing a joint return and contributions were made to your nonworking spouse's IRA, go to line 9.

Deductible IRA contributions for nonworking spouse

9. Compare the amount on line 5, column (a), to \$2,250 and enter the smaller amount.	9.	
10. Add the amount on line 7, column (a), to the part of line 8, column (a), that you choose to make nondeductible.	10.	
11. Subtract line 10 from line 9. If the result is zero or less, stop here. You cannot make deductible or nondeductible IRA contributions for your nonworking spouse.	11.	
12. Enter the smallest of (a) IRA contributions made, or that will be made by April 15, 1993, for 1992 that are for your nonworking spouse; (b) \$2,000; or (c) the amount on line 11.	12.	
13. Multiply line 3 above by 22.5% (.225). If the result is not a multiple of \$10, round it up to the next multiple of \$10. If the result is \$200 or more, enter the result. But if it is less than \$200, enter \$200.	13.	
14. Enter the amount from line 7, column (a).	14.	
15. Subtract line 14 from line 13.	15.	
16. Look at lines 12 and 15 and enter the smaller amount.	16.	
17. Look at lines 4, 5, and 16. Enter the smallest of the three amounts. This is the most you can deduct. Enter this amount on Form 1040A, line 15b. If line 12 is more than line 17, go to line 18.	17.	

Nondeductible IRA contributions for nonworking spouse

18. Subtract line 17 from line 12. Enter on line 2 of your spouse's Form 8606 the amount from line 18 that you choose to make nondeductible.	18.	
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Figure your
standard
deduction,
exemption
amount, and
taxable
income—
Lines 17–22

Line 18a If you were age 65 or older or blind, check the appropriate boxes on line 18a. If you were married and checked the box on line 6b on page 1 of Form 1040A and your spouse was age 65 or older or blind, also check the appropriate boxes on line 18a. Then, add the number of boxes checked. Enter the total in the box provided on line 18a. You need to know this total to use the **Standard deduction chart for people age 65 or older or blind** on page 36.

Age. If you were age 65 or older on January 1, 1993, check the “65 or older” box on your 1992 return.

Blindness. If you were completely blind as of December 31, 1992, attach a statement to your return describing this condition. If you were partially blind, you must attach a statement certified by your eye doctor or registered optometrist that:

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

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

Line 18b Dependents. If your parent (or someone else) can claim you as a dependent on his or her return (even if that person chose not to claim you), check the box on line 18b. You must use the **Standard deduction worksheet for dependents** on page 36 to figure your standard deduction.

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

Line 19 Standard deduction. Most people can find their standard deduction by looking at line 19 of Form 1040A. But if you checked **any** of the boxes on **line 18a or 18b**, use the chart or worksheet on page 36 that applies to you to figure your standard deduction. Also, if you checked the box on **line 18c**, you **cannot** take the standard deduction even if you were age 65 or older or blind.

Standard deduction chart for people age 65 or older or blind

Standard deduction chart for people age 65 or older or blind

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

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

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

If your filing status is:	And the number in the box above is:	Enter on Form 1040A, line 19:
Single	1	\$4,500
	2	\$5,400
Married filing a joint return or Qualifying widow(er) with dependent child	1	\$6,700
	2	\$7,400
	3	\$8,100
	4	\$8,800
Married filing a separate return	1	\$3,700
	2	\$4,400
	3	\$5,100
	4	\$5,800
Head of household	1	\$6,150
	2	\$7,050

Standard deduction worksheet for dependents

Standard deduction worksheet for dependents (keep for your records)

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

1. Enter the amount from Form 1040A, line 7. If none, enter -0-.	1.	<input type="text"/>
2. Minimum amount.	2.	<input type="text" value="600.00"/>
3. Look at lines 1 and 2. Enter the larger of the two amounts here.	3.	<input type="text"/>
4. Enter on line 4 the amount shown below for your filing status. <ul style="list-style-type: none"> • Single, enter \$3,600 • Married filing a separate return, enter \$3,000 • Married filing a joint return or Qualifying widow(er) with dependent child, enter \$6,000 • Head of household, enter \$5,250 	4.	<input type="text"/>
5. Standard deduction.		
a. Look at lines 3 and 4. Enter the smaller of the two amounts here. If under 65 and not blind, stop here and enter this amount on Form 1040A, line 19. Otherwise, go to line 5b.	5a.	<input type="text"/>
b. If 65 or older or blind, multiply \$900 (\$700 if married filing a joint or separate return, or qualifying widow(er) with dependent child) by the number on Form 1040A, line 18a.	5b.	<input type="text"/>
c. Add lines 5a and 5b. Enter the total here and on Form 1040A, line 19.	5c.	<input type="text"/>

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

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

Note: If you are required to use **Form 8615, Tax for Children Under Age 14 Who Have Investment Income of More Than \$1,200**, or if you want any of your refund applied to your 1993 estimated tax, we cannot figure your tax for you.

To have us figure your tax for you, please do the following:

1. Fill in the parts of your return through line 22 that apply to you.
2. If you file a joint return, use the space to the left of line 22 to separately show your own and your spouse's taxable income.
3. Complete lines 24a, 24b, 26, and 28a through 28d if they apply to you. Read the instructions below if you want us to figure your credit for the elderly or the disabled, or your earned income credit.
4. Attach the first copy or Copy B of all your W-2 forms and any 1099-R form that shows Federal income tax withheld.
5. Fill in and attach any schedules or forms asked for on the lines you completed.
6. Sign and date your return (both spouses must sign a joint return) and enter your occupation(s).
7. Mail your return by April 15, 1993.

We will figure the following credits too:

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

Earned income credit (EIC). Read the instructions that begin on page 59 to see if you can take this credit. If you can, enter "EIC" on the line next to line 28c. Fill in Parts II and III of Schedule EIC and attach it to your Form 1040A. If you don't have to file a return, but are filing only to take the earned income credit, follow all of the above instructions.

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

Line 23 Find your tax in the tax table on pages 48–53.

Form 8615. If this return is for a child who was under age 14 on January 1, 1993, and the child had more than \$1,200 of investment income, such as taxable interest or dividends, Form 8615 must be used to figure the tax. But if neither of the child's parents was alive at the end of 1992, do not use Form 8615. Instead, use the tax table to figure the child's tax.

Line 24a **Child and dependent care credit.** You may be able to take this credit if you paid someone to care for your child or other qualifying person so that you (and your spouse if you were married) could work or look for work.

The credit is allowed if you kept up a home that included a child **under age 13** or your dependent or spouse who could not care for himself or herself. Use Schedule 2 to figure the credit. To take the credit, you must show on Schedule 2 the name, address, and identifying number of the person or organization who provided the care. You can use Form W-10 to get the correct information from the care provider. For more details, including special rules for divorced or separated parents, see the instructions for Schedule 2 that begin on page 55 and Pub. 503.

Note: *If someone cared for your child or disabled dependent in your home, both you and the employee may have to pay a share of the social security and Medicare tax on the employee's wages. You may also have to pay Federal unemployment tax. For more details, get Pub. 926.*

Line 24b Credit for the elderly or the disabled. You may be able to take this credit and reduce your tax if, by the end of 1992, **either** of the following applied:

- You were age 65 or older, or
- You were under age 65, you retired on **permanent and total** disability, and you had taxable disability income in 1992.

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

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

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

Line 26 Advance earned income credit (AEIC) payments. If you received AEIC payments, enter them on line 26. These payments should be shown in box 8 of your W-2 form(s).

Line 28a Federal income tax withheld. Add the amounts shown as Federal income tax withheld on your Forms W-2 and 1099-R. Enter the total on line 28a. The amount of Federal income tax withheld should be shown in box 9 of Form W-2 and box 4 of Form 1099-R. If line 28a includes amounts withheld as shown on Form 1099-R, check the box on line 28a. Be sure to attach the Form 1099-R.

Backup withholding. If you received a 1992 Form 1099 showing income tax withheld (backup withholding) on dividends or interest income, include the amount withheld in the total on line 28a. This should be shown in box 2 of Form 1099-DIV and in box 4 of the other 1099 forms. Be sure to check the box on line 28a.

Line 28b 1992 estimated tax payments. Enter any payments you made on your estimated Federal income tax (Form 1040-ES) for 1992. Include any overpayment from your 1991 return that you applied to your 1992 estimated tax.

If you and your spouse paid joint estimated tax but are now filing separate income tax returns, either of you can claim all of the amount paid. Or you can each claim part of it. Get Pub. 505 for more details on how to divide your payments. Please be sure to show both social security numbers in the space provided on the separate returns. If you or your spouse paid separate estimated tax but you are now filing a joint income tax return, add the amounts you each paid. Follow these instructions even if your spouse died in 1992 or in 1993 before filing a 1992 return.

Divorced taxpayers. If you were divorced in 1992 and you made joint estimated tax payments with your former spouse, enter your former spouse's social security number in the space provided on the front of Form 1040A. If you were divorced and remarried in 1992, enter your present spouse's social security number in the space provided on the front of Form 1040A. Also, in the margin to the left of line 28b, write your former spouse's social security number, followed by "DIV".

Name change. If you changed your name because of marriage, divorce, etc., and you made estimated tax payments using your former name, attach a statement to the front of Form 1040A explaining all the payments you and your spouse made in 1992, the service center where you made the payments, and the name(s) and social security number(s) under which you made the payments.

Line 28c **Earned income credit (EIC).** If the amount on line 16 is less than \$22,370 and a child lived with you, you may be able to take this credit. Read the instructions for Schedule EIC that begin on page 59 to see if you can take this credit. If you can, use Schedule EIC to figure the credit. If you want the IRS to figure the credit for you, see the instructions for Schedule EIC. You may be able to get advance earned income credit payments in 1993 by filing a Form W-5 with your employer.

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

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

Excess social security taxes withheld. If you had more than one employer for 1992 and your total wages were over \$55,500, your employers may have withheld too much social security tax. If so, you can include the excess amount in the total on line 28d. Use the worksheet on page 40 to figure the excess amount.

If any employer withheld more than \$3,441 of social security tax, you must ask that employer to refund the excess to you. You cannot claim it on your return.

