

WHAT'S NEW FOR 2006

FORM 40EZ DISCONTINUED

Form 40EZ has been discontinued. If you previously filed Form 40EZ, you must now use Form 40. See instructions, page 6.

NEW VOLUNTARY DONATION

Individuals can make a voluntary donation of \$10 to the American Red Cross of Greater Idaho fund.

NONRESIDENT ALIENS

Taxpayers who are nonresident aliens for federal purposes are nonresidents for Idaho income tax purposes.

IDAHO RESIDENTS ON ACTIVE MILITARY DUTY OUTSIDE OF IDAHO

File Form 40 if you are single, or if you are married and your spouse is also an Idaho resident. File Form 43 if you have a spouse that isn't an Idaho resident.

NEW FORMS

The Idaho Form 89C has been changed to Form 89CH. Form 89SE is new due to the changes to the Idaho Small Employer Incentive Act which was modified in 2006 legislation.

If you qualify under the Idaho Small Employer Incentive Act of 2005 as modified in 2006, you must certify that you will meet the tax incentive criteria required by this law. To do this, file Idaho Form 89SE, Certification for Idaho's Small Employer Tax Incentives. You must file this form before you can claim any of the incentives offered in this Act.

MODIFIED IDAHO SMALL EMPLOYER INCENTIVE ACT OF 2005

For tax years beginning in 2006, the Idaho Small Employer Incentive Act provides tax benefits to taxpayers who certify that they will meet the following tax incentive criteria:

- Invest at least \$500,000 in new plant and building facilities,
- Hire at least 10 new full-time employees who receive benefits and earn at least \$40,000 annually, and

- If you hire more than ten new employees, the additional employees must have average wages of at least \$15.50 per hour. See the instructions for Form 89SE on who is included in this calculation.

You must meet the tax incentive criteria within the period January 1, 2006 to December 31, 2010, at the project site. The project site must be either a single geographic area located in Idaho, or one or more areas in Idaho if at least 80% of the investment is made at one area.

If you meet the tax incentive criteria, you will receive a 3.75% investment tax credit, a 2.5% real property improvement income tax credit, additional new jobs tax credit, rebate of 25% of the sales tax paid for plant and building facilities, and you may be eligible for exemption of all or part of the value of the property constructed. If you qualify for the incentives above, file the following Idaho forms:

- Form 83 - Idaho Small Employer Investment Tax Credit and related Form 83R for recapture,
- Form 84 - Idaho Small Employer Real Property Improvement Tax Credit and related Form 84R for recapture, and
- Form 85 - Idaho Small Employer New Jobs Tax Credit and related Form 85R for recapture.

CREDIT FOR CONTRIBUTIONS TO IDAHO YOUTH AND REHABILITATION FACILITIES

Donations made on or after January 1, 2006, to the Learning Lab., Project Safe Place located in Idaho, Project P.A.T.C.H. (Planned Assistance for Troubled Children), and to the Shepherd's Home, Inc., and donations made on or after July 1, 2006, to the Idaho Drug Free Youth, Inc., will qualify for the credit for contributions to youth and rehabilitation facilities.

CHANGE TO EXTENDED DUE DATE PAYMENT DATE

Beginning July 1, 2006, if you qualify for an extension of time to file your Idaho return, but you file your return before the extended due date, tax is due when you file the return.



Did you know you can file your Idaho income tax return electronically?

The benefits to you are:

- **FASTER REFUNDS.** The typical wait for e-filed refunds is 7-14 days. Taxpayers who file paper returns wait 6-10 weeks for their refunds.
- **FEWER ERRORS.** Computer calculations are automatic and virtually error-proof.
- **DIRECT DEPOSITS.** Refunds can be deposited directly into your bank account.
- **AVOID POST OFFICE LINES.** No more last-minute postal runs or doubt about correct postage.
- **IMMEDIATE VERIFICATION OF RECEIPT.** Returns can't be "lost in the mail."
- **FILE NOW, PAY LATER.** E-file accepts both refund and tax due returns. Payments on balance due returns must be made by April 16, 2007. Check out the electronic payment options on our Web site at tax.idaho.gov and click on "Electronic Payments."

Ways to e-file :

- **USE YOUR COMPUTER.** Visit our Web site at tax.idaho.gov and click on "Electronic Filing" to access e-file services available at no cost to eligible taxpayers or commercial tax preparation software for a modest fee.
- **ASK YOUR TAX PREPARER.** Please request this service from your preparer.

E-FILE IS FAST, SECURE, CONFIDENTIAL, AND EASY!

WHICH FORM TO USE

Form 40EZ has been discontinued. You must now use Form 40.

You must use Form 40 if you:

- Are a full-year resident, or
- Resident in the military. See page 4.

You must use Form 39R if you file a Form 40 and claim any additions, subtractions, or certain credits. Use Form 44 for business credits.

You must use Form 43 if you or your spouse are a:

- Nonresident, or
- Part-year resident, or
- Nonresident alien for federal purposes and are required to file an income tax return for Idaho.

You must use Form 39NR if you file a Form 43 and claim any additions, subtractions, certain credits, or recapture of credits. Use Form 44 for business credits.

GENERAL INFORMATION

INFORMATION AND FORMS

If you need information or assistance, call or visit an Idaho State Tax Commission office listed on the cover of this booklet.

Forms are available at Tax Commission offices or may be obtained:

- On the Web at tax.idaho.gov
- By calling (208) 334-7660 in the Boise area or (800) 972-7660
- At an Idaho library. Most Idaho libraries have a copy of "Idaho Reproducible Forms" containing Idaho tax forms for individuals and businesses.

You may use photocopies of these tax forms. Your copy must be legible.

FILING REQUIREMENTS

Full-year Resident

If you are required to file a federal income tax return, you must file an Idaho return. If you are filing a federal income tax return only to pay self-employment tax and aren't otherwise required to file a federal income tax return, you aren't required to file an Idaho income tax return.

The filing requirement is based on gross income as shown on the following schedule. Gross income is defined on page 4. When using this schedule, don't include Social Security benefits as gross income unless you are married filing a separate return and lived with your spouse at any time during 2006.

STATUS

GROSS INCOME

MARRIED:

- filing separate returns \$ 3,300
- filing jointly, both spouses under 65 \$ 16,900
- filing jointly, one spouse 65 or older \$ 17,900
- filing jointly, both spouses 65 or older \$ 18,900

HEAD OF HOUSEHOLD:

- under 65 \$ 10,850
- 65 or older \$ 12,100

SINGLE:

- under 65 \$ 8,450
- 65 or older \$ 9,700

QUALIFYING WIDOW(ER) WITH DEPENDENT CHILD:

- under 65 \$ 13,600
- 65 or older \$ 14,600

DEPENDENT CLAIMED ON SOMEONE ELSE'S RETURN:

Single dependents. Were you either age 65 or older or blind?

No. You must file a return if any of the following apply:

- Your unearned income was over \$850.
- Your earned income was over \$5,150
- Your gross income was more than the larger of—
 - \$850, or
 - Your earned income (up to \$4,850) plus \$300.

Yes. You must file a return if any of the following apply:

- Your earned income was over \$6,400 (\$7,650 if 65 or older and blind).
- Your unearned income was over \$2,100 (\$3,350 if 65 or older and blind).
- Your gross income was more than—

<u>The larger of:</u>	PLUS	<u>This amount:</u>
<ul style="list-style-type: none"> • \$850, or • Your earned income (up to \$4,850) plus \$300. 	}	<ul style="list-style-type: none"> \$1,250 (\$2,500 if 65 or older and blind)

Married dependents. Were you either age 65 or older or blind?

No. You must file a return if any of the following apply:

- Your gross income was at least \$5 and your spouse files a separate return and itemizes deductions.
- Your unearned income was over \$850.
- Your earned income was over \$5,150.
- Your gross income was more than the larger of—
 - \$850, or
 - Your earned income (up to \$4,850) plus \$300

Yes. You must file a return if any of the following apply:

- Your earned income was over \$6,150 (\$7,150 if 65 or older and blind).
- Your unearned income was over \$1,850 (\$2,850 if 65 or older and blind).
- Your gross income was at least \$5 and your spouse files a separate return and itemizes deductions.
- Your gross income was more than—

<u>The larger of:</u>	PLUS	<u>This amount:</u>
<ul style="list-style-type: none"> • \$850, or • Your earned income (up to \$4,850) plus \$300. 	}	<ul style="list-style-type: none"> \$1,000 (\$2,000 if 65 or older and blind)

Part-year Resident/Nonresident

If you are a part-year resident, you are required to file an Idaho income tax return if your gross income from all sources while a resident and your gross income from Idaho sources while a nonresident total more than \$2,500.

If you are a nonresident, you are required to file an Idaho income tax return if your gross income from Idaho sources was more than \$2,500.

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AMENDED RETURNS

Use Form 40 or 43 to amend your return. Check the amended return box at the top of the form. Enter the applicable reason(s) for amending, as listed below. Complete the entire form and schedules using the corrected amounts.

1. Federal Audit
2. Net Operating Loss Carryback - Attach Form 56C or a schedule showing the application of the loss.
3. Other - Attach an explanation.

If you are amending Form 40EZ, use Form 40.

AMERICAN INDIANS

If you are an enrolled member of a federally recognized tribe and live on a reservation, all income received from reservation sources is exempt from Idaho taxation. If you have no other income, you aren't required to file.

If you have other income in an amount that meets the federal filing requirement, you must file an Idaho return. For specific instructions, see Form 39R or Form 39NR.

ATTACHMENTS

Attach legible copies of Form(s) W-2, 1099, and other information forms that show Idaho withholding to the front of your return. A complete copy of your federal return must be attached to Form 40 or Form 43. If you are claiming credit for taxes paid to another state, you must attach Idaho Form 39R or 39NR and a copy of the other state's income tax return. If the credit applies to more than one state, use a separate Form 39R or 39NR for each state.

AUDITS

An audit is a review of a return to make sure it was prepared according to tax law. You will be contacted if your return is to be audited. The auditor will ask to see your records and compare them with your return. You may present your records yourself or have someone represent you or come with you. Any change to your return will be explained. Question anything you don't understand.

Federal Audit

If your federal taxable income or tax credits change because of a federal audit, you must send written notice to the Tax Commission within 60 days of the final federal determination. You must include copies of all schedules supplied by the Internal Revenue Service.

If you owe additional Idaho tax and don't send written notice within 60 days, a 5% negligence penalty will be imposed. Interest applies on any tax due.

If the final federal determination results in an Idaho refund, you must file an amended Idaho income tax return with the written notice. See Amended Returns above. If the statute of limitations is closed, you have one year from the date of the final determination to file for the refund.

BONUS DEPRECIATION

Idaho didn't adopt the bonus depreciation provisions in Internal Revenue Code (IRC) Section 168 (the 30% or the 50% additional first-year depreciation). If you are depreciating property for which you claimed the bonus depreciation in the current year or a previous year for federal purposes:

- Complete a separate federal Form 4562 or detailed computation for Idaho depreciation purposes as if the special depreciation allowance hadn't been claimed.
- Compute the Idaho adjusted basis and any gains or losses from the sale or exchange of the property using the Idaho depreciation amounts.

- Enter the differences between the Idaho and federal depreciation amounts and gains and losses from sales or exchanges of the property on the applicable bonus depreciation addition and subtraction lines on Form 39R or 39NR.

COMMUNITY PROPERTY

Because Idaho is a community property state, each resident spouse has a one-half interest in the earnings of the other resident spouse during the portion of the year they were married. If married for only a part of the year, the community income includes ONLY the income earned during the time the couple was married. When filing separate returns, the community income, withholding and deductions of both resident spouses must be divided equally between husband and wife. If you have a written agreement between spouses regarding the separation of assets and income, it must be attached to your tax return.

Idaho law affects your federal return in the same manner. For more details, see federal Publication 555, Federal Tax Information on Community Property. If you were a resident of Idaho for only a portion of the year, Idaho law applies to that portion of the year you were a resident. Income is identified as community or separate income based on the laws of the state in which the recipient is a resident. In the case of real property, the law of the state in which the property is located will apply.

Community property laws don't apply when the spouses have lived apart for the entire year, no part of the income earned by one spouse has been transferred to the other spouse, and the spouses don't file a joint income tax return.

Income, withholding and deductions received or paid after divorce are separate property and must be reported on the return of the person to whom it applies.

If you divorced during 2006 or are filing separately from your spouse, attach a schedule showing how community property income and deductions were divided.

DECEDENT'S TAX RETURN

If a taxpayer dies before filing his return, the return must be filed by the taxpayer's spouse or personal representative. A personal representative can be an executor, administrator, or anyone who is in charge of the deceased taxpayer's property.

If your spouse died in 2006 and you didn't remarry in 2006, you can file a joint return. You can also file a joint return if your spouse died in 2007 before filing a 2006 return. A joint return should show your spouse's 2006 income before death and your income for all of 2006. Write "FILING AS SURVIVING SPOUSE" on the line where the decedent would have signed the return. If someone else is the personal representative, he must also sign the return.

If a refund is due, attach federal Form 1310, Statement of Person Claiming Refund Due a Deceased Taxpayer. Form 1310 isn't required when a surviving spouse files a joint return with the decedent or a personal representative files for the decedent.

ESTIMATED PAYMENTS

Idaho doesn't require estimated payments for personal income tax. If you wish to make a voluntary estimated payment, file Form 51 with your payment.

EXTENSION OF TIME FOR FILING

If you can't file your return by the due date, Idaho allows you an automatic six-month extension of time to file. To avoid paying a penalty, the amount of tax withheld and other payments you have made must be at least 80% of your current year's tax liability or 100% of the total tax reported on your income tax return for the preceding tax year. File Form 51 with your payment.

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Even though an extension gives you more time to file, the tax is due on the original due date of the return. You must pay interest on any tax not paid by the original due date.

FILING STATUS

Your Idaho filing status must be the same as the filing status used on your federal return. For example, if you file a joint federal return, you must also file a joint Idaho return.

FILING YOUR RETURN

When To File

You must file your return and pay any income tax due:

- On or before April 16, 2007, for the calendar year 2006, or
- On or before the 15th day of the fourth month following the close of the fiscal year, if you file on a fiscal year basis.

Where To File

Mail the return and payment to:

IDAHO STATE TAX COMMISSION
PO BOX 56
BOISE ID 83756-0056

If you are sending your return using a delivery service that requires a physical address, use the following:

IDAHO STATE TAX COMMISSION
800 PARK BLVD PLAZA IV
BOISE ID 83712-7742

INCOME

An Idaho resident is taxed on all income, including income from outside the state. A nonresident of Idaho is taxed only on income from Idaho sources. An Idaho part-year resident is taxed on all income received while living in Idaho plus any income received from Idaho sources when not living in Idaho.

GROSS INCOME

Gross income means all income you received in the form of money, goods, property, and services that isn't exempt from tax. Gross income is measured before subtracting allowable deductions. Gross income includes, but isn't limited to:

- All income from wages, salaries, tips, interest and dividends that isn't exempt from tax
- Self-employment income before expenses
- Farm income before expenses
- Rental income before expenses
- Shareholders and partners include their share of the gross income from the S corporation and partnership
- Unemployment compensation
- Certain scholarship and fellowship grants
- Gains derived from sales of property
- Pensions and annuities

Scholarships used for tuition, fees, supplies, books, and equipment required for courses leading to a degree aren't included in gross income.

INTEREST

Interest applies on delinquent tax from the original due date of the return until the tax is paid at the rate of 7% per year (rate effective for 2007.)

MILITARY PERSONNEL

Idaho law generally follows federal law regarding which type of military pay (active duty, disability, reserve and retirement) is taxable.

You are a military service member if you are a member of the United States Army, Navy, Marine Corps, Air Force, Coast Guard, or an officer of the Public Health Service detailed for duty with the Army or Navy.

The residency of a qualified service member is presumed to be that member's military home of record.

NATIONAL GUARD MEMBERS CALLED TO ACTIVE DUTY IN A COMBAT ZONE

Idaho follows federal law and Internal Revenue Code to provide income tax relief for service members on active duty in combat zones. Below is a summary of how these laws affect Idaho National Guard members.

- All tax filing deadlines are extended for at least 180 days after your last day in a combat zone.
- No interest or penalty will accrue for nonpayment of individual income taxes while you are in a combat zone.
- If you are an enlisted soldier or warrant officer, you don't owe tax on military pay received while in a combat zone. If you are a commissioned officer, the monthly exclusion is capped at the highest enlisted pay, plus any hostile fire or imminent danger pay received.
- This federal law doesn't cover business tax returns, employment taxes, or sales/use tax obligations.
- You must write "COMBAT ZONE" and the date of deployment **in red** on top of the tax return you are filing.

For information see our Web site at tax.idaho.gov, or call us toll free at (800) 972-7660 or 334-7660 in the Boise area.

Idaho resident on active duty stationed in Idaho

If Idaho was your military home of record and you were on active duty stationed in Idaho, all of your military wages and all nonmilitary income, regardless of the source, are subject to Idaho tax. File Form 40.

Idaho resident on active duty stationed outside of Idaho

- You joined the armed forces while a resident of Idaho and Idaho is your military home of record; and
- You were on active duty for 120 or more consecutive days; and
- You were stationed outside of Idaho for all or part of the year.

You must report all of your income to Idaho. However, only military wages you receive while stationed in Idaho and all nonmilitary income, regardless of the source, is subject to Idaho tax. File Form 40 if you are single, or if you are married and your spouse is also a resident of Idaho.

File Form 43 if you are married and your spouse is a nonresident, part-year resident, or military nonresident of Idaho. Check the "Idaho Resident on Active Military Duty" residency status box for yourself. Check the applicable residency status box for your spouse.

If you joined the armed forces while an Idaho resident and Idaho is your military home of record, you are considered a nonresident if you meet all the requirements for "Special-case Idaho Residents" shown on page 5. As a nonresident, you are required to file an Idaho income tax return if your gross income from Idaho sources exceeds \$2,500.

Nonresident on active duty stationed in Idaho

If your military home of record isn't Idaho and you were on active duty stationed in Idaho for all or part of the year, Idaho doesn't tax your military income. Nonmilitary income from Idaho sources is subject to Idaho tax. File Form 43 if your gross income from Idaho sources exceeds \$2,500. The instructions for Form 43 begin on page 12.

NET OPERATING LOSS

A net operating loss is the excess of business deductions (computed with certain modifications) over total gross income in a particular tax year. Use Form 56 to compute your loss and Form 56C, or a schedule showing the application of the loss.

The net operating loss generally must be carried back to the two preceding years. The carryback is limited to a maximum of

GENERAL INFORMATION

\$100,000. Any remaining loss may be carried forward until used, but no longer than 20 years.

- You may elect to forego the two-year carryback provision and carry the loss forward up to 20 years.
- This election must be made before the due date, including extensions, of the loss year return and can't be revoked.
- To make the election, check the box on line 13, Form 40, or line 29, Form 43, or attach a copy of the federal net operating loss election, or attach a statement to the loss year tax return clearly indicating that you elect to forego the carryback. Include your name, address, Social Security number, and the amount of loss.

NONRESIDENT ALIENS

Taxpayers who are nonresident aliens for federal purposes and who are required to file an income tax return for Idaho must file using Form 43. Nonresident aliens for federal purposes are nonresidents for Idaho income tax purposes.

PAYMENTS

Make your check, cashier's check, or money order payable to the Idaho State Tax Commission. Be sure to write your Social Security number on it and attach it to your return.

The Idaho State Tax Commission accepts Discover, Mastercard, and Visa credit and debit cards for payment of taxes.

To pay by **credit** card, complete and attach Form CCV, Credit Card Payment Voucher; visit our Web site at tax.idaho.gov and click on "Electronic Payments"; or call (800) 972-7660. You may also make credit card payments in person at any Tax Commission office.

Only MasterCard and Visa credit cards are accepted when paying by telephone.

To pay by **debit** card, visit our Web site at tax.idaho.gov and click on "Electronic Payments." Form CCV can't be used to make a debit card payment.

PENALTIES

Penalties may be imposed on the tax due as follows:

- 0.5% per month or fraction of a month to a maximum of 25% for failure to pay the tax due (if return is filed)
- 2% per month or fraction of a month for failure to meet the extension criteria (the return must be filed by the extended due date, and the taxes paid by the earlier of the date the return is filed or the extended due date.)
- 5% per month or fraction of a month to a maximum of 25% for failure to file the return timely
- 5% for negligence or disregard of rules
- 10% for substantial understatement of tax
- 50% for filing a false or fraudulent return

The minimum penalty is \$10.

RECORDKEEPING

You are required by law to keep records that will enable you to prepare a complete and accurate income tax return. Although the law doesn't require any special form of records, you must retain all receipts, canceled checks, and other evidence to prove amounts claimed as deductions. Keep all supporting records for income or deductions until the statute of limitations for the return expires. Usually this is three years from the due date or the date the return was filed. In property transactions, the basis of new or replacement property may be determined by the basis of the old property. Keep these records as long as they are needed to determine the basis of the original or replacement property.

REFUNDS WHEN NOT REQUIRED TO FILE

If you aren't required to file an Idaho return, no tax is due even if the calculation shows taxable income. If you are filing only to receive a refund of amounts withheld, you don't pay the \$10 permanent building fund tax or receive the grocery credit. Write "NRF" (Not Required to File) on the lines for "Tax from tables or rate schedule" and "Permanent building fund tax."

REFUND SEIZURE

Under state law, the Tax Commission may retain state income tax refunds to satisfy other outstanding tax debts. The Department of Health and Welfare and the Department of Commerce and Labor may seize all or part of your income tax refund to offset debts you may owe these agencies. Also, refunds may be seized to satisfy bankruptcy claims, sheriffs' garnishments, or debts owed to the Internal Revenue Service. Additionally, the Tax Commission may seize federal income tax refunds to offset Idaho income tax liabilities.

The agency or party seizing the refund is required to send you notice of the action. Questions regarding a refund seizure should be directed to the agency or party that initiated the claim for seizure.

ROUNDING AMOUNTS

The amounts on your return must be rounded to the whole dollar. An amount less than 50 cents is reduced to the whole dollar. Amounts of 50 cents or more are increased to the next whole dollar.

RESIDENCY

Are you a resident, a nonresident, or a part-year resident?

The following will help you decide:

- You are an Idaho resident, even though you live outside Idaho, if the following are true:
 - You think of Idaho as your permanent home.
 - Idaho is the center of your financial, social, and family life.
 - Idaho is the place you intend to return to when you are away.
- You are also an Idaho resident if the following are true:
 - You maintained a home in Idaho the entire year.
 - You spent more than 270 days in Idaho during the tax year.
- You are a nonresident if your permanent home is outside of Idaho all year.
- You are a part-year resident if you moved into or out of Idaho during the tax year. You are still a full-year resident if:
 - You temporarily moved outside of Idaho, **or**
 - You moved back to Idaho after a temporary absence.

SPECIAL-CASE IDAHO RESIDENTS

You are considered a nonresident if **all** of the following are true:

- You are an Idaho resident who lived outside of Idaho for at least 445 days in a 15-month period.
- After satisfying the 15-month period, you spent less than 60 days in Idaho during the year.
- You didn't have a personal residence in Idaho for yourself or your family during any part of 2006.
- You didn't claim Idaho as your federal tax home.
- You weren't employed on the staff of a U.S. senator or representative.
- You didn't hold an elective or appointive office of the U.S. Government other than the armed forces or a career appointment in the U.S. Foreign Service.

GENERAL INFORMATION

SIGNATURES

You must sign your return. Your spouse also must sign if you file a joint return. If your return is prepared by a paid preparer, he must enter his name, address, and identification number. If a taxpayer is deceased or can't sign his return, an authorized person may sign the return indicating his status or relationship. Write "FILING AS SURVIVING SPOUSE" or "unable to sign" in the signature space. If a taxpayer signs with an "X", his mark must be witnessed.

This authorization is valid for up to 180 days from the date the Tax Commission receives the return. If you want the Tax Commission to contact you rather than your preparer, leave the box blank.

TAX YEAR AND ACCOUNTING METHOD

The tax year and accounting method used on your Idaho return must match those used on your federal return.

TAX PREPARER CONTACT BOX

This box applies only if you paid a tax preparer to complete your return. If you check the box, you are authorizing the Tax Commission to discuss your return with the paid preparer identified on the return.

FORM 40EZ DISCONTINUED

You must now use Form 40.

It may be helpful to note that the following lines on the 2006 Form 40 correspond to the 2005 Form 40EZ:

<u>2005 Form 40EZ Lines:</u>	<u>2006 Form 40 Lines:</u>
6. Adjusted income	13
7. Deductions and exemptions	19, 20
8. Taxable income	21
9. Tax	22
10. Sales/Use tax due	31
11. Permanent building fund	34
12. Donations	36 - 39
14. Grocery credit	41
15. Idaho income tax withheld	45
17. Tax due	48
19. Total due	50
20. Refund	52

YOU MUST ATTACH A COMPLETE COPY OF YOUR FEDERAL RETURN TO YOUR FORM 40.

FORM 40

Instructions are for lines not fully explained on the form.
General information instructions beginning on page 2 also apply to this form.

HEADING

Write your name, address, and Social Security number in the spaces provided. If filing a joint return, write the Social Security numbers of both you and your spouse.

If you don't have a Social Security number, contact the Social Security Administration, U.S. Postal Service or the Internal Revenue Service to obtain an application, Form SS-5. File this form with the local office of the Social Security Administration. Apply early enough to make sure you receive a number by April 16. If your return is due before you receive your number, file the return and write "Applied for" in the space for the number. The Idaho Tax Commission will contact you for the number.

Be sure that your return and Form(s) W-2 show the correct Social Security number. An error in your Social Security number will delay your refund.

AMENDED RETURN

Form 40 can be used as an original return or as an amended return.

If you are filing this form as an amended return, check the box at the top of the form. Enter the applicable reason(s) for amending, as listed below. Complete the entire form and schedules using the corrected amounts.

1. Federal Audit
2. Net Operating Loss Carryback - Attach Form 56C or a schedule showing the application of the loss.
3. Other - Attach an explanation.

NEXT YEAR'S FORMS

If someone else prepares your return and you need forms mailed to you next year, check the box below your name and address.

LINES 1 THROUGH 5 FILING STATUS

Check the box indicating the same filing status shown on your federal return. Refer to federal instructions for further information on filing status.

LINE 6 EXEMPTIONS

Exemptions claimed on your Idaho return must match the exemptions claimed on your federal return.

Line 6a and 6b. Yourself and Spouse. CAUTION: If you can be claimed as a dependent on another person's tax return, such as a parent's return, don't check the box indicating yourself. Instead, check the box on line 14c.

If you can't be claimed as a dependent on another person's return, you may claim one exemption for yourself. Check the box for "Yourself." If you are married filing a joint return, you can also claim an exemption for your spouse. Check the box for "Spouse." If your spouse died during 2006 and you are filing a joint return, you may claim the exemption for your spouse.

