

General Description Booklet
for
1960 INDIVIDUAL TAX MODEL FILE

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File Description

The 1960 Individual Tax Model File is a microdata base that was made to represent various characteristics of the taxpayer population of the United States in 1960. The Brookings Institution slightly modified the IRS's original 1960 Individual Tax Model; gain and loss fields have been combined into one + or - element to create this file. The data is from the individual federal tax returns of 1960. The tax model file can be used to simulate the impact of tax law changes as well as provide general statistical tabulations relating to sources of income and taxes paid by individuals.

The file contains 101920 records on one tape. There are 24 elements in each record: 7 codes and 17 variables. The variables can be positive or negative as necessary. The sample code in element six corresponds to the weight of the record (the weight is in the description of the sample code). Each record is 184 bytes long with 20 records to a tape block. The tape is written in unlabeled EBCDIC, 9 track, odd parity, and 1600 BPI.

The tape is: SI0638 101920 total records

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The Individual Tax Model File is designed for making national level estimates. The 1980 tax model file can be purchased through the Internal Revenue Service's, Statistics of Income Division. Any questions concerning the cost and acquisition of the current tax model file should be directed to:

Dr. Fritz Scheuren, Director
Statistics of Income Division D:R:S
1111 Constitution Ave., N.W.
Washington, D.C. 20224
(202) 376-0216

Individual Tax Model Files for each of the Tax Years 1960,1962,1964 and 1966 through 1978, and State Tax Model files for Tax Years 1977 and 1979, are available through the National Archives and Records Service. Questions concerning cost, acquisition and delivery of these historical tax model files should be addressed to:

Machine Readable Archives Division
National Archives and Records Service
General Services Administration
Washington, D.C. 20408
(202) 724-1080

1960 INDIVIDUAL TAX MODEL FILE

Element	Position	Length
1	1 - 2	2
AGI Class		
Numbers are in \$1000's		
1 =	0.0 -	0.6
2 =	0.6 -	1.0
3 =	1.0 -	1.5
4 =	1.5 -	2.0
5 =	2.0 -	2.5
6 =	2.5 -	3.0
7 =	3.0 -	3.5
8 =	3.5 -	4.0
9 =	4.0 -	4.5
10 =	4.5 -	5.0
11 =	5.0 -	6.0
12 =	6.0 -	7.0
13 =	7.0 -	8.0
14 =	8.0 -	9.0
15 =	9.0 -	10.0
16 =	10.0 -	15.0
17 =	15.0 -	20.0
18 =	20.0 -	25.0
19 =	25.0 -	50.0
20 =	50.0 -	100.0
21 =	100.0 -	150.0
22 =	150.0 -	200.0
23 =	200.0 -	500.0
24 =	500.0 -	
25 =	Total deductions and/or Contributions over \$100,000	
2	3 - 4	2
Tax Status		
1 =	Joint and Surviving Spouse Returns	
2 =	Separate Returns, Husband-Wife and Single not Head of Household	
3 =	Head of Household	
3	5 - 6	2
Marital Status		
1 =	Joint returns	
2 =	Separate returns	
3 =	Head of Household returns	
4 =	Surviving Spouse returns	
5 =	Single not Head of Household or Surviving Spouse returns	

4	Form of Deduction	7 - 8	2
	1 = Standard Deduction		
	2 = Itemized Deduction		
5	Total Number of Exemptions	9 - 10	2
6	Sample Code (for weighting)	11 - 12	2
	(Note: Bus. returns have Schedule C and/or Schedule F attached)		
	Number amounts in \$1000's	WEIGHT	
	0 = 1040A returns.	1330.25	
	1 = 1040, 1040W AGI to 10 Nonbus.	1323.98	
	2 = 1040, 1040W AGI to 10 Bus.	700.97	
	3 = 1040, 1040W 10 - AGI - 50 Nonbus.	235.07	
	4 = 1040, 1040W 10 - AGI - 50 Bus.	237.41	
	5 = 1040, 1040W 50 - AGI - 150 Nonbus.	7.07	
	6 = 1040, 1040W 50 - AGI - 150 Bus.	3.87	
	7 = 1040, 1040W AGI above 150 Nonbus.	1.00	
	8 = 1040, 1040W AGI above 150 Bus.	1.00	
	12 = Prior year delinquent AGI to 50	678.95	
	17 = Prior year delinquent AGI over 50	1.08	
7	Select Code (for subsampling)	13 - 14	2
	0 through 9		
8	AGI - Corrected	15 - 24	10
9	Total Deductions - Corrected	25 - 34	10
10	Taxable Income - Corrected	35 - 44	10
11	Tax Before Credit - Corrected	45 - 54	10
12	Contributions (deduc.)	55 - 64	10
13	Interest Paid (deduc.)	65 - 74	10
14	Allowable Medical Deductions	75 - 84	10
15	Taxes Paid (deduc.)	85 - 94	10
16	Wages and Salaries	95 - 104	10
17	Total Dividends Received	105 - 114	10
18	Dividend Exclusion	115 - 124	10
19	Excludable Sick Pay	125 - 134	10

20 AGI - Original 135 - 144 10

(Note: The figure for 'AGI' was obtained by combining the two separate figures on the original tapes entitled 'adjusted gross income' and 'adjusted gross deficit'. The same is true for 'Capital Gains or Losses'.)

21 Total Deductions - Original 145 - 154 10

22 Taxable Income - Original 155 - 164 10

23 Tax Before Credit - Original 165 - 174 10

24 Capital Gains or Losses 175 - 184 10

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FACSIMILES OF TAX RETURNS, 1960

Form 1040A U. S. INDIVIDUAL INCOME TAX RETURN (Less than \$10,000 total income) 1960

Please print →

1. Name (If a joint return of husband and wife, use first names and middle initials of both)		2. Your Social Security Number		Wife's Social Security Number	
Home address (Number and street or rural route)					
City, town, or post office		Zone		State	

3. Do you owe any Federal tax for years before 1960? Yes No. If "Yes," enter the Internal Revenue District where the account is outstanding _____

4. If married, is your wife (husband) filing separately?..... Yes No
If "Yes," write her (his) name _____

5. WAGES SHOWN ON FORMS W-2 AND OTHER INCOME		FEDERAL INCOME TAX WITHHELD		EMPLOYER'S NAME. Where employed. Write (W) before name of each of wife's employers	
If item 9 is \$10,000 or more, use Form 1040 or Form 1040W; if item 6 is over \$200, use Form 1040.		\$			
E 16					

6. INTEREST, DIVIDENDS, AND OTHER WAGES		7. Total Federal income tax withheld		8. If you had an expense allowance or charged expenses to your employer, see instruction 8 and check here <input type="checkbox"/> if appropriate.	
Yours		↓		Enclose Forms W-2, Copy B. If your income was \$5,000 or more, you must compute your tax. However, if your income was less than \$5,000, you may have the Internal Revenue Service compute your tax by omitting items 10, 11, and 12. If you compute your own tax, ← pay balance (item 11) in full with return to your District Director. Please do not bend, pin or tear this card	
Wife's					

9. TOTAL INCOME → \$ E 22

10. Enter tax from Tax Table or from tax computation schedule →

11. If item 10 is larger than item 7, enter balance due →

12. If item 7 is larger than item 10, enter refund →

U.S. TREASURY DEPARTMENT • INTERNAL REVENUE SERVICE (OVER) LIST YOUR EXEMPTIONS AND SIGN ON OTHER SIDE.