Excess railroad retirement (RRTA) taxes withheld. If you had more than one railroad employer for 1992 and your total compensation was over \$55,500, your employers may have withheld too much tier 1 tax. If your total compensation was over \$41,400, your employers may have withheld too much tier 2 tax. Get Pub. 505 to figure any excess amount to include on line 28d. **Do not** use the worksheet on page 40.

If any employer withheld more than \$3,441 of tier 1 RRTA tax or more than \$2,028.60 of tier 2 tax, you must ask that employer to refund the excess to you. You cannot claim it on your return.

Excess social
security taxes
worksheet

Excess social security taxes worksheet (keep for your records)

If you are filing a joint return, figure excess social security tax withholding separately for each spouse. DO NOT combine amounts of both husband and wife.

Caution: Do not use this worksheet if any RRTA tax was withheld from your pay. Instead, get Pub. 505 to figure the excess amount.

1. Add your social security tax withheld but not more than \$3,441.00 for each employer. This tax should be shown in box 11 of your W-2 forms. Enter the total.	1.	<input type="text"/>
2. Social security tax limit	-	2. <input type="text" value="3,441.00"/>
3. Subtract line 2 from line 1 and enter the result here. Also, include this amount in the total on Form 1040A, line 28d. Write "Excess SST" and show the amount in the space to the left of line 28d.	=	3. <input type="text"/>

Figure your
refund or
amount you
owe—
Lines 29–33

Line 29 Amount overpaid. If too much tax was withheld, line 28d will be more than line 27. Subtract line 27 from line 28d and enter the result on line 29. If line 29 is less than \$1, we will send the refund only if you request it when you file your return. If the amount you overpaid is large, you may be able to decrease the amount of income tax to be withheld from your pay. See **Income tax withholding and estimated tax payments for 1993** on page 70.

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

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

If **all three** of the above apply to you and you want your part of the amount on line 29 to be refunded to you, complete Form 8379 and attach it to Form 1040A when you file your return. Write "Injured spouse" in the upper left corner of Form 1040A.

Note: If you are filing an injured spouse claim to receive your part of a joint overpayment for a return you have already filed, use only Form 8379 to obtain your refund. **Do not** attach it to Form 1040A.

Line 31 Amount applied to 1993 estimated tax. Subtract line 30 from line 29. Enter the result on line 31. This is the amount that will be applied to your estimated tax for 1993. We will apply this amount to your account unless you request us to apply it to your spouse's account. The request should include your spouse's social security number.

Line 32 Amount you owe. If not enough tax was withheld or not enough estimated tax was paid, line 27 will be more than line 28d. Subtract line 28d from line 27 and enter the result on line 32. This is the amount you still owe the IRS. Attach your check or money order payable to the Internal Revenue Service for the full amount when you file. If line 32 is less than \$1, you do not have to pay it.

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

the tax due on Form 1040A. If you owe tax for 1992, you may need to increase the amount of income tax withheld from your pay or make estimated tax payments for 1993. See **Income tax withholding and estimated tax payments for 1993** on page 70.

Line 33 Estimated tax penalty. If line 32 is at least \$500 and it is more than 10% of the tax shown on your return, or you underpaid your 1992 estimated tax liability for any payment period, you may owe a penalty. Get Form 2210 to see if you owe a penalty and to figure the amount. If you want, the IRS will figure the penalty for you and send you a bill. But see **Lowering your penalty** below.

How to avoid the penalty. You will not owe the penalty or have to complete Form 2210 if **either** 1 or 2 below applies:

1. You had no tax liability for 1991, you were a U.S. citizen or resident for all of 1991, AND your 1991 tax return was for a tax year of 12 full months, or
2. The total of lines 28a and 28b on your 1992 return is at least as much as your 1991 tax liability, AND your 1991 tax return was for a tax year of 12 full months. Your estimated tax payments for 1992 must have been made on time and for the required amount.

Caution: *Item 2 above may not apply if your 1992 adjusted gross income (Form 1040A, line 17) is more than \$75,000 (more than \$37,500 if married filing separately), AND your 1992 adjusted gross income exceeds your 1991 adjusted gross income by more than \$40,000 (more than \$20,000 if married filing separately). You may also have to file Form 2210 even if you don't owe the penalty. For details, see Form 2210 and its instructions.*

Figuring the penalty. If you cannot avoid the penalty and you choose to figure it yourself on Form 2210, enter the penalty amount on Form 1040A, line 33. Do not attach Form 2210 to your return. Add the penalty amount to any tax due and enter the total on line 32. If you are due a refund, subtract the penalty amount from the overpayment you show on line 29.

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

Lowering your penalty. If any of the conditions below applies to you, you may be able to lower the amount of your penalty. But you must complete and attach Form 2210 to your return to do so.

- You claim a waiver.
- Your income varied during the year and you use the annualized income installment method to figure your required payments.
- You had Federal income tax withheld from your wages and you treat it as being paid when it was actually withheld (instead of in four equal amounts).

For more details, see Form 2210 and its instructions.

Sign your return

Form 1040A is not considered a valid return unless you sign it. If you are filing a joint return, your spouse must also sign. Be sure to date your return and enter your occupation(s). If you are filing a joint return with your deceased spouse, see **What if a taxpayer died?** on page 7.

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

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

Section 4—General information

How do I get forms and publications?

Generally, individuals receive tax packages containing the forms and schedules that seem right for them based on what they filed last year. Forms, schedules, and publications you may need are listed below. If you do not have any tax questions and you only need tax forms and publications, you can—

- Visit your local IRS office.
- Visit a participating bank or post office to get Forms 1040, 1040A, 1040EZ, Schedules A, B, and EIC, Schedules 1 and 2, and their instructions.
- Visit a participating library, which stocks a wider variety of forms and publications.
- Use the order blank on page 43. You should either receive your order or notification of the status of your order within 7-15 workdays after we receive your request.
- Call our toll-free order number 1-800-TAX-FORM (1-800-829-3676). The hours of operation during the filing season are **8:00 A.M. to 5:00 P.M. (weekdays)** and **9:00 A.M. to 3:00 P.M. (Saturdays)**. For callers in Alaska and Hawaii, the hours are Pacific Standard Time. For callers in Puerto Rico, the hours are Eastern Standard Time. You should get your order or notification of the status of your order within 7 to 15 workdays after you call.

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

Form 1040

Instructions for Form 1040 & Schedules

Schedule A for itemized deductions

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

Schedule EIC for claiming the earned income credit

Form 1040A

Instructions for Form 1040A & Schedules

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

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

Form 1040EZ

Instructions for Form 1040EZ

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

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

Schedule C, Profit or Loss From Business

Schedule C-EZ, Net Profit From Business

Schedule D, Capital Gains and Losses

Schedule E, Supplemental Income and Loss

Schedule F, Profit or Loss From Farming

Schedule R, Credit for the Elderly or the Disabled

Schedule SE, Self-Employment Tax

Form 1040-ES, Estimated Tax for Individuals

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

Form 2106, Employee Business Expenses

Form 2119, Sale of Your Home

Form 2210, Underpayment of Estimated Tax by Individuals and Fiduciaries

Form 2441, Child and Dependent Care Expenses

Form 3903, Moving Expenses

Form 4562, Depreciation and Amortization

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

Form 8283, Noncash Charitable Contributions

Form 8332, Release of Claim to Exemption for Child of Divorced or Separated Parents

Form 8582, Passive Activity Loss Limitations

Form 8822, Change of Address

Form 8829, Expenses for Business Use of Your Home

Pub. 1, Your Rights as a Taxpayer

Pub. 17, Your Federal Income Tax

Pub. 334, Tax Guide for Small Business

Pub. 463, Travel, Entertainment, and Gift Expenses

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

Pub. 502, Medical and Dental Expenses

Pub. 504, Divorced or Separated Individuals

Pub. 505, Tax Withholding and Estimated Tax

Pub. 508, Educational Expenses

Pub. 521, Moving Expenses

Pub. 523, Selling Your Home

Pub. 524, Credit for the Elderly or the Disabled

Pub. 525, Taxable and Nontaxable Income

Pub. 527, Residential Rental Property (Including Rental of Vacation Houses)

Pub. 529, Miscellaneous Deductions

Pub. 554, Tax Information for Older Americans

Pub. 590, Individual Retirement Arrangements (IRAs)

Pub. 596, Earned Income Credit

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

Pub. 917, Business Use of a Car

Pub. 929, Tax Rules for Children and Dependents

How do I use the order blank?

1. Cut the order blank on the dotted line and **be sure to print or type your name accurately in the space provided.** This will be the label used to send material to you.
2. Circle the items you need. Use the blank spaces to order items not listed. If you need more space, attach a separate sheet of paper listing the additional items you need. To help reduce waste, please order only the items you think you will need to prepare your return. We will send you two copies of each form and one copy of each set of instructions or publication you circle.
3. Enclose the order blank in your own envelope and send it to the IRS address shown on page 44 for your state. Do not use the envelope we sent you in your tax package because this envelope may be used only for filing your income tax return. You should either receive your order or notification of the status of your order within 7-15 workdays after we receive your request.

Detach at this line

Order blank

Name

Fill in your name and address

Number, street, and apt. number

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

Circle desired forms, instructions, and publications

1040	Schedule EIC (1040A or 1040)	Schedule 2 (1040A)	2119 & instructions	8332	Pub. 463	Pub. 529	
Instructions for 1040 & Schedules	Schedule F (1040)	Schedule 3 (1040A) & instructions	2210 & instructions	8582 & instructions	Pub. 505	Pub. 590	
Schedules A&B (1040)	Schedule R (1040) & instructions	1040EZ	2441 & instructions	8822	Pub. 508	Pub. 596	
Schedule C (1040)	Schedule SE (1040)	Instructions for 1040EZ	3903 & instructions	8829	Pub. 521	Pub. 910	
Schedule C-EZ (1040)	1040A	1040-ES (1993)	4562 & instructions	Pub. 1	Pub. 523	Pub. 917	
Schedule D (1040)	Instructions for 1040A & Schedules	1040X & instructions	4868	Pub. 17	Pub. 525	Pub. 929	
Schedule E (1040)	Schedule 1 (1040A)	2106 & instructions	8283 & instructions	Pub. 334	Pub. 527		

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

Caution: *Do not* send your tax return to any of the addresses listed below. Instead, see **Where do I file?** on page 69.