Line 6c. Other Dependents. Enter the number of other dependents claimed on your federal return.

Line 6d. Total Exemptions. Enter the total number of exemptions. Add lines 6a through 6c.

LINES 7-8 IDAHO ELECTION CAMPAIGN FUND

The Idaho Legislature established this fund to provide financing for qualified political parties. If you want \$1 of your income tax to go to the Idaho Election Campaign Fund, check the box beside the party of your choice. If you are filing a joint return, your spouse may also designate \$1 to the same party or to a different party. If you check "No specific party," the amount will be divided among the parties by a formula prescribed by law. This won't increase your tax or decrease your refund.

If you are filing an amended return, you must check the same boxes as checked on the original return.

LINE 9 FEDERAL ADJUSTED GROSS INCOME

Enter the adjusted gross income reported on your federal return: Line 37, Form 1040; Line 21, Form 1040A; or Line 4, Form 1040EZ.

LINE 13 IDAHO ELECTION TO FOREGO NOL CARRYBACK

Check the box on line 13 if you elect under Section 63-3022(c), Idaho Code, to forego the Idaho carryback period for a net operating loss (NOL). If you check this box, you don't need to attach a separate statement electing to forego the Idaho carryback period.

TAX COMPUTATION

LINE 14a AGE 65 OR OLDER

If you are 65 or older, check the box for "Yourself." If you are filing a joint return and your spouse is 65 or older, check the box for "Spouse." Age is determined as of December 31. However, if your 65th birthday was on January 1, 2007, you may consider yourself 65 on December 31, 2006. The boxes you check must match your federal return.

LINE 14b BLIND

The box for "Yourself" must be checked if the taxpayer is blind. If you are filing a joint return and your spouse is blind, check the box for "Spouse." Blindness is determined as of December 31. The boxes you check must match your federal return.

LINE 14c CLAIMED DEPENDENT

If your parents or someone else can claim you as a dependent on their tax return, check this box. You may itemize deductions or use the standard deduction. Complete the worksheet to determine your standard deduction.

LINES 15-18 ITEMIZED OR STANDARD DEDUCTIONS

Most people can find their standard deduction by looking at the instructions to the left of line 18, Form 40. However, if you check a box on line 14a or 14b, use the chart to find your standard deduction. If you check the box on line 14c, use the worksheet to figure your standard deduction. You may use either your federal itemized deductions or standard deduction, whichever benefits you more. (For exceptions, see YOU MUST ITEMIZE.)

Your itemized deductions are the same as those used on your federal Form 1040. Idaho requires that all state or local income or general sales taxes shown on federal Schedule A be subtracted from your total itemized amount before you use this figure to reduce your income. Because of this addback, it may be more beneficial to itemize for federal purposes, but use the standard deduction for Idaho.

If you or your spouse are nonresident aliens for federal purposes and aren't from India, your standard deduction is zero. If you are nonresident aliens from India use the standard deduction indicated for your filing status.

If an itemized deduction allowable for federal income tax purposes is reduced for the mortgage interest credit or the foreign tax credit, the amount that would have been allowed if the federal credit hadn't been claimed is allowed as an itemized deduction.

If line 17 is more than line 18, you should use your itemized deductions on line 17. If line 18 is more than line 17, you should use your standard deduction on line 18.

YOU MUST ITEMIZE if you are married, filing a separate return (filing status 3) and your spouse itemizes. You must itemize if you had dual status as a nonresident alien for part of 2006 and

FORM 40

during the rest of the year you were a resident alien or a U.S. citizen.

However, you don't have to itemize if you file a joint return with your spouse who was a U.S. citizen or resident at the end of 2006 and you and your spouse agree to be taxed on your combined worldwide income.

CLAIMED DEPENDENTS. If someone else can claim you as a dependent, complete the following worksheet.

STANDARD DEDUCTION WORKSHEET FOR CLAIMED DEPENDENTS

- 1a. Enter your federal earned income. Earned income includes wages, salaries, tips, other employee compensation, net earnings from self-employment, strike benefits and any disability pay you report as wages. If none, enter -0-
- b. Add 300
- c. Add lines 1a and 1b. Enter total here. 850
2. Minimum amount 850
3. Compare the amounts on lines 1c and 2. Enter the larger of the two amounts here.
4. Enter on line 4 the amount shown below for your filing status:
 - Single, enter \$5,150.
 - Married filing a separate return, enter \$5,150.
 - Married filing a joint return, enter \$10,300.
 - Qualifying widow(er) with dependent child, enter \$10,300.
 - Head of household, enter \$7,550.

5. Standard deduction:
 - a. Compare the amounts on 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 line 18.
 - b. If 65 or older or blind, multiply \$1,250 (\$1,000 if married filing a joint or separate return, or qualifying widow(er) with dependent child) by the number of boxes checked on lines 14a and b.
 - c. Add lines 5a and 5b. Enter the total here and on line 18.

FEDERAL LIMITATIONS ON ITEMIZED DEDUCTIONS. Some of your itemized deductions may be phased out if your federal adjusted gross income is more than \$150,500 (\$75,250 if you are married filing separately). Since this figure is the same as the limit on your federal itemized deductions, use the amount reported on your federal return.

Since state income or general sales taxes are affected by the limitation, your state income or general sales tax addback (line 16) must be reduced if your itemized deductions are limited. Adjust your state income or general sales tax addback as follows:

1. Itemized deductions after federal limitation (federal Schedule A, line 28)
2. Itemized deductions prior to federal limitation (federal Schedule A, lines 4, 9, 14, 18, 19, 26, and 27)
3. Divide line 1 by line 2. Round to the nearest whole percent. (Can't exceed 100%) %

STANDARD DEDUCTION CHART FOR PEOPLE AGE 65 OR OLDER OR BLIND

If someone can claim you (or your spouse if married filing jointly) as a dependent, use the worksheet for dependents.

If your filing status is . . .	and the number of boxes checked on lines 14a & b is . . .	then your standard deduction is . . .
Single	1	\$ 6,400
	2	7,650
Married Filing Jointly	1	\$11,300
	2	12,300
	3	13,300
	4	14,300
Married Filing Separately	1	\$ 6,150
	2	7,150
	3	8,150
	4	9,150
Head of Household	1	\$ 8,800
	2	10,050
Qualifying Widow(er)	1	\$11,300
	2	12,300

FORM 40

4. State and local income or general sales taxes reported on federal Schedule A _____
5. Multiply line 4 by line 3. Enter this amount on line 16 _____

LINE 20 EXEMPTIONS

Multiply \$3,300 by the total number of exemptions entered on line 6d. If your federal adjusted gross income on line 9 is more than the amount shown below for your filing status, use the amount allowed on your federal Form 1040, line 42.

- \$112,875 Married filing separate return
- \$225,750 Married filing joint return or qualifying widow(er)
- \$150,500 Single
- \$188,150 Head of household

If you qualify for federal purposes for the additional exemption of \$500 (maximum of \$2,000) for each Hurricane Katrina displaced individual residing in your home, include this amount on line 20.

Your Idaho exemption amount should be the same as your federal exemption amount.

LINE 22 TAX

Enter the tax on this line. If line 21 is less than \$100,000, use the tax tables on page 34. If line 21 is \$100,000 or more, use the schedules on page 45. Be sure you use the correct column in the tax table or the correct schedule for your filing status. See the example at the beginning of the tax table.

If you don't meet the filing requirement (see page 2) and are filing only to receive a refund of withheld taxes, write "NRF" (Not Required to File) on this line.

CREDITS

LINE 24 INCOME TAX PAID TO OTHER STATES

When the same income is taxed by both Idaho and another state, you may be entitled to a credit for tax paid to the other state. Use Form 39R to compute the credit. You must attach a copy of the other state's income tax return and Form 39R. If credit applies to more than one state, use a separate Form 39R for each state. See instructions, page 24.

Examples of income that may be taxed by both Idaho and another state include:

- Wages earned in another state that has an income tax, such as Oregon or Utah, while living in Idaho.
- Income from a business or profession earned in another state that has an income tax, while a resident of Idaho.

LINE 25 CREDIT FOR CONTRIBUTIONS TO IDAHO EDUCATIONAL ENTITIES

If you donated cash or goods to qualified educational entities, you may claim a tax credit.

If you claimed or earned the credit for qualifying new employees, report the amount computed on line 6, Part III, Form 55. Otherwise the credit is limited to the smallest of:

- one-half of the amount donated,
- 20% of the tax on line 23,
- \$100 (\$200 on a joint return),
- the tax on line 23 less the amount on line 24.

A qualified educational entity includes:

- a nonprofit corporation, fund, foundation, research park, trust, or association organized and operated exclusively for the benefit of Idaho colleges and universities
- a nonprofit, private or public Idaho school (elementary, secondary or higher education) or its foundation
- Idaho education public broadcast system foundations
- the Idaho State Historical Society or its foundation

- an Idaho public library or its foundation
- an Idaho library district or its foundation
- an Idaho public or private nonprofit museum
- the Idaho State Library

LINE 26 CREDIT FOR CONTRIBUTIONS TO IDAHO YOUTH AND REHABILITATION FACILITIES

If you donated cash or goods to a qualified center for independent living, to a youth or rehabilitation facility or its foundation, or to a nonprofit substance abuse center licensed by the Idaho Department of Health and Welfare, you may claim a tax credit.

If you claimed or earned the credit for qualifying new employees, report the amount computed on line 13, Part III, Form 55. Otherwise the credit is limited to the smallest of:

- one-half of the amount donated,
- 20% of the tax on line 23,
- \$100 (\$200 on a joint return),
- the tax on line 23 less the amounts on lines 24 and 25.

The qualified youth or rehabilitation facilities and their foundations are:

- Anchor House, Coeur d'Alene
- The Arc, Inc., Boise
- The Children's Home Society of Idaho, Inc., Boise
- Children's Village, Inc., Coeur d'Alene
- Dawn Enterprises, Inc., Blackfoot
- Development Workshop, Inc., Idaho Falls
- Gem Youth Services, Inc., Emmett
- High Reachers, Inc., Mountain Home
- Hope House, Inc., Nampa
- Idaho Drug Free Youth, Inc., Coeur d'Alene
- Idaho Elks Rehabilitation Hospital, Inc., Boise
- Idaho Youth Ranch
- Kinderhaven, Sandpoint
- Learning Lab, Inc., Boise
- Magic Valley Rehabilitation Services, Inc., Twin Falls
- New Day Products, Inc., Pocatello
- Northwest (North Idaho) Children's Home, Inc.
- Opportunities Unlimited, Inc., Lewiston
- P.A.T.C.H., Planned Assistance for Troubled Children
- Panhandle Special Needs, Inc., Sandpoint
- Project Safe Place
- Shepherd's Home, Inc., McCall
- Transitional Employment Services for the Handicapped, Coeur d'Alene
- Walker Center, Gooding
- Western Idaho Training Co., Inc., Caldwell
- Women's and Children's Alliance
- Winchester Occupational Workshop, Winchester

The following are the qualified centers for independent living:

- Disability Action Center Northwest, Moscow and Coeur d'Alene
- Living Independence Network Corporation, Boise and Twin Falls
- Living Independently For Everyone, Inc., Blackfoot, Idaho Falls and Pocatello

LINE 27 TOTAL BUSINESS INCOME TAX CREDITS

Enter the total allowed business income tax credits from Form 44, Part I, line 14. See page 31 for specific instructions. Attach Form 44.

OTHER TAXES

LINE 30 FUELS TAX DUE

If you buy gasoline, aircraft fuel, or special fuels (diesel, propane, natural gas) without paying the fuels tax and later use this fuel in licensed vehicles or aircraft, fuels tax is due. Add the amounts on lines 3 and 4, Section IV, Form 75, and enter the total. Attach Form 75.

FORM 40

LINE 31 SALES/USE TAX DUE

If you made purchases during the year without paying sales tax, you must report use tax due on such purchases. Examples include magazine subscriptions, out-of-state catalog purchases, merchandise purchased over the Internet, book and record clubs, purchases in a state where no sales tax is charged, etc. For purchases before October 1, 2006, multiply the total amount of such purchases by 5% (.05). For purchases after September 30, 2006, multiply the total amount of such purchases by 6% (.06). If you computed use tax on Form 75, add it to the use tax on other purchases and enter the total on line 31.

If you have a sales or use tax account, don't report your sales or use tax on this line, but continue to report the tax on these purchases on your sales and use tax returns.

LINE 32 TOTAL TAX FROM RECAPTURE OF INCOME TAX CREDITS

If you have claimed Idaho tax credits that cease to qualify, you must compute the tax credit recapture. Enter the total tax from recapture of income tax credits from Form 44, Part II, line 10. See page 31 for specific instructions. Attach Form 44.

LINE 33 TAX FROM RECAPTURE OF QUALIFIED INVESTMENT EXEMPTION (QIE)

If you have claimed Idaho exemption of property taxes from property that ceases to qualify, you must compute the recapture of the qualified investment exemption. Attach Form 49ER.

LINE 34 PERMANENT BUILDING FUND

You are required to pay the \$10 permanent building fund tax if you are required to file an Idaho income tax return. See FILING REQUIREMENTS on page 2.

You aren't required to pay the \$10 permanent building fund tax if:

- your gross income was less than the amount specified for your filing status. Draw a line through the \$10 and enter "NRF" (Not Required to File).
- you were receiving Idaho public assistance payments at the end of the tax year. Check the box on this line and draw a line through the \$10. Food stamps and WIC payments don't qualify as Idaho public assistance.
- you or your spouse were legally blind at the end of the tax year. Draw a line through the \$10.

DONATIONS

The donations on lines 36 through 39 are voluntary and will either reduce your refund or increase your tax due. Your choice to donate is irrevocable; you can't get a refund later. These donations may be itemized as charitable contribution deductions on your 2007 income tax return. If you have questions regarding your donation(s), you may contact the agencies listed.

If you are filing an amended return, your donations can't be less than the amounts on the original return.

LINE 36 NONGAME WILDLIFE CONSERVATION FUND

Contributions are used to ensure the conservation of nongame wildlife and their habitat in Idaho, to promote greater appreciation of wildlife, and to increase opportunities to view and enjoy "watchable" wildlife. Donations are used for a variety of projects including research on rare animals in an effort to better manage them so they don't become threatened or endangered, construction of nest boxes and platforms to provide more homes for wildlife, educational programs and community projects, development of wildlife viewing sites throughout the state, informational brochures, and a nongame wildlife leaflet series available to the public and used by teachers. Contact the Department of Fish and Game at (208) 334-2920.

LINE 37 CHILDREN'S TRUST FUND/CHILD ABUSE PREVENTION

Contributions are used to protect our children, Idaho's most valuable resource. The trust fund board, appointed by the governor and representing every region of our state, reviews applications annually and awards grants to grassroots, community-based child abuse prevention programs. Funded programs include parent education, voluntary home visitation for first-time parents, public awareness of the devastating consequences of child abuse, and child abuse prevention and child safety education in schools. Contact the Children's Trust Fund/Child Abuse Prevention at (208) 386-9317.

LINE 38 IDAHO GUARD AND RESERVE FAMILY SUPPORT FUND

Contributions are used to assist military Reservists and their families. The Idaho Guard and Reserve Family Support Fund (IGRFSF) helps members of the Idaho Air National Guard, the Idaho Army National Guard, the Air Force Reserve, the Army Reserve, the Navy & Marine Corps Reserve, and the Coast Guard Reserve, along with their families, when duty calls. The Fund acts as an emergency relief fund and operates as a 501(c)(3) nonprofit corporation. Contact the Idaho Guard and Reserve Family Support Fund, Inc., at (208) 422-5799.

LINE 39 AMERICAN RED CROSS OF IDAHO FUND

Contributions provide food, shelter, clothing, and other help for disaster victims. Also, funds supply items such as bedding and cots in areas around the state to prepare for large scale emergencies. Donations also support the Armed Forces Emergency Services communications program, helping active duty military and their loved ones in Idaho communicate during family emergencies.

Enter \$10 (\$20 if married filing jointly) on line 39 if you wish to donate to the American Red Cross of Idaho Fund. Contact the American Red Cross of Greater Idaho at (800) 853-2570.

PAYMENTS AND OTHER CREDITS

LINE 41 GROCERY CREDIT

If you are required to file a return (see page 2), multiply the number of people listed on line 6d by \$20 and enter the result. The credit isn't allowed for dependents who aren't Idaho residents.

If you aren't required to file a return and are filing only to receive a refund of amounts withheld, write "NRF" (Not Required to File) on this line. You aren't entitled to the grocery credit.

If you aren't required to file a return and either you or your spouse is blind, a disabled veteran, or age 62 or older by December 31, 2006, you may claim a \$20 grocery credit refund for each qualifying person. If you are blind, check the box on page 1, line 14b, Form 40. A disabled veteran who hasn't claimed this credit before must enclose a photocopy of the document which establishes disability. If you are age 62 or older, write your date of birth in the margin on Form 40.

NOTE: If you qualify for the grocery credit and aren't required to file a return, the credit may be claimed on Form 24. You may obtain a form from any office of the Idaho State Tax Commission or on our Web site at tax.idaho.gov. The refund claim is due on or before April 16, 2007. You can't claim the credit on both Form 40 and Form 24.

LINE 42 ADDITIONAL GROCERY CREDIT

If you are required to file a return, enter \$15 for each person who is age 65 or older as indicated on line 14a.

If your gross income is less than the amount that requires you to file a return (see page 2) and if either you or your spouse is 65 or older by December 31, 2006, you may claim the additional grocery credit refund on line 42 for each qualifying person.

FORM 40

NOTE: If you qualify for the grocery credit and don't file a return, the credit may be claimed on Form 24. You may obtain a form from any office of the Idaho State Tax Commission or on our Web site at tax.idaho.gov. The refund claim is due on or before April 16, 2007. You can't claim the credit on both Form 40 and Form 24.

LINE 43 MAINTAINING A HOME FOR A FAMILY MEMBER AGE 65 OR OLDER OR A FAMILY MEMBER WITH A DEVELOPMENTAL DISABILITY

If you maintained a household for an immediate family member(s) age 65 or older or with a developmental disability, and didn't claim a deduction of \$1,000 per person on Form 39R, Part B, line 15, you may claim a tax credit of \$100 per person (up to \$300).

Complete and attach Idaho Form 39R. See instructions, page 24. You may claim this credit even if your gross income is less than the filing requirement.

LINE 44 FUELS TAX REFUND

If you buy special fuels (diesel, propane, natural gas) with Idaho tax included and use this fuel for heating or in off-highway equipment, you may be entitled to a refund of the Idaho special fuels tax you paid. Enter the amount from line 2, Section IV, Form 75. Attach Form 75. Heating fuel is generally purchased without paying the tax.

If you buy gasoline and use it in unlicensed equipment or auxiliary engines, you may be entitled to a refund of the Idaho gasoline tax you paid. Enter the amount from line 1, Section IV, Form 75. Attach Form 75.

LINE 45 IDAHO INCOME TAX WITHHELD

Enter the total amount of Idaho income tax withheld as shown on your withholding statements. Attach legible state copies of Form(s) W-2, 1099, and other information forms that show Idaho withholding.

DON'T claim credit for tax withheld for other states or federal tax withheld. DON'T include Form(s) W-2 from other tax years or write on or change the amounts on your Form(s) W-2.

LINE 46 FORM 51 PAYMENT(S)

Enter the total payments you made with Form(s) 51. Include the amount of overpayment applied from your 2005 return.

TAX DUE OR REFUND

LINE 49 PENALTY AND INTEREST

Penalty: If you file a return after the due date or fail to pay the required amount by the due date, a penalty may be due. To avoid paying any penalty, you must:

- Pay by the original due date at least 80% of the tax due on the return or 100% of the total tax reported last year, and
- File the return by the extended due date and pay the tax due by the earlier of the date the return is filed or the extended due date.

If you pay at least 80% of the tax due on the return or 100% of the total tax reported last year by the original due date, but fail to file the return by the extended due date or pay the remaining tax by the earlier of the date the return is filed or the extended due date, the following penalties will apply:

- If the return is filed on or before the extended due date, a 0.5% per month late payment penalty will be computed on tax due from the date the return is filed to the date of payment, or
- If the return is filed after the extended due date, a 5% per month late filing penalty will be computed on tax due from the extended due date to the earlier of the date the return is filed or the date the tax is paid, plus a 0.5% per month late payment penalty will be computed on tax due from the date the return is filed to the date the tax is paid, if the tax is paid after the return is filed.

If you don't pay at least 80% of the tax due on the return or 100% of the total tax reported last year by the original due date the following penalties will apply unless the payment required to satisfy the extension criteria is \$50 or less:

- If the return is filed by the original due date, a 0.5% per month late payment penalty will be computed on tax due from the date the return is filed to the date of payment.
- If the return is filed on or before the extended due date, a 2% per month extension penalty will be computed on tax due from the original due date to the earlier of the date the tax is paid or date return is filed, plus a 0.5% per month late payment penalty will be computed on tax due from the date the return is filed to the date the tax is paid, if the tax is paid after the return is filed.
- If the return is filed after the extended due date but the tax is paid on or before the extended due date, a 2% per month extension penalty will be computed on tax due from the original due date to the date the tax is paid.
- If the return is filed and the tax is paid after the extended due date, the maximum 25% penalty will apply.

The minimum penalty is \$10. The maximum penalty is 25% of tax due.

Idaho Medical Savings Account: If you make an Idaho medical savings account withdrawal that is subject to tax and you are under age 59 1/2, the withdrawal is subject to penalty. The penalty is 10% of the amount withdrawn. Check the box and enter the amount here.

Interest: Interest is charged on the amount of tax due, line 48, from the original due date until paid. The rate for 2007 is 7%.

LINE 50 TOTAL DUE

Enter the amount of tax you owe. If your payment includes amounts for penalty and interest, include those amounts in the figure you enter on this line.

Don't send cash. Payments of less than \$1 aren't required. A \$20 charge will be imposed on all returned checks.

Make your check, cashier's check, or money order payable to the Idaho State Tax Commission. Be sure to write your Social Security number on it and attach it to your return.

The Idaho State Tax Commission accepts Discover, Mastercard, and Visa credit and debit cards for payment of taxes.

To pay by **credit** card, complete and attach Form CCV, Credit Card Payment Voucher; visit our Web site at tax.idaho.gov and click on "Electronic Payments"; or call (800) 972-7660. You may also make credit card payments in person at any Tax Commission office.

Only MasterCard and Visa credit cards are accepted when paying by telephone.

To pay by **debit** card, visit our Web site at tax.idaho.gov and click on "Electronic Payments." Form CCV can't be used to make a debit card payment.

LINE 52 REFUND

Enter the amount of your overpayment shown on line 51 that you want refunded to you. Refunds of less than \$1 won't be issued. No refund will be issued unless a return claiming overpayment of tax is filed within three years after the due date for filing. Refunds will be reduced by unpaid Idaho tax liabilities, and may be seized for unpaid liabilities owed to other state agencies.

LINE 53 ESTIMATED TAX

If you are filing an original return, subtract line 52 from line 51. The amount you enter will be applied to your 2007 tax and won't be refunded.

FORM 40

LINE 54 DIRECT DEPOSIT

Complete line 54 if you want us to deposit your refund directly into your bank account instead of mailing you a check.

Contact your bank to make sure your deposit will be accepted and that you have the correct routing and account numbers.

Enter your nine-digit routing number. The routing number must begin with 01 through 12, or 21 through 32.

Enter the account number of the account into which you want your refund deposited. The account number can be up to 17 characters (both numbers and letters). Don't include hyphens, spaces, or special symbols. Enter the number left to right and leave any unused boxes blank.

Check the appropriate box for account type. Check **either** checking or savings, but not both.

The check example indicates where the proper banking information is located. You are responsible for the accuracy of this information.

If for any reason your financial institution rejects your request for direct deposit, you will receive a check by mail instead.

Paul Maple
Lilian Maple
123 Main Street
Anyplace, ID 10000

19 1234
15-0000/0000

PAY TO THE ORDER OF \$

ANYPLACE BANK
Anyplace, ID 10000

For

1 : 2502500251 | 202020 W*86 W* | 1234

ROUTING NUMBER ACCOUNT NUMBER

AMENDED RETURN ONLY

Complete lines 55 through 58 only if you are filing this return as an amended return.

LINE 55 TOTAL TAX DUE OR OVERPAYMENT ON THIS RETURN

If the total tax due shown on line 50 is greater than zero, enter this amount on line 55. The amount from line 50 should be entered as a positive amount.

If line 50 is zero, enter the amount of overpayment that is shown on line 51 on line 55. The amount from line 51 should be entered as a negative amount.

ATTACH A COMPLETE COPY OF YOUR FEDERAL RETURN.

FORM 43

Instructions are for lines not fully explained on the form.
General information instructions beginning on page 2 also apply to this form.

HEADING

Write your name, address, and Social Security number in the spaces provided. If filing a joint return, write the Social Security numbers of both you and your spouse.

If you don't have a Social Security number, contact the Social Security Administration, U. S. Postal Service or the Internal Revenue Service to obtain an application, Form SS-5. File this form with the local office of the Social Security Administration. Apply early enough to make sure you receive a number by April 16. If your return is due before you receive your number, file the return and write "Applied for" in the space for the number. The Idaho Tax Commission will contact you for the number.

Be sure that your return and Form(s) W-2 show the correct Social Security number. An error in your Social Security number will delay your refund.

AMENDED RETURN

This form can be used as an original return or an amended return. If you are filing this form as an amended return, check the box at the top of the form. Enter the applicable reason(s) for amending, as listed below. Complete the entire form and schedules using the corrected amounts.

1. Federal Audit
2. Net Operating Loss Carryback - Attach Form 56C or a schedule showing the application of the loss.
3. Other - Attach an explanation.

NEXT YEAR'S FORMS

If someone else prepares your return and you need forms mailed to you next year, please check the box below your name and address.

NONRESIDENT ALIEN

Nonresident aliens for federal purposes are nonresidents for Idaho income tax purposes. If you (or your spouse) are a nonresident alien, check the box below the address, and check Nonresident for your residency status.

RESIDENCY STATUS

Check the box that applies to your residency status for 2006. If you are married and filing a joint return, check the box that applies to your spouse's residency for 2006. Use Form 43 if one of you is a resident and the other isn't, and you filed a joint federal return. See page 5 to determine your status.

1. If you (or your spouse) are a full-year resident of Idaho, check box 1.
2. If you (or your spouse) are a member of the armed forces on active military duty outside Idaho and Idaho is your state of permanent residence, check box 2. (An Idaho resident on active military duty in or outside Idaho must file on Form 40 unless your spouse is a part-year resident or nonresident.)
3. If you (or your spouse) are a nonresident, check box 3.
4. If you (or your spouse) moved into or out of Idaho and were a resident for only part of the year, check box 4.
5. If you (or your spouse) are in Idaho on military orders but your state of permanent residence is another state, check box 5. See the instructions for military personnel on page 4 of this booklet.