13. EXEMPTIONS FOR YOURSELF AND WIFE

Check blocks which apply. Check for wife only if all of her income is included in this return, or if she had no income.

(a) Regular \$600 exemption.....	<input type="checkbox"/> Yourself	<input type="checkbox"/> Wife	Enter number of exemptions checked →
(b) Additional \$600 exemption if 65 or over at end of 1960.....	<input type="checkbox"/> Yourself	<input type="checkbox"/> Wife	
(c) Additional \$600 exemption if blind at end of 1960.....	<input type="checkbox"/> Yourself	<input type="checkbox"/> Wife	

14. EXEMPTIONS FOR YOUR CHILDREN AND OTHER DEPENDENTS (List below)

NAME ▶ Enter figure 1 in the last column to right for each name listed (Give address if different from yours)	Relationship	ANSWER ONLY FOR DEPENDENTS OTHER THAN YOUR CHILDREN			
		Months lived in your home. If born or died during year also write "B" or "D"	Did dependent have gross income of \$600 or more?	Amount YOU furnished for dependent's support. If 100% write "ALL"	Amount furnished by OTHERS including dependent. See instruction 14
				\$	\$

15. Enter total number of exemptions listed in Items 13 and 14 above →

SIGN I declare under the penalties of perjury that to the best of my knowledge and belief this is a true, correct, and complete return.

HERE

(Your signature) (Date) (If this is a joint return, wife's signature) (Date)

• If this is a joint return, BOTH HUSBAND AND WIFE MUST SIGN even if only one had income.

FORM 1040W

U.S. Treasury Department
Internal Revenue Service

U.S. INDIVIDUAL INCOME TAX RETURN-1960

Optional Short Form for Wages and Salary Income and Not
More Than \$200 of Income from Interest and Dividends

First name and initial

Last name

(If this is a joint return of husband and wife, use first names and middle initials of both)

Home
address

(Number and street or rural route)

(City, town, or post office)

(Postal zone number)

(State)

Your Social Security Number

Occupation

Wife's Social Security Number

Occupation

PLEASE
PRINT
OR
TYPE

Attach Check or Money Order Here

Attach Copy B of Forms W-2 Here

INCOME—(If this is a joint return, it must include all the income of both husband and wife)

1. Wages, salaries, bonuses, tips, other compensation, and excess of expense allowances. (See instructions, page 2)

Employer's Name	Where Employed (City and State)	(a) Wages, etc.	(b) Federal Income Tax Withheld
		\$	\$
		E 16	
		E 19	

2. Totals

3. Excludable "Sick Pay" if included in line 1 (See instructions, page 3)

4. Subtract line 3 from total wages (line 2, column (a)) and enter here

5. (a) Total dividends \$ E 17 less exclusion of \$ E 18, enter balance here

(b) Interest (If total of lines (a) and (b) is over \$200, use Form 1040)

6. Total of lines 4 and 5

Check if Unmarried "Head of Household" , or "Surviving Widow or Widower" with dependent child .
(See instructions, p. 4.)

TAX TABLE COMPUTATION

If line 6 is less than \$5,000 and you do not itemize personal deductions:

List your exemptions in Sch. A, page 2, and, enter total here. Find your tax in the table on page 8 of instructions. Check proper box and enter tax on line 11. Omit lines 7 through 10.

TAX RATE SCHEDULE COMPUTATION

7. If your deductions are itemized, check here and enter total from Schedule B. If your deductions are not itemized and line 6 is \$5,000 or more, enter the smaller of 10 percent of line 6 or \$1,000 (\$500 if a married person filing a separate return).

8. Subtract line 7 from line 6

9. Copy total exemptions from line 3, Sch. A, page 2, multiply by \$600, and enter here

10. Subtract line 9 from line 8. Figure your tax on this amount by using the appropriate tax rate schedule on page 7 of instructions and enter the tax on line 11. Do not use tax table on page 8

TAX DUE OR REFUND

11. Total tax. Check whether figured from Tax Table , or Tax Rate Schedule

12. Payments and Credits (a) Tax withheld (line 2, col. (b) above). Attach Forms W-2, Copy B. (b) Payments and credits on 1960 Declaration of Estimated Tax District Director's office where paid. (c) Dividends received credit (See instructions, page 4).

If either you or your wife worked for more than one employer, see page 2 of instructions TOTAL

13. If your tax (line 11) is larger than your payments (line 12), enter the BALANCE DUE here. Pay in full to "Internal Revenue Service." If less than \$1.00, file return without payment.

14. If your payments (line 12) are larger than your tax (line 11), enter the OVERPAYMENT here

15. Amount of line 14 to be (a) Credited on 1961 estimated tax \$, (b) Refunded \$

Did you receive an expense allowance or reimbursement, or charge expenses to your employer? Yes No
If "Yes," did you submit an itemized accounting of expenses to your employer? (See page 3, instructions.) Yes No

Is your wife (husband) filing a separate return for 1960? Yes No
If "Yes," enter the name and do not claim the exemption on this return.

Do you owe any Federal tax for years before 1960? Yes No. If "Yes," enter here the Internal Revenue District where the account is outstanding.

County in which you live

I declare under the penalties of perjury that this return (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct, and complete return. If the return is prepared by a person other than the taxpayer, his declaration is based on all the information relating to the matters required to be reported in the return of which he has any knowledge.

Sign here

(Taxpayer's signature and date)

(If this is a joint return, BOTH HUSBAND AND WIFE MUST SIGN)

(Wife's signature and date)

(Signature of preparer other than taxpayer)

16-76136-1

(Address)

(Date)

FACSIMILES OF TAX RETURNS, 1960

SCHEDULE A.—EXEMPTIONS (See page 4 of instructions)

1. Exemptions for yourself and wife

Check blocks which apply. Check for wife only if all of her income is included in this return, or if she had no income.

- (a) Regular \$600 exemption Yourself Wife
- (b) Additional \$600 exemption if 65 or over at end of 1960.. Yourself Wife
- (c) Additional \$600 exemption if blind at end of 1960..... Yourself Wife

Enter number of exemptions checked →

2. Exemptions for your children and other dependents (List below)

→ If on exemption is based on a multiple-support agreement of a group of persons, attach the declarations described on page 5 of instructions.