If you live in:

Send your order blank to:

Alaska, Arizona, California, Colorado, Hawaii, Idaho, Kansas, Montana, Nevada, New Mexico, Oklahoma, Oregon, Utah, Washington, Wyoming

Western Area Distribution Center
Rancho Cordova, CA
95743-0001

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

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

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

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

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

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

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

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

Call the IRS with your tax question. If the instructions to the tax forms and our free tax publications have not answered your question, please call us TOLL FREE. "Toll free" is a telephone call for which you pay only local charges, if any. This service is generally available during regular business hours.

Choosing the right number— Use only the number listed below for your area. Use a local city number only if it is not a long distance call for you. **Please do not dial "1-800" when using a local city number.** However, when dialing from an area that does not have a local number, be sure to dial "1-800" before calling the toll-free number.

Before you call— Remember that good communication is a two-way process. IRS representatives care about the quality of the service we provide to you, our customer. You can help us provide accurate, complete answers to your tax questions by having the following information available:

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

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

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

Alabama 1-800-829-1040	Idaho 1-800-829-1040	Mississippi 1-800-829-1040	Ohio Cincinnati, 621-6281 Cleveland, 522-3000 Elsewhere, 1-800-829-1040	Virginia Richmond, 649-2361 Elsewhere, 1-800-829-1040
Alaska Anchorage, 561-7484 Elsewhere, 1-800-829-1040	Illinois Chicago, 435-1040 In area code 708, 1-312-435-1040 Elsewhere, 1-800-829-1040	Missouri St. Louis, 342-1040 Elsewhere, 1-800-829-1040	Oklahoma 1-800-829-1040	Washington Seattle, 442-1040 Elsewhere, 1-800-829-1040
Arizona Phoenix, 640-3900 Elsewhere, 1-800-829-1040	Indiana Indianapolis, 226-5477 Elsewhere, 1-800-829-1040	Montana 1-800-829-1040	Oregon Portland, 221-3960 Elsewhere, 1-800-829-1040	West Virginia 1-800-829-1040
Arkansas 1-800-829-1040	Iowa Des Moines, 283-0523 Elsewhere, 1-800-829-1040	Nebraska Omaha, 422-1500 Elsewhere, 1-800-829-1040	Pennsylvania Philadelphia, 574-9900 Pittsburgh, 281-0112 Elsewhere, 1-800-829-1040	Wisconsin Milwaukee, 271-3780 Elsewhere, 1-800-829-1040
California Oakland, 839-1040 Elsewhere, 1-800-829-1040	Kansas 1-800-829-1040	Nevada 1-800-829-1040	Puerto Rico San Juan Metro Area, 766-5040 Elsewhere, 1-800-829-1040	Wyoming 1-800-829-1040
Colorado Denver, 825-7041 Elsewhere, 1-800-829-1040	Kentucky 1-800-829-1040	New Hampshire 1-800-829-1040	Rhode Island 1-800-829-1040	Phone Help for Hearing-Impaired People With TDD Equipment All areas in U.S., including Alaska, Hawaii, Virgin Islands, and Puerto Rico: 1-800-829-4059
Connecticut 1-800-829-1040	Louisiana 1-800-829-1040	New Jersey 1-800-829-1040	South Carolina 1-800-829-1040	
Delaware 1-800-829-1040	Maine 1-800-829-1040	New Mexico 1-800-829-1040	South Dakota 1-800-829-1040	Hours of Operation for the Hearing-Impaired: 8:00 A.M. to 6:30 P.M. EST (Jan. 1–April 4) 9:00 A.M. to 7:30 P.M. EDT (April 5–April 15) 9:00 A.M. to 5:30 P.M. EDT (April 16–Oct. 31) 8:00 A.M. to 4:30 P.M. EST (Nov. 1–Dec. 31)
District of Columbia 1-800-829-1040	Maryland Baltimore, 962-2590 Elsewhere, 1-800-829-1040	New York Bronx, 488-9150 Brooklyn, 488-9150 Buffalo, 685-5432 Manhattan, 732-0100 Nassau, 222-1131 Queens, 488-9150 Staten Island, 488-9150 Suffolk, 724-5000 Elsewhere, 1-800-829-1040	Tennessee Nashville, 259-4601 Elsewhere, 1-800-829-1040	
Florida Jacksonville, 354-1760 Elsewhere, 1-800-829-1040	Massachusetts Boston, 536-1040 Elsewhere, 1-800-829-1040	North Carolina 1-800-829-1040	Texas Dallas, 742-2440 Houston, 541-0440 Elsewhere, 1-800-829-1040	
Georgia Atlanta, 522-0050 Elsewhere, 1-800-829-1040	Michigan Detroit, 237-0800 Elsewhere, 1-800-829-1040	North Dakota 1-800-829-1040	Utah 1-800-829-1040	
Hawaii Oahu, 541-1040 Elsewhere, 1-800-829-1040	Minnesota Minneapolis, 644-7515 St. Paul, 644-7515 Elsewhere, 1-800-829-1040		Vermont 1-800-829-1040	

What is Tele-Tax?

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

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

How do I use Tele-Tax?

Choosing the right number—Use only the number listed below for your area. Use a local city number only if it is not a long distance call for you. **Please do not dial “1-800” when using a local city number.** However, when dialing from an area that does not have a local number, be sure to dial “1-800” before calling the toll-free number.

Recorded tax information

Topic numbers are effective January 1, 1993.

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

Rotary or pulse dial service is usually available Monday through Friday during regular office hours.

Select, by number, the topic you want to hear. **For the directory of topics, listen to topic no. 323.** A complete list of these topics is on the next page.

Have paper and pencil handy to take notes.

Call the appropriate phone number listed below.

- If you have a touch-tone phone, immediately follow the recorded instructions, or
- If you have a rotary or pulse dial phone, wait for further recorded instructions.

Automated refund information

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

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

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

- Touch-tone service is available Monday through Friday from 7:00 A.M. to 11:30 P.M. (Hours may vary in your area.)
- Rotary or pulse dial service is usually available Monday through Friday during regular office hours.

Alabama
1-800-829-4477

Alaska
1-800-829-4477

Arizona
Phoenix, 640-3933
Elsewhere, 1-800-829-4477

Arkansas
1-800-829-4477

California
Counties of Alpine, Amador, Butte, Calaveras, Colusa, Contra Costa, Del Norte, El Dorado, Glenn, Humboldt, Lake, Lassen, Marin, Mendocino, Modoc, Napa, Nevada, Placer, Plumas, Sacramento, San Joaquin, Shasta, Sierra, Siskiyou, Solano, Sonoma, Sutter, Tehama, Trinity, Yolo, and Yuba,
1-800-829-4032
Oakland, 839-4245
Elsewhere, 1-800-829-4477

Colorado
Denver, 592-1118
Elsewhere, 1-800-829-4477

Connecticut
1-800-829-4477

Delaware
1-800-829-4477

District of Columbia
628-2929

Florida
1-800-829-4477

Georgia
Atlanta, 331-6572
Elsewhere, 1-800-829-4477

Hawaii
1-800-829-4477

Idaho
1-800-829-4477

Illinois
Chicago, 886-9614
In area code 708,
1-312-886-9614
Springfield, 789-0489
Elsewhere, 1-800-829-4477

Indiana
Indianapolis, 631-1010
Elsewhere, 1-800-829-4477

Iowa
Des Moines, 284-7454
Elsewhere, 1-800-829-4477

Kansas
1-800-829-4477

Kentucky
1-800-829-4477

Louisiana
1-800-829-4477

Maine
1-800-829-4477

Maryland
Baltimore, 244-7306
Elsewhere, 1-800-829-4477

Massachusetts
Boston, 536-0709
Elsewhere, 1-800-829-4477

Michigan
Detroit, 961-4282
Elsewhere, 1-800-829-4477

Minnesota
St. Paul, 644-7748
Elsewhere, 1-800-829-4477

Mississippi
1-800-829-4477

Missouri
St. Louis, 241-4700
Elsewhere, 1-800-829-4477

Montana
1-800-829-4477

Nebraska
Omaha, 221-3324
Elsewhere, 1-800-829-4477

Nevada
1-800-829-4477

New Hampshire
1-800-829-4477

New Jersey
1-800-829-4477

New Mexico
1-800-829-4477

New York
Bronx, 488-8432
Brooklyn, 488-8432
Buffalo, 685-5533
Manhattan, 406-4080
Queens, 488-8432
Staten Island, 488-8432
Elsewhere, 1-800-829-4477

North Carolina
1-800-829-4477

North Dakota
1-800-829-4477

Ohio
Cincinnati, 421-0329
Cleveland, 522-3037
Elsewhere, 1-800-829-4477

Oklahoma
1-800-829-4477

Oregon
Portland, 294-5363
Elsewhere, 1-800-829-4477

Pennsylvania
Philadelphia, 627-1040
Pittsburgh, 261-1040
Elsewhere, 1-800-829-4477