FORM 43

FULL MONTHS IN IDAHO THIS YEAR

If you were a part-year resident, enter the number of full months you lived in Idaho in 2006. If you are married and filing a joint return, enter the number of full months your spouse lived in Idaho in 2006. Nonresidents don't respond to this question.

CURRENT STATE OF RESIDENCE

Use the two letter state abbreviation to report your current state of residence. For example, if you moved to Idaho during 2006, use ID. All part-year residents and nonresidents must complete this section. Spouses having separate domiciles may report different states. If you are a military nonresident, indicate your military home of record.

LINES 1 THROUGH 5 FILING STATUS

Check the box indicating the same filing status shown on your federal return. Refer to federal instructions for further information on filing status.

LINE 6 EXEMPTIONS

Exemptions claimed on your Idaho return must match the exemptions claimed on your federal return.

Line 6a and 6b. Yourself and Spouse. CAUTION: If you can be claimed as a dependent on another person's tax return, such as a parent's return, don't check the box indicating yourself. Instead, check the box on line 35c.

If you can't be claimed as a dependent on another person's return, you may claim one exemption for yourself. Check the box for "Yourself." If you are married filing a joint return, you can also claim an exemption for your spouse. Check the box for "Spouse." Enter the total number of boxes checked in the space provided. If your spouse died during 2006 and you are filing a joint return, you may claim the exemption for your spouse.

Line 6c. Other Dependents. Enter the number of other dependents claimed on your federal return.

Line 6d. Total Exemptions. Add lines 6a through 6c. Enter the total number of exemptions.

LINES 7-8 IDAHO ELECTION CAMPAIGN FUND

The Idaho Legislature established this fund to provide financing for qualified political parties. If you want \$1 of your income tax to go to the Idaho Election Campaign Fund, check the box beside the party of your choice. If you are filing a joint return, your spouse may also designate \$1 to the same party or to a different party. If you check "No specific party," the amount will be divided among the parties by a formula prescribed by law. This won't increase your tax or decrease your refund.

If you are filing an amended return, you must check the same boxes as checked on the original return.

IDAHO INCOME

You must complete your federal income tax return before you begin your Form 43. You will use the information you entered on your federal income tax return to complete your Form 43.

LINE 9 WAGES, SALARIES, TIPS, ETC.

Enter the total wages, salaries, tips, etc. received for all employment while an Idaho resident or part-year resident and for all work performed in Idaho while a nonresident. If you are a nonresident who works for an employer both in Idaho and outside of Idaho, please contact the Tax Commission to request a copy of the publication entitled "Residency Status and Idaho Source Income." This publication will explain how to determine the amount of income that is taxable to Idaho.

If your military home of record is Idaho and you are on active duty outside Idaho, include all of your wages. Your active duty military wages earned outside of Idaho can be deducted on Form

39NR, Section B, Line 7. If you have nonmilitary wages that are taxable to another state, you can take a credit for tax paid to other states on Form 39NR, Section D.

If your military home of record wasn't Idaho and you were on active duty in Idaho, don't include your military wages.

If the wages on line 9 don't match the Idaho income amounts on your Form(s) W-2, please attach a schedule or explanation.

LINE 10 TAXABLE INTEREST INCOME

From federal Form 1040, line 8a, Form 1040A, line 8a, or Form 1040EZ, line 2, enter all:

- Interest income while an Idaho resident.
- Business interest income earned from Idaho sources.
- Interest income on installment sales of Idaho property.

NOTE: Don't include interest earned from a personal bank account in Idaho while a nonresident.

LINE 11 DIVIDEND INCOME

From federal Form 1040, line 9a, or Form 1040A, line 9a, enter dividends earned while an Idaho resident or part-year resident and dividends earned from Idaho sources while a nonresident.

LINE 12 ALIMONY RECEIVED

From federal Form 1040, line 11, enter alimony received while an Idaho resident or part-year resident.

LINE 13 BUSINESS INCOME OR LOSS

From federal Form 1040, line 12, enter the income (loss) reported on federal Schedule C or C-EZ from businesses or professions engaged in while an Idaho resident or part-year resident or conducted in Idaho while a nonresident. A nonresident conducting business in Idaho and another state must apportion income or loss according to Idaho Code Section 63-3027. Complete and attach Idaho Form 402.

LINE 14 CAPITAL GAIN OR LOSS

From federal Form 1040, line 13, enter the gain or loss reported on federal Schedule D from the sale of capital assets located in Idaho, the sale of capital assets while you were residing in Idaho, or receipt of installment sale proceeds while you were an Idaho resident. From federal Form 1040A, line 10, enter the capital gain distributions received while you were an Idaho resident.

LINE 15 OTHER GAINS OR LOSSES

From federal Form 1040, line 14, enter other gains or losses reported on federal Schedule 4797 that occurred while an Idaho resident or part-year resident or from an Idaho business.

LINE 16 IRA DISTRIBUTIONS

From federal Form 1040, line 15b, or Form 1040A, line 11b, enter the amount of IRA distributions received while an Idaho resident or part-year resident.

LINE 17 PENSIONS AND ANNUITIES

From federal Form 1040, line 16b, or Form 1040A, line 12b, enter the amount of pensions and annuities received while an Idaho resident or part-year resident.

LINE 18 RENTS, ROYALTIES, PARTNERSHIPS, ETC.

From federal Form 1040, line 17, enter the amount reported on federal Schedule E earned or received while an Idaho resident or part-year resident, or related to Idaho business or property. Passive activity losses from Idaho activities that are "Allowed" losses from the federal Form 8582 and corresponding worksheets should be reported here.

LINE 19 FARM INCOME OR LOSS

From federal Form 1040, line 18, enter the amount reported on federal Schedule F that represents farm income or loss incurred while an Idaho resident or part-year resident, or from an Idaho

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farming operation. A nonresident operating a farm in Idaho and another state must apportion income or loss according to Idaho Code Section 63-3027. Complete and attach Idaho Form 402.

LINE 20 UNEMPLOYMENT COMPENSATION

From federal Form 1040, line 19; Form 1040A, line 13; or Form 1040EZ, line 3, enter the unemployment compensation received while an Idaho resident or part-year resident.

LINE 21 OTHER INCOME

From federal Form 1040, line 21, enter any other income received while an Idaho resident or part-year resident, or from an Idaho source.

IDAHO ADJUSTMENTS

LINE 23 DEDUCTIONS FOR IRAs AND HEALTH SAVINGS ACCOUNTS

Enter Idaho's portion of the IRA deduction included on federal Form 1040, line 32, or Form 1040A, line 17, Idaho's portion of the deduction for a federal health savings account included on federal Form 1040, line 25, and Idaho's portion of the deduction for a federal medical savings account included on federal Form 1040, line 23

1. Enter the amount of wages and earned income you computed on the federal IRA deduction worksheet and the amount of income derived by the taxpayer from the business with respect to which the federal health savings account deduction is claimed. _____
2. Enter the amount from line 1 received while an Idaho resident or part-year resident, or from Idaho sources. _____
3. Divide line 2 by line 1. (Can't exceed 100%) % _____
4. Enter amounts from federal Form 1040, line 32, or Form 1040A, line 17, and Form 1040, lines 23 and 25. _____
5. Multiply line 4 by line 3. Enter this amount on line 23. _____

LINE 24 MOVING EXPENSES

Enter Idaho's portion of moving expenses included on federal Form 1040, line 26. To compute Idaho's portion, complete this worksheet.

1. Enter total Idaho income from line 22, Form 43. _____
2. Enter total income from line 22, federal Form 1040. _____
3. Divide line 1 by line 2. (Can't exceed 100%) % _____
4. Enter total moving expense from line 26, federal Form 1040. _____
5. Multiply line 4 by line 3. Enter this amount on line 24. _____

LINE 25 DEDUCTIONS FOR SELF-EMPLOYED

Enter Idaho's portion of the deductions for self-employment tax, self-employed health insurance, and contributions to a SEP, SIMPLE, or qualified plans reported on your federal Form 1040, lines 27, 28, and 29. Note: S corporation wages paid to a more than 2% shareholder qualify for self-employed health insurance. To compute Idaho's portion, complete this worksheet.

1. Enter the amount of self-employment income reported on Form 43, line 13 (business income), line 19 (farm income), line 18 (income from partnerships), and line 9 (wages from an S corporation paid to a more than 2% shareholder). _____
2. Enter the amount of self-employment income reported on federal Form 1040, line 12 (business income), line 18 (farm income), line 17 (income from partnerships), and line 7 (wages from an S corporation paid to a more than 2% shareholder). _____

3. Divide line 1 by line 2. (Can't exceed 100%) % _____
4. From federal Form 1040, enter the total of lines 27, 28, and 29. _____
5. Multiply line 4 by line 3. Enter this amount on line 25. _____

LINE 26 PENALTY ON EARLY WITHDRAWAL OF SAVINGS

Enter the amount from federal Form 1040, line 30 that relates to interest income reported as Idaho income.

LINE 27 OTHER DEDUCTIONS

Enter Idaho's portion of deductions for certain business expenses of reservists, performing artists, and fee-basis government officials deducted on federal Form 1040, line 24; student loan interest deducted on federal Form 1040, line 33, or Form 1040A, line 18; jury duty pay deducted on federal Form 1040, line 34, or Form 1040A, line 19; alimony paid reported on federal Form 1040, line 31a; and domestic production activities deduction, Form 1040, line 35. Complete this worksheet to compute Idaho's portion.

1. Enter total income from line 22, Form 43. _____
2. Enter total income from federal Form 1040, line 22, or Form 1040A, line 15. _____
3. Divide line 1 by line 2. (Can't exceed 100%) % _____
4. Enter amounts from federal Form 1040, lines 24, 31a, 33, 34, and 35, or from Form 1040A, lines 18 and 19. _____
5. Multiply line 4 by line 3. Enter this amount on line 27. _____

LINE 29 IDAHO ELECTION TO FOREGO NOL CARRYBACK

Check the box on line 29 if you elect under Section 63-3022(c), Idaho Code, to forego the Idaho carryback for a net operating loss (NOL). If you check this box, you don't need to attach a separate statement electing to forego the Idaho carryback period.

LINE 30 ADJUSTED GROSS INCOME

Column A: This must be the same amount of Adjusted Gross Income as reported on your federal return: Line 37, Form 1040; Line 21, Form 1040A; or Line 4, Form 1040EZ.

Column B: This is Idaho Adjusted Gross Income. Enter the amount from line 29.

TAX COMPUTATION

LINE 35a AGE 65 OR OLDER

If you are 65 or older, check the box for "Yourself." If you are filing a joint return and your spouse is 65 or older, check the box for "Spouse." Age is determined as of December 31. However, if your 65th birthday was on January 1, 2007, you may consider yourself 65 on December 31, 2006. The boxes you check must match your federal return.

LINE 35b BLIND

The box for "Yourself" must be checked if the taxpayer is blind. If you are filing a joint return and your spouse is blind, check the box for "Spouse." Blindness is determined as of December 31. The boxes you check must match your federal return.

LINE 35c CLAIMED DEPENDENT

If your parents or someone else can claim you as a dependent on their tax return, check this box.

LINES 36-39 ITEMIZED OR STANDARD DEDUCTIONS

Most people can find their standard deduction by looking at the instructions to the left of line 39, Form 43. However, if you check the box on line 35a or 35b, use the chart to find your standard deduction. If you check the box on line 35c, use the worksheet to figure your standard deduction. You may use either your federal itemized deductions or standard deduction, whichever benefits you more. (For exceptions, see YOU MUST ITEMIZE.)

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STANDARD DEDUCTION WORKSHEET FOR CLAIMED DEPENDENTS

If you or your spouse are nonresident aliens for federal purposes and aren't from India, your standard deduction is zero. If you are nonresident aliens from India use the standard deduction indicated for your filing status.

Your itemized deductions are the same as those used on your federal Form 1040. Idaho requires that all state or local income or general sales taxes shown on federal Schedule A be subtracted from your total itemized amount before you use this figure to reduce your income. Because of this addback, it may be more beneficial to itemize for federal purposes, but use the standard deduction for Idaho.

If an itemized deduction allowable for federal income tax purposes is reduced for the mortgage interest credit or the foreign tax credit, the amount that would have been allowed if the federal credit hadn't been claimed is allowed as an itemized deduction.

If line 38 is more than line 39, you should use your itemized deductions on line 38. If line 39 is more than line 38, you should use your standard deduction on line 39.

YOU MUST ITEMIZE if you are married, filing a separate return (filing status 3) and your spouse itemizes. You must itemize if you were a nonresident alien for any part of 2006. However, you don't have to itemize if you file a joint return with your spouse who was a U.S. citizen or resident at the end of 2006 and you and your spouse agree to be taxed on your combined worldwide income.

CLAIMED DEPENDENTS. If someone else can claim you as a dependent and you are claiming the standard deduction, complete the following worksheet.

1a. Enter your federal earned income. Earned income includes wages, salaries, tips, other employee compensation, net earnings from self-employment, strike benefits and any disability pay you report as wages. If none, enter -0- _____

b. Add 300

c. Add lines 1a and 1b. Enter total here. _____

2. Minimum amount 850

3. Compare the amounts on lines 1c and 2. Enter the larger of the two amounts here. _____

4. Enter on line 4 the amount shown below for your filing status:

- Single, enter \$5,150.
- Married filing a separate return, enter \$5,150.
- Married filing a joint return, enter \$10,300.
- Qualifying widow(er) with dependent child, enter \$10,300.
- Head of household, enter \$7,550. _____

5. Standard deduction:

a. Compare the amounts on 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 line 39. _____

b. If 65 or older or blind, multiply \$1,250 (\$1,000 if married filing a joint or separate return, or qualifying widow(er) with dependent child) by the number of boxes checked on lines 35a and b. _____

c. Add lines 5a and 5b. Enter the total here and on line 39. _____

STANDARD DEDUCTION CHART FOR PEOPLE AGE 65 OR OLDER OR BLIND

If someone can claim you (or your spouse if married filing jointly) as a dependent, use the worksheet for dependents.

If your filing status is . . .	and the number of boxes checked on line 35a & b is . . .	then your standard deduction is . . .
Single	1	\$ 6,400
	2	7,650
Married Filing Jointly	1	\$11,300
	2	12,300
	3	13,300
	4	14,300
Married Filing Separately	1	\$ 6,150
	2	7,150
	3	8,150
	4	9,150
Head of Household	1	\$ 8,800
	2	10,050
Qualifying Widow(er)	1	\$11,300
	2	12,300

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FEDERAL LIMITATIONS ON ITEMIZED DEDUCTIONS. Some of your itemized deductions may be phased out if your federal adjusted gross income is more than \$150,500 (\$75,250 if you are married filing separately). Since this figure is the same as the limit on your federal itemized deductions, use the amount reported on your federal return.

Since state income or general sales taxes are affected by the limitation, your state income or general sales tax addback (line 37) must be reduced if your itemized deductions are limited. Adjust your state income or general sales tax addback as follows:

1. Itemized deductions after federal limitation (federal Schedule A, line 28)
2. Itemized deductions prior to federal limitation (federal Schedule A, lines 4, 9, 14, 18, 19, 26, and 27)
3. Divide line 1 by line 2. Round to the nearest whole percent. (Can't exceed 100%)..... %
4. State and local income or general sales taxes reported on federal Schedule A
5. Multiply line 4 by line 3. Enter this amount on line 37

LINE 40 EXEMPTIONS

Multiply \$3,300 by the total number of exemptions entered on line 6d. If Column A, line 30 is more than the amount shown below for your filing status, use the amount allowed on your federal Form 1040, line 42.

- \$112,875 Married filing separate return
- \$225,750 Married filing joint return or qualifying widow(er)
- \$150,500 Single
- \$188,150 Head of household

If you qualify for federal purposes for the additional exemption of \$500 (maximum of \$2,000) for each Hurricane Katrina displaced individual residing in your home, include this amount on line 40.

Your Idaho exemption amount should be the same as your federal exemption amount.

LINE 42 IDAHO PERCENTAGE

Divide the amount from line 34, Column B, by the amount from line 34, Column A. Enter the percentage here. You must round to the nearest whole percent. Example: If line 34, Column A, is \$15,000 and line 34, Column B, is \$10,000, you would enter 67% on line 42. The total percentage can't exceed 100%, or be less than zero percent.

LINE 45 TAX

Enter the tax on this line. If line 44 is less than \$100,000, use the tax tables on page 34. If line 44 is \$100,000 or more, use the schedules on page 45. Be sure you use the correct column in the tax table or the correct schedule for your filing status. See the example at the beginning of the tax tables.

If you don't meet the filing requirement (see page 2) and are filing only to receive a refund of withheld taxes, write "NRF" (Not Required to File) on this line.

CREDITS

LINE 46 INCOME TAX PAID TO OTHER STATES

Nonresidents don't qualify for this credit.

Part-year resident: When the same income is taxed by both Idaho and another state while you are an Idaho resident, you may be entitled to a credit for tax paid to the other state. Use Form 39NR, Part C, to compute the credit. You must attach a copy of the other state's income tax return and Form 39NR. If the credit applies to more than one state, use a separate Form 39NR for each state.

Idaho resident on active military duty: Use Part D of Form 39NR to compute the credit.

LINE 47 CREDIT FOR CONTRIBUTIONS TO IDAHO EDUCATIONAL ENTITIES

If you donated cash or goods to qualified educational entities, you may claim a tax credit. If you claimed or earned the credit for qualifying new employees, report the amount computed on line 6, Part III, Form 55. Otherwise the credit is limited to the smallest of:

- one-half of the amount donated,
- 20% of the tax on line 45,
- \$100 (\$200 on a joint return),
- the tax on line 45 less the amount on line 46.

A qualified educational entity includes:

- a nonprofit corporation, fund, foundation, research park, trust, or association organized and operated exclusively for the benefit of Idaho colleges and universities
- a nonprofit, private or public Idaho school (elementary, secondary or higher education) or its foundation
- Idaho education public broadcast system foundations
- the Idaho State Historical Society or its foundation
- an Idaho public library or its foundation
- an Idaho library district or its foundation
- an Idaho public or private nonprofit museum
- the Idaho State Library

LINE 48 CREDIT FOR CONTRIBUTIONS TO IDAHO YOUTH AND REHABILITATION FACILITIES

If you donated cash or goods to a qualified center for independent living, to a youth or rehabilitation facility or its foundation, or to a nonprofit substance abuse center licensed by the Idaho Department of Health and Welfare, you may claim a tax credit. If you claimed or earned the credit for qualifying new employees, report the amount computed on line 13, Part III, Form 55. Otherwise the credit is limited to the smallest of:

- one-half of the amount donated,
- 20% of the tax on line 45,
- \$100 (\$200 on a joint return),
- the tax on line 45 less the amounts on lines 46, and 47.

The qualified youth or rehabilitation facilities and their foundations are:

- Anchor House, Coeur d'Alene
- The Arc, Inc., Boise
- The Children's Home Society of Idaho, Inc., Boise
- Children's Village, Inc., Coeur d'Alene
- Dawn Enterprises, Inc., Blackfoot
- Development Workshop, Inc., Idaho Falls
- Gem Youth Services, Inc., Emmett
- High Reachers, Inc., Mountain Home
- Hope House, Inc., Nampa
- Idaho Drug Free Youth, Inc., Coeur d'Alene
- Idaho Elks Rehabilitation Hospital, Inc., Boise
- Idaho Youth Ranch
- Kinderhaven, Sandpoint
- Learning Lab, Inc., Boise
- Magic Valley Rehabilitation Services, Inc., Twin Falls
- New Day Products, Inc., Pocatello
- Northwest (North Idaho) Children's Home, Inc.
- Opportunities Unlimited, Inc., Lewiston
- P.A.T.C.H., Planned Assistance for Troubled Children
- Panhandle Special Needs, Inc., Sandpoint
- Project Safe Place
- Shepherd's Home, Inc., McCall
- Transitional Employment Services for the Handicapped, Coeur d'Alene
- Walker Center, Gooding
- Western Idaho Training Co., Inc., Caldwell
- Women's and Children's Alliance

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- Winchester Occupational Workshop, Winchester

The following are qualified centers for independent living:

- Disability Action Center Northwest, Moscow and Coeur d'Alene
- Living Independence Network Corporation, Boise and Twin Falls
- Living Independently For Everyone, Inc., Blackfoot, Idaho Falls and Pocatello

LINE 49 TOTAL BUSINESS INCOME TAX CREDITS

Enter the total allowed business income tax credits from Form 44, Part I, line 14. See page 31 for specific instructions. Attach Form 44.

OTHER TAXES

LINE 51 FUELS TAX DUE

If you buy gasoline, aircraft fuel, or special fuels (diesel, propane, natural gas) without paying the fuels tax and later use this fuel in licensed vehicles or aircraft, fuels tax is due. Add the amounts on lines 3 and 4, Section IV, Form 75, and enter the total. Attach Form 75.

LINE 52 SALES/USE TAX DUE

If you made purchases during the year without paying sales tax, you must report use tax due on such purchases. Examples include magazine subscriptions, out-of-state catalog purchases, merchandise purchased over the Internet, book and record clubs, purchases in a state where no sales tax is charged, etc. For purchases before October 1, 2006, multiply the total amount of such purchases by 5% (.05). For purchases after September 30, 2006, multiply the total amount of such purchases by 6% (.06). If you computed use tax on Form 75, add it to the use tax on other purchases and enter the total on line 52.

If you have a sales or use tax account, don't report your sales or use tax on this line, but continue to report the tax on these purchases on your sales and use tax returns.

LINE 53 TOTAL TAX FROM RECAPTURE OF INCOME TAX CREDITS

If you have claimed Idaho tax credits that cease to qualify, you must compute the tax credit recapture. Enter the total tax from recapture of income tax credits from Form 44, Part II, line 10. See page 31 for specific instructions. Attach Form 44.

LINE 54 TAX FROM RECAPTURE OF QUALIFIED INVESTMENT EXEMPTION (QIE)

If you have claimed Idaho exemption of property taxes from property that ceases to qualify, you must compute the recapture of the qualified investment exemption. Attach Form 49ER.

LINE 55 PERMANENT BUILDING FUND

You are required to pay the \$10 permanent building fund tax if your Idaho gross income equals or exceeds the filing requirements on page 2.

You aren't required to pay the \$10 permanent building fund tax if:

- your Idaho gross income was less than the amount specified for your filing status. Draw a line through the \$10 and enter "NRF" (Not Required to File).
- you were receiving Idaho public assistance payments at the end of the tax year. Check the box on this line and draw a line through the \$10. Food stamps and WIC payments don't qualify as Idaho public assistance.
- you or your spouse were legally blind at the end of the tax year. Draw a line through the \$10.

DONATIONS

The donations on lines 57 through 60 are voluntary and will either reduce your refund or increase the tax due. Your choice to donate is irrevocable; you can't get a refund later. These donations may be itemized as charitable contribution deductions

on your 2007 income tax return. If you have questions regarding your donation(s), you may contact the agencies listed.

If you are filing an amended return, your donations can't be less than the amounts on the original return.

LINE 57 NONGAME WILDLIFE CONSERVATION FUND

Contributions are used to ensure the conservation of nongame wildlife and their habitat in Idaho, to promote greater appreciation of wildlife, and to increase opportunities to view and enjoy "watchable" wildlife. Donations are used for a variety of projects including research on rare animals in an effort to better manage them so they don't become threatened or endangered, construction of nest boxes and platforms to provide more homes for wildlife, educational programs and community projects, development of wildlife viewing sites throughout the state, informational brochures, and a nongame wildlife leaflet series available to the public and used by teachers. Contact the Department of Fish and Game at (208) 334-2920.

LINE 58 CHILDREN'S TRUST FUND/CHILD ABUSE PREVENTION

Contributions are used to protect our children, Idaho's most valuable resource. The trust fund board, appointed by the governor and representing every region of our state, reviews applications annually and awards grants to grassroots, community-based child abuse prevention programs. Funded programs include parent education, voluntary home visitation for first-time parents, public awareness of the devastating consequences of child abuse, and child abuse prevention and child safety education in schools. Contact the Children's Trust Fund/Child Abuse Prevention at (208) 386-9317.

LINE 59 IDAHO GUARD AND RESERVE FAMILY SUPPORT FUND

Contributions are used to assist Reservists and their families. The Idaho Guard and Reserve Family Support Fund (IGRFSF) helps members of the Idaho Air National Guard, the Idaho Army National Guard, the Air Force Reserve, the Army Reserve, the Navy & Marine Corps Reserve, and the Coast Guard Reserve, along with their families, when duty calls. The Fund acts as an emergency relief fund and operates as a 501(c)(3) nonprofit corporation. Contact the Idaho Guard and Reserve Family Support Fund, Inc., at (208) 422-5799.

LINE 60 AMERICAN RED CROSS OF IDAHO FUND

Contributions provide food, shelter, clothing, and other help for disaster victims. Also, funds supply items such as bedding and cots in areas around the state to prepare for large scale emergencies. Donations also support the Armed Forces Emergency Services communications program, helping active duty military and their loved ones in Idaho communicate during family emergencies.

Enter \$10 (\$20 if married filing jointly) on line 60 if you wish to donate to the American Red Cross of Idaho Fund. Contact the American Red Cross of Greater Idaho at (800) 853-2570.

PAYMENTS AND OTHER CREDITS

LINE 62 GROCERY CREDIT

Nonresidents don't qualify for this credit.

If your parents or someone else can claim you as a dependent on their tax return, you can't claim this credit on your return.

Part-year residents and Idaho residents on full-time active military duty who meet the filing requirements (see page 2) must use the worksheet to compute the grocery credit.

If you don't meet the filing requirements (see page 2) and are filing only to receive a refund of amounts withheld, write "NRF" (Not Required to File) on this line. You aren't entitled to the grocery credit.

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GROCERY CREDIT WORKSHEET

Part-year Residents

Yourself:

1. Number of months in Idaho _____
2. If 65 or older, multiply line 1 by \$2.92 _____
If under 65, multiply line 1 by \$1.67 _____

Spouse (if joint return):

3. Number of months in Idaho _____
4. If 65 or older, multiply line 3 by \$2.92 _____
If under 65, multiply line 3 by \$1.67 _____

Resident dependents claimed on line 6c:

5. For each dependent, compute:

Number of months in Idaho	_____ X \$1.67	_____
Number of months in Idaho	_____ X \$1.67	_____
Number of months in Idaho	_____ X \$1.67	_____
Number of months in Idaho	_____ X \$1.67	_____

(If you have more than four dependents, use additional paper to compute.)

Total credit allowed:

6. Add amounts on lines 2, 4 and 5. _____
7. Enter tax. Line 45 less line 46. _____
8. Enter the smaller of line 6 or line 7 here and on line 62. _____

The grocery credit allowed for part-year residents can't exceed the amount on line 45 less line 46. Grocery credit isn't refunded to part-year residents.