NAME ▶ Enter figure 1 in the last column to right for each name listed (Give address if different from yours)	Relationship	ANSWER ONLY FOR DEPENDENTS OTHER THAN YOUR CHILDREN				Amount furnished by OTHERS including dependent (See instructions, p.4)
		Months lived in your home. If born or died during year also write "B" or "D"	Did dependent have gross income of \$600 or more?	Amount YOU furnished for dependent's support. If 100% write "ALL"	Amount furnished by OTHERS including dependent (See instructions, p.4)	
					\$	\$

3. Enter here and on page 1, the total number of exemptions claimed on lines 1 and 2.

SCHEDULE B.—ITEMIZED DEDUCTIONS—If You DO NOT Use Tax Table or Standard Deduction

If Husband and Wife (Not Legally Separated) File Separate Returns and One Itemizes Deductions, the Other Must Also Itemize

State to whom paid. If necessary, write more than one item on a line or attach additional sheets. Please put your name and address on any attachments

Contributions			
	Total paid but not to exceed 20% of line 6, page 1, except as described on page 5 of instructions . . .	\$	E 12
Interest			
	Total interest		E 13
Taxes	Real estate taxes State income taxes		
	State and local sales taxes Other taxes (specify)		
	Total taxes		E 15
Medical and dental expense (Submit itemized list. Do not enter any expense compensated by insurance or otherwise)	NOTE: If you or your wife are 65 years of age or over, or if you or your wife have a dependent parent 65 or over, do not use this schedule. See page 6 of the instructions for larger deduction. Others use schedule below.		
	1. Total cost of medicine and drugs	\$	
	2. 1 percent of line 6, page 1		
	3. Excess, if any, of line 1 over line 2		
	4. Other medical and dental expenses		
	5. Total of lines 3 and 4		
	6. Enter 3 percent of line 6, page 1	\$	
7. Allowable amount (excess of line 5 over line 6; see page 6 for maximum limitation)		E 14	
Other Deductions (See page 6 of instructions and attach information required)			
	Total		E 21
TOTAL DEDUCTIONS (Enter here and on line 7, page 1)		\$	

FORM 1040

U.S. INDIVIDUAL INCOME TAX RETURN—1960

U.S. Treasury Department Internal Revenue Service

or Other Taxable Year Beginning 1960, Ending 1960

First name and initial Last name

(If this is a joint return of husband and wife, use first names and middle initials of both)

Home address (Number and street or rural route)

(City, town, or post office) (Postal zone number) (State)

Your Social Security Number Occupation Wife's Social Security Number Occupation

- 1. Check blocks which apply. (a) Regular \$600 exemption... (b) Additional \$600 exemption if 65 or over... (c) Additional \$600 exemption if blind... 2. List first names of your children who qualify as dependents... 3. Enter number of exemptions claimed for other persons... 4. Enter the total number of exemptions claimed on lines 1, 2, and 3.

5. Enter all wages, salaries, bonuses, commissions, tips, and other compensation before payroll deductions (including any excess of expense account or similar allowance paid by your employer over your ordinary and necessary business expenses. See instructions, pp. 5-6.)

Table with 3 columns: Employer's Name, Where Employed (City and State), (a) Wages, etc., (b) Federal Income Tax Withheld. Includes handwritten entries: E16, E19.

- 6. Less: Excludable "Sick Pay" in line 5... 7. Balance (line 5 less line 6)... 8. Profit (or loss) from business from separate Schedule C... 9. Profit (or loss) from farming from separate Schedule F... 10. Other income (or loss) from page 3 (Dividends, Interest, Rents, Pensions, etc.)... 11. Adjusted Gross Income (sum of lines 7, 8, 9, and 10). Includes handwritten entry: E20.

Check if unmarried "Head of Household" or "Surviving Widow or Widower" with dependent child. (See Instructions pp. 7-8)

- 12. TAX on income on line 11. (If line 11 is under \$5,000, and you do not itemize deductions, use Tax Table on page 16 of instructions to find your tax and check here. If line 11 is \$5,000 or more, or if you itemize deductions, compute your tax on page 2 and enter here the amount from line 9, page 2.) 13. (a) Dividends received credit from line 5 of Schedule J... (b) Retirement income credit from line 12 of Schedule K... 14. Balance (line 12 less line 13)... 15. Enter your self-employment tax from separate Schedule C or F... 16. Sum of lines 14 and 15... 17. (a) Federal tax withheld (line 5, col. (b) above). Attach Forms W-2, Copy B... (b) Payments and credits on 1960 Declaration of Estimated Tax... 18. If your tax (line 12 or 16) is larger than your payments (line 17), enter the BALANCE DUE here... 19. If your payments (line 17) are larger than your tax (line 12 or 16), enter the OVERPAYMENT here... 20. Amount of line 19 to be: (a) Credited on 1961 estimated tax \$... (b) Refunded \$...

Did you receive an expense allowance or reimbursement, or charge expenses to your employer? Yes No (See page 6, instructions.) If "Yes," did you submit an itemized accounting of expenses to your employer? Yes No

County in which you live.

Is your wife (husband) filing a separate return for 1960? Yes No. If "Yes," enter her (his) name and do not claim the exemption on this return.

Do you owe any Federal tax for years before 1960? Yes No. If "Yes," enter here the Internal Revenue District where the account is outstanding.

I declare under the penalties of perjury that this return (including any accompanying schedules and statements) has been examined by me and to the best of my knowledge and belief is a true, correct, and complete return. If the return is prepared by a person other than the taxpayer, his declaration is based on all the information relating to the matters required to be reported in the return of which he has any knowledge.

Sign here (Taxpayer's signature and date) (If this is a joint return, BOTH HUSBAND AND WIFE MUST SIGN) (Wife's signature and date)

(Signature of preparer other than taxpayer)

(Address)

(Date)

FACSIMILES OF TAX RETURNS, 1960

Form 1040-1960 EXEMPTIONS FOR PERSONS OTHER THAN YOUR WIFE AND CHILDREN

Name	Relationship	Months lived in your home. If born or died during year also write "B" or "D"	Did dependent have gross income of \$600 or more?	Amount YOU furnished for dependent's support. If 100% write "All"	Amount furnished by OTHERS including dependent (See instructions, p. 4)
				\$	\$

Enter on line 3, page 1, the number of exemptions claimed above.

→ If an exemption is based on a multiple-support agreement of a group of persons, attach the declarations described on page 5 of instructions.