Puerto Rico
1-800-829-4477

Rhode Island
1-800-829-4477

South Carolina
1-800-829-4477

South Dakota
1-800-829-4477

Tennessee
1-800-829-4477

Texas
Dallas, 767-1792
Houston, 541-3400
Elsewhere, 1-800-829-4477

Utah
1-800-829-4477

Vermont
1-800-829-4477

Virginia
Richmond, 783-1569
Elsewhere, 1-800-829-4477

Washington
Seattle, 343-7221
Elsewhere, 1-800-829-4477

West Virginia
1-800-829-4477

Wisconsin
Milwaukee, 273-8100
Elsewhere, 1-800-829-4477

Wyoming
1-800-829-4477

Tele-Tax Topic Numbers and Subjects				<i>Topic No.</i>	<i>Subject</i>	<i>Topic No.</i>	<i>Subject</i>	<i>Topic No.</i>	<i>Subject</i>
<i>Topic No.</i>	<i>Subject</i>	<i>Topic No.</i>	<i>Subject</i>	Tax Computation		Basis of Assets, Depreciation, Sale of Assets		Tax Information for Aliens and U.S. Citizens Living Abroad	
	IRS Procedures and Services	205	Refund of state and local taxes	351	Tax and credits figured by IRS	551	Sale of your home—General	701	Resident and nonresident aliens
101	IRS help available—Volunteer tax assistance programs, toll-free telephone, walk-in assistance, and outreach program	206	Alimony received	352	Self-employment tax	552	Sale of your home—How to report gain	702	Dual-status alien
102	Tax assistance for individuals with disabilities and the hearing impaired	207	Business income	353	Five-year averaging for lump-sum distributions	553	Sale of your home—Exclusion of gain, age 55 and over	703	Foreign earned income exclusion—General
103	Small Business Tax Education Program (STEP)—Tax help for small businesses	208	Sole proprietorship	354	Alternative minimum tax	554	Basis of assets	704	Foreign earned income exclusion—Who qualifies?
104	Problem Resolution Program—Help for problem situations	209	Capital gains and losses	355	Gift tax	555	Depreciation	705	Foreign earned income exclusion—What qualifies?
105	Public libraries—Tax information tapes and reproducible tax forms	210	Pensions and annuities	356	Estate tax	556	Installment sales	706	Foreign tax credit
106	1040PC tax return	211	Pensions—The general rule and the simplified general rule	357	Standard deduction				
107	The collection process	212	Lump-sum distributions	358	Tax on a child's investment income	Employer Tax Information			
108	Tax fraud—How to report	213	Rental income and expenses	Tax Credits		601	Social security and Medicare withholding rates	The following topics are in Spanish:	
109	Types of organizations that qualify for tax-exempt status	214	Renting vacation property/Renting to relatives	401	Child and dependent care credit	602	Form W-2—Where, when, and how to file	751	Who must file?
110	Organizations—How to apply for exempt status	215	Royalties	402	Earned income credit	603	Form W-4—Employee's Withholding Allowance Certificate	752	Which form to use?
111	Your appeal rights	216	Farming and fishing income	403	Credit for the elderly or the disabled	604	Employer identification number—How to apply	753	What is your filing status?
112	Electronic filing	217	Earnings for clergy	General Information		605	Form 942—Employer's Quarterly Tax Return for Household Employees	754	Earned income credit
113	Power of attorney information	218	Unemployment compensation	451	Substitute tax forms	606	Form 941—Deposit requirements	755	Highlights of 1992 tax changes
114	Change of address—How to notify IRS	219	Gambling income and expenses	452	Highlights of 1992 tax changes	607	Form 941—Employer's Quarterly Federal Tax Return	756	Forms and publications—How to order
911	Hardship assistance applications	220	Bartering income	453	Refunds—How long they should take	608	Form 940—Deposit requirements	757	Alien tax clearance
999	Local information	221	Scholarship and fellowship grants	454	Copy of your tax return—How to get one	609	Form 940/940-EZ—Employer's Annual Federal Unemployment Tax Returns	758	Refunds—How long they should take
	Filing Requirements, Filing Status, Exemptions	222	Nontaxable income	455	Forms/Publications—How to order	610	Targeted jobs credit	759	IRS help available—Volunteer tax assistance programs, toll-free telephone, walk-in assistance, and outreach program
151	Who must file?	223	Social security and equivalent railroad retirement benefits	456	Offers in compromise	611	Tips—Withholding and reporting	Tax Information for Puerto Rico Residents	
152	Which form—1040, 1040A, or 1040EZ?	224	401(k) plans	457	Extensions of time to file your tax return	1099 Series and Related Information Returns—Filing Magnetically/Electronically		851	Who must file a U.S. income tax return in Puerto Rico
153	When, where, and how to file	225	Passive activities—Losses/credits	458	Form W-2—What to do if not received	651	Who must file/Originals and corrections	852	Deductions and credits for Puerto Rico filers
154	What is your filing status?	Adjustments to Income		459	Penalty for underpayment of estimated tax	652	Acceptable media/Locating a third party to prepare your files	853	Federal employment taxes in Puerto Rico
155	Dependents	251	Individual retirement arrangements (IRAs)	460	Recordkeeping	653	Applications, forms, and information	854	Tax assistance for residents of Puerto Rico
156	Estimated tax	252	Alimony paid	461	How to choose a tax preparer	654	Waivers, extensions, and format deviations		
157	Amended returns	253	Bad debt deduction	462	Failure to pay child/spousal support and other Federal obligations	655	Test files and combined Federal/state filing		
158	Decedents	254	Tax shelters	463	Withholding on interest and dividends	656	Electronic filing of information returns		
	Types of Income	Itemized Deductions		464	What to do if you haven't filed your tax return (Nonfilers)	657	Information Returns Program Bulletin Board System		
201	Wages and salaries	301	Should I itemize?	465	Checklist/Common errors when preparing your tax return				
202	Tips	302	Medical and dental expenses	466	Withholding on pensions and annuities				
203	Interest received	303	Deductible taxes	467	What to do if you can't pay your tax				
204	Dividends	304	Moving expenses	468	Desert Storm				
		305	Interest expense	IRS Notices & Letters					
		306	Contributions	501	Notices—What to do				
		307	Casualty losses	502	Notice of underreported income—CP 2000				
		308	Miscellaneous expenses	503	IRS notices and bills/Penalty and interest charges				
		309	Business use of home						
		310	Business use of car						
		311	Business travel expenses						
		312	Business entertainment expenses						
		313	Educational expenses						
		314	Employee business expenses						

Topic numbers are effective January 1, 1993.

Section 6—Instructions for Schedules 1, 2, and EIC

Instructions for Schedule 1

Purpose of schedule

You must fill in Schedule 1 if **any** of the following applies:

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

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

Part I Interest income

To see what interest income you must report, read the instructions for Form 1040A, line 8a, on page 24. Each payer should send you a Form 1099-INT or Form 1099-OID showing interest you must report. A copy of the form is also sent to the IRS.

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

Seller-financed mortgages. If you sold your home or other property and the buyer paid you interest on a mortgage or other form of seller financing, list this interest first. Be sure to show the buyer's name.

Caution: *Pending legislation would require you to report the buyer's address and social security no. (SSN) if the buyer used the property as a personal residence. It would also require you to let that buyer know your SSN. To find out if this legislation was enacted, get Pub. 553.*

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

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

Tax-exempt interest. You should not have received a Form 1099-INT for tax-exempt interest. But if you did, report it on line 1. Do not include it in the total on line 2. Instead, under your last entry on line 1, put a subtotal of all interest listed. Below the subtotal, write "Tax-exempt interest" and show the

amount. Subtract it from the subtotal and enter the result on line 2. Be sure to also include this tax-exempt interest on Form 1040A, line 8b.

Line 3 Excludable interest on series EE U.S. savings bonds issued after 1989. If you cashed series EE U.S. savings bonds in 1992 that were issued after 1989 and you meet **all four** of the following conditions, you may be able to exclude part or all of the interest on those bonds.

1. The bonds were issued in your name or, if married, in your name and your spouse's name, and
2. You were age 24 or older before the bonds were issued, and
3. You paid qualified higher education expenses in 1992 for yourself, your spouse, or your dependents, and
4. Your filing status is single, married filing joint return, head of household, or qualifying widow(er) with dependent child.

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

Caution: *Only series EE savings bonds issued after 1989 qualify for the exclusion. Bond information will be verified with Department of the Treasury records.*

Part II
Dividend income

To see what dividend income you must report, read the instructions for Form 1040A, line 9, on page 24.

Each payer should send you a Form 1099-DIV showing dividends you must report. A copy of the form is also sent to the IRS.

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

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

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

Instructions for Schedule 2

**Purpose of
schedule**

Child and dependent care credit. Use Parts I and II of Schedule 2 to figure the credit for child and dependent care expenses. You may be able to take this credit if you paid someone to care for your child or other qualifying person so you (and your spouse if filing a joint return) could work or look for work in 1992. But you must have had earned income to do so. See the instructions for lines 9 and 10 of Schedule 2 for the definition of earned income.

Employer-provided dependent care benefits. If you received benefits for 1992 under your employer's dependent care plan, use Parts I and III of Schedule 2 to figure the amount, if any, of the benefits you may exclude from your income on Form 1040A, line 7. The benefits should be shown in box 22 of your W-2 form(s). You must complete Part III before you can figure the credit in Part II.

A change
to note

If you have a child who was born in 1992 and the amount on Form 1040A, line 17, is less than \$22,370, you may be able to take the extra credit for a child born in 1992 on Schedule EIC. To find out if you can take the extra credit, see Schedule EIC and its instructions. But if you take the extra credit, you **cannot** take the credit for child care expenses or the exclusion of employer-provided dependent care benefits on Schedule 2 for the same child.

If you qualify for both the child care credit **and** the extra credit for a child born in 1992, **you should figure the amount you overpaid (or the amount you owe) both ways to see which way is better for you.** You should also do this if you received employer-provided dependent care benefits and qualify for the extra credit on Schedule EIC. But see the **Exception** below.

To see which way is better, you will need to do the following:

Step 1. Figure the child care credit or exclusion on Schedule 2 including the expenses for your child born in 1992. Fill in Form 1040A through line 29 (or line 32). Be sure to include on line 28c the basic credit and, if it applies, the health insurance credit from Schedule EIC, but **don't** include the extra credit for the child born in 1992.

Step 2. Fill in Form 1040A through line 28b, but **don't** use the child care expenses for your child born in 1992 when you figure any child care credit or exclusion on Schedule 2. Figure your earned income credit on Schedule EIC including the extra credit for a child born in 1992. Enter the total credit on Form 1040A, line 28c. Fill in the rest of Form 1040A through line 29 (or line 32).

Step 3. Compare the amount on line 29 (or line 32) figured using Step 1 to the amount figured using Step 2. File your return using the one that benefits you more. If you choose to use Step 1 and the amount on line 4 of Schedule 2 includes expenses for more than one person, write in the amount of qualified expenses for your child born in 1992 on the line to the left of your line 4 entry. If you are completing Part III, write this amount on the line to the left of your line 18 entry.