Idaho Residents on Active Military Duty

1. \$20 times the number of Idaho residents claimed on line 6d _____
2. Additional grocery credit if you or your spouse are 65 or older: \$15 times the number of checked boxes on line 35a _____
3. Total of lines 1 and 2. Enter on line 62. _____

LINE 63 MAINTAINING A HOME FOR A FAMILY MEMBER AGE 65 OR OLDER OR A FAMILY MEMBER WITH A DEVELOPMENTAL DISABILITY

Part-year residents and nonresidents don't qualify for this credit.

If either you or your spouse were a full-year resident or an Idaho resident on active military duty outside Idaho and you maintained a household for an immediate family member(s) age 65 or older or with a developmental disability, and you didn't include a deduction of \$1,000 per person on line 11, Part B, Form 39NR, you may claim a tax credit of \$100 per person (up to \$300).

Complete Form 39NR, Part E and attach it to your return. If the home was maintained for the family member for less than a full year, the tax credit is allowed at the rate of \$8.33 per month per person. You may claim this credit even if your gross income is less than the filing requirement.

LINE 64 FUELS TAX REFUND

If you buy special fuels (diesel, propane, natural gas) with Idaho tax included and use this fuel for heating or in off-highway equipment, you may be entitled to a refund of the Idaho special fuels tax you paid. Enter the amount from line 2, Section IV, Form 75. Attach Form 75. Heating fuel is generally purchased without paying the tax.

If you buy gasoline and use it in unlicensed equipment or auxiliary engines, you may be entitled to a refund of the Idaho gasoline tax you paid. Enter the amount from line 1, Section IV, Form 75. Attach Form 75.

LINE 65 IDAHO INCOME TAX WITHHELD

Enter the total amount of Idaho income tax withheld as shown on your withholding statements. Attach legible state copies of your

Form(s) W-2, 1099, and other information forms that show Idaho withholding.

DON'T claim credit for tax withheld for other states or federal tax withheld. DON'T include Form(s) W-2 from other tax years or write on or change the amounts on your Form(s) W-2.

LINE 66 FORM 51 PAYMENT(S)

Enter the total payments you made with Form(s) 51. Include the amount of overpayment applied from your 2005 return.

TAX DUE OR REFUND

LINE 69 PENALTY AND INTEREST

Penalty: If you file a return after the due date or fail to pay the required amount by the due date, a penalty may be due. To avoid paying any penalty, you must:

- Pay by the original due date at least 80% of the tax due on the return or 100% of the total tax reported last year, and
- File the return by the extended due date and pay the tax due by the earlier of the date the return is filed or the extended due date.

If you pay at least 80% of the tax due on the return or 100% of the total tax reported last year by the original due date, but fail to file the return by the extended due date or pay the remaining tax by the earlier of the date the return is filed or the extended due date, the following penalties will apply:

- If the return is filed on or before the extended due date, a 0.5% per month late payment penalty will be computed on tax due from the date the return is filed to the date of payment, or
- If the return is filed after the extended due date, a 5% per month late filing penalty will be computed on tax due from the extended due date to the earlier of the date the return is filed or the date the tax is paid, plus a 0.5% per month late payment penalty will be computed on tax due from the date the return is filed to the date the tax is paid, if the tax is paid after the return is filed.

If you don't pay at least 80% of the tax due on the return or 100% of the total tax reported last year by the original due date the following penalties will apply unless the payment required to satisfy the extension criteria is \$50 or less:

- If the return is filed by the original due date, a 0.5% per month late payment penalty will be computed on tax due from the date the return is filed to the date of payment.
- If the return is filed on or before the extended due date, a 2% per month extension penalty will be computed on tax due from the original due date to the earlier of the date the tax is paid or date return is filed, plus a 0.5% per month late payment penalty will be computed on tax due from the date the return is filed to the date the tax is paid, if the tax is paid after the return is filed.
- If the return is filed after the extended due date but the tax is paid on or before the extended due date, a 2% per month extension penalty will be computed on tax due from the original due date to the date the tax is paid.
- If the return is filed and the tax is paid after the extended due date, the maximum 25% penalty will apply.

The minimum penalty is \$10. The maximum penalty is 25% of tax due.

Idaho Medical Savings Account: If you make an Idaho medical savings account withdrawal which is subject to tax and you are under age 59 1/2, the withdrawal is subject to penalty. The penalty is 10% of the amount withdrawn. Check the box and enter the amount here.

Interest: Interest is charged on the amount of tax due, line 68, from the original due date until paid. The rate for 2007 is 7%.

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LINE 70 TOTAL DUE

Enter the amount of tax you owe. If your payment includes amounts for penalty and interest, include those amounts in the figure you enter on this line.

Don't send cash. Payments of less than \$1 aren't required. A \$20 charge will be imposed on all returned checks.

Make your check, cashier's check, or money order payable to the Idaho State Tax Commission. Be sure to write your Social Security number on it and attach it to your return.

The Idaho State Tax Commission accepts Discover, Mastercard, and Visa credit and debit cards for payment of taxes.

To pay by **credit card**, complete and attach Form CCV, Credit Card Payment Voucher; visit our Web site at tax.idaho.gov and click on "Electronic Payments"; or call (800) 972-7660. You may also make credit card payments in person at any Tax Commission office.

Only MasterCard and Visa credit cards are accepted when paying by telephone.

To pay by **debit card**, visit our Web site at tax.idaho.gov and click on "Electronic Payments." Form CCV can't be used to make a debit card payment.

LINE 72 REFUND

Enter the amount of your overpayment shown on line 71 that you want refunded to you. Refunds of less than \$1 won't be issued. No refund will be issued unless a return claiming overpayment of tax is filed within three years after the due date for filing. Refunds will be reduced by unpaid Idaho tax liabilities and may be seized for unpaid liabilities owed to other state agencies.

LINE 73 ESTIMATED TAX

If you are filing an original return, subtract line 72 from line 71. The amount you enter will be applied to your 2007 tax and won't be refunded.

LINE 74 DIRECT DEPOSIT

Complete line 74 if you want us to deposit your refund directly into your bank account instead of mailing you a check.

Contact your bank to make sure your deposit will be accepted and that you have the correct routing and account numbers.

Enter your nine-digit routing number. The routing number must begin with 01 through 12, or 21 through 32.

Enter the account number of the account into which you want your refund deposited. The account number can be up to 17 characters (both numbers and letters). Don't include hyphens, spaces, or special symbols. Enter the number left to right and leave any unused boxes blank.

Check the appropriate box for account type. Check **either** checking or savings, but not both.

The check example indicates where the proper banking information is located. You are responsible for the accuracy of this information.

A check from Paul Maple, Lilian Maple, 123 Main Street, Anyplace, ID 10000, dated 19____, for \$____. The check is payable to the order of ANYPLACE BANK, Anyplace, ID 10000. The routing number is 12502500251 and the account number is 202020 1186 1234. Arrows point from the labels 'ROUTING NUMBER' and 'ACCOUNT NUMBER' to the respective numbers on the check.

ROUTING NUMBER

ACCOUNT NUMBER

If for any reason your financial institution rejects your request for direct deposit, you will receive a check by mail instead.

AMENDED RETURN ONLY

Complete lines 75 through 78 only if you are filing this return as an amended return.

LINE 75 TOTAL TAX DUE OR OVERPAYMENT ON THIS RETURN

If the total tax due shown on line 70 is greater than zero, enter this amount on line 75. The amount from line 70 should be entered as a positive amount.

If line 70 is zero, enter the amount of overpayment that is shown on line 71 on line 75. The amount from line 71 should be entered as a negative amount.

FORM 39R

Complete Form 39R if you are filing a Form 40. If you are filing a Form 43, complete 39NR.

PART A. ADDITIONS

LINE 1 FEDERAL NET OPERATING LOSS CARRYOVER

Generally the allowable federal net operating loss carryover isn't the same amount allowed on the Idaho return. Therefore, you must enter on line 1 any net operating loss carryover included on your federal return. The allowable Idaho net operating loss carryover will then be claimed as a subtraction on line 1, Part B.

LINE 2 CAPITAL LOSS CARRYOVER

Enter on line 2 any capital loss claimed on your federal return (Schedule D) incurred before you became a resident of Idaho, or capital losses from activities that weren't taxable by Idaho.

LINE 3 NON-IDAHO STATE AND LOCAL BOND INTEREST AND DIVIDENDS

Enter the amount of interest and dividends you received from municipal bonds of other state governments, including their counties or cities, or from obligations of any foreign country.

This income isn't reported on your federal return.

LINE 4 IDAHO COLLEGE SAVINGS ACCOUNT WITHDRAWAL

If you make a nonqualified withdrawal from an Idaho college savings account, enter the amount withdrawn less any amounts reported on your federal Form 1040.

LINE 5 BONUS DEPRECIATION

If you are depreciating property for which you claimed the bonus depreciation in the current year or a previous year for federal purposes:

- Complete a separate federal Form 4562 or detailed computation for Idaho depreciation purposes as if the special depreciation allowance hadn't been claimed.
- Compute the Idaho adjusted basis and any gains or losses from the sale or exchange of the property using the Idaho depreciation amounts.

FORM 39R

- Enter the differences between the Idaho and federal depreciation amounts and gains and losses from sales or exchanges of the property on the applicable new bonus depreciation addition, line 5 or subtraction, line 21.

If the federal depreciation (including gains and losses) is more than the Idaho depreciation (including Idaho gains and losses), include the difference as an addition on line 5.

LINE 6 OTHER ADDITIONS

RETIREMENT PLAN LUMP-SUM DISTRIBUTIONS

Enter the taxable amount of a lump-sum distribution from a retirement plan reported on federal Form 4972. The amount subject to Idaho tax includes the ordinary income portion and the amount eligible for the federal capital gain election.

PARTNER AND SHAREHOLDER ADDITIONS

Partners and shareholders must include their share of the Idaho additions to partnership and S corporation income not included on the federal Schedule K-1. This information is available from the preparer of the partnership or S corporation return.

For example: Interest income from other state governments not taxable for federal purposes isn't included on a federal Schedule K-1. The partner or shareholder must report that interest income here.

IDAHO MEDICAL SAVINGS ACCOUNT WITHDRAWALS

If you withdraw funds from an Idaho medical savings account and don't use the funds to pay eligible medical expenses, the withdrawal is subject to Idaho tax. Report this amount as an other addition. Eligible medical expenses include medical, vision and dental care, medical insurance premiums, and long-term care expenses.

If you make a withdrawal that is subject to tax and you are under age 59 1/2, the withdrawal is subject to penalty. The penalty is 10% of the amount withdrawn. Report the penalty on line 49, Form 40, and check the box for an ineligible withdrawal.

PART B. SUBTRACTIONS

LINE 1 IDAHO NET OPERATING LOSS CARRYOVER AND CARRYBACK

Enter the Idaho net operating loss carryover. Attach Form 56C or a schedule showing the application of the loss.

If this is an amended return to claim a net operating loss (NOL) carryback, enter the amount of the NOL carryback. Attach Form 56C or a schedule showing the application of the loss.

Enter the total of the NOL carryover and carryback amounts.

LINE 2 STATE INCOME TAX REFUND

Enter the amount of all state income tax refunds included in income on line 10 of federal Form 1040. If you are filing federal Form 1040A or 1040EZ, enter zero.

LINE 3 INTEREST FROM U.S. GOVERNMENT OBLIGATIONS

Interest income you received from obligations of the U.S. Government isn't subject to the Idaho tax. Deduct any U.S. Government interest included in federal adjusted gross income, line 9, Form 40. Examples of obligations of the U.S. Government include:

- Banks for Cooperatives
- Federal Farm Credit Banks
- Federal Financing Bank
- Federal Homeowners Loan Bank
- Federal Intermediate Credit Bank
- Federal Land Bank
- Guam
- Puerto Rico
- Student Loan Marketing Association
- Tennessee Valley Authority Bonds
- Territory of Alaska

- Territory of Hawaii
- Territory of Samoa
- U.S. Series EE and HH Bonds
- U.S. Treasury Bills and Notes
- Virgin Islands

Interest income received from the Federal National Mortgage Association (FNMA) and the Government National Mortgage Association (GNMA) isn't paid by the U.S. Government and is subject to Idaho income tax.

If you have interest income from a mutual fund that invests in both nonexempt securities and exempt U.S. government securities, you may deduct the portion of the interest that is attributable to direct U.S. government obligations. This amount must be identified by the mutual fund to be deductible.

LINE 4 INSULATION OF AN IDAHO RESIDENCE

To qualify for this deduction, your Idaho home must have existed, been under construction, or had a building permit issued on or before January 1, 1976. The insulation must be in addition to any existing insulation and can't be a replacement.

Insulation means any material commonly used in the building industry and installed to retard the passage of heat into or out of a building, such as fiberglass, rock wool, weather stripping, double-pane windows, storm doors and storm windows.

Insulated siding doesn't qualify unless the cost of the siding and the insulating material is separately stated, in which case the cost of the insulating material alone qualifies. The amount charged for labor to install the insulation is also deductible.

LINE 5 ALTERNATIVE ENERGY DEVICE DEDUCTION

If you install an alternative energy device in your Idaho residence, you may deduct a portion of the amount actually paid or accrued (billed but not paid). Qualifying devices include:

- a system using solar radiation, wind or geothermal resource primarily to provide heating or cooling, or produce electrical power, or any combination thereof
- a fluid-to-air heat pump operating on a fluid reservoir heated by solar radiation or geothermal resource but not an air-to-air heat pump unless it uses geothermal resources as part of the system
- a natural gas or propane heating unit that replaces a noncertified wood stove
- an Environmental Protection Agency (EPA) certified wood stove or pellet stove meeting the most current industry and state standards that replaces a noncertified wood stove

A noncertified wood stove is a wood stove that doesn't meet the most current EPA standards. The noncertified wood stove must be taken to a site authorized by the Division of Environmental Quality (DEQ) within 30 days from the date of purchase of the qualifying device.

The natural gas or propane heating unit, the EPA-certified wood stove, or pellet stove must be installed the same tax year that the nonqualifying wood stove is turned in to the DEQ.

In the year the device is placed in service, you can deduct 40% of the cost to construct, reconstruct, remodel, install or acquire the device, but not more than \$5,000.

In the next three years after installation, you can deduct 20% of these costs per year, but not more than \$5,000 in any year.

Lines a - d Complete the line(s) that apply to the year you acquired the device(s). For example, if your device was acquired in 2003, complete line d. Enter the type of device and total cost. Multiply the total cost by the appropriate percentage.

Line 5e Total your deduction on line 5e.

FORM 39R

LINE 6 CHILD AND DEPENDENT CARE

If you were able to claim the federal Credit for Child and Dependent Care Expenses, you are allowed an Idaho deduction for the child care expenses you paid for the care of your dependents. The Idaho deduction is a different amount than the federal credit.

Complete this worksheet to determine your Idaho child or dependent care deduction. Refer to federal Form 2441 or Form 1040A, Schedule 2, to determine amounts to enter on lines 1 through 6.

1. Enter the amount of qualified expenses you incurred and paid in 2006. Don't include amounts paid by your employer or excluded from taxable income.
2. Enter \$3,000 for one child or dependent, \$6,000 for more than one child or dependent, cared for during the year.
3. Enter excluded benefits from Part III of Form 2441, or Form 1040A, Schedule 2
4. Subtract line 3 from line 2. If zero or less, stop. You can't claim the deduction.
5. Enter your earned income.
6. If married filing a joint return, enter your spouse's earned income. All others enter the amount from line 5.
7. Enter the smallest of line 1, 4, 5, or 6 here and on line 6, Form 39R, Part B.

Attach federal Form 2441 or Form 1040A, Schedule 2, Child and Dependent Care Expenses, to your return.

LINE 7 SOCIAL SECURITY AND RAILROAD BENEFITS

Idaho doesn't tax Social Security benefits, benefits paid by the Railroad Retirement Board or Canadian Social Security benefits (OAS or CPP) that are taxable on your federal return.

Exempt payments from the Railroad Retirement Board include:

- Retirement, supplemental, and disability annuities.
- Unemployment and sickness benefits.

Enter the taxable amount of Social Security benefits shown on your federal Form 1040, line 20b, or Form 1040A, line 14b. Don't enter the amount reported on line 20a, Form 1040, or line 14a, Form 1040A.

Enter the taxable amount of railroad benefits shown on your federal Form 1040, line 16b, or Form 1040A, line 12b. Don't enter the amount reported on line 16a, Form 1040, or line 12a, Form 1040A.

If subtracting benefits from the Railroad Retirement Board, attach Form RRB-1099 or RRB-1099-R.

Disability pension paid by the Federal Railroad Retirement Act may be included on line 7 of Form 1040 as wages, if you are under the minimum retirement age.

LINE 8 RETIREMENT BENEFITS DEDUCTION

If you are age 65 or older, or if you are disabled and age 62 or older, you may be able to deduct some of the retirement benefits and annuities you receive. You can't claim this deduction if you file married filing separate.

Only the following are qualified retirement benefits:

- **Civil Service Employees:** Retirement annuities paid by the United States to a retired civil service employee or the unmarried widow of the employee if the recipient is age 65 or older, or disabled and age 62 or older.
- **Idaho Firemen:** Retirement benefits paid from the firemen's retirement fund of the state of Idaho to a retired fireman or the unmarried widow of a retired fireman if the recipient is age 65 or older, or disabled and age 62 or older.

- **Policemen of an Idaho city:** Retirement benefits paid from the policeman's retirement fund of a city within Idaho to a retired policeman or the unmarried widow of a retired policeman if the recipient is age 65 or older, or disabled and age 62 or older.
- **Servicemen:** Retirement benefits paid by the United States to a retired member of the U.S. military or the unmarried widow of such member if the recipient is age 65 or older, or disabled and age 62 or older.

The amount deducted must be reduced by retirement benefits paid under the Federal Social Security Act and the Federal Railroad Retirement Act received by you and your spouse.

Disability pension paid by the Federal Railroad Retirement Act may not be included in Box 5 of your Form RRB-1099, if you are under the minimum retirement age. Instead it may be included on line 7 of Form 1040 as wages.

The maximum amounts that may be deducted for 2006 are:

Married filing jointly:

- age 65 or older \$36,954
- age 62 or older and disabled \$36,954

Single:

- age 65 or older \$24,636
- age 62 or older and disabled \$24,636

Complete Part C and attach Form(s) 1099 for all qualified retirement benefits claimed.

LINE 9 TECHNOLOGICAL EQUIPMENT DONATION

Enter the fair market value of technological equipment donated to a public elementary or secondary school, public or private college or university, public library, or library district located in Idaho. Items that qualify for this deduction are limited to computers, computer software, and scientific equipment or apparatus manufactured within five years of the date of donation. The amount deducted can't reduce Idaho taxable income to less than zero. Any unused deduction can't be carried to another year.

LINE 10 IDAHO CAPITAL GAINS DEDUCTION

If you had capital gain net income from the sale of qualified Idaho property described below, you may be able to deduct 60% of the capital gain net income reported on federal Schedule D.

- (a) Real property held for at least 12 months, or
- (b) Tangible personal property used in a revenue-producing enterprise and held for at least 12 months. A revenue-producing enterprise means:
 - 1) Producing, assembling, fabricating, manufacturing or processing any agricultural, mineral or manufactured product;
 - 2) Storing, warehousing, distributing or selling at wholesale any products of agriculture, mining or manufacturing;
 - 3) Feeding livestock at a feedlot;
 - 4) Operating laboratories or other facilities for scientific, agricultural, animal husbandry or industrial research, development or testing.
- (c) Cattle and horses held for at least 24 months, and other livestock used for breeding held for at least 12 months, if the owner received more than one-half of his gross income from farming or ranching in Idaho, or
- (d) Timber held for at least 24 months.

NOTE: Gains from the sale of stocks and other intangibles don't qualify.

Complete Idaho Form CG to compute your capital gains deduction.

LINE 11 MILITARY PAY EARNED OUTSIDE OF IDAHO

If you are an Idaho resident on active military duty outside of

FORM 39R

Idaho, your active duty military wages aren't subject to Idaho tax. Enter the amount of such wages on line 11.

National Guard or Reserve pay, including annual training pay, generally doesn't qualify. However, if you were on active duty for a continuous 120 days or more, you may deduct the military pay earned outside of Idaho. The continuous 120 days don't have to be in the same tax year. Your wage and tax statement (W-2) doesn't show this amount separately and you may have to compute the amount of income earned outside of Idaho. You should see your unit of assignment or use your orders in making this computation. Attach a copy of your worksheet.

LINE 12 ADOPTION EXPENSES

If you adopt a child, you may deduct the expenses incurred in the adoption. You may claim legal and medical expenses incurred up to a maximum of \$3,000 per adoption. Travel expenses don't qualify. If the expenses are incurred in two or more years, deduct the costs in the year paid until the \$3,000 limit has been met. The expenses related to an unsuccessful attempt to adopt aren't deductible. If expenses were claimed in a year prior to such a determination, file an amended return to add back any deduction claimed for the unsuccessful attempt.

LINE 13 IDAHO MEDICAL SAVINGS ACCOUNT CONTRIBUTIONS AND INTEREST

You may contribute up to \$2,000 (\$4,000 if married filing a joint return) to an Idaho medical savings account and deduct the contribution. Deductible contributions don't include reimbursements that were redeposited into your Idaho medical savings account. Don't include amounts deducted on line 23, federal Form 1040.

An Idaho medical savings account is generally established with a bank, savings and loan, or credit union. The account is established to pay eligible medical expenses of the account holder and the account holder's dependents.

Interest earned on the account is included on line 13, but only if included on line 9, Form 40. Add your qualifying contributions to the interest earned on the account. Enter the name of the financial institution and your account number in the spaces provided.

LINE 14 IDAHO COLLEGE SAVINGS PROGRAM

You may contribute up to \$4,000 (\$8,000 if married filing a joint return) per year to a qualified Idaho college savings program and deduct the contribution. The account must be established with TIAA-CREF Tuition Financing, Inc. The account owner and beneficiary will be designated at the time the account is established. The account owner will have the right to make withdrawals for payment of higher education expenses for the beneficiary. The person that withdraws the funds must report the withdrawal amounts as income in accordance with Internal Revenue Code Section 529.

Additional information can be obtained at idsaves.org or by calling (866) 433-2533.

LINE 15 MAINTAINING A HOME FOR AGED AND/OR DEVELOPMENTALLY DISABLED

You may deduct \$1,000 for each family member, not including yourself or your spouse, who is age 65 or older and for whom you maintain a household and provide more than one-half of his support for the year.

You may deduct \$1,000 for each family member, including yourself and your spouse, who is developmentally disabled and for whom you maintain a household and provide more than one-half of his support for the year.

No more than three deductions of \$1,000 are allowed. If you claim this deduction, you can't claim the \$100 credit in Part E.

Developmental disability means a chronic disability that:

1. Is attributable to an impairment such as:
 - Mental retardation
 - Cerebral palsy
 - Epilepsy
 - Autism
 - Other condition found to be closely related to, or similar to, one of these impairments; and
2. Results in substantial functional limitation in three or more of the following areas of life activity:
 - Self-care
 - Receptive and expressive language
 - Learning
 - Mobility
 - Self-direction
 - Capacity for independent living
 - Economic self-sufficiency; and
3. Reflects the need for a combination and sequence of special, interdisciplinary or generic care, treatment or other services which are of lifelong or extended duration and individually planned and coordinated.

If the home was maintained for the family member for less than a full year, the deduction is allowed at the rate of \$83.33 for each month the home was maintained.

A family member is any person who meets the relationship test to be claimed as a dependent on income tax returns. Refer to the federal Form 1040 instructions for more information on dependents.

Maintaining a household means paying more than one-half the expenses incurred for the benefit of all the household's occupants. Social Security benefits aren't support provided by you but must be included in the computation of total support provided. Some examples of expenses of maintaining a household include: property taxes, mortgage interest, rent, utility charges, upkeep and repairs, property insurance and food consumed on the premises.

LINE 16 IDAHO LOTTERY WINNINGS

You may deduct Idaho lottery prizes of less than \$600 per prize included in federal adjusted gross income on line 9, Form 40. You can't deduct lottery prizes from other states.

LINE 17 INCOME EARNED ON A RESERVATION BY AN AMERICAN INDIAN

American Indians who are enrolled members of a federally recognized tribe and who live and work on a reservation may deduct all income received from reservation sources if the income is included on line 9, Form 40. Income earned off the reservation can't be deducted, nor can income earned on the reservation if you live off the reservation.

LINE 18 HEALTH INSURANCE PREMIUMS

Deduct premiums you paid for health insurance for yourself, your spouse, and your dependents if those premiums haven't already been deducted or excluded from your income.

If you claimed a deduction for health insurance premiums on your federal Form 1040, Schedule A, use the worksheet to calculate the deduction allowed for health insurance premiums. The worksheet follows the priority that itemized deductions first apply to health insurance premiums, then to long-term care insurance.

IDAHO MEDICAL SAVINGS ACCOUNT

If you take money out of your Idaho medical savings account to pay medical insurance premiums, no deduction is allowed. Since the health insurance costs are already deducted or accounted for, they can't be deducted a second time.

FORM 39R

SALARY REDUCTION PLANS

Premiums paid through a cafeteria plan or other salary-reduction arrangement can't be included in the Idaho deduction for health insurance costs. For example, if your health insurance payments are deducted from your pay check pretax, they don't qualify for the deduction.

BUSINESS DEDUCTIONS

Premiums deducted as a business expense can't be included in the Idaho deduction for health insurance costs since these amounts are already deducted.

SOCIAL SECURITY MEDICARE A AND B

No deduction is allowed for the amount paid for employer-required Social Security Medicare A. This is the amount listed as a deduction on almost every federal Form W-2.

If you voluntarily enroll in Medicare B, or aren't covered under Social Security and voluntarily enroll in Medicare A, the premiums you paid may be deducted.

IDAHO STANDARD DEDUCTION

If you don't itemize deductions for Idaho income tax purposes, but instead use the Idaho standard deduction, you don't have to reduce your health insurance costs by any amount claimed as a federal itemized deduction.

FEDERAL ITEMIZED DEDUCTION LIMITATIONS

For federal purposes, the amount of medical expenses allowed as a deduction on the federal Form 1040, Schedule A, is required to be reduced by 7.5% of adjusted gross income. The following worksheet shows how the limitation of the 7.5% of adjusted gross income required for federal purposes, affects the amount of health insurance costs deductible for Idaho purposes.

If you aren't itemizing deductions for Idaho, skip lines 1-6 and enter zeros on lines 8, 12, and 13.