ITEMIZED DEDUCTIONS—IF YOU DO NOT USE TAX TABLE OR STANDARD DEDUCTION

If Husband and Wife (Not Legally Separated) File Separate Returns and one Itemizes Deductions, the Other Must Also Itemize

State to whom paid. If necessary, write more than one item on a line or attach additional sheets. Please put your name and address on any attachments.

Contributions			
	Total paid but not to exceed 20% of line 11, page 1, except as described on page 8 of instructions		\$ E 12
Interest			
	Total interest		E 13
Taxes	Real estate taxes	State income taxes	
	State and local sales taxes	Other taxes (specify)	
	Total taxes		E 15
Medical and dental expense <small>(Submit itemized list. Do not enter any expense compensated by insurance or otherwise)</small>	NOTE: If you or your wife are 65 years of age or over, or if you or your wife have a dependent parent 65 or over, do not use this schedule. See page 9 of the instructions for larger deduction. Others use schedule below.		
	1. Total cost of medicine and drugs	\$	
	2. 1 percent of line 11, page 1		
	3. Excess, if any, of line 1 over line 2		
	4. Other medical and dental expenses		
	5. Total of lines 3 and 4		
	6. Enter 3 percent of line 11, page 1	\$	
7. Allowable amount (excess of line 5 over line 6; see page 10 for maximum limitation)		E 14	
Other Deductions <small>(See page 10 of instructions and attach information required)</small>			
	Total		
TOTAL DEDUCTIONS (Enter here and on line 2 of Tax Computation, below)			\$ E 21

TAX COMPUTATION—IF YOU DO NOT USE THE TAX TABLE

1. Enter Adjusted Gross Income from line 11, page 1	\$
2. If deductions are itemized above, enter total of such deductions. If deductions are not itemized and line 1, above, is \$5,000 or more, enter the smaller of 10 percent of line 1 or \$1,000 (\$500 if a married person filing a separate return)	
3. Balance (line 1 less line 2)	
4. Multiply \$600 by total number of exemptions claimed on line 4, page 1	
5. Taxable Income (line 3 less line 4)	E 22
6. Tax on amount on line 5. Use appropriate tax rate schedule on page 15 of instructions. Do not use Tax Table on page 16	
7. If you had capital gains and the alternative tax applies, enter the tax from separate Schedule D	
8. Tax credits. If you itemized deductions, enter:	
(a) Credit for income tax payments to a foreign country or U.S. possession (Attach Form 1116)	\$
(b) Tax paid at source on tax-free covenant bond interest and credit for partially tax-exempt interest	
(c) Total	E 23
9. Enter here and on line 12, page 1, the amount shown on line 6 or 7 less amount claimed on line 8(c)	\$

IF INCOME WAS ALL FROM SALARIES AND WAGES, TEAR OFF THIS PAGE AND FILE ONLY PAGES 1 AND 2

Schedule A.—INCOME FROM DIVIDENDS (Income from Savings (Building) and Loan Associations and Credit Unions should be entered as interest in Schedule B)

1. Name of qualifying corporation declaring dividend (See instructions, page 11): (Indicate by (H), (W), (J) whether stock is held by husband, wife, or jointly)	Amount	
.....	\$	
.....		
.....		
2. Total	\$	E17
3. Exclusion of \$50 (If both husband and wife received dividends, each is entitled to exclude not more than \$50 of his (her) own dividends)		E18
4. Excess, if any, of line 2 over line 3. Enter here and on line 1, Schedule J.	\$	
5. Name of nonqualifying corporation declaring dividend:		
.....		
6. Enter total of lines 4 and 5	\$	

Schedule B.—INCOME FROM INTEREST (This includes interest credited to your account)

Name of payer	Amount	Name of payer	Amount
.....	\$	\$
.....		
.....		
Enter total here→			

Schedule D Summary.—GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY

1. From sale or exchange of capital assets (from separate Schedule D)	E24
2. From sale or exchange of property other than capital assets (from separate Schedule D)	

Schedule E.—INCOME FROM PENSIONS AND ANNUITIES (See instructions, page 12)

Part 1.—General Rule

1. Investment in contract	\$	4. Amount received this year	\$
2. Expected return	\$	5. Amount excludable (line 4 multiplied by line 3)	
3. Percentage of income to be excluded (line 1 divided by line 2)	%	6. Taxable portion (excess of line 4 over line 5)	

Part 2.—Where your employer has contributed all or part of the cost and your contribution will be recovered tax-free within three years. If your cost was fully recovered in prior years, enter the total amount received in line 5 omitting lines 1 through 4.

1. Cost of annuity (amounts you paid) ..	\$	4. Amount received this year	\$
2. Cost received tax-free in past years ..		5. Taxable portion (excess, if any, of line 4 over line 3) ..	
3. Remainder of cost (line 1 less line 2) ..	\$		

Schedule G.—INCOME FROM RENTS AND ROYALTIES

1. Kind and location of property (Identify whether rent or royalty)	2. Amount of rent or royalty	3. Depreciation (explain in Sch. 1) or depletion	4. Repairs (attach itemized list)	5. Other expenses (attach itemized list)
.....	\$	\$	\$	\$
.....				
.....				
.....				
1. Totals	\$	\$	\$	\$
2. Net income (or loss) from rents and royalties (column 2 less sum of columns 3, 4, and 5)				

Schedule H.—OTHER INCOME OR LOSSES

1. Partnerships (name, address, and nature of income)	
.....	
2. Estates or trusts (name and address)	
.....	
3. Other sources (state nature)	
.....	
Total income (or loss) from above sources (Enter here and on line 10, page 1)	\$

FACSIMILES OF TAX RETURNS, 1960

Form 1040-1960

Page 4

Schedule I.—EXPLANATION OF DEDUCTION FOR DEPRECIATION CLAIMED IN SCHEDULE G

Table with 7 columns: 1. Kind of property, 2. Date acquired, 3. Cost or other basis, 4. Depreciation allowed, 5. Method of computing depreciation, 6. Rate (% or life), 7. Depreciation for this year. Includes rows for 'Additional first year depreciation' and 'Total'.

Schedule J.—DIVIDENDS RECEIVED CREDIT (See instructions, page 14)

Form for Schedule J with lines 1-5. Line 1: Amount of dividends on line 4, Schedule A. Line 2: Tentative credit (4 percent of line 1). Line 3: Tax shown on line 12, page 1, plus amount, if any, shown on line 8(b), page 2. Line 4: 4 percent of taxable income. Line 5: Dividends received credit. Includes sub-section 'LIMITATION ON CREDIT'.

Schedule K.—RETIREMENT INCOME CREDIT (See instructions, page 14)

This credit does not apply if: 1. If you received pensions or annuities of \$1,200 or more from Social Security or Railroad Retirement; 2. If you are under 65 years of age and had "earned income" of \$2,100 or more; OR 3. If you are 65 or over and under 72, and had "earned income" of \$2,400 or more.