Exception. If you didn't receive any employer-provided dependent care benefits and the amount on line 23 of your Form 1040A is zero, you should take the extra credit for a child born in 1992; don't file Schedule 2.

Who can take the
credit or exclude
employer-provided
dependent care
benefits?

You can take the credit or the exclusion if **all six** of the following apply:

1. Your filing status is single, head of household, qualifying widow(er) with dependent child, or married filing jointly. But see **Certain married persons filing separate returns** on page 57.
2. The care was provided so you (and your spouse if filing a joint return) could work or look for work. But see **Spouse who was a student or was disabled** on page 59.
3. You and the qualifying person(s) lived in the same home. See the instructions for line 3 for the definition of a qualifying person.
4. You (and your spouse if filing a joint return) paid over half the cost of keeping up your home. See Tele-Tax (topic no. 401) on page 46 or get Pub. 503 for an explanation of what costs are included.

5. The person who provided the care was not your spouse or a person whom you can claim as a dependent. If your child provided the care, he or she must have been age 19 or older by the end of 1992.
6. You report the required information about the care provider on line 1.

Certain married persons filing separate returns. If your filing status is married filing separately, you may take the credit or exclusion **only** if:

- You lived apart from your spouse during the last 6 months of 1992, and
- The qualifying person lived in your home more than 6 months in 1992, and
- You provided over half the cost of keeping up your home.

Part I
Persons or
organizations
who provided
the care

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

Due diligence. You can show due diligence by keeping in your records a Form W-10, properly completed by the care provider, or one of the other sources of information listed in the instructions for Form W-10. If the provider does not comply with your request for one of these items, complete the entries you can on line 1 of Schedule 2, such as the provider's name and address. Write "See page 2" in the columns for which you do not have the information. On the bottom of page 2, also explain that you requested the information from the care provider, but the provider did not comply with your request.

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

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

Column (d). Enter the total amount you **actually paid** in 1992 to the care provider. Also, include amounts your employer paid on your behalf to a third party. It does not matter when the expenses were incurred. Do not reduce this amount by any reimbursement you received.

Part II
Credit for
child and
dependent
care
expenses

Line 3 A qualifying person is:

- Any child **under age 13** whom you can claim as a dependent (but see **Exception for children of divorced or separated parents** on page 58). If the child turned 13 during the year, the child is a qualifying person for the part of the year he or she was under age 13.
- Your disabled spouse who is not able to care for himself or herself.
- Any disabled person not able to care for himself or herself whom you can claim as a dependent (or could claim as a dependent except that the person had gross income of \$2,300 or more).

To find out who is a dependent, see the instructions for Form 1040A, line 6c, that begin on page 18.

Exception for children of divorced or separated parents. If you were divorced, legally separated, or lived apart from your spouse during the last 6 months of 1992, you may be able to take the credit or the exclusion even if your child is not your dependent. If your child is not your dependent, he or she is a qualifying person if **all five** of the following apply:

1. You had custody of the child for a longer time in 1992 than the other parent.
2. One or both of the parents provided over half of the child's support.
3. One or both of the parents had custody of the child for more than half of 1992.
4. The child was under age 13 or was disabled and could not take care of himself or herself.
5. The other parent claims the child as a dependent under the rules for **Children of divorced or separated parents** on page 20.

If you can take the credit because of this exception, enter your child's name in the space to the left of line 3. If you can take the exclusion because of this exception, enter your child's name in the space to the left of line 18.

Line 4 Qualified expenses. You can count only those expenses that were for the qualifying person's well-being and protection while you worked or looked for work. These expenses include household services needed to care for the qualifying person and to run the home, expenses for the care of the qualifying person, and your share of the employment taxes paid on wages for qualifying child and dependent care services.

You can include the cost of care provided outside your home for your dependent who is under age 13 or any other qualifying person who regularly spends at least 8 hours a day in your home. If the care was provided by a dependent care center, the center must meet all applicable state and local regulations. See Pub. 503 for the definition of a "dependent care center."

Do not include amounts paid for food or schooling. But if these items are included as part of the total care, and they are incident to and cannot be separated from the total cost, you can include the total cost. Also, do not include child support payments, any part of the cost of schooling for a child in the first grade or above, or the expenses for sending your child to an overnight camp.

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

Note: *If you had qualified expenses in 1991 that you did not pay until 1992, you may be able to increase the amount of credit you can take in 1992. But you must use Form 1040 and Form 2441 to do so.*

Lines 9 and 10 The amount you use to figure the credit **cannot** be more than your earned income, or if you are married filing a joint return, the **smaller** of your earned income or your spouse's earned income.

Earned income for this purpose generally means wages, salaries, tips, etc., included on line 7 of Form 1040A. But it does not include a scholarship or fellowship grant if you did not get a W-2 form for it.

If you are **filing a joint return**, disregard community property laws. Enter your earned income on line 9 and your spouse's earned income on line 10. If your spouse died in 1992 and had no earned income, see Pub. 503.

Spouse who was a student or was disabled. If your spouse was a student or was disabled in 1992, figure your spouse's earned income on a monthly basis. For each month or part of a month that your spouse was a student or disabled, he or she is considered to have worked and earned income of not less than \$200 a month (\$400 a month if more than one qualifying person was cared for). But if your spouse also worked during any month and earned more than that amount, use his or her actual earned income. For any month that your spouse was not disabled or a student, use your spouse's actual earned income if he or she worked during the month.

Your spouse was a **student** if he or she was enrolled as a full-time student at a school during any 5 months of 1992.

If, in the same month, both you and your spouse were students and did not work, you may not use any amount paid that month to figure the credit. The same applies to a couple who did not work because neither was capable of self-care.

Part III
Employer-
provided
dependent
care benefits

Line 16 If you had a flexible spending account, any amount included on line 15 that you did not receive because you did not incur the expense is considered forfeited. Enter the forfeited amount on line 16. **Do not** include amounts you expect to receive at a future date.

Example. Under your employer's dependent care plan, you elected to have your employer set aside \$5,000 to cover your 1992 dependent care expenses. The \$5,000 is shown in box 22 of your W-2 form. In 1992, you incurred and were reimbursed for \$4,950 of qualified expenses. You would enter \$5,000 on line 15 and \$50, the amount forfeited, on line 16.

Line 18 Enter the total of all qualified expenses (see the instructions for line 4) incurred in 1992 for the care of your qualifying person(s). It does not matter when the expenses were paid.

Example. You received \$2,000 in cash under your employer's dependent care plan for 1992. The \$2,000 is shown in box 22 of your W-2 form. Only \$900 of qualified expenses were incurred in 1992 for the care of your 5-year-old dependent child. You would enter \$2,000 on line 15 and \$900 on line 18.

Instructions for Schedule EIC

**Purpose of
schedule**

Use Schedule EIC to figure the earned income credit. If you can take the credit, subtract it from the tax you owe. You can get a refund of the credit even if you don't owe any tax.

Note: *If you are eligible, you may be able to get advance earned income credit (AEIC) payments in 1993 by filing **Form W-5** with your employer.*

Additional information. Get **Pub. 596** for more details.

**Changes you
should note**

Basic credit. This credit can be as much as \$1,324 for one qualifying child. For two qualifying children, it can be as much as \$1,384. This is the maximum amount of this credit even if you had more than two qualifying children.

Health insurance credit. This credit can be as much as \$451.

Extra credit for a child born in 1992. If you have a qualifying child born in 1992, you may also be able to take this credit. It can be as much as \$376. This is the maximum amount of this credit even if you had more than one qualifying child born in 1992 (for example, twins). If you paid someone to care for your child born in 1992 so you could work, see **Special rule** next.

Special rule

If you take the **extra credit for a child born in 1992**, you **can't** take the credit for child care expenses or the exclusion of employer-provided dependent care benefits on Schedule 2 for the same child. To help you decide if it would be better to take the extra credit or the credit or exclusion on Schedule 2, see **A change to note** on page 56. But you can take the **basic credit** and, if it applies, the **health insurance credit** for your qualifying child born in 1992 even if you choose to take the credit or exclusion on Schedule 2 for that child.

Part I

General information

Who can take the credit. You can take the earned income credit if you meet **all five** of the following requirements:

1. You worked and the total of your **taxable and nontaxable earned income** (see page 62) is less than \$22,370. To see if you meet this requirement, you can fill in lines 4 through 7 on page 2 of Schedule EIC.
2. Your adjusted gross income (Form 1040A, line 16) is less than \$22,370.
3. Your filing status is single, married filing jointly, head of household, or qualifying widow(er).
4. You have at least one qualifying child. If the child was married or is also a qualifying child of another person, special rules apply. For details, see **Married child** and **Qualifying child of more than one person** on page 61.
5. You are not a qualifying child of another person.

Do you meet **all five** of the above requirements?

- **Yes.** Fill in the parts of Schedule EIC that apply to you.
- **No.** Enter "No" on the line next to line 28c of Form 1040A.

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

- Aid to Families With Dependent Children (AFDC).
- Medicaid and Supplemental Security Income (SSI).
- Food stamps and low-income housing.

If you want the IRS to figure your credit, fill in Parts II and III of Schedule EIC and attach it to your return. Be sure to enter the amount from Form 1040A, line 16, in the space provided above Part III. On Form 1040A, enter "EIC" on the line next to line 28c. Make sure you also fill in line 28a for Federal income tax withheld. Sign and date your return, enter your occupation(s), and mail it. If you are filing a joint return, your spouse must also sign. If you are due a refund, we will send it to you. If you owe tax, we will send you a bill.

Qualifying child. A child must meet one condition from each of the three boxes in Part I of Schedule EIC to be a qualifying child. A child doesn't have to be your

dependent in most cases. But if the child was married, special rules apply. See **Married child** below.

Example. You are divorced and have a 7-year-old son. Although you had custody of your son, he is claimed as a dependent on his other parent's 1992 tax return. Your son is your qualifying child because he meets one condition from each box in Part I of Schedule EIC. Your son is not a qualifying child of his other parent because he did not live with the other parent for more than 6 months.

The following explains some of the terms used in Part I of Schedule EIC.