HEALTH INSURANCE AND LONG-TERM CARE INSURANCE DEDUCTION LIMITATIONS

1. Amount claimed for health insurance costs on federal Form 1040, Schedule A _____
2. Amount claimed for long-term care insurance on federal Form 1040, Schedule A _____
3. Additional medical expenses claimed on federal Form 1040, Schedule A _____
4. Total medical expenses. Add lines 1, 2 and 3. _____
5. Enter 7.5% of federal adjusted gross income. _____
6. Medical expense deduction allowed on the federal Form 1040, Schedule A. (Line 4 less line 5. If less than zero, enter zero.) _____

HEALTH INSURANCE

7. Enter the total paid for health insurance. _____
8. Portion of health insurance deduction allowed on federal Form 1040, Schedule A. Enter the lesser of line 1 or line 6. _____
9. Enter the total health insurance costs deducted elsewhere on the federal return. _____
10. Idaho health insurance deduction allowed. Line 7 less lines 8 and 9. Enter this amount on Form 39R, line 18.

LONG-TERM CARE INSURANCE

11. Enter the total paid for long-term insurance. ... _____
12. Medical expense deduction not allocated to health insurance costs. Line 6 less line 1. If less than zero, enter zero. _____
13. Portion of long-term care insurance deduction allowed on federal Form 1040, Schedule A. Enter the lesser of line 2 or line 12. _____
14. Enter the total long-term care insurance costs deducted elsewhere on the federal return. _____
15. Long term care insurance deduction allowed. Line 11 less lines 13 and 14. Enter this amount on Form 39R, line 19.

LINE 19 LONG-TERM CARE INSURANCE

You may deduct the amount you paid in premiums for qualified long-term care insurance that aren't otherwise deducted or accounted for. If you claimed a deduction for long-term care insurance on your federal Form 1040, Schedule A, calculate the long-term care insurance allowed as a deduction by using the worksheet in the instructions for line 18.

Qualified long-term care insurance includes any insurance policy that provides coverage for at least twelve consecutive months for yourself, your spouse, or your dependents for one or more necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance or personal care services, provided in a setting other than an acute care unit of a hospital. Group and individual annuities and life insurance policies that provide directly or that supplement long-term care insurance qualify. This includes a policy that provides for payment of benefits based upon cognitive impairment or loss of functional capacity.

Qualified long-term care insurance doesn't include any insurance policy that is offered primarily to provide coverage for:

- Basic Medicare supplement,
- Basic hospital expense,
- Basic medical surgical expense,
- Hospital confinement indemnity,
- Major medical expense,
- Disability income or related asset protection,
- Accident only,
- Specified disease or specified accident, or
- Limited benefit health.

Life insurance policies that accelerate death benefits generally don't qualify.

LINE 20 WORKER'S COMPENSATION INSURANCE

A self-employed individual may deduct the actual cost of amounts paid for worker's compensation insurance coverage in Idaho, if the cost isn't deducted elsewhere.

LINE 21 BONUS DEPRECIATION

If you are depreciating property for which you claimed the bonus depreciation in the current year or a previous year for federal purposes:

- Complete a separate federal Form 4562 or detailed computation for Idaho depreciation purposes as if the special depreciation allowance hadn't been claimed.
- Compute the Idaho adjusted basis and any gains or losses from the sale or exchange of the property using the Idaho depreciation amounts.
- Enter the differences between the Idaho and federal depreciation amounts and gains and losses from sales or exchanges of the property on the applicable new bonus depreciation addition, line 5 or subtraction, line 21.

If the federal depreciation (including gains and losses) is less than the Idaho depreciation (including gains and losses), include the difference as a subtraction on line 21.

LINE 22 OTHER SUBTRACTIONS

Identify any other subtraction to which you are entitled and claim the amount on this line. Don't include income earned in another state as a subtraction.

Don't include foreign taxes as a subtraction, since they are claimed as part of the Idaho itemized deduction, if allowable. See the instructions for Itemized or Standard Deductions.

LINE 23 TOTAL SUBTRACTIONS

Total your subtractions and enter the amount on line 12, Form 40.

FORM 39R

PART C. RETIREMENT BENEFITS DEDUCTION

Complete the worksheet and enter the amount from line 6 on line 8, Part B. See page 21 for qualified retirement benefits.

LINE 2 Enter the amount of retirement benefits you (and your spouse) received under the Federal Railroad Retirement Act, Box 5 of your Forms RRB-1099.

Disability pension paid by the Federal Railroad Retirement Act may not be included in Box 5 of your Form RRB-1099, if you are under the minimum retirement age. Instead it may be included on line 7 of Form 1040 as wages.

LINE 3 Enter the amount of retirement benefits you (and your spouse) received under the Federal Social Security Act, Box 5 of your Forms SSA-1099. If you or your spouse received Canadian Social Security benefits that are included in your federal taxable income, include those amounts received.

PART D. CREDIT FOR INCOME TAX PAID TO OTHER STATES

When the same income is taxed by both Idaho and another state, you may be entitled to a credit for tax paid to the other state. Use this section to compute the credit. You must attach a copy of the other state's income tax return and Idaho Form 39R to your income tax return. If your S corporation or partnership paid income tax to another state, attach a copy of your Schedule K-1. If credit applies to more than one state, use a separate Form 39R for each state.

Examples of income that may be taxed by both Idaho and another state include:

- Wages earned in another state that has an income tax, such as Oregon or Utah, while living in Idaho.
- Income from a business or profession earned in another state that has an income tax, while a resident of Idaho.

LINE 1 Enter the tax shown on line 22, Form 40.

LINE 2 Enter the total portion of federal adjusted gross income derived in the other state, modified to reflect Idaho additions and subtractions. In computing the income derived in the other state, you must reverse any adjustments to federal taxable income allowed by the other state that aren't applicable to Idaho. If you reported your income derived in the other state by filing an:

- individual return, enter your adjusted gross income from the other state restated to a basis comparable to Idaho adjusted income. For example, if the other state taxes interest received from U.S. obligations, deduct this amount from the other state's adjusted gross income as Idaho doesn't tax this interest.
- S corporation or partnership composite or group return, enter your pro rata share of the S corporation or partnership income derived in the other state. The corporation's or partnership's

income must be restated to a basis comparable to Idaho adjusted income. For example, if the S corporation or partnership deducted state income taxes in computing its income, add this amount to the S corporation or partnership income and recompute your pro rata share as Idaho doesn't allow this deduction in computing Idaho adjusted income.

LINE 3 Enter your Idaho adjusted income from line 13, Form 40.

LINE 4 Divide line 2 by line 3. Round the percentage to the nearest whole number. For example, 45.49% should be entered as 45%; 45.50% should be entered as 46%. The percentage can't exceed 100%.

LINE 6 Enter the other state's tax due from its tax table or rate schedule less its income tax credits. If your income derived in the other state was reported on a composite or group return filed by an S corporation or partnership, enter your pro rata share of the tax paid by the S corporation or partnership less your pro rata share of the income tax credits. Income tax credits are those credits that relate to income tax. An example of a credit that isn't an income tax credit is a special fuels or gasoline tax credit or refund.

LINE 7 Your allowable credit for tax paid to other states is the smaller of line 5 or line 6. Enter this amount on line 24 of Form 40.

PART E. MAINTAINING A HOME FOR A FAMILY MEMBER AGE 65 OR OLDER OR A FAMILY MEMBER WITH A DEVELOPMENTAL DISABILITY

If you didn't claim the \$1,000 deduction on line 15 of Part B, you may claim a \$100 credit for maintaining a home for an immediate family member age 65 or over not including yourself or your spouse, or a family member with a developmental disability, including yourself and your spouse. Refer to the instructions for line 15, Part B. If the home was maintained for the family member less than a full year, the credit is allowed at the rate of \$8.33 for each month the home was maintained.

You may claim this credit if your gross income is less than the filing requirement. File Form 40 and attach Form 39R to your return.

Only full-year residents, including Idaho residents on active military duty outside Idaho, may claim this credit.

LINES 1 and 2 Answer the two questions. If you answer yes to either question, you qualify.

LINE 3 Enter the name, Social Security number, relationship, and date of birth of your family member(s) for whom you maintain a home and provide more than one-half of their support. If the claim is for a family member with a developmental disability, check the box.

LINE 4 Enter the total on line 43, Form 40.

FORM 39NR

Complete Form 39NR if you are filing Form 43. If you are filing a Form 40, complete Form 39R.

PART A. ADDITIONS

LINE 1 NON-IDAHO STATE AND LOCAL BOND INTEREST

Column A: Enter the amount of interest and dividends you received from municipal bonds of other state governments, including their counties or cities, or from obligations of any foreign country. This income isn't taxed on your federal return.

Column B: Enter the amount in Column A earned while an Idaho resident or part-year resident. Include any amounts passed through from S corporations, partnerships, trusts, and estates.

Any amounts allocated or apportioned to Idaho must be reported by all taxpayers required to file a return.

FORM 39NR

LINE 2 IDAHO COLLEGE SAVINGS ACCOUNT WITHDRAWAL

Column A: If you make a nonqualified withdrawal from an Idaho college savings account, enter the amount withdrawn less any amounts reported on your federal Form 1040.

Column B: If you make a nonqualified withdrawal from an Idaho college savings account, enter the total amount withdrawn.

LINE 3 BONUS DEPRECIATION

If you are depreciating property for which you claimed the bonus depreciation in the current year or a previous year for federal purposes:

- Complete a separate federal Form 4562 or detailed computation for Idaho depreciation purposes as if the special depreciation allowance hadn't been claimed.
- Compute the Idaho adjusted basis and any gains or losses from the sale or exchange of the property using the Idaho depreciation amounts.
- Enter the differences between the Idaho and federal depreciation amounts and gains and losses from sales or exchanges of the property on the applicable new bonus depreciation addition, line 3 or subtraction, line 24.

Attach the federal Form(s) 4562 or detailed computations used to compute the depreciation and gains and losses.

Column A: If the federal depreciation (including gains and losses) is more than the depreciation (including gains and losses) calculated without the bonus depreciation, include the difference as an addition on line 3.

Column B: If the federal depreciation (including gains and losses) is more than the Idaho depreciation (including Idaho gains and losses), include the difference as an addition on line 3.

If you are a partner in a partnership or shareholder in an S corporation that has Idaho source income, include your share of the depreciation adjustment that is sourced to Idaho.

LINE 4 OTHER ADDITIONS

Complete this worksheet, using the instructions below to determine your other additions.

	Column A	Column B
1. Net operating loss carryforward	_____	_____
2. Capital loss carryforward	_____	_____
3. Retirement plan lump-sum distributions	_____	_____
4. Partners and shareholders Idaho additions	_____	_____
5. Idaho medical savings account withdrawals	_____	_____
6. Total. Add lines 1 through 5. Enter these amounts in the appropriate columns on line 4.	_____	_____

NET OPERATING LOSS CARRYFORWARD

Column A: Enter the net operating loss carryforward included on your federal return. The federal net operating loss carryforward isn't the same as Idaho's. The Idaho net operating loss carryforward is reported on line 1, Part B.

Column B: Enter any portion of the federal net operating loss carryforward included on line 21, Form 43.

CAPITAL LOSS CARRYFORWARD

Column A: Enter any capital losses included on line 13, federal Form 1040 that were incurred in another state or capital losses from activities not taxable by Idaho.

Column B: Make no entry in Column B.

RETIREMENT PLAN LUMP-SUM DISTRIBUTIONS

Column A: Enter the taxable amount of a lump-sum distribution from a retirement plan not included on line 16a, federal Form 1040 or line 12a, federal Form 1040A. This is the amount eligible for the federal capital gain election or 10-year tax option on federal Form 4972.

Column B: Enter any amount in Column A received while an Idaho resident.

PARTNER AND SHAREHOLDER IDAHO ADDITIONS

Column A and Column B: Partners and shareholders must include their share of the Idaho additions to partnership and S corporation income not included on the federal Schedule K-1. This information is available from the preparer of the partnership or S corporation return. For example, interest income from other states not taxable for federal purposes isn't included on a federal Schedule K-1. The partner/shareholder must report that interest income on this line.

IDAHO MEDICAL SAVINGS ACCOUNT WITHDRAWALS

Columns A and B: If you withdraw funds from an Idaho medical savings account and don't use the funds to pay eligible medical expenses, the withdrawal is subject to Idaho tax. Report this amount as an other addition. Eligible medical expenses include medical, vision and dental care, medical insurance premiums and long-term care expenses.

If you make a withdrawal that is subject to tax and you are under age 59 1/2, the withdrawal is subject to penalty. The penalty is 10% of the amount withdrawn. Report the penalty on line 69, Form 43, and check the box for an ineligible withdrawal.

PART B. SUBTRACTIONS

LINE 1 IDAHO NET OPERATING LOSS CARRYOVER AND CARRYBACK

Columns A and B: Enter the Idaho net operating loss (NOL) carryover. Attach Form 56C or a schedule showing the application of the loss. Don't include losses from sources that weren't taxable by Idaho or that were incurred before becoming a resident or part-year resident.

If this is an amended return to claim an NOL carryback, enter the amount of the NOL carryback. Attach Form 56C or a schedule showing the application of the loss.

Enter the total of the NOL carryover and carryback amounts on line 1.

LINE 2 STATE INCOME TAX REFUND

Column A: Enter all state income tax refunds included on line 10, federal Form 1040.

LINE 3 INTEREST FROM U.S. GOVERNMENT OBLIGATIONS

The interest income received from obligations of the U.S. Government isn't subject to the Idaho tax. Examples of obligations of the U.S. Government include:

- Banks for Cooperatives
- Federal Farm Credit Banks
- Federal Financing Bank
- Federal Homeowners Loan Bank
- Federal Intermediate Credit Bank
- Federal Land Bank
- Guam
- Puerto Rico
- Student Loan Marketing Association
- Tennessee Valley Authority Bonds
- Territory of Alaska
- Territory of Hawaii
- Territory of Samoa
- U.S. Series EE and HH Bonds

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- U.S. Treasury Bills and Notes
- Virgin Islands

Interest income received from the Federal National Mortgage Association (FNMA) and the Government National Mortgage Association (GNMA) isn't paid by the U.S. Government and is subject to Idaho income tax.

If you have interest income from a mutual fund that invests in both nonexempt securities and exempt U.S. government securities, you may deduct the portion of the interest earned that is attributable to direct U.S. government obligations. This amount must be identified by the mutual fund to be deductible.

Column A: Enter the interest income you received from obligations of the U.S. Government if included on line 8a, federal Form 1040 or line 8a, federal Form 1040A.

Column B: Enter the interest income you received from obligations of the U.S. Government if included on line 10, Form 43.

LINE 4 CHILD AND DEPENDENT CARE

If you were able to claim the federal Credit for Child and Dependent Care Expenses, you are allowed an Idaho deduction for the child care expenses you paid for the care of your dependents. The Idaho deduction is a different amount than the federal credit.

Complete this worksheet to determine your Idaho child or dependent care deduction. Refer to federal Form 2441 or Form 1040A, Schedule 2, to determine amounts to enter on lines 1 through 6.

1. Enter the amount of qualified expenses you incurred and paid in 2006. Don't include amounts paid by your employer. _____
2. Enter \$3,000 for one child or dependent, \$6,000 for more than one child or dependent, cared for during the year. _____
3. Enter excluded benefits from Part III, Form 2441, or Form 1040A, Schedule 2. _____
4. Subtract line 3 from line 2. If zero or less, stop. You can't claim the deduction. _____
5. Enter your earned income. _____
6. If married filing a joint return, enter your spouse's earned income. All others enter the amount from line 5. _____
7. Enter the smallest of line 1, 4, 5, or 6 here and on line 4, Part B, Column A, Form 39NR. _____
8. If married filing a joint return, enter the total of lines 5 and 6 that are from Idaho sources. All others enter the amount from line 5 from Idaho sources. _____
9. If married filing a joint return, enter the total of lines 5 and 6. All others enter the amount from line 5. _____
10. Divide line 8 by line 9. (Can't exceed 100%) %
11. Multiply line 10 by line 7. Enter this amount here and on line 4, Part B, Column B, Form 39NR. _____

Attach federal Form 2441 or Form 1040A, Schedule 2, Child and Dependent Care Expenses, to your return.

LINE 5 SOCIAL SECURITY AND RAILROAD BENEFITS

Idaho doesn't tax Social Security benefits, benefits paid by the Railroad Retirement Board, or Canadian Social Security benefits (OAS and CPP) that are taxable on your federal return.

Exempt payments from the Railroad Retirement Board include:

- Retirement, supplemental, and disability annuities.
- Unemployment and sickness benefits.

Column A: Enter the taxable amount of Social Security benefits shown on your federal Form 1040, line 20b, or Form 1040A,

line 14b. Don't enter the amount reported on line 20a, Form 1040, or line 14a, Form 1040A.

Enter the taxable amount of railroad benefits shown on your federal Form 1040, line 16b, or Form 1040A, line 12b. Don't enter the amount reported on line 16a, Form 1040, or line 12a, Form 1040A.

If subtracting benefits from the Railroad Retirement Board, attach Form RRB-1099 or RRB-1099-R.

Disability pension paid by the Federal Railroad Retirement Act may be included on line 7 of Form 1040 as wages, if you are under the minimum retirement age.

LINE 6 IDAHO CAPITAL GAINS DEDUCTION

Columns A and B: If you had capital gain net income from the sale of qualified Idaho property described below, you may be able to deduct 60% of the capital gain net income reported on federal Schedule D.

- (a) Real property held for at least 12 months, or
- (b) Tangible personal property used in a revenue-producing enterprise and held for at least 12 months. A revenue-producing enterprise means:
 - 1) Producing, assembling, fabricating, manufacturing or processing any agricultural, mineral or manufactured product;
 - 2) Storing, warehousing, distributing or selling at wholesale any products of agriculture, mining or manufacturing;
 - 3) Feeding livestock at a feedlot;
 - 4) Operating laboratories or other facilities for scientific, agricultural, animal husbandry or industrial research, development or testing.
- (c) Cattle and horses held for at least 24 months, and other livestock used for breeding held for at least 12 months, if the owner received more than one-half of his gross income from farming or ranching in Idaho, or
- (d) Timber held for at least 24 months.

NOTE: Gains from the sale of stocks and other intangibles don't qualify.

Complete Idaho Form CG to compute your Idaho capital gains deduction.

LINE 7 IDAHO RESIDENT-MILITARY PAY EARNED OUTSIDE OF IDAHO

Columns A and B: If you are an Idaho resident on active military duty outside of Idaho, your active duty military wages aren't subject to Idaho tax. Enter the amount of such wages in Columns A and B, line 7, if included on line 9, Form 43. The amounts entered in Columns A and B must be the same.

National Guard or Reserve pay, including annual training pay, generally doesn't qualify. However, if you were on active duty for a continuous 120 days or more, you may deduct the military pay earned outside of Idaho. The continuous 120 days don't have to be in the same tax year. Your wage and tax statement (W-2) doesn't show this amount separately and you may have to compute the amount of income earned outside of Idaho. You should see your unit of assignment or use your orders in making this computation. Attach a copy of your worksheet.

LINE 8 IDAHO MEDICAL SAVINGS ACCOUNT CONTRIBUTIONS AND INTEREST

Columns A and B: You may contribute up to \$2,000 (\$4,000 if married filing a joint return) to an Idaho medical savings account and deduct the contribution. Deductible contributions don't include reimbursements that were redeposited into your Idaho medical savings account. Don't include amounts deducted on line 23, federal Form 1040.

An Idaho medical savings account is generally established with a bank, savings and loan, or credit union. The account is

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established to pay eligible medical expenses of the account holder and the account holder's dependents.

Any interest earned on the account is included on line 8, but only if included on line 10 of Form 43. Add your qualifying contributions to the interest earned on the account, and enter the total on line 8.

LINE 9 IDAHO COLLEGE SAVINGS PROGRAM

You may contribute up to \$4,000 (\$8,000 if married filing a joint return) per year to a qualified Idaho college savings program and deduct the contribution. The account must be established with TIAA-CREF Tuition Financing, Inc. The account owner and beneficiary will be designated at the time the account is established. The account owner will have the right to make withdrawals for payment of higher education expenses for the beneficiary. The person that withdraws the funds must report the withdrawal amounts as income in accordance with Internal Revenue Code Section 529.

Additional information can be obtained at idsaves.org or by calling (866) 433-2533.

LINE 10 ADOPTION EXPENSES

Column A: If you adopt a child, you may deduct the expenses incurred in the adoption. You may claim legal and medical expenses incurred up to a maximum of \$3,000 per adoption. Travel expenses don't qualify. If the expenses are incurred in two or more years, deduct the costs in the year paid until the \$3,000 limit has been met. The expenses related to an unsuccessful attempt to adopt aren't deductible. If expenses were claimed in a year prior to the unsuccessful attempt to adopt, file an amended return to add back any deduction claimed for the unsuccessful attempt.

Column B: Enter the amount included in Column A in the proportion that total Idaho income bears to total income from all sources. Complete the following worksheet.

1. Total Idaho income from line 22, Form 43. _____
2. Total income from line 22, federal Form 1040 or line 15, federal Form 1040A. _____
3. Divide line 1 by line 2. (Can't exceed 100%) _____ %
4. Total adoption expenses from line 10, Column A. _____
5. Multiply line 4 by line 3. Enter this amount on line 10, Column B. _____

LINE 11 MAINTAINING A HOME FOR AGED AND/OR DEVELOPMENTALLY DISABLED

Columns A and B: You may deduct \$1,000 for each family member, not including yourself or your spouse, who is age 65 or older and for whom you maintain a household and provide more than one-half of his support for the year.

You may deduct \$1,000 for each family member, including yourself and your spouse, who is developmentally disabled and for whom you maintain a household and provide more than one-half of his support for the year.

No more than three deductions of \$1,000 are allowed.

Developmental disability means a chronic disability which:

1. Is attributable to an impairment such as:
 - Mental retardation
 - Cerebral palsy
 - Epilepsy
 - Autism
 - Other condition found to be closely related to, or similar to, one of these impairments; and
2. Results in substantial functional limitation in three or more of the following areas of life activity:
 - Self-care
 - Receptive and expressive language
 - Learning

- Mobility
- Self-direction
- Capacity for independent living
- Economic self-sufficiency; and

3. Reflects the need for a combination and sequence of special, interdisciplinary or generic care, treatment or other services which are of lifelong or extended duration and individually planned and coordinated.

If the home was maintained for the family member for less than a full year, the deduction is allowed at the rate of \$83.33 for each month the home was maintained.

A family member is any person who meets the relationship test to be claimed as a dependent on income tax returns. Refer to the federal Form 1040 instructions for more information on dependents.

Maintaining a household means paying more than one-half the expenses incurred for the benefit of all the household's occupants. Social Security benefits aren't support provided by you but must be included in the computation of total support provided. Some examples of expenses of maintaining a household include: property taxes, mortgage interest, rent, utility charges, upkeep and repairs, property insurance and food consumed on the premises. The amounts entered in Columns A and B must be the same.

LINE 12 IDAHO LOTTERY WINNINGS

Columns A and B: Enter the amount of Idaho lottery prizes of less than \$600 per award included in other income on line 21, Form 43. The amounts entered in Columns A and B must be the same.

LINE 13 INCOME EARNED ON A RESERVATION BY AN AMERICAN INDIAN

Column A: Don't enter anything in Column A.

Column B: American Indians who are enrolled members of a federally recognized tribe and who live and work on a reservation may deduct all income received from reservation sources if the income is included on the front of Form 43. Income earned off the reservation can't be deducted, nor can income earned on the reservation if you live off the reservation.

LINE 14 WORKER'S COMPENSATION INSURANCE

Columns A and B: A self-employed individual may deduct the actual cost of amounts paid for worker's compensation insurance coverage in Idaho, if the cost isn't deducted elsewhere.

Don't enter amounts paid for coverage in other states. The amounts entered in Columns A and B must be the same.

LINE 15 PARTNERS AND SHAREHOLDERS

Column A: Partners and shareholders may deduct their proportional share of the Idaho subtractions from partnership and S corporation income. This information is available from the preparer of the partnership or S corporation return. For example: Interest income from federal obligations isn't taxable for Idaho purposes but is included on the federal Schedule K-1. The partner/shareholder may deduct that interest income here.

Column B: Enter your Idaho apportioned share of the Idaho subtractions from partnership and S corporation income.

LINE 16 INSULATION OF IDAHO RESIDENCE

Columns A and B: You may be able to deduct the amount you paid to install additional insulation in your Idaho residence. To qualify for this deduction, your Idaho home must have existed, been under construction, or had a building permit issued on or before January 1, 1976. The insulation must be in addition to any existing insulation and can't be a replacement, e.g. replacing double pane windows with triple pane windows doesn't qualify.

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Insulation means any material commonly used in the building industry and installed to retard the passage of heat into or out of a building, such as fiberglass, rock wool, weather stripping, double-pane windows, storm doors and storm windows.

Insulated siding doesn't qualify unless the cost of the siding and the insulating material is separately identified, in which case the cost of the insulating material alone qualifies.

The amount charged for labor to install the insulation is also deductible.

LINE 17 TECHNOLOGICAL EQUIPMENT DONATION

Columns A and B: Enter the fair market value of technological equipment donated to a public elementary or secondary school, public or private college or university, public library, or library district located in Idaho. Items that qualify for this deduction are limited to computers, computer software, and scientific equipment or apparatus manufactured within five years of the date of donation. The amount deducted can't reduce Idaho taxable income to less than zero. Any unused deduction can't be carried to another year.

LINE 18 HEALTH INSURANCE PREMIUMS

Column A: Deduct premiums you paid for health insurance for yourself, your spouse, and your dependents if those premiums haven't already been deducted or excluded from your income. If you claimed a deduction for health insurance premiums on your federal Form 1040, Schedule A, use the worksheet below, to calculate the deduction allowed for health insurance premiums. The worksheet follows the priority that itemized deductions first apply to health insurance premiums, then to long-term care insurance.

IDAHO MEDICAL SAVINGS ACCOUNT

If you take money out of your Idaho medical savings account to pay medical insurance premiums, no deduction is allowed. Since the health insurance costs are already deducted or accounted for, they can't be deducted a second time.

SALARY REDUCTION PLANS

Premiums paid through a cafeteria plan or other salary-reduction arrangement can't be included in the Idaho deduction for health insurance costs. For example, if your health insurance payments are deducted from your pay check pretax, then they don't qualify for the deduction.

BUSINESS DEDUCTIONS

Premiums deducted as a business expense can't be included in the Idaho deduction for health insurance costs since these amounts are already deducted.

SOCIAL SECURITY MEDICARE A AND B

No deduction is allowed for the amount paid for employer-required Social Security Medicare A. This is the amount listed as a deduction on almost every federal W-2.

If you voluntarily enroll in Medicare B, or aren't covered under Social Security and voluntarily enroll in Medicare A, the premiums you paid may be deducted.

IDAHO STANDARD DEDUCTION

If you don't itemize deductions for Idaho income tax purposes, but instead use the Idaho standard deduction, you don't have to reduce your health insurance costs by any amount claimed as a federal itemized deduction.