Main form for Schedule K. Includes instructions for separate vs joint returns. Section 1: Retirement income for taxable year (a) For taxpayers under 65 years of age; (b) For taxpayers 65 years of age or older. Section 2: Maximum amount of retirement income for credit computation (\$1,200.00). Section 3: Deduct (a) Amounts received in taxable year as pensions or annuities; (b) Earned income received in taxable year. Section 4: Total of lines 3(a) and 3(b). Section 5: Balance (line 2 minus line 4). Section 6: Line 5 or line 1, whichever is smaller. Section 7: Tentative credit (20 percent of line 6). Section 8: Total tentative credit on this return. Section 9: Amount of tax shown on line 12, page 1. Section 10: Less: Dividends received credits from line 5, Schedule J, above. Section 11: Balance (line 9 less line 10). Section 12: Retirement income credit. Includes sub-section 'LIMITATION ON RETIREMENT INCOME CREDIT'.

SCHEDULE C (Form 1040) U. S. Treasury Department Internal Revenue Service	<h1 style="margin: 0;">PROFIT (OR LOSS) FROM BUSINESS OR PROFESSION</h1> <p style="margin: 0;">(Compute Social Security Self-Employment Tax on Page 3)</p>	<h1 style="margin: 0;">1960</h1>
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A. Business name and location _____

B. Principal Business Activity _____ (Retail trade, lawyer, etc.) (Principal product or service)

C. Employer's Identification Number _____

1. Total receipts \$ _____, less allowances, rebates, and returns \$ _____	\$	
2. Inventory at beginning of year	\$	
3. Merchandise purchased \$ _____, less any items withdrawn from business for personal use \$ _____		
4. Cost of labor (do not include salary paid to yourself)		
5. Material and supplies		
6. Other costs (explain in Schedule C-2)		
7. Total of lines 2 through 6	\$	
8. Inventory at end of year		
9. Cost of goods sold (line 7 less line 8)		
10. Gross profit (line 1 less line 9)	\$	
OTHER BUSINESS DEDUCTIONS		
11. Salaries and wages not included on line 4 (exclude any paid to yourself)	\$	
12. Rent on business property		
13. Interest on business indebtedness		
14. Taxes on business and business property		
15. Losses of business property (attach statement)		
16. Bad debts arising from sales or services		
17. Depreciation (explain in Schedule C-1)		
18. Repairs (explain in Schedule C-2)		
19. Depletion of mines, oil and gas wells, timber, etc. (attach schedule)		
20. Amortization (attach statement)		
21. Other business expenses (explain in Schedule C-2)		
22. Total of lines 11 through 21		
23. Net profit (or loss) (line 10 less line 22). Enter here; on line 24, page 3; and on line 8, page 1, Form 1040. . .	\$	

Schedule C-1. EXPLANATION OF DEDUCTION FOR DEPRECIATION CLAIMED ON LINE 17

1. Kind of property (if buildings, state material of which constructed). Exclude land and other nondepreciable property	2. Date acquired	3. Cost or other basis (Exclude land)	4. Depreciation allowed (or allowable) in prior years	5. Method of computing depreciation	6. Rate (%) or life (years)	7. Depreciation for this year
		\$	\$			\$
Additional first year depreciation (attach statement)						

EXPENSE ACCOUNT INFORMATION

Enter information with regard to yourself and your five highest paid employees. In determining the highest five paid employees, expense account allowances must be added to their salaries and wages. However, the information need not be submitted for any employee for whom the combined amount is less than \$10,000, or for yourself if your expense account allowance plus line 23, above, is less than \$10,000. See instructions, page 2, for definition of "expense account".

Name	Expense account	Salaries and Wages
Owner.....	\$	XXXXXXXXXXXXXX
1.		\$
2.		
3.		
4.		
5.		

ADDITIONAL INFORMATION

- Did you claim a deduction for expenses connected with: (If answer to any question is "YES," check applicable boxes within that question.)
- D.** A hunting lodge , working ranch or farm , fishing camp , resort property , pleasure boat or yacht , or other similar facility ? (Other than where the operation of the facility was your principal business.) YES NO
- E.** Vacations for owner or employees, or members of their families? (Other than vacation pay reported on Form W-2.) YES NO
- F.** The leasing, renting, or ownership of a hotel room or suite , apartment , or other dwelling , which was used by you, your customers, employees, or members of their families? (Other than use by yourself or employees while in business travel status.) YES NO
- G.** The attendance of members of your family or your employees' families at conventions or business meetings? YES NO

COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX
(See Instructions—Page 4)

- ▶ If you had wages of \$4,800 or more which were subject to the deduction for social security, do not fill in this page.
- ▶ Complete only one page 3; if you had more than one business, combine profits (or losses) from all of your businesses on this page.
- ▶ Each self-employed person must file a separate schedule. See instructions, page 4, for joint returns and partnerships.

NAME OF SELF-EMPLOYED PERSON (as shown on social security card)

<p>24. Net profit (or loss) shown on line 23, page 1 (Enter combined amount if more than one business).....</p> <p>25. Add to net profit (or subtract from net loss) losses of business property shown on line 15, page 1.....</p> <p>26. Total (or difference)</p> <p>27. Net income (or loss) from excluded services or sources included on line 26 (See "Exclusions," page 4)..... Specify excluded services or sources</p> <p>28. Net earnings (or loss) from self-employment— (a) From business (line 26 less any amount on line 27)..... (b) From partnerships, joint ventures, etc. (other than farming)..... (c) From service as a minister, member of a religious order, or a Christian Science practitioner Enter only if you have filed or are filing Form 2031 (See instructions, page 4). (d) From farming reported on line 12 (or line 13 if option used), separate Schedule F (Form 1040)..... (e) From service with a foreign government or international organization.....</p> <p>29. Total net earnings (or loss) from self-employment reported on line 28. Enter here and on line 6 below..... (If line 29 is under \$400, you are not subject to self-employment tax. Do not fill in rest of page.)</p> <p>30. The largest amount of combined wages and self-employment earnings subject to social security tax is.....</p> <p>31. Total wages, covered by social security, paid to you during the taxable year. (For "Covered" wages see "F. I. C. A. Wages" box on Form W-2.) Enter here and on line 7, below.....</p> <p>32. Balance (line 30 less line 31)</p> <p>33. Self-employment income—line 29 or 32, whichever is smaller. Enter here and on line 8, below.....</p> <p>34. Self-employment tax—If line 33 is \$4,800, enter \$216.00; if less, multiply the amount on line 33 by 4½%. Enter this amount here and on line 15, page 1, Form 1040.....</p>	<table border="1" style="width:100%; border-collapse: collapse;"> <tr><td style="width:15%;"></td><td style="width:15%;"></td><td style="width:15%;"></td><td style="width:15%;"></td></tr> <tr><td style="text-align: right;">\$</td><td style="text-align: center;">4,800</td><td style="text-align: center;">00</td><td></td></tr> <tr><td style="text-align: right;">\$</td><td></td><td></td><td></td></tr> <tr><td style="text-align: right;">\$</td><td></td><td></td><td></td></tr> <tr><td style="text-align: right;">\$</td><td></td><td></td><td></td></tr> <tr><td style="text-align: right;">\$</td><td></td><td></td><td></td></tr> <tr><td style="text-align: right;">\$</td><td></td><td></td><td></td></tr> <tr><td style="text-align: right;">\$</td><td></td><td></td><td></td></tr> <tr><td style="text-align: right;">\$</td><td></td><td></td><td></td></tr> <tr><td style="text-align: right;">\$</td><td></td><td></td><td></td></tr> <tr><td style="text-align: right;">\$</td><td></td><td></td><td></td></tr> <tr><td style="text-align: right;">\$</td><td></td><td></td><td></td></tr> <tr><td style="text-align: right;">\$</td><td></td><td></td><td></td></tr> </table>					\$	4,800	00		\$				\$				\$				\$				\$				\$				\$				\$				\$				\$				\$			
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Important.—The amounts reported on the form below are for your social security account. This account is used in figuring any benefits, based on your earnings, payable to you, your dependents, and your survivors. Fill in each item accurately and completely, but do not detach.