- A **foster child** is any child you cared for as your own child. For example, if you cared for your niece as your own child, she is considered your foster child.
- A child placed with you by an authorized placement agency for legal adoption is an **adopted child** even if the adoption isn't final.
- A **grandchild** is any descendant of your son, daughter, or adopted child. For example, a grandchild includes your great-grandchild, your great-great-grandchild, etc.

To find out if your child qualifies as a **student**, see the instructions for line 1, column (c), on the next page.

To find out who is considered **permanently and totally disabled**, see the instructions for line 1, column (d), on page 63.

Exception. The child, including a foster child, is considered to have lived with you for all of 1992 if **both** of the following apply:

1. The child was born or died in 1992, and
2. Your home was the child's home while he or she was alive.

Temporary absences (such as for school, vacation, or medical care) count as time lived in the home.

Married child. If your child was married at the end of 1992, that child is a qualifying child only if you can claim him or her as your dependent on Form 1040A, line 6c. But if this child's other parent claimed him or her as a dependent under the rules on page 20 for **Children of divorced or separated parents**, this child is your qualifying child.

Qualifying child of more than one person. If a child meets the conditions to be a qualifying child of more than one person, only the person who had the **highest** adjusted gross income for 1992 may treat that child as a qualifying child. If the other person is your spouse and you are filing a joint return, this rule doesn't apply. If you cannot take the earned income credit because of this rule, enter "No" on the line next to line 28c of Form 1040A.

Example. You and your 5-year-old daughter moved in with your mother in April 1992. You are not a qualifying child of your mother. Your daughter meets the conditions to be a qualifying child for both you and your mother. Your adjusted gross income for 1992 was \$7,000 and your mother's was \$14,000. Since your mother's adjusted gross income was higher, your daughter is your mother's qualifying child.

Taxable earned income. This is usually the amount reported on Form 1040A, line 7. But if you received a taxable scholarship or fellowship grant that wasn't reported on a W-2 form, see the instructions for line 4 on page 64.

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

- Basic quarters and subsistence allowances and the value of in-kind quarters and subsistence received from the U.S. military. This amount may be shown on your last Leave and Earnings Statement for 1992. If it isn't or you need additional help, contact your legal assistance office or unit tax advisor.
 - Combat zone excluded pay. If you served in Operation Desert Storm, contact your legal assistance office or unit tax advisor to find out the amount of combat zone excluded pay you received in 1992.
 - Housing allowance or rental value of a parsonage for clergy members.
 - Meals and lodging provided for the convenience of your employer.
 - Voluntary salary deferrals. If you chose to have your employer contribute part of your pay to certain retirement plans (such as a 401(k) plan or the Federal Thrift Savings Plan) instead of having it paid to you, the "Deferred compensation" box in box 6 of your W-2 form should be checked. The amount deferred should be shown in box 17 of your W-2 form.
 - Excludable employer-provided dependent care benefits from Schedule 2, line 23.
 - Voluntary salary reductions, such as under a cafeteria plan, unless they are included in box 10 of your W-2 form(s). For details, see Pub. 596.
-

Part II
Information about
your two youngest
qualifying children

Line 1 If you had a qualifying child, fill in columns (a) through (g). If you had **more than two qualifying children**, you need to list only two to get the maximum credit.

Column (a). Enter each qualifying child's name. If you had more than two qualifying children, list only the two youngest children. If you had a qualifying child born in 1992, list that child even if you chose to claim the credit or exclusion for child care expenses for this child on Schedule 2.

Column (c). If your child was born **before 1974** but was under age 24 at the end of 1992 and a student, put a checkmark in column (c). Your child was a **student** if he or she—

- Was enrolled as a full-time student at a school during any 5 months of 1992, or
- Took a full-time, on-farm training course during any 5 months of 1992. The course had to be given by a school or a state, county, or local government agency.

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

Column (d). If your child was born **before 1974** and was permanently and totally disabled during any part of 1992, put a checkmark in column (d). A person is **permanently and totally disabled** if **both** of the following apply:

1. He or she cannot engage in any substantial gainful activity because of a physical or mental condition, and
2. A doctor determines the condition has lasted or can be expected to last continuously for at least a year or can lead to death.

Column (e). If your child was born **before 1992**, you must enter his or her social security number in column (e). If your child doesn't have a number, apply for one by filing Form SS-5 with your local Social Security Administration (SSA) office. It usually takes about 2 weeks to get a number. If your child won't have a number by the time you are ready to file your return, ask the SSA to give you a receipt. When you file your return, enter "applied for" in column (e). If the SSA gave you a receipt, attach a copy of it to your return.

Column (g). Enter the number of months your child lived with you in your home in the United States during 1992. Don't enter more than 12. Count temporary absences such as for school or vacation as time lived in your home. If the child lived with you for more than 6 but less than 7 months, enter "7" in this column. If the **Exception** on page 61 applies to your child, enter "12" in this column.

Part III
Other information

Fill in this part only if you want the IRS to figure the earned income credit for you.

Line 2 If you received any earned income that is not taxable, enter the total of that income on line 2. List the type and amount of this income on the dotted lines next to line 2. If you need more space, attach a statement. See **Nontaxable earned income** on page 62.

Line 3 Enter the total amount you paid in 1992 for health insurance that covered at least one of your qualifying children even if the insurance covered you and other members of your family.

Example 1. You had health insurance at work that covered you, your spouse, and your qualifying child. You paid part of the cost for the insurance and your employer paid part. Your pay statements for 1992 show that you paid a total of \$500 for the health insurance. You should enter \$500 on line 3.

Example 2. You paid \$700 for health insurance in 1992. The insurance covered you and your spouse for the first 6 months and you, your spouse, and your qualifying child for the last 6 months. The total amount you paid for health insurance for the last 6 months of 1992 was \$350. You should enter \$350 on line 3.

Do not include on line 3—

- The Medicare tax withheld from your pay.
- Amounts paid to doctors, dentists, hospitals, etc.
- Amounts paid for prescription medicines and drugs.
- Amounts contributed under a cafeteria plan, unless they are included in box 10 of your W-2 form(s).
- Any amount paid, reimbursed, or subsidized by Federal, state, or local governments or their subsidiary agencies or offices unless you must include that amount in your income.

Part IV
Figure your
earned income
credit

Line 4 If the total on Form 1040A, line 7, includes an amount for a taxable scholarship or fellowship grant that wasn't reported on a W-2 form, subtract that amount from the total on line 7. Enter the result on line 4 of Schedule EIC. Also, enter "SCH" and the amount you subtracted on the dotted line next to line 4.

Line 5 If you received any earned income that was not taxable, enter the total of that income on line 5. List the type and amount of this income on the dotted lines next to line 5. If you need more space, attach a statement. See **Nontaxable earned income** on page 62.

Lines 8-11 Basic credit. The amount of this credit depends on whether you listed one qualifying child or two qualifying children in Part II of Schedule EIC. If you had more than two qualifying children, you need to list only two to get the maximum basic credit.

If you listed a qualifying child who was born in 1992, you can use that child to figure your basic credit even if you are also using that child to take the extra credit for a child born in 1992.

Lines 12-16 Health insurance credit. If you paid for health insurance in 1992 and the insurance covered at least one of your qualifying children, you can also take this credit.

On line 15, enter the total amount you paid in 1992 for health insurance even if the insurance covered you and other members of your family.

Example 1. You had health insurance at work that covered you, your spouse, and your qualifying child. You paid part of the cost for the insurance and your employer paid part. Your pay statements for 1992 show that you paid a total of \$500 for the health insurance. You should enter \$500 on line 15.

Example 2. You paid \$700 for health insurance in 1992. The insurance covered you and your spouse for the first 6 months and you, your spouse, and your qualifying child for the last 6 months. The total amount you paid for health insurance for the last 6 months of 1992 was \$350. You should enter \$350 on line 15.

Do not include on line 15—

- The Medicare tax withheld from your pay.
 - Amounts paid to doctors, dentists, hospitals, etc.
 - Amounts paid for prescription medicines and drugs.
 - Amounts contributed under a cafeteria plan, unless they are included in box 10 of your W-2 form(s).
 - Any amount paid, reimbursed, or subsidized by Federal, state, or local governments or their agencies or offices unless you must include that amount in your income.
-

Lines 17-19 Extra credit for child born in 1992. You can take this credit ONLY if:

- You listed in Part II of Schedule EIC a child born in 1992, AND
- You did not take the credit for child care expenses or the exclusion of employer-provided dependent care benefits on Schedule 2 for the same child.

If you had more than one qualifying child born in 1992 (for example, twins), the amount of this credit does not change.

TABLE A—Basic Credit 1992 Earned Income Credit

Caution: This is **not** a tax table.

To find your basic credit: First, read down the “At least — But less than” columns and find the line that includes the amount you entered on line 7 or line 9 of Schedule EIC. Next, read across to the column that includes the number of qualifying children you listed on Schedule EIC. Then, enter the credit from that column on Schedule EIC, line 8 or line 10, whichever applies.