FEDERAL ITEMIZED DEDUCTION LIMITATIONS

For federal purposes, the amount of medical expenses allowed as a deduction on the federal Form 1040, Schedule A, is required to be reduced by 7.5% of adjusted gross income. The following worksheet shows how the limitation of the 7.5% of adjusted gross income required for federal purposes, affects the amount of health insurance costs deductible for Idaho purposes.

If you aren't itemizing deductions for Idaho, skip lines 1-6 and enter zeros on lines 8, 12, and 13.

HEALTH INSURANCE AND LONG-TERM CARE INSURANCE DEDUCTION LIMITATIONS

1. Amount claimed for health insurance costs on federal Form 1040, Schedule A _____
2. Amount claimed for long-term care insurance on federal Form 1040, Schedule A _____
3. Additional medical expenses claimed on federal Form 1040, Schedule A _____
4. Total medical expenses. Add lines 1, 2 and 3. _____
5. Enter 7.5% of federal adjusted gross income. _____
6. Medical expense deduction allowed on the federal Form 1040, Schedule A. (Line 4 less line 5. If less than zero, enter zero.) _____

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7. Enter the total paid for health insurance. _____
8. Portion of health insurance deduction allowed on federal Form 1040, Schedule A. Enter the lesser of line 1 or line 6. _____
9. Enter the total health insurance costs deducted elsewhere on the federal return. _____
10. Idaho health insurance deduction allowed. Line 7 less lines 8 and 9. Enter this amount on Form 39NR, line 18, Column A. _____

LONG-TERM CARE INSURANCE

11. Enter the total paid for long-term insurance. ... _____
12. Medical expense deduction not allocated to health insurance costs. Line 6 less line 1. If less than zero, enter zero. _____
13. Portion of long-term care insurance deduction allowed on federal Form 1040, Schedule A. Enter the lesser of line 2 or line 12. _____
14. Enter the total long-term care insurance costs deducted elsewhere on the federal return. _____
15. Long-term care insurance deduction allowed. Line 11 less lines 13 and 14. Enter this amount on Form 39NR, line 19, Column A. _____

Column B: Enter the amount from line 5 of this worksheet.

1. Total Idaho income from line 22, Form 43. _____
2. Total income from line 22, federal Form 1040 or line 15, federal Form 1040A. _____
3. Divide line 1 by line 2. (Can't exceed 100%) _____ %
4. Enter the amount from Form 39NR, line 18, Column A. _____
5. Allowable Idaho deduction. Multiply line 4 by line 3. _____

LINE 19 LONG-TERM CARE INSURANCE

Column A: You may deduct the amount you paid in premiums for qualified long-term care insurance that aren't otherwise deducted or accounted for.

Qualified long-term care insurance includes any insurance policy that provides coverage for at least twelve consecutive months for yourself, your spouse, or your dependents for one or more necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance or personal care services, provided in a setting other than an acute care unit of a hospital. Group and individual annuities and life insurance policies that provide directly or that supplement long-term care insurance qualify. This includes a policy that provides for payment of benefits based upon cognitive impairment or loss of functional capacity.

Qualified long-term care insurance doesn't include any insurance policy that is offered primarily to provide coverage for:

- Basic Medicare supplement,
- Basic hospital expense,

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- Basic medical surgical expense,
- Hospital confinement indemnity,
- Major medical expense,
- Disability income or related asset-protection,
- Accident only,
- Specified disease or specified accident, or
- Limited benefit health.

Life insurance policies that accelerate death benefits generally don't qualify.

If you claimed a deduction for long-term care insurance on your federal Form 1040, Schedule A, as an itemized deduction, calculate the long-term care insurance allowed as a deduction by using the worksheet in the instructions for line 18.

Column B: Enter the amount from line 5 of this worksheet.

1. Total Idaho income from line 22, Form 43.
2. Total income from line 22, federal Form 1040 or line 15, federal Form 1040A.....
3. Divide line 1 by line 2. (Can't exceed 100%)
4. Enter the amount from Form 39NR, line 19, Column A.
5. Allowable Idaho deduction. Multiply line 4 by line 3.

LINE 20 ALTERNATIVE ENERGY DEVICE DEDUCTION

Columns A and B: If you install an alternative energy device in your Idaho residence, you may deduct a portion of the amount actually paid or accrued (billed but not paid).

Qualifying devices include:

- a system using solar radiation, wind or geothermal resource primarily to provide heating or cooling, to produce electrical power, or any combination thereof
- a fluid-to-air heat pump operating on a fluid reservoir heated by solar radiation or geothermal resource but not an air-to-air heat pump unless it uses geothermal resources as part of the system
- a natural gas or propane heating unit that replaces a noncertified wood stove
- an Environmental Protection Agency (EPA)-certified wood stove or pellet stove meeting the most current industry and state standards that replaces a noncertified wood stove

A noncertified wood stove is a wood stove that doesn't meet the most current EPA standards. The noncertified wood stove must be taken to a site authorized by the Division of Environmental Quality (DEQ) within 30 days from the date of purchase of the qualifying device.

The natural gas or propane heating unit and the EPA-certified wood stove or pellet stove must be installed in the same tax year that the nonqualifying wood stove is turned in to the DEQ.

In the year the device is placed in service, you can deduct 40% of the cost to construct, reconstruct, remodel, install or acquire the device, but not more than \$5,000.

In the next three years after installation, you can deduct 20% of these costs per year, but not more than \$5,000 in any year.

LINES 20a - 20d Complete the line(s) that apply to the year you acquired the device(s). For example, if your device was acquired in 2003, complete line 20d. Enter the type of device and total cost. Multiply the total cost by the appropriate percentage.

LINE 22 RETIREMENT BENEFITS DEDUCTION

If you are age 65 or older, or if you are disabled and age 62 or older, you may be able to deduct some of the retirement benefits and annuities you receive. You can't claim this deduction if you file married filing separate.

Only the following are qualified retirement benefits:

- **Civil Service Employees:** Retirement annuities paid by the United States to a retired civil service employee or the unremarried widow of the employee if the recipient is age 65 or older, or disabled and age 62 or older.
- **Idaho Firemen:** Retirement benefits paid from the firemen's retirement fund of the state of Idaho to a retired fireman or the unremarried widow of a retired fireman if the recipient is age 65 or older, or disabled and age 62 or older.
- **Policemen of an Idaho city:** Retirement benefits paid from the policemen's retirement fund of a city within Idaho to a retired policeman or the unremarried widow of a retired policeman if the recipient is age 65 or older, or disabled and age 62 or older.
- **Servicemen:** Retirement benefits paid by the United States to a retired member of the U.S. military or the unremarried widow of such member if the recipient is age 65 or older, or disabled and age 62 or older.

The amount deducted must be reduced by retirement benefits paid under the Federal Social Security Act and the Federal Railroad Retirement Act.

The maximum amounts that may be deducted for 2006 are:

Married filing jointly:

- age 65 or older \$36,954
- age 62 or older and disabled \$36,954

Single:

- age 65 or older \$24,636
- age 62 or older and disabled \$24,636

Attach Form(s) 1099 for all qualified retirement benefits claimed.

LINE 22a Enter \$36,954 or \$24,636, whichever is applicable to your filing status. Note: Only one deduction is allowed even though you and your spouse receive more than one annuity.

LINE 22b Enter the amount of retirement benefits you (and your spouse) received under the Federal Railroad Retirement Act, Box 5 of your Forms RRB-1099.

Disability pension paid by the Federal Railroad Retirement Act may not be included in Box 5 of your Form RRB-1099, if you are under the minimum retirement age. Instead it may be included on line 7 of Form 1040 as wages.

LINE 22c Enter the amount of retirement benefits you (and your spouse) received under the Federal Social Security Act, Box 5 of your Forms SSA-1099. If you or your spouse receive Canadian Social Security benefits that are included in your federal taxable income, include those amounts received.

LINE 22e Enter the amount of qualified retirement benefits included on line 30, Column A of Form 43.

LINE 22g Enter the amount of qualified retirement benefits included in Idaho gross income. This amount must have been included on line 30, Column B of Form 43.

LINE 22h Divide line 22g, Column B, by line 22e, Column A. Round the percentage to the nearest whole number. For example, 45.49% should be entered as 45%; 45.50% should be entered as 46%

LINE 23 NONRESIDENT MILITARY PAY

Column A: If you are a nonresident of Idaho, enter the amount of military pay included in line 30, column A, Form 43.

LINE 24 BONUS DEPRECIATION

If you are depreciating property for which you claimed the bonus depreciation in the current year or a previous year for federal purposes:

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- Complete a separate federal Form 4562 or detailed computation for Idaho depreciation purposes as if the special depreciation allowance hadn't been claimed.
- Compute the Idaho adjusted basis and any gains or losses from the sale or exchange of the property using the Idaho depreciation amounts.
- Enter the differences between the Idaho and federal depreciation amounts and gains and losses from sales or exchanges of the property on the applicable new bonus depreciation addition, line 3 or subtraction, line 24.

Attach the federal Form(s) 4562 or detailed computations used to compute the depreciation and gains and losses.

Column A: If the federal depreciation (including gains and losses) is less than the depreciation (including gains and losses) calculated without the bonus depreciation, include the difference as a subtraction on line 24.

Column B: If the federal depreciation (including gains and losses) is less than the Idaho depreciation (including Idaho gains and losses), include the difference as a subtraction on line 24.

If you are a partner in a partnership or shareholder in an S corporation that has Idaho source income, include your share of the depreciation adjustment that is sourced to Idaho.

LINE 25 OTHER SUBTRACTIONS

Columns A and B: Identify any other subtraction to which you are entitled and claim the amount on this line.

Don't include foreign taxes as a subtraction, since they are claimed as part of the Idaho itemized deduction, if allowable. See the instructions for Itemized or Standard Deductions.

LINE 26 TOTAL SUBTRACTIONS

Total Columns A and B and enter the amounts on Form 43, line 33.

PART C. INCOME TAX PAID TO OTHER STATES BY PART-YEAR RESIDENTS

NONRESIDENTS DON'T QUALIFY FOR THIS CREDIT.

When the same income is taxed by both Idaho and another state while you are an Idaho resident, you may be entitled to a credit for tax paid to the other state.

Use this section to compute the credit. You must attach a copy of the other state's income tax return and Idaho Form 39NR to your income tax return. If your S corporation or partnership paid income tax to another state, attach a copy of your Schedule K-1. If credit applies to more than one state, use a separate Form 39NR for each state.

Examples of income that may be taxed by both Idaho and another state include:

- Wages earned in another state that has an income tax, such as Oregon or Utah, while living in Idaho.
- Income from a business or profession earned in another state that has an income tax, while a resident of Idaho.

LINE 1 Enter your Idaho adjusted income from line 34, Column B, Form 43.

LINE 2 Enter the total portion of federal adjusted gross income derived in the other state, modified to reflect Idaho additions and subtractions. In computing the income derived in the other state, you must reverse any adjustments to federal taxable income allowed by the other state that aren't applicable to Idaho. If you reported your income derived in the other state by filing an:

- Individual return, enter your adjusted gross income from the other state restated to a basis comparable to Idaho adjusted income. For example, if the other state taxes interest received from U.S. obligations, deduct this amount from the other state's adjusted gross income as Idaho doesn't tax this interest.
- S corporation or partnership composite or group return, enter your pro rata share of the S corporation or partnership income derived in the other state. The corporation's or partnership's income must be restated to a basis comparable to Idaho adjusted income. For example, if the S corporation or partnership deducted state income taxes in computing its income, add this amount to the S corporation or partnership income and recompute your pro rata share as Idaho doesn't allow this deduction in computing Idaho adjusted income.

LINE 3 Enter the amount of income that is taxed twice. Only income that is taxed by Idaho and also taxed by another state is double-taxed.

LINE 4 Enter the tax shown on line 45, Form 43.

LINE 5 Divide line 3 by line 1. Round the percentage to the nearest whole number. For example, 45.49% should be entered as 45%; 45.50% should be entered as 46%. The percentage can't exceed 100%.

LINE 7 Enter the other state's tax due from its tax table or rate schedule less its income tax credits. If your income derived in the other state was reported on a composite or group return filed by an S corporation or partnership, enter your pro rata share of the tax paid by the S corporation or partnership less your pro rata share of the income tax credits. Income tax credits are those credits that relate to income tax. An example of a credit that isn't an income tax credit is a special fuels or gasoline tax credit or refund.

LINE 8 Divide line 3 by line 2. Enter the percentage rounded to the nearest whole number. The percentage can't exceed 100%.

LINE 10 Your allowable credit for income tax paid to other states is the smaller of line 6 or line 9. Enter this amount on line 46, Form 43.

PART D. INCOME TAX PAID TO OTHER STATES BY IDAHO RESIDENTS ON ACTIVE MILITARY DUTY

When the same income is taxed by both Idaho and another state, you may be entitled to a credit for tax paid to the other state.

Use this section to compute the credit. You must attach a copy of the other state's income tax return and Idaho Form 39NR to your income tax return. If your S corporation or partnership paid income tax to another state, attach a copy of your Schedule K-1. If credit applies to more than one state, use a separate Form 39NR for each state.

Examples of income that may be taxed by both Idaho and another state include:

- Wages earned in another state that has an income tax, such as Oregon or Utah, while living in Idaho.
- Income from a business or profession earned in another state that has an income tax, while a resident of Idaho.

LINE 1 Enter the tax shown on line 45, Form 43.

LINE 2 Enter the total portion of federal adjusted gross income derived in the other state, modified to reflect Idaho additions and subtractions. In computing the income derived in the other state, you must reverse any adjustments to federal taxable income allowed by the other state that aren't applicable to Idaho. If you reported your income derived in the other state by filing an:

FORM 39NR

- Individual return, enter your adjusted gross income from the other state restated to a basis comparable to Idaho adjusted income. For example, if the other state taxes interest received from U.S. obligations, deduct this amount from the other state's adjusted gross income as Idaho doesn't tax this interest.
- S corporation or partnership composite or group return, enter your pro rata share of the S corporation or partnership income derived in the other state. The corporation's or partnership's income must be restated to a basis comparable to Idaho adjusted income. For example, if the S corporation or partnership deducted state income taxes in computing its income, add this amount to the S corporation or partnership income and recompute your pro rata share as Idaho doesn't allow this deduction in computing Idaho adjusted income.

LINE 3 Enter your Idaho adjusted income from line 34, Column B, Form 43.

LINE 4 Divide line 2 by line 3. Round the percentage to the nearest whole number. For example, 45.49% should be entered as 45%; 45.50% should be entered as 46%. The percentage can't exceed 100%.

LINE 6 Enter the other state's tax due from its tax table or rate schedule less its income tax credits. If your income derived in the other state was reported on a composite or group return filed by an S corporation or partnership, enter your pro rata share of the tax paid by the S corporation or partnership less your pro rata share of the income tax credits. Income tax credits are those credits that relate to income tax. An example of a credit that isn't an income tax credit is a special fuels or gasoline tax credit.

LINE 7 Your allowable credit for income tax paid to other states is the smaller of line 5 or line 6. Enter this amount on line 46, Form 43.

PART E. MAINTAINING A HOME FOR A FAMILY MEMBER AGE 65 OR OLDER OR A FAMILY MEMBER WITH A DEVELOPMENTAL DISABILITY

If you didn't claim the \$1,000 deduction on line 11 of Part B, you may claim a \$100 credit for maintaining a home for an immediate family member age 65 or over not including yourself or your spouse, or a family member with a developmental disability including yourself and your spouse. Refer to the instructions for Part B, line 11. If the home was maintained for the family member less than a full year, the credit is allowed at the rate of \$8.33 for each month the home was maintained.

You may claim this credit if your gross income is less than the filing requirement. File Form 43 and attach Form 39NR to your return. Only full-year residents, including Idaho residents on active military duty outside Idaho, may claim this credit.

LINES 1 and 2 Answer the two questions. If you answer yes to either question, you qualify.

LINE 3 Enter the name, Social Security number, relationship, and date of birth of your family member(s) for whom you maintain a home and provide more than one-half of their support. If the claim is for a family member with a developmental disability, check the box.

LINE 4 Enter the total on line 63, Form 43.

These instructions don't provide a comprehensive explanation of Idaho tax laws or rules.

Costs associated with this publication are available from the Idaho State Tax Commission in accordance with section 60-202, Idaho Code.

FORM 44

IDAHO BUSINESS INCOME TAX CREDITS AND CREDIT RECAPTURE

Part I of Form 44 provides a listing of the Idaho business credits allowed and the credit carryover amounts.

Part II of Form 44 provides a listing of the tax from recapture of income tax credits.

The total of the business income tax credits allowed and the tax from recapture of income tax credits will be carried to the Form 40 or Form 43. You must attach Form 44 to your return if you are claiming any business income tax credits or have any tax from recapture of income tax credits.

PART I. BUSINESS INCOME TAX CREDITS

Part I has two columns: the Credit Allowed column for the amount of credit allowed for the tax year and the Carryover column for the amount of carryover that exists at the end of the tax year.

The following credits are available to be transferred to another taxpayer rather than used by the taxpayer who earns the credit:

- Broadband equipment investment credit
- Incentive investment tax credit

To claim a credit you acquired through a transfer, you must attach a copy of the Idaho Statement of Credit Transfer, Form 70, to each return on which you are claiming transferred credit.

LINE 1 INVESTMENT TAX CREDIT

If you acquire an asset for use in your business, you may have earned an investment tax credit (ITC).

Credit Allowed: If you claimed or earned the credit for qualifying new employees, report the allowable credit computed on Form 55, Part III, line 9. Otherwise, report the credit allowed computed on Form 49, Part II, line 8.

Carryover: If you claimed or earned the credit for qualifying new employees, report the amount of credit available less the allowable credit: Form 55, Part III, line 7 less the amount on line 9. Otherwise, report the credit available less the credit allowed: Form 49, Part II, line 7 less the amount on line 8.

LINE 2 CREDIT FOR PRODUCTION EQUIPMENT USING POSTCONSUMER WASTE

If you purchased equipment that manufactures a product from postconsumer or postindustrial waste, you may be entitled to a tax credit. The credit is 20% of your cost to purchase qualified equipment.

Qualified equipment is machinery or equipment in Idaho with a useful life of three years or more. In addition, 90% of the equipment's production must result in products utilizing postconsumer or postindustrial waste.

Product is any manufactured material that is composed of at least 50% of postconsumer or postindustrial waste and offered for sale.

FORM 44

Product doesn't include shredded material unless it is incorporated directly into the manufacturing process.

Postconsumer waste or postindustrial waste includes only glass, paper, or plastic that have been, or would have been, disposed of as solid waste. It doesn't include radioactive or hazardous waste.

Attach a schedule showing your computations, listing the qualified equipment, identifying the postconsumer or postindustrial waste products, and identifying the newly manufactured products.

Credit Allowed: If you claimed or earned the credit for qualifying new employees, report the allowable credit computed on Form 55, Part III, line 17. Otherwise, enter the smallest of:

- \$30,000
- 20% of the cost to purchase qualified equipment plus the amount of credit carried forward, or
- tax available:
 - If filing Form 40, the tax on line 22 less the amounts on line 24, 25, 26, and Form 44, Part I, line 1
 - If filing Form 43, the tax on line 45 less the amounts on lines 46, 47, 48, and Form 44, Part I, line 1

Carryover: Enter the amount of credit available less the amount allowed. Attach a schedule showing your computations. You may carry forward the unused portion of the credit up to seven years.

LINE 3 PROMOTER SPONSORED EVENT CREDIT

If you issued temporary sales tax permits to participants of a promoter sponsored event on behalf of the Tax Commission, you may claim a \$1 credit for each temporary permit issued during the tax year. Promoter sponsored events include swap meets, flea markets, gun shows, and fairs. You must have filed Form ST-124 with the Tax Commission to qualify for the credit.

Credit Allowed: If you claimed or earned the credit for qualifying new employees, report the allowable credit computed on Form 55, Part III, line 21. Otherwise, report the smaller of:

- \$1 for each temporary permit issued during the tax year, or
- tax available:
 - If filing Form 40, the tax on line 22 less the amounts on line 24, 25, 26, and Form 44, Part I, lines 1 and 2
 - If filing Form 43, the tax on line 45 less the amounts on lines 46, 47, 48, and Form 44, Part I, lines 1 and 2

LINE 4 CREDIT FOR QUALIFYING NEW EMPLOYEES

Idaho allows a credit for qualifying new employees.

Credit Allowed: Report the allowable credit computed on Form 55, Part III, line 26. Attach Form 55.

Carryover: Enter the amount of credit carryover to future years as computed on Form 55, Part III, line 27.

LINE 5 CREDIT FOR IDAHO RESEARCH ACTIVITIES

If you incurred expenses for research conducted in Idaho, you may have earned the credit for Idaho research activities.

Credit Allowed: Report the credit allowed computed on Form 67, line 30 or line 34. Attach Form 67.

Carryover: Enter the amount of credit carryover to future years as computed on Form 67, line 37.

LINE 6 BROADBAND EQUIPMENT INVESTMENT CREDIT

If you acquired qualified broadband equipment to use in your business in Idaho, you may qualify for the broadband equipment investment credit. You may also claim this credit if you acquired the credit through a transfer.

Credit Allowed: Report the credit allowed computed on Form 68 line 19 or line 23. Attach Form 68.

Carryover: Enter the amount of credit carryover to future years as computed on Form 68, line 26.

LINE 7 INCENTIVE INVESTMENT TAX CREDIT

You may claim this credit if you have incentive investment tax credit carryover from the tax year beginning in 2001 or received the credit by transfer or unitary sharing.

Credit Allowed: Report the credit allowed computed on Form 69, line 17 or line 21. Attach Form 69.

Carryover: Enter the amount of credit carryover to future years as computed on Form 69, line 24.

LINE 8 CORPORATE HEADQUARTERS INVESTMENT TAX CREDIT

You may claim this credit if you have certified by filing Form 89CH that you have met or will meet the tax incentive criteria for this credit and you have acquired an asset for use in your business that otherwise qualifies for the investment tax credit (ITC).

Credit Allowed: Report the credit allowed computed on Form 80, line 26. Attach Form 80.

Carryover: Enter the amount of credit carryover to future years as computed on Form 80, line 29.

LINE 9 CORPORATE HEADQUARTERS REAL PROPERTY IMPROVEMENT TAX CREDIT

You may claim this credit if you have certified by filing Form 89CH that you have met or will meet the tax incentive criteria for this credit and you have acquired real property improvements for use in your business at the project site during the project period.

Credit Allowed: Report the credit allowed computed on Form 81, line 25. Attach Form 81.

Carryover: Enter the amount of credit carryover to future years as computed on Form 81, line 28.

LINE 10 CORPORATE HEADQUARTERS NEW JOBS TAX CREDIT

You may claim this credit if you have certified by filing Form 89CH that you have met or will meet the tax incentive criteria for this credit and you have qualified new employees at the project site during the project period.

Credit Allowed: Report the credit allowed computed on Form 82, line 33. Attach Form 82.

Carryover: Enter the amount of credit carryover to future years as computed on Form 82, line 36.

LINE 11 SMALL EMPLOYER INVESTMENT TAX CREDIT

You may claim this credit if you have certified by filing Form 89SE that you have met or will meet the tax incentive criteria for this credit and you have acquired an asset for use in your business that otherwise qualifies for the investment tax credit (ITC).

Credit Allowed: Report the credit allowed computed on Form 83, line 27. Attach Form 83.

Carryover: Enter the amount of credit carryover to future years as computed on Form 83, line 30.

LINE 12 SMALL EMPLOYER REAL PROPERTY IMPROVEMENT TAX CREDIT

You may claim this credit if you have certified by filing Form 89SE that you have met or will meet the tax incentive criteria for this credit and you have acquired real property improvements for use in your business at the project site during the project period.

FORM 44

Credit Allowed: Report the credit allowed computed on Form 84, line 25. Attach Form 84.

Carryover: Enter the amount of credit carryover to future years as computed on Form 84, line 28.

LINE 13 SMALL EMPLOYER NEW JOBS TAX CREDIT

You may claim this credit if you have certified by filing Form 89SE that you have met or will meet the tax incentive criteria for this credit and you have qualified new employees at the project site during the project period.

Credit Allowed: Report the credit allowed computed on Form 85, line 34. Attach Form 85.

Carryover: Enter the amount of credit carryover to future years as computed on Form 85, line 37.

PART II. TAX FROM RECAPTURE OF INCOME TAX CREDITS

LINE 1 TAX FROM RECAPTURE OF INVESTMENT TAX CREDIT

If you have claimed an investment tax credit (ITC) on property that ceases to qualify before the end of the five-year recapture period, you must compute the ITC recapture. This includes property moved outside of Idaho.

Enter the amount from Form 49R, Part III, line 15. Attach Form 49R.

LINE 2 TAX FROM RECAPTURE OF BROADBAND EQUIPMENT INVESTMENT CREDIT

If you have claimed a broadband equipment investment credit on property that ceases to qualify before the end of the five-year recapture period, you must compute the broadband equipment investment credit recapture. This includes property that ceases to qualify for the ITC.

Enter the amount from Form 68R, Part III, line 15. Attach Form 68R.

LINE 3 TAX FROM RECAPTURE OF INCENTIVE INVESTMENT TAX CREDIT

If you have claimed an incentive investment tax credit on property that ceases to qualify before the end of the five-year recapture period, you must compute the incentive investment tax credit recapture. This includes property that ceases to qualify for the ITC.

Enter the amount from Form 69R, Part III, line 15. Attach Form 69R.

LINE 4 TAX FROM RECAPTURE OF CORPORATE HEADQUARTERS INVESTMENT TAX CREDIT

If you have claimed a corporate headquarters investment tax credit on property that ceases to qualify before the end of the five-year recapture period, you must compute the corporate headquarters investment tax credit recapture. This includes property moved outside of Idaho.

You must also compute recapture if you failed to meet the tax incentive criteria required to qualify for this credit at the project site during the project period.

Enter the amount from Form 80R, Part III, line 15. Attach Form 80R.

LINE 5 TAX FROM RECAPTURE OF CORPORATE HEADQUARTERS REAL PROPERTY IMPROVEMENT TAX CREDIT

If you have claimed a corporate headquarters real property improvement tax credit on property that ceases to qualify before the end of the five-year recapture period, you must compute the corporate headquarters real property improvement tax credit recapture.

You must also compute recapture if you failed to meet the tax incentive criteria required to qualify for this credit at the project site during the project period.

Enter the amount from Form 81R Part III, line 15. Attach Form 81R.

LINE 6 TAX FROM RECAPTURE OF CORPORATE HEADQUARTERS NEW JOBS TAX CREDIT

If you have claimed a corporate headquarters new jobs tax credit and you failed to maintain the employment of 500 new employees for the entire five-year recapture period, you must compute the corporate headquarters new jobs tax credit recapture.

You must also compute recapture if you failed to meet the tax incentive criteria required to qualify for this credit at the project site during the project period.

Enter the amount from Form 82R, line 10. Attach Form 82R.