SCHEDULE SE (Form 1040)
U. S. Treasury Department
Internal Revenue Service

U. S. REPORT OF SELF-EMPLOYMENT INCOME
For Crediting to Your Social Security Account

1960

<p>Indicate year covered by this return (even though income was received only in part of year): 1. <input type="checkbox"/> Calendar year 1960 <input type="checkbox"/> Other taxable year beginning, 1960, ending, 1960, ending, 1960, ending If less than 12 months, was short year due to (a) <input type="checkbox"/> Death, or (b) <input type="checkbox"/> Change in accounting period, or (c) <input type="checkbox"/> Other.</p> <p>2. BUSINESS ACTIVITIES SUBJECT TO SELF-EMPLOYMENT TAX (Grocery Store, Restaurant, etc.)</p> <p>3. BUSINESS ADDRESS (Number and Street, City or Post Office, Postal Zone Number, State)</p> <p>4. SOCIAL SECURITY ACCOUNT NUMBER OF PERSON NAMED IN ITEM 5 BELOW</p> <p>5. PRINT OR TYPE NAME OF SELF-EMPLOYED PERSON AS SHOWN ON SOCIAL SECURITY CARD</p> <p>PRINT OR TYPE HOME ADDRESS (Number and Street or Rural Route)</p> <p>(City or Post Office, Postal Zone Number, State)</p>	<p align="center">PLEASE DO NOT WRITE IN THIS SPACE</p> <div style="border: 1px solid black; height: 80px; margin: 5px;"></div> <p>6. ENTER TOTAL EARNINGS FROM SELF-EMPLOYMENT SHOWN ON LINE 29 ABOVE . \$</p> <p>7. ENTER WAGES IF ANY SHOWN ON LINE 31 ABOVE..... \$</p> <p>8. ENTER AMOUNT SHOWN ON LINE 33 ABOVE..... \$</p>
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SCHEDULE D
(Form 1040)

U. S. Treasury Department—Internal Revenue Service
GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY

1960

Attach this schedule to your Income Tax Return, Form 1040

Name and Address as shown on page 1 of Form 1040

(I) CAPITAL ASSETS

Short-Term Capital Gains and Losses—Assets Held Not More Than 6 Months

a. Kind of property (if necessary, attach statement of descriptive details not shown below)	b. Date acquired (mo., day, yr.)	c. Date sold (mo., day, yr.)	d. Gross sales price (contract price)	e. Depreciation allowed (or allowable) since acquisition or March 1, 1913 (attach schedule)	f. Cost or other basis and cost of subsequent improvements (if not purchased, attach explanation)	g. Expense of sale	h. Gain or loss (column d plus column e less sum of columns f and g)
1. _____							\$ _____
							\$ _____
							\$ _____
							\$ _____
2. Enter your share of net short-term gain (or loss) from partnerships and fiduciaries.....							\$ _____
3. Enter unused capital loss carryover from 5 preceding taxable years (Attach statement).....							\$ _____
4. Net short-term gain (or loss) from lines 1, 2, and 3.....							\$ _____

Long-Term Capital Gains and Losses—Assets Held More Than 6 Months

5. _____							\$ _____
							\$ _____
							\$ _____
							\$ _____
6. Enter the full amount of your share of net long-term gain (or loss) from partnerships and fiduciaries.....							\$ _____
7. Net long-term gain (or loss) from lines 5 and 6.....							\$ _____
8. Combine the amounts shown on lines 4 and 7, and enter the net gain (or loss) here.....							\$ _____
9. If line 8 shows a GAIN —Enter 50 percent of line 7 or 50 percent of line 8, whichever is smaller. (Enter zero if there is a loss or no entry on line 7).....							\$ _____
10. Deduct line 9 from line 8. Enter balance here and on line 1, Schedule D Summary on page 3 of Form 1040.....							\$ <u> E 24 </u>
11. If line 8 shows a LOSS —Enter here and on line 1, Schedule D Summary, Form 1040, the smallest of the following: (a) the amount on line 8; (b) taxable income computed without regard to capital gains and losses and the deduction for exemptions; or (c) \$1,000.....							\$ <u> E 24 </u>

COMPUTATION OF ALTERNATIVE TAX.—Use only if the net long-term capital gain exceeds the net short-term capital loss, or if there is a net long-term capital gain only, and you are filing (a) a separate return with taxable income exceeding \$18,000, or (b) a joint return, or as a surviving husband or wife, with taxable income exceeding \$36,000, or (c) as a head of household with taxable income exceeding \$24,000.