If the amount on Schedule EIC, line 7 or line 9, is—		And you listed—		If the amount on Schedule EIC, line 7 or line 9, is—		And you listed—		If the amount on Schedule EIC, line 7 or line 9, is—		And you listed—		If the amount on Schedule EIC, line 7 or line 9, is—		And you listed—	
At least	But less than	One child	Two children	At least	But less than	One child	Two children	At least	But less than	One child	Two children	At least	But less than	One child	Two children
\$1	\$50	\$4	\$5	\$2,800	\$2,850	\$497	\$520	\$5,600	\$5,650	\$990	\$1,035	\$12,700	\$12,750	\$1,212	\$1,267
50	100	13	14	2,850	2,900	506	529	5,650	5,700	999	1,044	12,750	12,800	1,206	1,261
100	150	22	23	2,900	2,950	515	538	5,700	5,750	1,008	1,053	12,800	12,850	1,200	1,254
150	200	31	32	2,950	3,000	524	547	5,750	5,800	1,016	1,063	12,850	12,900	1,193	1,248
200	250	40	41	3,000	3,050	532	557	5,800	5,850	1,025	1,072	12,900	12,950	1,187	1,241
250	300	48	51	3,050	3,100	541	566	5,850	5,900	1,034	1,081	12,950	13,000	1,181	1,235
300	350	57	60	3,100	3,150	550	575	5,900	5,950	1,043	1,090	13,000	13,050	1,175	1,228
350	400	66	69	3,150	3,200	559	584	5,950	6,000	1,052	1,099	13,050	13,100	1,168	1,221
400	450	75	78	3,200	3,250	568	593	6,000	6,050	1,060	1,109	13,100	13,150	1,162	1,215
450	500	84	87	3,250	3,300	576	603	6,050	6,100	1,069	1,118	13,150	13,200	1,156	1,208
500	550	92	97	3,300	3,350	585	612	6,100	6,150	1,078	1,127	13,200	13,250	1,149	1,202
550	600	101	106	3,350	3,400	594	621	6,150	6,200	1,087	1,136	13,250	13,300	1,143	1,195
600	650	110	115	3,400	3,450	603	630	6,200	6,250	1,096	1,145	13,300	13,350	1,137	1,189
650	700	119	124	3,450	3,500	612	639	6,250	6,300	1,104	1,155	13,350	13,400	1,131	1,182
700	750	128	133	3,500	3,550	620	649	6,300	6,350	1,113	1,164	13,400	13,450	1,124	1,175
750	800	136	143	3,550	3,600	629	658	6,350	6,400	1,122	1,173	13,450	13,500	1,118	1,169
800	850	145	152	3,600	3,650	638	667	6,400	6,450	1,131	1,182	13,500	13,550	1,112	1,162
850	900	154	161	3,650	3,700	647	676	6,450	6,500	1,140	1,191	13,550	13,600	1,105	1,156
900	950	163	170	3,700	3,750	656	685	6,500	6,550	1,148	1,201	13,600	13,650	1,099	1,149
950	1,000	172	179	3,750	3,800	664	695	6,550	6,600	1,157	1,210	13,650	13,700	1,093	1,143
1,000	1,050	180	189	3,800	3,850	673	704	6,600	6,650	1,166	1,219	13,700	13,750	1,087	1,136
1,050	1,100	189	198	3,850	3,900	682	713	6,650	6,700	1,175	1,228	13,750	13,800	1,080	1,129
1,100	1,150	198	207	3,900	3,950	691	722	6,700	6,750	1,184	1,237	13,800	13,850	1,074	1,123
1,150	1,200	207	216	3,950	4,000	700	731	6,750	6,800	1,192	1,247	13,850	13,900	1,068	1,116
1,200	1,250	216	225	4,000	4,050	708	741	6,800	6,850	1,201	1,256	13,900	13,950	1,061	1,110
1,250	1,300	224	235	4,050	4,100	717	750	6,850	6,900	1,210	1,265	13,950	14,000	1,055	1,103
1,300	1,350	233	244	4,100	4,150	726	759	6,900	6,950	1,219	1,274	14,000	14,050	1,049	1,097
1,350	1,400	242	253	4,150	4,200	735	768	6,950	7,000	1,228	1,283	14,050	14,100	1,043	1,090
1,400	1,450	251	262	4,200	4,250	744	777	7,000	7,050	1,236	1,293	14,100	14,150	1,036	1,083
1,450	1,500	260	271	4,250	4,300	752	787	7,050	7,100	1,245	1,302	14,150	14,200	1,030	1,077
1,500	1,550	268	281	4,300	4,350	761	796	7,100	7,150	1,254	1,311	14,200	14,250	1,024	1,070
1,550	1,600	277	290	4,350	4,400	770	805	7,150	7,200	1,263	1,320	14,250	14,300	1,017	1,064
1,600	1,650	286	299	4,400	4,450	779	814	7,200	7,250	1,272	1,329	14,300	14,350	1,011	1,057
1,650	1,700	295	308	4,450	4,500	788	823	7,250	7,300	1,280	1,339	14,350	14,400	1,005	1,051
1,700	1,750	304	317	4,500	4,550	796	833	7,300	7,350	1,289	1,348	14,400	14,450	999	1,044
1,750	1,800	312	327	4,550	4,600	805	842	7,350	7,400	1,298	1,357	14,450	14,500	992	1,037
1,800	1,850	321	336	4,600	4,650	814	851	7,400	7,450	1,307	1,366	14,500	14,550	986	1,031
1,850	1,900	330	345	4,650	4,700	823	860	7,450	7,500	1,316	1,375	14,550	14,600	980	1,024
1,900	1,950	339	354	4,700	4,750	832	869	7,500	11,850	1,324	1,384	14,600	14,650	973	1,018
1,950	2,000	348	363	4,750	4,800	840	879	11,850	11,900	1,319	1,379	14,650	14,700	967	1,011
2,000	2,050	356	373	4,800	4,850	849	888	11,900	11,950	1,313	1,373	14,700	14,750	961	1,005
2,050	2,100	365	382	4,850	4,900	858	897	11,950	12,000	1,307	1,366	14,750	14,800	955	998
2,100	2,150	374	391	4,900	4,950	867	906	12,000	12,050	1,300	1,359	14,800	14,850	948	991
2,150	2,200	383	400	4,950	5,000	876	915	12,050	12,100	1,294	1,353	14,850	14,900	942	985
2,200	2,250	392	409	5,000	5,050	884	925	12,100	12,150	1,288	1,346	14,900	14,950	936	978
2,250	2,300	400	419	5,050	5,100	893	934	12,150	12,200	1,281	1,340	14,950	15,000	929	972
2,300	2,350	409	428	5,100	5,150	902	943	12,200	12,250	1,275	1,333	15,000	15,050	923	965
2,350	2,400	418	437	5,150	5,200	911	952	12,250	12,300	1,269	1,327	15,050	15,100	917	959
2,400	2,450	427	446	5,200	5,250	920	961	12,300	12,350	1,263	1,320	15,100	15,150	911	952
2,450	2,500	436	455	5,250	5,300	928	971	12,350	12,400	1,256	1,313	15,150	15,200	904	945
2,500	2,550	444	465	5,300	5,350	937	980	12,400	12,450	1,250	1,307	15,200	15,250	898	939
2,550	2,600	453	474	5,350	5,400	946	989	12,450	12,500	1,244	1,300	15,250	15,300	892	932
2,600	2,650	462	483	5,400	5,450	955	998	12,500	12,550	1,237	1,294	<i>(This table continues on next page)</i>			
2,650	2,700	471	492	5,450	5,500	964	1,007	12,550	12,600	1,231	1,287				
2,700	2,750	480	501	5,500	5,550	972	1,017	12,600	12,650	1,225	1,281				
2,750	2,800	488	511	5,550	5,600	981	1,026	12,650	12,700	1,219	1,274				

1992 Earned Income Credit TABLE A—Basic Credit *Continued*

If the amount on Schedule EIC, line 7 or line 9, is—		And you listed—		If the amount on Schedule EIC, line 7 or line 9, is—		And you listed—		If the amount on Schedule EIC, line 7 or line 9, is—		And you listed—	
		One child	Two children			One child	Two children			One child	Two children
At least	But less than	Your basic credit is—		At least	But less than	Your basic credit is—		At least	But less than	Your basic credit is—	
15,300	15,350	885	926	18,300	18,350	508	532	21,300	21,350	131	137
15,350	15,400	879	919	18,350	18,400	502	525	21,350	21,400	125	131
15,400	15,450	873	913	18,400	18,450	496	518	21,400	21,450	119	124
15,450	15,500	867	906	18,450	18,500	490	512	21,450	21,500	112	118
15,500	15,550	860	899	18,500	18,550	483	505	21,500	21,550	106	111
15,550	15,600	854	893	18,550	18,600	477	499	21,550	21,600	100	105
15,600	15,650	848	886	18,600	18,650	471	492	21,600	21,650	94	98
15,650	15,700	841	880	18,650	18,700	464	486	21,650	21,700	87	91
15,700	15,750	835	873	18,700	18,750	458	479	21,700	21,750	81	85
15,750	15,800	829	867	18,750	18,800	452	472	21,750	21,800	75	78
15,800	15,850	823	860	18,800	18,850	446	466	21,800	21,850	68	72
15,850	15,900	816	853	18,850	18,900	439	459	21,850	21,900	62	65
15,900	15,950	810	847	18,900	18,950	433	453	21,900	21,950	56	59
15,950	16,000	804	840	18,950	19,000	427	446	21,950	22,000	50	52
16,000	16,050	797	834	19,000	19,050	420	440	22,000	22,050	43	45
16,050	16,100	791	827	19,050	19,100	414	433	22,050	22,100	37	39
16,100	16,150	785	821	19,100	19,150	408	426	22,100	22,150	31	32
16,150	16,200	779	814	19,150	19,200	402	420	22,150	22,200	24	26
16,200	16,250	772	807	19,200	19,250	395	413	22,200	22,250	18	19
16,250	16,300	766	801	19,250	19,300	389	407	22,250	22,300	12	13
16,300	16,350	760	794	19,300	19,350	383	400	22,300	22,350	6	6
16,350	16,400	753	788	19,350	19,400	376	394	22,350	22,370	1	1
16,400	16,450	747	781	19,400	19,450	370	387				
16,450	16,500	741	775	19,450	19,500	364	380				
16,500	16,550	735	768	19,500	19,550	358	374	\$22,370 or more—you may not take the credit			
16,550	16,600	728	762	19,550	19,600	351	367				
16,600	16,650	722	755	19,600	19,650	345	361				
16,650	16,700	716	748	19,650	19,700	339	354				
16,700	16,750	709	742	19,700	19,750	332	348				
16,750	16,800	703	735	19,750	19,800	326	341				
16,800	16,850	697	729	19,800	19,850	320	334				
16,850	16,900	691	722	19,850	19,900	314	328				
16,900	16,950	684	716	19,900	19,950	307	321				
16,950	17,000	678	709	19,950	20,000	301	315				
17,000	17,050	672	702	20,000	20,050	295	308				
17,050	17,100	665	696	20,050	20,100	288	302				
17,100	17,150	659	689	20,100	20,150	282	295				
17,150	17,200	653	683	20,150	20,200	276	288				
17,200	17,250	647	676	20,200	20,250	270	282				
17,250	17,300	640	670	20,250	20,300	263	275				
17,300	17,350	634	663	20,300	20,350	257	269				
17,350	17,400	628	656	20,350	20,400	251	262				
17,400	17,450	621	650	20,400	20,450	244	256				
17,450	17,500	615	643	20,450	20,500	238	249				
17,500	17,550	609	637	20,500	20,550	232	242				
17,550	17,600	603	630	20,550	20,600	226	236				
17,600	17,650	596	624	20,600	20,650	219	229				
17,650	17,700	590	617	20,650	20,700	213	223				
17,700	17,750	584	610	20,700	20,750	207	216				
17,750	17,800	577	604	20,750	20,800	200	210				
17,800	17,850	571	597	20,800	20,850	194	203				
17,850	17,900	565	591	20,850	20,900	188	196				
17,900	17,950	559	584	20,900	20,950	182	190				
17,950	18,000	552	578	20,950	21,000	175	183				
18,000	18,050	546	571	21,000	21,050	169	177				
18,050	18,100	540	564	21,050	21,100	163	170				
18,100	18,150	533	558	21,100	21,150	156	164				
18,150	18,200	527	551	21,150	21,200	150	157				
18,200	18,250	521	545	21,200	21,250	144	150				
18,250	18,300	515	538	21,250	21,300	138	144				

Section 7—After you fill in Form 1040A

Where do I file?