LINE 7 TAX FROM RECAPTURE OF SMALL EMPLOYER INVESTMENT TAX CREDIT

If you have claimed a small employer investment tax credit on property that ceases to qualify before the end of the five-year recapture period, you must compute the small employer investment tax credit recapture. This includes property moved outside of Idaho.

You must also compute recapture if you failed to meet the tax incentive criteria required to qualify for this credit at the project site during the project period.

Enter the amount from Form 83R, Part III, line 15. Attach Form 83R.

LINE 8 TAX FROM RECAPTURE OF SMALL EMPLOYER REAL PROPERTY IMPROVEMENT TAX CREDIT

If you have claimed a small employer real property improvement tax credit on property that ceases to qualify before the end of the five-year recapture period, you must compute the small employer real property improvement tax credit recapture.

You must also compute recapture if you failed to meet the tax incentive criteria required to qualify for this credit at the project site during the project period.

Enter the amount from Form 84R, Part III, line 15. Attach Form 84R.

LINE 9 TAX FROM RECAPTURE OF SMALL EMPLOYER REAL PROPERTY NEW JOBS TAX CREDIT

If you have claimed a small employer new jobs tax credit and you failed to maintain the employment of 10 new employees for the entire five-year recapture period, you must compute the small employer new jobs tax credit recapture.

You must also compute recapture if you failed to meet the tax incentive criteria required to qualify for this credit at the project site during the project period.

Enter the amount from Form 85R, line 10. Attach Form 85R.

TAX TABLES

Use the following tables if your taxable income is less than \$100,000.

If your taxable income is \$100,000 or more, use the Tax Rate Schedules on page 45.

Example: Mr. and Mrs. Brown are filing a joint return. Their taxable income on line 21, Form 40, or line 44, Form 43, is \$25,360. First, they find the \$25,350 - \$25,400 income line. Next they find the column for married filing jointly and read down the column. The amount shown where the income line and filing status column meet is \$1,464. This is the tax amount they must write on line 22, Form 40, or line 45, Form 43.

At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household
25,300	25,350	1,673	1,461
25,350	25,400	1,677	1,464
25,400	25,450	1,681	1,468

If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is	
At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household
\$0		Your tax is --		\$2,000		Your tax is --		\$4,000		Your tax is --	
0	50	0	0	2,000	2,050	49	32	4,000	4,050	133	97
50	100	1	1	2,050	2,100	51	33	4,050	4,100	136	99
100	150	2	2	2,100	2,150	53	34	4,100	4,150	138	101
150	200	3	3	2,150	2,200	54	35	4,150	4,200	141	102
200	250	4	4	2,200	2,250	56	36	4,200	4,250	144	104
250	300	4	4	2,250	2,300	58	36	4,250	4,300	146	106
300	350	5	5	2,300	2,350	60	37	4,300	4,350	149	108
350	400	6	6	2,350	2,400	62	38	4,350	4,400	151	110
400	450	7	7	2,400	2,450	63	39	4,400	4,450	154	111
450	500	8	8	2,450	2,500	66	41	4,450	4,500	156	113
500	550	8	8	2,500	2,550	68	43	4,500	4,550	159	115
550	600	9	9	2,550	2,600	70	45	4,550	4,600	161	117
600	650	10	10	2,600	2,650	72	47	4,600	4,650	164	119
650	700	11	11	2,650	2,700	74	48	4,650	4,700	167	120
700	750	12	12	2,700	2,750	76	50	4,700	4,750	169	122
750	800	12	12	2,750	2,800	78	52	4,750	4,800	172	124
800	850	13	13	2,800	2,850	80	54	4,800	4,850	175	126
850	900	14	14	2,850	2,900	82	56	4,850	4,900	178	128
900	950	15	15	2,900	2,950	84	57	4,900	4,950	181	130
950	1,000	16	16	2,950	3,000	86	59	4,950	5,000	184	132
\$1,000				\$3,000				\$5,000			
1,000	1,050	16	16	3,000	3,050	88	61	5,000	5,050	187	134
1,050	1,100	17	17	3,050	3,100	90	63	5,050	5,100	190	136
1,100	1,150	18	18	3,100	3,150	92	65	5,100	5,150	193	138
1,150	1,200	19	19	3,150	3,200	94	66	5,150	5,200	196	140
1,200	1,250	20	20	3,200	3,250	96	68	5,200	5,250	199	142
1,250	1,300	22	20	3,250	3,300	98	70	5,250	5,300	202	144
1,300	1,350	24	21	3,300	3,350	100	72	5,300	5,350	205	146
1,350	1,400	26	22	3,350	3,400	102	74	5,350	5,400	208	149
1,400	1,450	27	23	3,400	3,450	104	75	5,400	5,450	211	151
1,450	1,500	29	24	3,450	3,500	107	77	5,450	5,500	214	153
1,500	1,550	31	24	3,500	3,550	109	79	5,500	5,550	217	155
1,550	1,600	33	25	3,550	3,600	111	81	5,550	5,600	220	157
1,600	1,650	35	26	3,600	3,650	113	83	5,600	5,650	223	159
1,650	1,700	36	27	3,650	3,700	116	84	5,650	5,700	226	161
1,700	1,750	38	28	3,700	3,750	118	86	5,700	5,750	229	163
1,750	1,800	40	28	3,750	3,800	121	88	5,750	5,800	232	165
1,800	1,850	42	29	3,800	3,850	123	90	5,800	5,850	236	167
1,850	1,900	44	30	3,850	3,900	126	92	5,850	5,900	239	169
1,900	1,950	45	31	3,900	3,950	128	93	5,900	5,950	242	171
1,950	2,000	47	32	3,950	4,000	131	95	5,950	6,000	245	173

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

Continued on next page

Tax Tables continued

If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is	
At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household
\$6,000 Your tax is --				\$9,000 Your tax is --				\$12,000 Your tax is --			
6,000	6,050	248	175	9,000	9,050	461	317	12,000	12,050	683	494
6,050	6,100	252	177	9,050	9,100	465	319	12,050	12,100	687	498
6,100	6,150	255	179	9,100	9,150	469	322	12,100	12,150	691	501
6,150	6,200	259	181	9,150	9,200	472	324	12,150	12,200	694	505
6,200	6,250	262	183	9,200	9,250	476	327	12,200	12,250	698	509
6,250	6,300	266	185	9,250	9,300	480	329	12,250	12,300	702	512
6,300	6,350	269	187	9,300	9,350	483	332	12,300	12,350	705	516
6,350	6,400	273	190	9,350	9,400	487	334	12,350	12,400	709	519
6,400	6,450	276	192	9,400	9,450	491	337	12,400	12,450	713	523
6,450	6,500	280	194	9,450	9,500	494	339	12,450	12,500	716	526
6,500	6,550	284	196	9,500	9,550	498	342	12,500	12,550	720	530
6,550	6,600	287	198	9,550	9,600	502	345	12,550	12,600	724	533
6,600	6,650	291	200	9,600	9,650	506	347	12,600	12,650	728	537
6,650	6,700	294	202	9,650	9,700	509	350	12,650	12,700	731	540
6,700	6,750	298	204	9,700	9,750	513	354	12,700	12,750	735	544
6,750	6,800	301	206	9,750	9,800	517	357	12,750	12,800	739	548
6,800	6,850	305	208	9,800	9,850	520	360	12,800	12,850	742	551
6,850	6,900	308	210	9,850	9,900	524	363	12,850	12,900	746	555
6,900	6,950	312	212	9,900	9,950	528	366	12,900	12,950	750	558
6,950	7,000	316	214	9,950	10,000	531	369	12,950	13,000	753	562
\$7,000				\$10,000				\$13,000			
7,000	7,050	319	216	10,000	10,050	535	372	13,000	13,050	757	565
7,050	7,100	323	218	10,050	10,100	539	375	13,050	13,100	761	569
7,100	7,150	326	220	10,100	10,150	543	378	13,100	13,150	765	572
7,150	7,200	330	222	10,150	10,200	546	381	13,150	13,200	768	576
7,200	7,250	333	225	10,200	10,250	550	384	13,200	13,250	772	580
7,250	7,300	337	227	10,250	10,300	554	387	13,250	13,300	776	583
7,300	7,350	340	230	10,300	10,350	557	390	13,300	13,350	779	587
7,350	7,400	344	232	10,350	10,400	561	393	13,350	13,400	783	590
7,400	7,450	347	235	10,400	10,450	565	396	13,400	13,450	787	594
7,450	7,500	351	237	10,450	10,500	568	399	13,450	13,500	790	597
7,500	7,550	355	240	10,500	10,550	572	402	13,500	13,550	794	601
7,550	7,600	358	243	10,550	10,600	576	405	13,550	13,600	798	604
7,600	7,650	362	245	10,600	10,650	580	408	13,600	13,650	802	608
7,650	7,700	365	248	10,650	10,700	583	411	13,650	13,700	805	611
7,700	7,750	369	250	10,700	10,750	587	415	13,700	13,750	809	615
7,750	7,800	372	253	10,750	10,800	591	418	13,750	13,800	813	619
7,800	7,850	376	255	10,800	10,850	594	421	13,800	13,850	816	622
7,850	7,900	379	258	10,850	10,900	598	424	13,850	13,900	820	626
7,900	7,950	383	260	10,900	10,950	602	427	13,900	13,950	824	629
7,950	8,000	387	263	10,950	11,000	605	430	13,950	14,000	827	633
\$8,000				\$11,000				\$14,000			
8,000	8,050	390	266	11,000	11,050	609	433	14,000	14,050	831	636
8,050	8,100	394	268	11,050	11,100	613	436	14,050	14,100	835	640
8,100	8,150	397	271	11,100	11,150	617	439	14,100	14,150	839	643
8,150	8,200	401	273	11,150	11,200	620	442	14,150	14,200	842	647
8,200	8,250	404	276	11,200	11,250	624	445	14,200	14,250	846	651
8,250	8,300	408	278	11,250	11,300	628	448	14,250	14,300	850	654
8,300	8,350	411	281	11,300	11,350	631	451	14,300	14,350	853	658
8,350	8,400	415	283	11,350	11,400	635	454	14,350	14,400	857	661
8,400	8,450	418	286	11,400	11,450	639	457	14,400	14,450	861	665
8,450	8,500	422	288	11,450	11,500	642	460	14,450	14,500	864	668
8,500	8,550	426	291	11,500	11,550	646	463	14,500	14,550	868	672
8,550	8,600	429	294	11,550	11,600	650	466	14,550	14,600	872	675
8,600	8,650	433	296	11,600	11,650	654	469	14,600	14,650	876	679
8,650	8,700	436	299	11,650	11,700	657	472	14,650	14,700	879	682
8,700	8,750	440	301	11,700	11,750	661	476	14,700	14,750	883	686
8,750	8,800	443	304	11,750	11,800	665	479	14,750	14,800	887	690
8,800	8,850	447	306	11,800	11,850	668	482	14,800	14,850	890	693
8,850	8,900	450	309	11,850	11,900	672	485	14,850	14,900	894	697
8,900	8,950	454	311	11,900	11,950	676	488	14,900	14,950	898	700
8,950	9,000	458	314	11,950	12,000	679	491	14,950	15,000	901	704

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

Tax Tables continued

If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is	
At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household
\$15,000 Your tax is --				\$18,000 Your tax is --				\$21,000 Your tax is --			
15,000	15,050	905	707	18,000	18,050	1,127	920	21,000	21,050	1,349	1,142
15,050	15,100	909	711	18,050	18,100	1,131	924	21,050	21,100	1,353	1,146
15,100	15,150	913	714	18,100	18,150	1,135	928	21,100	21,150	1,357	1,150
15,150	15,200	916	718	18,150	18,200	1,138	932	21,150	21,200	1,360	1,154
15,200	15,250	920	722	18,200	18,250	1,142	935	21,200	21,250	1,364	1,157
15,250	15,300	924	725	18,250	18,300	1,146	939	21,250	21,300	1,368	1,161
15,300	15,350	927	729	18,300	18,350	1,149	943	21,300	21,350	1,371	1,165
15,350	15,400	931	732	18,350	18,400	1,153	946	21,350	21,400	1,375	1,168
15,400	15,450	935	736	18,400	18,450	1,157	950	21,400	21,450	1,379	1,172
15,450	15,500	938	739	18,450	18,500	1,160	954	21,450	21,500	1,382	1,176
15,500	15,550	942	743	18,500	18,550	1,164	957	21,500	21,550	1,386	1,179
15,550	15,600	946	746	18,550	18,600	1,168	961	21,550	21,600	1,390	1,183
15,600	15,650	950	750	18,600	18,650	1,172	965	21,600	21,650	1,394	1,187
15,650	15,700	953	753	18,650	18,700	1,175	969	21,650	21,700	1,397	1,191
15,700	15,750	957	757	18,700	18,750	1,179	972	21,700	21,750	1,401	1,194
15,750	15,800	961	761	18,750	18,800	1,183	976	21,750	21,800	1,405	1,198
15,800	15,850	964	764	18,800	18,850	1,186	980	21,800	21,850	1,408	1,202
15,850	15,900	968	768	18,850	18,900	1,190	983	21,850	21,900	1,412	1,205
15,900	15,950	972	771	18,900	18,950	1,194	987	21,900	21,950	1,416	1,209
15,950	16,000	975	775	18,950	19,000	1,197	991	21,950	22,000	1,419	1,213
\$16,000 Your tax is --				\$19,000 Your tax is --				\$22,000 Your tax is --			
16,000	16,050	979	778	19,000	19,050	1,201	994	22,000	22,050	1,423	1,216
16,050	16,100	983	782	19,050	19,100	1,205	998	22,050	22,100	1,427	1,220
16,100	16,150	987	785	19,100	19,150	1,209	1,002	22,100	22,150	1,431	1,224
16,150	16,200	990	789	19,150	19,200	1,212	1,006	22,150	22,200	1,434	1,228
16,200	16,250	994	793	19,200	19,250	1,216	1,009	22,200	22,250	1,438	1,231
16,250	16,300	998	796	19,250	19,300	1,220	1,013	22,250	22,300	1,442	1,235
16,300	16,350	1,001	800	19,300	19,350	1,223	1,017	22,300	22,350	1,445	1,239
16,350	16,400	1,005	803	19,350	19,400	1,227	1,020	22,350	22,400	1,449	1,242
16,400	16,450	1,009	807	19,400	19,450	1,231	1,024	22,400	22,450	1,453	1,246
16,450	16,500	1,012	810	19,450	19,500	1,234	1,028	22,450	22,500	1,456	1,250
16,500	16,550	1,016	814	19,500	19,550	1,238	1,031	22,500	22,550	1,460	1,253
16,550	16,600	1,020	817	19,550	19,600	1,242	1,035	22,550	22,600	1,464	1,257
16,600	16,650	1,024	821	19,600	19,650	1,246	1,039	22,600	22,650	1,468	1,261
16,650	16,700	1,027	824	19,650	19,700	1,249	1,043	22,650	22,700	1,471	1,265
16,700	16,750	1,031	828	19,700	19,750	1,253	1,046	22,700	22,750	1,475	1,268
16,750	16,800	1,035	832	19,750	19,800	1,257	1,050	22,750	22,800	1,479	1,272
16,800	16,850	1,038	835	19,800	19,850	1,260	1,054	22,800	22,850	1,482	1,276
16,850	16,900	1,042	839	19,850	19,900	1,264	1,057	22,850	22,900	1,486	1,279
16,900	16,950	1,046	842	19,900	19,950	1,268	1,061	22,900	22,950	1,490	1,283
16,950	17,000	1,049	846	19,950	20,000	1,271	1,065	22,950	23,000	1,493	1,287
\$17,000 Your tax is --				\$20,000 Your tax is --				\$23,000 Your tax is --			
17,000	17,050	1,053	849	20,000	20,050	1,275	1,068	23,000	23,050	1,497	1,290
17,050	17,100	1,057	853	20,050	20,100	1,279	1,072	23,050	23,100	1,501	1,294
17,100	17,150	1,061	856	20,100	20,150	1,283	1,076	23,100	23,150	1,505	1,298
17,150	17,200	1,064	860	20,150	20,200	1,286	1,080	23,150	23,200	1,508	1,302
17,200	17,250	1,068	864	20,200	20,250	1,290	1,083	23,200	23,250	1,512	1,305
17,250	17,300	1,072	867	20,250	20,300	1,294	1,087	23,250	23,300	1,516	1,309
17,300	17,350	1,075	871	20,300	20,350	1,297	1,091	23,300	23,350	1,519	1,313
17,350	17,400	1,079	874	20,350	20,400	1,301	1,094	23,350	23,400	1,523	1,316
17,400	17,450	1,083	878	20,400	20,450	1,305	1,098	23,400	23,450	1,527	1,320
17,450	17,500	1,086	881	20,450	20,500	1,308	1,102	23,450	23,500	1,530	1,324
17,500	17,550	1,090	885	20,500	20,550	1,312	1,105	23,500	23,550	1,534	1,327
17,550	17,600	1,094	888	20,550	20,600	1,316	1,109	23,550	23,600	1,538	1,331
17,600	17,650	1,098	892	20,600	20,650	1,320	1,113	23,600	23,650	1,542	1,335
17,650	17,700	1,101	895	20,650	20,700	1,323	1,117	23,650	23,700	1,545	1,339
17,700	17,750	1,105	899	20,700	20,750	1,327	1,120	23,700	23,750	1,549	1,342
17,750	17,800	1,109	903	20,750	20,800	1,331	1,124	23,750	23,800	1,553	1,346
17,800	17,850	1,112	906	20,800	20,850	1,334	1,128	23,800	23,850	1,556	1,350
17,850	17,900	1,116	910	20,850	20,900	1,338	1,131	23,850	23,900	1,560	1,353
17,900	17,950	1,120	913	20,900	20,950	1,342	1,135	23,900	23,950	1,564	1,357
17,950	18,000	1,123	917	20,950	21,000	1,345	1,139	23,950	24,000	1,568	1,361

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

Tax Tables continued

If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is	
At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household
\$24,000 Your tax is --				\$27,000 Your tax is --				\$30,000 Your tax is --			
24,000	24,050	1,571	1,364	27,000	27,050	1,805	1,586	30,000	30,050	2,039	1,808
24,050	24,100	1,575	1,368	27,050	27,100	1,809	1,590	30,050	30,100	2,043	1,812
24,100	24,150	1,579	1,372	27,100	27,150	1,813	1,594	30,100	30,150	2,047	1,816
24,150	24,200	1,583	1,376	27,150	27,200	1,817	1,598	30,150	30,200	2,051	1,820
24,200	24,250	1,587	1,379	27,200	27,250	1,821	1,601	30,200	30,250	2,055	1,823
24,250	24,300	1,591	1,383	27,250	27,300	1,825	1,605	30,250	30,300	2,059	1,827
24,300	24,350	1,595	1,387	27,300	27,350	1,829	1,609	30,300	30,350	2,063	1,831
24,350	24,400	1,599	1,390	27,350	27,400	1,833	1,612	30,350	30,400	2,067	1,834
24,400	24,450	1,603	1,394	27,400	27,450	1,837	1,616	30,400	30,450	2,071	1,838
24,450	24,500	1,607	1,398	27,450	27,500	1,841	1,620	30,450	30,500	2,075	1,842
24,500	24,550	1,610	1,401	27,500	27,550	1,844	1,623	30,500	30,550	2,078	1,845
24,550	24,600	1,614	1,405	27,550	27,600	1,848	1,627	30,550	30,600	2,082	1,849
24,600	24,650	1,618	1,409	27,600	27,650	1,852	1,631	30,600	30,650	2,086	1,853
24,650	24,700	1,622	1,413	27,650	27,700	1,856	1,635	30,650	30,700	2,090	1,857
24,700	24,750	1,626	1,416	27,700	27,750	1,860	1,638	30,700	30,750	2,094	1,860
24,750	24,800	1,630	1,420	27,750	27,800	1,864	1,642	30,750	30,800	2,098	1,864
24,800	24,850	1,634	1,424	27,800	27,850	1,868	1,646	30,800	30,850	2,102	1,868
24,850	24,900	1,638	1,427	27,850	27,900	1,872	1,649	30,850	30,900	2,106	1,871
24,900	24,950	1,642	1,431	27,900	27,950	1,876	1,653	30,900	30,950	2,110	1,875
24,950	25,000	1,646	1,435	27,950	28,000	1,880	1,657	30,950	31,000	2,114	1,879
\$25,000				\$28,000				\$31,000			
25,000	25,050	1,649	1,438	28,000	28,050	1,883	1,660	31,000	31,050	2,117	1,882
25,050	25,100	1,653	1,442	28,050	28,100	1,887	1,664	31,050	31,100	2,121	1,886
25,100	25,150	1,657	1,446	28,100	28,150	1,891	1,668	31,100	31,150	2,125	1,890
25,150	25,200	1,661	1,450	28,150	28,200	1,895	1,672	31,150	31,200	2,129	1,894
25,200	25,250	1,665	1,453	28,200	28,250	1,899	1,675	31,200	31,250	2,133	1,897
25,250	25,300	1,669	1,457	28,250	28,300	1,903	1,679	31,250	31,300	2,137	1,901
25,300	25,350	1,673	1,461	28,300	28,350	1,907	1,683	31,300	31,350	2,141	1,905
25,350	25,400	1,677	1,464	28,350	28,400	1,911	1,686	31,350	31,400	2,145	1,908
25,400	25,450	1,681	1,468	28,400	28,450	1,915	1,690	31,400	31,450	2,149	1,912
25,450	25,500	1,685	1,472	28,450	28,500	1,919	1,694	31,450	31,500	2,153	1,916
25,500	25,550	1,688	1,475	28,500	28,550	1,922	1,697	31,500	31,550	2,156	1,919
25,550	25,600	1,692	1,479	28,550	28,600	1,926	1,701	31,550	31,600	2,160	1,923
25,600	25,650	1,696	1,483	28,600	28,650	1,930	1,705	31,600	31,650	2,164	1,927
25,650	25,700	1,700	1,487	28,650	28,700	1,934	1,709	31,650	31,700	2,168	1,931
25,700	25,750	1,704	1,490	28,700	28,750	1,938	1,712	31,700	31,750	2,172	1,934
25,750	25,800	1,708	1,494	28,750	28,800	1,942	1,716	31,750	31,800	2,176	1,938
25,800	25,850	1,712	1,498	28,800	28,850	1,946	1,720	31,800	31,850	2,180	1,942
25,850	25,900	1,716	1,501	28,850	28,900	1,950	1,723	31,850	31,900	2,184	1,945
25,900	25,950	1,720	1,505	28,900	28,950	1,954	1,727	31,900	31,950	2,188	1,949
25,950	26,000	1,724	1,509	28,950	29,000	1,958	1,731	31,950	32,000	2,192	1,953
\$26,000				\$29,000				\$32,000			
26,000	26,050	1,727	1,512	29,000	29,050	1,961	1,734	32,000	32,050	2,195	1,956
26,050	26,100	1,731	1,516	29,050	29,100	1,965	1,738	32,050	32,100	2,199	1,960
26,100	26,150	1,735	1,520	29,100	29,150	1,969	1,742	32,100	32,150	2,203	1,964
26,150	26,200	1,739	1,524	29,150	29,200	1,973	1,746	32,150	32,200	2,207	1,968
26,200	26,250	1,743	1,527	29,200	29,250	1,977	1,749	32,200	32,250	2,211	1,971
26,250	26,300	1,747	1,531	29,250	29,300	1,981	1,753	32,250	32,300	2,215	1,975
26,300	26,350	1,751	1,535	29,300	29,350	1,985	1,757	32,300	32,350	2,219	1,979
26,350	26,400	1,755	1,538	29,350	29,400	1,989	1,760	32,350	32,400	2,223	1,982
26,400	26,450	1,759	1,542	29,400	29,450	1,993	1,764	32,400	32,450	2,227	1,986
26,450	26,500	1,763	1,546	29,450	29,500	1,997	1,768	32,450	32,500	2,231	1,990
26,500	26,550	1,766	1,549	29,500	29,550	2,000	1,771	32,500	32,550	2,234	1,993
26,550	26,600	1,770	1,553	29,550	29,600	2,004	1,775	32,550	32,600	2,238	1,997
26,600	26,650	1,774	1,557	29,600	29,650	2,008	1,779	32,600	32,650	2,242	2,001
26,650	26,700	1,778	1,561	29,650	29,700	2,012	1,783	32,650	32,700	2,246	2,005
26,700	26,750	1,782	1,564	29,700	29,750	2,016	1,786	32,700	32,750	2,250	2,008
26,750	26,800	1,786	1,568	29,750	29,800	2,020	1,790	32,750	32,800	2,254	2,012
26,800	26,850	1,790	1,572	29,800	29,850	2,024	1,794	32,800	32,850	2,258	2,016
26,850	26,900	1,794	1,575	29,850	29,900	2,028	1,797	32,850	32,900	2,262	2,019
26,900	26,950	1,798	1,579	29,900	29,950	2,032	1,801	32,900	32,950	2,266	2,023
26,950	27,000	1,802	1,583	29,950	30,000	2,036	1,805	32,950	33,000	2,270	2,027