12. Enter the amount from line 5, page 2, of Form 1040.....	\$ _____
13. Enter amount from line 9 above.....	\$ _____
14. Balance (line 12 less line 13).....	\$ _____
15. Enter tax on amount on line 14 (Use applicable tax rate schedule on page 15 of Form 1040 Instructions).....	\$ _____
16. Enter 50 percent of line 13.....	\$ _____
17. Alternative tax (line 15 plus line 16). If smaller than amount on line 6, page 2, Form 1040, enter this alternative tax on line 7, page 2, Form 1040.....	\$ _____

(II) PROPERTY OTHER THAN CAPITAL ASSETS

a. Kind of property (if necessary, attach statement of descriptive details not shown below)	b. Date acquired (mo., day, yr.)	c. Date sold (mo., day, yr.)	d. Gross sales price (contract price)	e. Depreciation allowed (or allowable) since acquisition or March 1, 1913 (attach schedule)	f. Cost or other basis and cost of subsequent improvements (if not purchased, attach explanation)	g. Expense of sale	h. Gain or loss (column d plus column e less sum of columns f and g)
1. _____							\$ _____
							\$ _____
							\$ _____
2. Enter your share of non-capital gain (or loss) from partnerships and fiduciaries.....							\$ _____
3. Net gain (or loss) from lines 1 and 2. Enter here and on line 2, Schedule D Summary on page 3 of Form 1040.....							\$ _____

SCHEDULE F
(Form 1040)
U.S. Treasury Department
Internal Revenue Service

SCHEDULE OF FARM INCOME AND EXPENSES

(Compute Social Security Self-Employment Tax on Page 3)
Attach this schedule to your Income Tax Return, Form 1040

1960

Business name and address _____
Location of farm(s) and number of acres in each farm _____
Employer's Identification Number, if any _____

FARM INCOME FOR TAXABLE PERIOD—CASH RECEIPTS AND DISBURSEMENTS METHOD

(Report receipts from sale of livestock held primarily for sale in the applicable columns below. Do not include other sales of livestock held for draft, breeding, or dairy purposes; report such sales on Schedule D (Form 1040))

SALES OF LIVESTOCK AND PRODUCE RAISED					OTHER FARM INCOME		
Kind	Quantity	1. Amount	Kind	Quantity	2. Amount	Items	3. Amount
Cattle		\$	Dairy products		\$	Mdse. rec'd for produce	\$
Horses			Eggs			Machine work	
Mules			Meat products			Breeding fees	
Sheep			Poultry, dressed			Wood and lumber	
Swine			Wool			Other forest products	
Poultry			Honey			Agricultural program pay- ments	
Bees			Sirup and sugar			Patronage dividends, rebates or refunds	
Grain			Other (specify):			Other (specify):	
Hay							
Cotton							
Tobacco							
Vegetables							
Fruits and nuts							
Total of Columns 1, 2, and 3. Enter here and on line 1 of summary below							\$

SALES OF PURCHASED LIVESTOCK AND OTHER PURCHASED ITEMS

a. Description	b. Date acquired	c. Amount received	d. Cost or other basis	e. Profit (or loss)
		\$	\$	\$
Total (enter on line 2 of summary below)				\$

FARM EXPENSES FOR TAXABLE YEAR (See Instructions)

(Do not include personal or living expenses or expenses not attributable to production of farm income, such as taxes, insurance, repairs, etc., on your dwelling)

Items	1. Amount	Items	2. Amount	Items	3. Amount
Labor hired	\$	Veterinary, medicine	\$	Freight, trucking	\$
Feed purchased		Gasoline, fuel, oil		Amortization	
Seed, plants purchased		Storage, warehousing		Conservation expenses	
Machine hire		Taxes		Other farm expenses (specify):	
Supplies purchased		Insurance			
Repairs, maintenance		Farm interest			
Breeding fees		Utilities			
Fertilizers, lime		Rent of farm, pasturage			
Total of Columns 1, 2, and 3. Enter here and on line 4 of summary below (cash method) or line 6, page 2 (accrual method)					\$

SUMMARY OF INCOME AND DEDUCTIONS—CASH RECEIPTS AND DISBURSEMENTS METHOD

1. Sale of livestock and produce raised and other farm income	\$	4. Farm expenses (from above)	\$
2. Profit (or loss) on sale of purchased livestock and other purchased items		5. Depreciation (from page 2)	
3. Gross Profits*	\$	6. Other farm deductions (specify):	
		7. Total Deductions	\$
8. Net farm profit (or loss) (line 3 minus line 7). Enter here and on line 9, page 1, Form 1040. Make your computation of self-employment income and the self-employment tax on page 3 of this schedule			\$

* Use this amount for optional method of computing net earnings from self-employment. (See line 13, page 3.)

COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX ON FARM EARNINGS
(For social security)
(See instructions—Page 4)

- ▶ If you had wages of \$4,800 or more which were subject to the deduction for social security, do not fill in this page.
- ▶ Each self-employed person must file a separate schedule. See instructions, page 4, for joint returns and partnerships.
- ▶ If you had net earnings from self-employment from both farm and nonfarm sources, fill in only lines 11 and 12 (line 13, if applicable), and use separate Schedule C to compute your self-employment tax. Net farm earnings from self-employment should be entered on line 28(d) of separate Schedule C (Form 1040).

NAME OF SELF-EMPLOYED PERSON (as shown on social security card)

CHOICE OF METHODS.—A farmer must report his net farm earnings for self-employment tax purposes. Net earnings may be computed under the optional method (line 13, below) by a farmer (1) whose GROSS profits are \$1,800 or less, or (2) whose GROSS profits are more than \$1,800 and NET profits are less than \$1,200. If your GROSS profits from farming are not more than \$1,800 and you elect to use the optional method, you need not complete lines 11 and 12.

<p>11. Net farm profit (or loss) from:</p> <p>(a) Line 8, page 1 (cash method), or line 10, page 2 (accrual method).....</p> <p>(b) Farm partnerships.....</p> <p>12. Net earnings from self-employment from farming. Total of line 11 (a) and (b).....</p>	<p>\$.....</p> <p>\$.....</p> <p>\$.....</p>	
<p>Computation Under Optional Method</p>		
<p>13. If gross profits from farming (see note below) are:</p> <p>(a) Not more than \$1,800, enter two-thirds of the gross profits</p> <p>(b) More than \$1,800 and the net farm profit is less than \$1,200, enter \$1,200.....</p> <p><small>NOTE.—Gross profits from farming are the total of the gross profits on line 3, page 1 (cash method), or line 5, page 2 (accrual method), plus the distributive share of gross profit from farm partnerships as explained on page 4.</small></p>	<p>\$.....</p> <p>\$.....</p>	

If line 12 (or line 13, if used) is under \$400, do not fill in rest of page.

Computation of Social Security Self-Employment Tax

<p>14. The largest amount of combined wages and self-employment earnings subject to social security tax is.....</p> <p>15. Total wages, covered by social security, paid to you during the taxable year. (For "Covered" wages see "F.I.C.A. Wages" box on Form W-2.) Enter here and on line 7, below.....</p> <p>16. Balance (line 14 less line 15).....</p> <p>17. Self-employment income. Enter here and on line 8 below your choice of EITHER:</p> <p>(a) REGULAR METHOD.—The smaller of line 12 or 16.....</p> <p>(b) OPTIONAL METHOD.—The smaller of line 13 or 16.....</p> <p>18. Self-employment tax—if line 17 is \$4,800, enter \$216.00; if less, multiply the amount on line 17 by 4½%. Enter this amount here and on line 15, page 1, Form 1040.....</p>	<p>\$ 4,800 00</p> <p>\$.....</p> <p>\$.....</p> <p>\$.....</p> <p>\$.....</p> <p>\$.....</p>	
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16-70061-1

Important.—The amounts reported on the form below are for your social security account. This account is used in figuring any benefits, based on your earnings, payable to you, your dependents, and your survivors. Fill in each item accurately and completely, but do not detach.