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

Alabama—Memphis, TN 37501

Alaska—Ogden, UT 84201

Arizona—Ogden, UT 84201

Arkansas—Memphis, TN 37501

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

All other counties—

Fresno, CA 93888

Colorado—Ogden, UT 84201

Connecticut—Andover, MA 05501

Delaware—Philadelphia, PA 19255

District of Columbia—

Philadelphia, PA 19255

Florida—Atlanta, GA 39901

Georgia—Atlanta, GA 39901

Hawaii—Fresno, CA 93888

Idaho—Ogden, UT 84201

Illinois—Kansas City, MO 64999

Indiana—Cincinnati, OH 45999

Iowa—Kansas City, MO 64999

Kansas—Austin, TX 73301

Kentucky—Cincinnati, OH 45999

Louisiana—Memphis, TN 37501

Maine—Andover, MA 05501

Maryland—Philadelphia, PA 19255

Massachusetts—Andover, MA 05501

Michigan—Cincinnati, OH 45999

Minnesota—Kansas City, MO 64999

Mississippi—Memphis, TN 37501

Missouri—Kansas City, MO 64999

Montana—Ogden, UT 84201

Nebraska—Ogden, UT 84201

Nevada—Ogden, UT 84201

New Hampshire—Andover, MA 05501

New Jersey—Holtsville, NY 00501

New Mexico—Austin, TX 73301

New York—*New York City and counties of*

Nassau, Rockland, Suffolk, and Westchester—Holtsville, NY 00501

All other counties—

Andover, MA 05501

North Carolina—Memphis, TN 37501

North Dakota—Ogden, UT 84201

Ohio—Cincinnati, OH 45999

Oklahoma—Austin, TX 73301

Oregon—Ogden, UT 84201

Pennsylvania—Philadelphia, PA 19255

Rhode Island—Andover, MA 05501

South Carolina—Atlanta, GA 39901

South Dakota—Ogden, UT 84201

Tennessee—Memphis, TN 37501

Texas—Austin, TX 73301

Utah—Ogden, UT 84201

Vermont—Andover, MA 05501

Virginia—Philadelphia, PA 19255

Washington—Ogden, UT 84201

West Virginia—Cincinnati, OH 45999

Wisconsin—Kansas City, MO 64999

Wyoming—Ogden, UT 84201

American Samoa—Philadelphia, PA 19255

Guam—Commissioner of Revenue and Taxation
855 West Marine Dr.
Agana, GU 96910

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

Philadelphia, PA 19255

Virgin Islands: Nonpermanent residents—
Philadelphia, PA 19255

Virgin Islands: Permanent residents—

V.I. Bureau of Internal Revenue

Lockharts Garden No. 1A

Charlotte Amalie

St. Thomas, VI 00802

Foreign country: *U.S. citizens and those filing Form 2555, Form 2555-EZ, or Form 4563*—
Philadelphia, PA 19255

All A.P.O. and F.P.O. addresses—
Philadelphia, PA 19255

What do I need if I write to the IRS?

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

What should I do if I move?

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

How long should I keep my tax return?

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

Income tax withholding and estimated tax payments for 1993

If the amount you owe the IRS (line 32) or the amount you overpaid the IRS (line 29) is large, you may want to file a new Form W-4 with your employer to change the amount of income tax to be withheld from your pay. If you go back to work after a period of unemployment, you may be able to reduce your withholding. In general, you do not have to make estimated tax payments if you expect that your 1993 tax return will show a tax refund OR a tax balance due the IRS of less than \$500. If your total estimated tax for 1993 is \$500 or more, please get Form 1040-ES. It has a worksheet you can use to see if you have to make estimated tax payments. Get Pub. 505 for more details.

How do I amend my tax return?

If you find changes in your income, deductions, or credits after you mail your return, file Form 1040X to change the return you already filed. If you filed a joint return, you may not, after the due date of that return, amend it to file as married filing a separate return. Generally, Form 1040X must be filed within 3 years after the date the original return was filed, or within 2 years after the date the tax was paid, whichever is later. A return filed early is considered filed on the date it was due. If your return is changed for any reason (for example, as a result of an audit of your return by the IRS), it may affect your state income tax return. Contact your state tax agency for more details.

Avoid common mistakes—Errors may delay your refund

1. If a child lived with you and the amount on Form 1040A, line 16, is under \$22,370, did you read the instructions for Schedule EIC that begin on page 59 to see if you can take the earned income credit?
 2. Are your name, address, and social security number correct on the label? If not, did you enter the correct information?
 3. If you are married filing a joint return and didn't get a label, or you are married filing a separate return, did you enter your spouse's social security number in the space provided on page 1 of Form 1040A? Did you enter your social security number next to your name?
 4. Did you use the correct filing status? If you think you can file as Head of household, did you read the instructions for line 4 that begin on page 16 to make sure you qualify?
 5. Did you enter your standard deduction on line 19? Also, if you checked any box on line 18a or 18b, did you see page 35 to find the amount to enter on line 19?
 6. If you (or your spouse if you checked the box on line 6b) were age 65 or older or blind, did you check the appropriate boxes on line 18a?
 7. If your parents (or someone else) can claim you as a dependent on their tax return (even if they chose not to claim you), did you check the box on line 18b?
 8. Did you enter your total tax on line 27?
 9. Did you check your computations (additions, subtractions, etc.) especially when figuring your Federal income tax withheld and your refund or amount you owe?
 10. Did you attach your W-2 form(s) and any other requested forms and schedules? Did you sign and date Form 1040A and enter your occupation?
-

Recycling

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

Index to
instructions

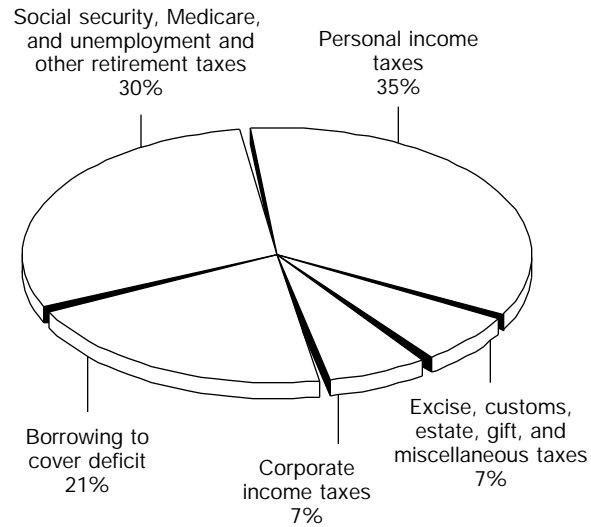
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Major categories of Federal income and outlays for fiscal year 1991

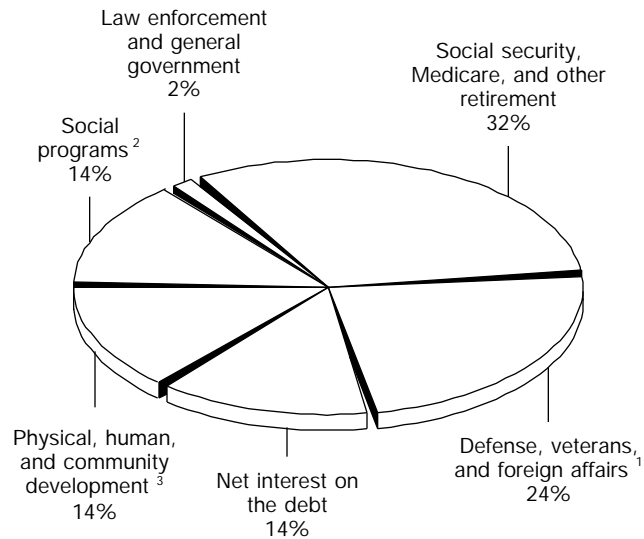
In fiscal year 1991, which began on October 1, 1990, and ended on September 30, 1991, Federal income was \$1,054.3 billion and outlays were \$1,323 billion, leaving a deficit of \$268.7 billion. The budget deficit is financed largely by government borrowing from the public. The government borrows from the public by selling bonds and other debt securities to private citizens, banks, businesses, and other governments.

The pie charts below show the relative sizes of the major categories of Federal income and outlays for fiscal year 1991.

Where the income came from:



What the outlays were:



¹ About 20% was for defense; 2% was for veterans benefits and services; and 1% was for foreign affairs including military and economic assistance to foreign countries and the maintenance of U.S. embassies abroad. (These percentages do not total 24% due to rounding.)

² About 9% was spent to fund Medicaid, food stamps, aid to families with dependent children, supplemental security income, and related programs. About 5% was spent for health research and public health programs, unemployment compensation, assisted housing, and social services.

³ This category consists of agricultural programs; natural resources and environmental programs; transportation programs; aid for elementary and secondary education and direct assistance to college students; job training programs; economic development programs including deposit insurance; and space, energy, and general science programs.