SCHEDULE SE (Form 1040)
U.S. Treasury Department
Internal Revenue Service

U.S. REPORT OF SELF-EMPLOYMENT INCOME
For Crediting to Your Social Security Account

1960

<p>Indicate year covered by this return (even though income was received only in part of year): <input type="checkbox"/> Calendar year 1960 <input type="checkbox"/> Other taxable year beginning _____ 1960, ending _____ 1. If less than 12 months, was short year due to (a) <input type="checkbox"/> Death, or (b) <input type="checkbox"/> Change in accounting period, or (c) <input type="checkbox"/> Other.</p> <p>2. FARM ACTIVITIES SUBJECT TO SELF-EMPLOYMENT TAX (Raising livestock, custom harvesting, etc.)</p> <p>3. FARM ADDRESS (Rural Route, Post Office, State)</p> <p>4. SOCIAL SECURITY ACCOUNT NUMBER OF PERSON NAMED IN ITEM 5 BELOW ➔ _____</p> <p>5. PRINT OR TYPE NAME OF SELF-EMPLOYED PERSON AS SHOWN ON SOCIAL SECURITY CARD</p> <p>PRINT OR TYPE HOME ADDRESS (Number and Street, or Rural Route)</p> <p>(City or Town, Postal Zone Number, State)</p>	<p align="center">PLEASE DO NOT WRITE IN THIS SPACE</p> <hr/> <p align="center">CHECK HERE IF YOU USE OPTIONAL METHOD. <input type="checkbox"/></p> <p>6. ENTER AMOUNT FROM LINE 12 (LINE 13 IF OPTION USED).... \$</p> <p>7. ENTER WAGES, IF ANY, FROM LINE 15..... \$</p> <p>8. ENTER AMOUNT FROM LINE 17..... \$</p>
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FORM 2948	<p>U.S. Treasury Department—Internal Revenue Service</p> <p>MEDICAL AND DENTAL EXPENSE STATEMENT</p> <p>(Attach This Statement to Your Income Tax Return or Use It as a Guide To Prepare Your Own Statement)</p>	1960
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This statement is for the use of taxpayers who are entitled to a larger deduction for medical and dental expenses paid for the persons listed in Group I below. The medical and dental expenses of persons in Group I do not have to be reduced by 3 percent of the taxpayer's adjusted gross income as is required for persons listed in Group II below. All persons are subject to the reduction of their medicine and drug expenses by 1 percent of the taxpayer's adjusted gross income.

GROUP I

GROUP II

- | | |
|---|---|
| <p>a. Taxpayer and wife if EITHER is 65 years of age or older,</p> <p>b. Each 65-year-old (or over) dependent parent of the taxpayer or his wife.</p> | <p>a. Taxpayer and wife if BOTH are under 65 years of age,</p> <p>b. Dependent parents, who are under 65 years of age, of taxpayer or wife,</p> <p>c. All other dependents regardless of age.</p> |
|---|---|

If all the persons for whom medical and dental expenses were paid are in Group II, use the simpler medical and dental expense schedule on page 2 of Form 1040 or Form 1040W.

Note: Do not deduct any expenses for which you received reimbursement from insurance or other sources.

Name of taxpayer claiming the deduction

Name(s) of dependent parent(s) 65 years of age or over, if any

MEDICINE AND DRUGS

(Enter other medical and dental expenses in lines 7 and 10)

- | | |
|--|----------|
| 1. Amount taxpayer paid for medicine and drugs for persons in Group I (see list above) | \$ |
| 2. Amount taxpayer paid for medicine and drugs for persons in Group II (see list above) | |
| 3. Line 1 plus line 2 | |
| 4. 1 percent of Adjusted Gross Income (1% of line 11, page 1, Form 1040, or 1% of line 6, page 1, Form 1040W) .. | |
| 5. Excess, if any, of line 3 over line 4 | \$ |

MEDICAL AND DENTAL EXPENSES FOR PERSONS IN GROUP I

- | | |
|--|----------|
| 6. Portion of medicine and drugs for persons in Group I: | |
| (a) If line 1 or 5 is zero, enter zero; | |
| (b) If line 2 is zero, enter amount on line 5; or | |
| (c) In all other cases, multiply the amount on line 1 by the amount on line 5, divide the answer by the amount on line 3, and enter the result | \$ |
| 7. Amount taxpayer paid for medical and dental expenses (other than medicine and drugs) for persons in Group I | |
| 8. Medical and dental expenses for persons in Group I. (Line 6 plus line 7) | \$ |

MEDICAL AND DENTAL EXPENSES FOR PERSONS IN GROUP II

- | | |
|--|----------|
| 9. Portion of medicine and drugs for persons in Group II. Amount on line 5 less the amount on line 6 | \$ |
| 10. Amount taxpayer paid for medical and dental expenses (other than medicine and drugs) for persons in Group II | |
| 11. Line 9 plus line 10 | |
| 12. 3 percent of Adjusted Gross Income (3% of line 11, page 1, Form 1040, or 3% of line 6, page 1, Form 1040W) | |
| 13. Medical and dental expenses for persons in Group II. Excess, if any, of line 11 over line 12 | |

TOTAL DEDUCTION FOR MEDICAL AND DENTAL EXPENSES

- | | |
|--|-------------------|
| 14. Line 8 plus line 13. Enter here and on line 7 of the medical and dental expense schedule on page 2 of Form 1040 or Form 1040W. (See "Maximum Limitations" below) | \$ <u> E14 </u> |
|--|-------------------|

MAXIMUM LIMITATIONS

- A. The amount on line 14 may not exceed \$2,500 multiplied by the number of persons for whom exemptions were claimed on the individual income tax return. (If taxpayer or wife is 65 or over and in addition is disabled, see "B.") The deduction is further limited by the following amounts:
- (1) \$5,000 if the taxpayer is single and not a head of household or a widow or widower entitled to the special tax rates,
 - (2) \$5,000 if the taxpayer is married but files a separate return,
 - (3) \$10,000 if the taxpayer files a joint return, is a head of household, or is a widow or widower entitled to the special tax rates.
- B. If the taxpayer (or his wife) is 65 years of age or over and in addition is disabled, he may qualify for an increased maximum limitation. For this purpose disabled means that any individual is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or to be of long-continued and indefinite duration. For further information, consult your nearest Internal Revenue Service office.