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

Tax Tables continued

If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is	
At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household
\$33,000 Your tax is --				\$36,000 Your tax is --				\$39,000 Your tax is --			
33,000	33,050	2,273	2,030	36,000	36,050	2,507	2,252	39,000	39,050	2,741	2,474
33,050	33,100	2,277	2,034	36,050	36,100	2,511	2,256	39,050	39,100	2,745	2,478
33,100	33,150	2,281	2,038	36,100	36,150	2,515	2,260	39,100	39,150	2,749	2,482
33,150	33,200	2,285	2,042	36,150	36,200	2,519	2,264	39,150	39,200	2,753	2,486
33,200	33,250	2,289	2,045	36,200	36,250	2,523	2,267	39,200	39,250	2,757	2,489
33,250	33,300	2,293	2,049	36,250	36,300	2,527	2,271	39,250	39,300	2,761	2,493
33,300	33,350	2,297	2,053	36,300	36,350	2,531	2,275	39,300	39,350	2,765	2,497
33,350	33,400	2,301	2,056	36,350	36,400	2,535	2,278	39,350	39,400	2,769	2,500
33,400	33,450	2,305	2,060	36,400	36,450	2,539	2,282	39,400	39,450	2,773	2,504
33,450	33,500	2,309	2,064	36,450	36,500	2,543	2,286	39,450	39,500	2,777	2,508
33,500	33,550	2,312	2,067	36,500	36,550	2,546	2,289	39,500	39,550	2,780	2,511
33,550	33,600	2,316	2,071	36,550	36,600	2,550	2,293	39,550	39,600	2,784	2,515
33,600	33,650	2,320	2,075	36,600	36,650	2,554	2,297	39,600	39,650	2,788	2,519
33,650	33,700	2,324	2,079	36,650	36,700	2,558	2,301	39,650	39,700	2,792	2,523
33,700	33,750	2,328	2,082	36,700	36,750	2,562	2,304	39,700	39,750	2,796	2,526
33,750	33,800	2,332	2,086	36,750	36,800	2,566	2,308	39,750	39,800	2,800	2,530
33,800	33,850	2,336	2,090	36,800	36,850	2,570	2,312	39,800	39,850	2,804	2,534
33,850	33,900	2,340	2,093	36,850	36,900	2,574	2,315	39,850	39,900	2,808	2,537
33,900	33,950	2,344	2,097	36,900	36,950	2,578	2,319	39,900	39,950	2,812	2,541
33,950	34,000	2,348	2,101	36,950	37,000	2,582	2,323	39,950	40,000	2,816	2,545
\$34,000				\$37,000				\$40,000			
34,000	34,050	2,351	2,104	37,000	37,050	2,585	2,326	40,000	40,050	2,819	2,548
34,050	34,100	2,355	2,108	37,050	37,100	2,589	2,330	40,050	40,100	2,823	2,552
34,100	34,150	2,359	2,112	37,100	37,150	2,593	2,334	40,100	40,150	2,827	2,556
34,150	34,200	2,363	2,116	37,150	37,200	2,597	2,338	40,150	40,200	2,831	2,560
34,200	34,250	2,367	2,119	37,200	37,250	2,601	2,341	40,200	40,250	2,835	2,563
34,250	34,300	2,371	2,123	37,250	37,300	2,605	2,345	40,250	40,300	2,839	2,567
34,300	34,350	2,375	2,127	37,300	37,350	2,609	2,349	40,300	40,350	2,843	2,571
34,350	34,400	2,379	2,130	37,350	37,400	2,613	2,352	40,350	40,400	2,847	2,574
34,400	34,450	2,383	2,134	37,400	37,450	2,617	2,356	40,400	40,450	2,851	2,578
34,450	34,500	2,387	2,138	37,450	37,500	2,621	2,360	40,450	40,500	2,855	2,582
34,500	34,550	2,390	2,141	37,500	37,550	2,624	2,363	40,500	40,550	2,858	2,585
34,550	34,600	2,394	2,145	37,550	37,600	2,628	2,367	40,550	40,600	2,862	2,589
34,600	34,650	2,398	2,149	37,600	37,650	2,632	2,371	40,600	40,650	2,866	2,593
34,650	34,700	2,402	2,153	37,650	37,700	2,636	2,375	40,650	40,700	2,870	2,597
34,700	34,750	2,406	2,156	37,700	37,750	2,640	2,378	40,700	40,750	2,874	2,600
34,750	34,800	2,410	2,160	37,750	37,800	2,644	2,382	40,750	40,800	2,878	2,604
34,800	34,850	2,414	2,164	37,800	37,850	2,648	2,386	40,800	40,850	2,882	2,608
34,850	34,900	2,418	2,167	37,850	37,900	2,652	2,389	40,850	40,900	2,886	2,611
34,900	34,950	2,422	2,171	37,900	37,950	2,656	2,393	40,900	40,950	2,890	2,615
34,950	35,000	2,426	2,175	37,950	38,000	2,660	2,397	40,950	41,000	2,894	2,619
\$35,000				\$38,000				\$41,000			
35,000	35,050	2,429	2,178	38,000	38,050	2,663	2,400	41,000	41,050	2,897	2,622
35,050	35,100	2,433	2,182	38,050	38,100	2,667	2,404	41,050	41,100	2,901	2,626
35,100	35,150	2,437	2,186	38,100	38,150	2,671	2,408	41,100	41,150	2,905	2,630
35,150	35,200	2,441	2,190	38,150	38,200	2,675	2,412	41,150	41,200	2,909	2,634
35,200	35,250	2,445	2,193	38,200	38,250	2,679	2,415	41,200	41,250	2,913	2,637
35,250	35,300	2,449	2,197	38,250	38,300	2,683	2,419	41,250	41,300	2,917	2,641
35,300	35,350	2,453	2,201	38,300	38,350	2,687	2,423	41,300	41,350	2,921	2,645
35,350	35,400	2,457	2,204	38,350	38,400	2,691	2,426	41,350	41,400	2,925	2,648
35,400	35,450	2,461	2,208	38,400	38,450	2,695	2,430	41,400	41,450	2,929	2,652
35,450	35,500	2,465	2,212	38,450	38,500	2,699	2,434	41,450	41,500	2,933	2,656
35,500	35,550	2,468	2,215	38,500	38,550	2,702	2,437	41,500	41,550	2,936	2,659
35,550	35,600	2,472	2,219	38,550	38,600	2,706	2,441	41,550	41,600	2,940	2,663
35,600	35,650	2,476	2,223	38,600	38,650	2,710	2,445	41,600	41,650	2,944	2,667
35,650	35,700	2,480	2,227	38,650	38,700	2,714	2,449	41,650	41,700	2,948	2,671
35,700	35,750	2,484	2,230	38,700	38,750	2,718	2,452	41,700	41,750	2,952	2,674
35,750	35,800	2,488	2,234	38,750	38,800	2,722	2,456	41,750	41,800	2,956	2,678
35,800	35,850	2,492	2,238	38,800	38,850	2,726	2,460	41,800	41,850	2,960	2,682
35,850	35,900	2,496	2,241	38,850	38,900	2,730	2,463	41,850	41,900	2,964	2,685
35,900	35,950	2,500	2,245	38,900	38,950	2,734	2,467	41,900	41,950	2,968	2,689
35,950	36,000	2,504	2,249	38,950	39,000	2,738	2,471	41,950	42,000	2,972	2,693

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

Tax Tables continued

If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is	
At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household
\$42,000		Your tax is --		\$45,000		Your tax is --		\$48,000		Your tax is --	
42,000	42,050	2,975	2,696	45,000	45,050	3,209	2,918	48,000	48,050	3,443	3,141
42,050	42,100	2,979	2,700	45,050	45,100	3,213	2,922	48,050	48,100	3,447	3,145
42,100	42,150	2,983	2,704	45,100	45,150	3,217	2,926	48,100	48,150	3,451	3,149
42,150	42,200	2,987	2,708	45,150	45,200	3,221	2,930	48,150	48,200	3,455	3,153
42,200	42,250	2,991	2,711	45,200	45,250	3,225	2,933	48,200	48,250	3,459	3,156
42,250	42,300	2,995	2,715	45,250	45,300	3,229	2,937	48,250	48,300	3,463	3,160
42,300	42,350	2,999	2,719	45,300	45,350	3,233	2,941	48,300	48,350	3,467	3,164
42,350	42,400	3,003	2,722	45,350	45,400	3,237	2,944	48,350	48,400	3,471	3,168
42,400	42,450	3,007	2,726	45,400	45,450	3,241	2,948	48,400	48,450	3,475	3,172
42,450	42,500	3,011	2,730	45,450	45,500	3,245	2,952	48,450	48,500	3,479	3,176
42,500	42,550	3,014	2,733	45,500	45,550	3,248	2,955	48,500	48,550	3,482	3,180
42,550	42,600	3,018	2,737	45,550	45,600	3,252	2,959	48,550	48,600	3,486	3,184
42,600	42,650	3,022	2,741	45,600	45,650	3,256	2,963	48,600	48,650	3,490	3,188
42,650	42,700	3,026	2,745	45,650	45,700	3,260	2,967	48,650	48,700	3,494	3,192
42,700	42,750	3,030	2,748	45,700	45,750	3,264	2,970	48,700	48,750	3,498	3,195
42,750	42,800	3,034	2,752	45,750	45,800	3,268	2,974	48,750	48,800	3,502	3,199
42,800	42,850	3,038	2,756	45,800	45,850	3,272	2,978	48,800	48,850	3,506	3,203
42,850	42,900	3,042	2,759	45,850	45,900	3,276	2,981	48,850	48,900	3,510	3,207
42,900	42,950	3,046	2,763	45,900	45,950	3,280	2,985	48,900	48,950	3,514	3,211
42,950	43,000	3,050	2,767	45,950	46,000	3,284	2,989	48,950	49,000	3,518	3,215
\$43,000				\$46,000				\$49,000			
43,000	43,050	3,053	2,770	46,000	46,050	3,287	2,992	49,000	49,050	3,521	3,219
43,050	43,100	3,057	2,774	46,050	46,100	3,291	2,996	49,050	49,100	3,525	3,223
43,100	43,150	3,061	2,778	46,100	46,150	3,295	3,000	49,100	49,150	3,529	3,227
43,150	43,200	3,065	2,782	46,150	46,200	3,299	3,004	49,150	49,200	3,533	3,231
43,200	43,250	3,069	2,785	46,200	46,250	3,303	3,007	49,200	49,250	3,537	3,234
43,250	43,300	3,073	2,789	46,250	46,300	3,307	3,011	49,250	49,300	3,541	3,238
43,300	43,350	3,077	2,793	46,300	46,350	3,311	3,015	49,300	49,350	3,545	3,242
43,350	43,400	3,081	2,796	46,350	46,400	3,315	3,018	49,350	49,400	3,549	3,246
43,400	43,450	3,085	2,800	46,400	46,450	3,319	3,022	49,400	49,450	3,553	3,250
43,450	43,500	3,089	2,804	46,450	46,500	3,323	3,026	49,450	49,500	3,557	3,254
43,500	43,550	3,092	2,807	46,500	46,550	3,326	3,029	49,500	49,550	3,560	3,258
43,550	43,600	3,096	2,811	46,550	46,600	3,330	3,033	49,550	49,600	3,564	3,262
43,600	43,650	3,100	2,815	46,600	46,650	3,334	3,037	49,600	49,650	3,568	3,266
43,650	43,700	3,104	2,819	46,650	46,700	3,338	3,041	49,650	49,700	3,572	3,270
43,700	43,750	3,108	2,822	46,700	46,750	3,342	3,044	49,700	49,750	3,576	3,273
43,750	43,800	3,112	2,826	46,750	46,800	3,346	3,048	49,750	49,800	3,580	3,277
43,800	43,850	3,116	2,830	46,800	46,850	3,350	3,052	49,800	49,850	3,584	3,281
43,850	43,900	3,120	2,833	46,850	46,900	3,354	3,055	49,850	49,900	3,588	3,285
43,900	43,950	3,124	2,837	46,900	46,950	3,358	3,059	49,900	49,950	3,592	3,289
43,950	44,000	3,128	2,841	46,950	47,000	3,362	3,063	49,950	50,000	3,596	3,293
\$44,000				\$47,000				\$50,000			
44,000	44,050	3,131	2,844	47,000	47,050	3,365	3,066	50,000	50,050	3,599	3,297
44,050	44,100	3,135	2,848	47,050	47,100	3,369	3,070	50,050	50,100	3,603	3,301
44,100	44,150	3,139	2,852	47,100	47,150	3,373	3,074	50,100	50,150	3,607	3,305
44,150	44,200	3,143	2,856	47,150	47,200	3,377	3,078	50,150	50,200	3,611	3,309
44,200	44,250	3,147	2,859	47,200	47,250	3,381	3,081	50,200	50,250	3,615	3,312
44,250	44,300	3,151	2,863	47,250	47,300	3,385	3,085	50,250	50,300	3,619	3,316
44,300	44,350	3,155	2,867	47,300	47,350	3,389	3,089	50,300	50,350	3,623	3,320
44,350	44,400	3,159	2,870	47,350	47,400	3,393	3,092	50,350	50,400	3,627	3,324
44,400	44,450	3,163	2,874	47,400	47,450	3,397	3,096	50,400	50,450	3,631	3,328
44,450	44,500	3,167	2,878	47,450	47,500	3,401	3,100	50,450	50,500	3,635	3,332
44,500	44,550	3,170	2,881	47,500	47,550	3,404	3,103	50,500	50,550	3,638	3,336
44,550	44,600	3,174	2,885	47,550	47,600	3,408	3,107	50,550	50,600	3,642	3,340
44,600	44,650	3,178	2,889	47,600	47,650	3,412	3,111	50,600	50,650	3,646	3,344
44,650	44,700	3,182	2,893	47,650	47,700	3,416	3,115	50,650	50,700	3,650	3,348
44,700	44,750	3,186	2,896	47,700	47,750	3,420	3,118	50,700	50,750	3,654	3,351
44,750	44,800	3,190	2,900	47,750	47,800	3,424	3,122	50,750	50,800	3,658	3,355
44,800	44,850	3,194	2,904	47,800	47,850	3,428	3,126	50,800	50,850	3,662	3,359
44,850	44,900	3,198	2,907	47,850	47,900	3,432	3,129	50,850	50,900	3,666	3,363
44,900	44,950	3,202	2,911	47,900	47,950	3,436	3,133	50,900	50,950	3,670	3,367
44,950	45,000	3,206	2,915	47,950	48,000	3,440	3,137	50,950	51,000	3,674	3,371

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

Tax Tables continued

If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is	
At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household
\$51,000 Your tax is --				\$54,000 Your tax is --				\$57,000 Your tax is --			
51,000	51,050	3,677	3,375	54,000	54,050	3,911	3,609	57,000	57,050	4,145	3,843
51,050	51,100	3,681	3,379	54,050	54,100	3,915	3,613	57,050	57,100	4,149	3,847
51,100	51,150	3,685	3,383	54,100	54,150	3,919	3,617	57,100	57,150	4,153	3,851
51,150	51,200	3,689	3,387	54,150	54,200	3,923	3,621	57,150	57,200	4,157	3,855
51,200	51,250	3,693	3,390	54,200	54,250	3,927	3,624	57,200	57,250	4,161	3,858
51,250	51,300	3,697	3,394	54,250	54,300	3,931	3,628	57,250	57,300	4,165	3,862
51,300	51,350	3,701	3,398	54,300	54,350	3,935	3,632	57,300	57,350	4,169	3,866
51,350	51,400	3,705	3,402	54,350	54,400	3,939	3,636	57,350	57,400	4,173	3,870
51,400	51,450	3,709	3,406	54,400	54,450	3,943	3,640	57,400	57,450	4,177	3,874
51,450	51,500	3,713	3,410	54,450	54,500	3,947	3,644	57,450	57,500	4,181	3,878
51,500	51,550	3,716	3,414	54,500	54,550	3,950	3,648	57,500	57,550	4,184	3,882
51,550	51,600	3,720	3,418	54,550	54,600	3,954	3,652	57,550	57,600	4,188	3,886
51,600	51,650	3,724	3,422	54,600	54,650	3,958	3,656	57,600	57,650	4,192	3,890
51,650	51,700	3,728	3,426	54,650	54,700	3,962	3,660	57,650	57,700	4,196	3,894
51,700	51,750	3,732	3,429	54,700	54,750	3,966	3,663	57,700	57,750	4,200	3,897
51,750	51,800	3,736	3,433	54,750	54,800	3,970	3,667	57,750	57,800	4,204	3,901
51,800	51,850	3,740	3,437	54,800	54,850	3,974	3,671	57,800	57,850	4,208	3,905
51,850	51,900	3,744	3,441	54,850	54,900	3,978	3,675	57,850	57,900	4,212	3,909
51,900	51,950	3,748	3,445	54,900	54,950	3,982	3,679	57,900	57,950	4,216	3,913
51,950	52,000	3,752	3,449	54,950	55,000	3,986	3,683	57,950	58,000	4,220	3,917
\$52,000				\$55,000				\$58,000			
52,000	52,050	3,755	3,453	55,000	55,050	3,989	3,687	58,000	58,050	4,223	3,921
52,050	52,100	3,759	3,457	55,050	55,100	3,993	3,691	58,050	58,100	4,227	3,925
52,100	52,150	3,763	3,461	55,100	55,150	3,997	3,695	58,100	58,150	4,231	3,929
52,150	52,200	3,767	3,465	55,150	55,200	4,001	3,699	58,150	58,200	4,235	3,933
52,200	52,250	3,771	3,468	55,200	55,250	4,005	3,702	58,200	58,250	4,239	3,936
52,250	52,300	3,775	3,472	55,250	55,300	4,009	3,706	58,250	58,300	4,243	3,940
52,300	52,350	3,779	3,476	55,300	55,350	4,013	3,710	58,300	58,350	4,247	3,944
52,350	52,400	3,783	3,480	55,350	55,400	4,017	3,714	58,350	58,400	4,251	3,948
52,400	52,450	3,787	3,484	55,400	55,450	4,021	3,718	58,400	58,450	4,255	3,952
52,450	52,500	3,791	3,488	55,450	55,500	4,025	3,722	58,450	58,500	4,259	3,956
52,500	52,550	3,794	3,492	55,500	55,550	4,028	3,726	58,500	58,550	4,262	3,960
52,550	52,600	3,798	3,496	55,550	55,600	4,032	3,730	58,550	58,600	4,266	3,964
52,600	52,650	3,802	3,500	55,600	55,650	4,036	3,734	58,600	58,650	4,270	3,968
52,650	52,700	3,806	3,504	55,650	55,700	4,040	3,738	58,650	58,700	4,274	3,972
52,700	52,750	3,810	3,507	55,700	55,750	4,044	3,741	58,700	58,750	4,278	3,975
52,750	52,800	3,814	3,511	55,750	55,800	4,048	3,745	58,750	58,800	4,282	3,979
52,800	52,850	3,818	3,515	55,800	55,850	4,052	3,749	58,800	58,850	4,286	3,983
52,850	52,900	3,822	3,519	55,850	55,900	4,056	3,753	58,850	58,900	4,290	3,987
52,900	52,950	3,826	3,523	55,900	55,950	4,060	3,757	58,900	58,950	4,294	3,991
52,950	53,000	3,830	3,527	55,950	56,000	4,064	3,761	58,950	59,000	4,298	3,995
\$53,000				\$56,000				\$59,000			
53,000	53,050	3,833	3,531	56,000	56,050	4,067	3,765	59,000	59,050	4,301	3,999
53,050	53,100	3,837	3,535	56,050	56,100	4,071	3,769	59,050	59,100	4,305	4,003
53,100	53,150	3,841	3,539	56,100	56,150	4,075	3,773	59,100	59,150	4,309	4,007
53,150	53,200	3,845	3,543	56,150	56,200	4,079	3,777	59,150	59,200	4,313	4,011
53,200	53,250	3,849	3,546	56,200	56,250	4,083	3,780	59,200	59,250	4,317	4,014
53,250	53,300	3,853	3,550	56,250	56,300	4,087	3,784	59,250	59,300	4,321	4,018
53,300	53,350	3,857	3,554	56,300	56,350	4,091	3,788	59,300	59,350	4,325	4,022
53,350	53,400	3,861	3,558	56,350	56,400	4,095	3,792	59,350	59,400	4,329	4,026
53,400	53,450	3,865	3,562	56,400	56,450	4,099	3,796	59,400	59,450	4,333	4,030
53,450	53,500	3,869	3,566	56,450	56,500	4,103	3,800	59,450	59,500	4,337	4,034
53,500	53,550	3,872	3,570	56,500	56,550	4,106	3,804	59,500	59,550	4,340	4,038
53,550	53,600	3,876	3,574	56,550	56,600	4,110	3,808	59,550	59,600	4,344	4,042
53,600	53,650	3,880	3,578	56,600	56,650	4,114	3,812	59,600	59,650	4,348	4,046
53,650	53,700	3,884	3,582	56,650	56,700	4,118	3,816	59,650	59,700	4,352	4,050
53,700	53,750	3,888	3,585	56,700	56,750	4,122	3,819	59,700	59,750	4,356	4,053
53,750	53,800	3,892	3,589	56,750	56,800	4,126	3,823	59,750	59,800	4,360	4,057
53,800	53,850	3,896	3,593	56,800	56,850	4,130	3,827	59,800	59,850	4,364	4,061
53,850	53,900	3,900	3,597	56,850	56,900	4,134	3,831	59,850	59,900	4,368	4,065
53,900	53,950	3,904	3,601	56,900	56,950	4,138	3,835	59,900	59,950	4,372	4,069
53,950	54,000	3,908	3,605	56,950	57,000	4,142	3,839	59,950	60,000	4,376	4,073

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

Tax Tables continued

If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is	
At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household
\$60,000 Your tax is --				\$63,000 Your tax is --				\$66,000 Your tax is --			
60,000	60,050	4,379	4,077	63,000	63,050	4,613	4,311	66,000	66,050	4,847	4,545
60,050	60,100	4,383	4,081	63,050	63,100	4,617	4,315	66,050	66,100	4,851	4,549
60,100	60,150	4,387	4,085	63,100	63,150	4,621	4,319	66,100	66,150	4,855	4,553
60,150	60,200	4,391	4,089	63,150	63,200	4,625	4,323	66,150	66,200	4,859	4,557
60,200	60,250	4,395	4,092	63,200	63,250	4,629	4,326	66,200	66,250	4,863	4,560
60,250	60,300	4,399	4,096	63,250	63,300	4,633	4,330	66,250	66,300	4,867	4,564
60,300	60,350	4,403	4,100	63,300	63,350	4,637	4,334	66,300	66,350	4,871	4,568
60,350	60,400	4,407	4,104	63,350	63,400	4,641	4,338	66,350	66,400	4,875	4,572
60,400	60,450	4,411	4,108	63,400	63,450	4,645	4,342	66,400	66,450	4,879	4,576
60,450	60,500	4,415	4,112	63,450	63,500	4,649	4,346	66,450	66,500	4,883	4,580
60,500	60,550	4,418	4,116	63,500	63,550	4,652	4,350	66,500	66,550	4,886	4,584
60,550	60,600	4,422	4,120	63,550	63,600	4,656	4,354	66,550	66,600	4,890	4,588
60,600	60,650	4,426	4,124	63,600	63,650	4,660	4,358	66,600	66,650	4,894	4,592
60,650	60,700	4,430	4,128	63,650	63,700	4,664	4,362	66,650	66,700	4,898	4,596
60,700	60,750	4,434	4,131	63,700	63,750	4,668	4,365	66,700	66,750	4,902	4,599
60,750	60,800	4,438	4,135	63,750	63,800	4,672	4,369	66,750	66,800	4,906	4,603
60,800	60,850	4,442	4,139	63,800	63,850	4,676	4,373	66,800	66,850	4,910	4,607
60,850	60,900	4,446	4,143	63,850	63,900	4,680	4,377	66,850	66,900	4,914	4,611
60,900	60,950	4,450	4,147	63,900	63,950	4,684	4,381	66,900	66,950	4,918	4,615
60,950	61,000	4,454	4,151	63,950	64,000	4,688	4,385	66,950	67,000	4,922	4,619
\$61,000				\$64,000				\$67,000			
61,000	61,050	4,457	4,155	64,000	64,050	4,691	4,389	67,000	67,050	4,925	4,623
61,050	61,100	4,461	4,159	64,050	64,100	4,695	4,393	67,050	67,100	4,929	4,627
61,100	61,150	4,465	4,163	64,100	64,150	4,699	4,397	67,100	67,150	4,933	4,631
61,150	61,200	4,469	4,167	64,150	64,200	4,703	4,401	67,150	67,200	4,937	4,635
61,200	61,250	4,473	4,170	64,200	64,250	4,707	4,404	67,200	67,250	4,941	4,638
61,250	61,300	4,477	4,174	64,250	64,300	4,711	4,408	67,250	67,300	4,945	4,642
61,300	61,350	4,481	4,178	64,300	64,350	4,715	4,412	67,300	67,350	4,949	4,646
61,350	61,400	4,485	4,182	64,350	64,400	4,719	4,416	67,350	67,400	4,953	4,650
61,400	61,450	4,489	4,186	64,400	64,450	4,723	4,420	67,400	67,450	4,957	4,654
61,450	61,500	4,493	4,190	64,450	64,500	4,727	4,424	67,450	67,500	4,961	4,658
61,500	61,550	4,496	4,194	64,500	64,550	4,730	4,428	67,500	67,550	4,964	4,662
61,550	61,600	4,500	4,198	64,550	64,600	4,734	4,432	67,550	67,600	4,968	4,666
61,600	61,650	4,504	4,202	64,600	64,650	4,738	4,436	67,600	67,650	4,972	4,670
61,650	61,700	4,508	4,206	64,650	64,700	4,742	4,440	67,650	67,700	4,976	4,674
61,700	61,750	4,512	4,209	64,700	64,750	4,746	4,443	67,700	67,750	4,980	4,677
61,750	61,800	4,516	4,213	64,750	64,800	4,750	4,447	67,750	67,800	4,984	4,681
61,800	61,850	4,520	4,217	64,800	64,850	4,754	4,451	67,800	67,850	4,988	4,685
61,850	61,900	4,524	4,221	64,850	64,900	4,758	4,455	67,850	67,900	4,992	4,689
61,900	61,950	4,528	4,225	64,900	64,950	4,762	4,459	67,900	67,950	4,996	4,693
61,950	62,000	4,532	4,229	64,950	65,000	4,766	4,463	67,950	68,000	5,000	4,697
\$62,000				\$65,000				\$68,000			
62,000	62,050	4,535	4,233	65,000	65,050	4,769	4,467	68,000	68,050	5,003	4,701
62,050	62,100	4,539	4,237	65,050	65,100	4,773	4,471	68,050	68,100	5,007	4,705
62,100	62,150	4,543	4,241	65,100	65,150	4,777	4,475	68,100	68,150	5,011	4,709
62,150	62,200	4,547	4,245	65,150	65,200	4,781	4,479	68,150	68,200	5,015	4,713
62,200	62,250	4,551	4,248	65,200	65,250	4,785	4,482	68,200	68,250	5,019	4,716
62,250	62,300	4,555	4,252	65,250	65,300	4,789	4,486	68,250	68,300	5,023	4,720
62,300	62,350	4,559	4,256	65,300	65,350	4,793	4,490	68,300	68,350	5,027	4,724
62,350	62,400	4,563	4,260	65,350	65,400	4,797	4,494	68,350	68,400	5,031	4,728
62,400	62,450	4,567	4,264	65,400	65,450	4,801	4,498	68,400	68,450	5,035	4,732
62,450	62,500	4,571	4,268	65,450	65,500	4,805	4,502	68,450	68,500	5,039	4,736
62,500	62,550	4,574	4,272	65,500	65,550	4,808	4,506	68,500	68,550	5,042	4,740
62,550	62,600	4,578	4,276	65,550	65,600	4,812	4,510	68,550	68,600	5,046	4,744
62,600	62,650	4,582	4,280	65,600	65,650	4,816	4,514	68,600	68,650	5,050	4,748
62,650	62,700	4,586	4,284	65,650	65,700	4,820	4,518	68,650	68,700	5,054	4,752
62,700	62,750	4,590	4,287	65,700	65,750	4,824	4,521	68,700	68,750	5,058	4,755
62,750	62,800	4,594	4,291	65,750	65,800	4,828	4,525	68,750	68,800	5,062	4,759
62,800	62,850	4,598	4,295	65,800	65,850	4,832	4,529	68,800	68,850	5,066	4,763
62,850	62,900	4,602	4,299	65,850	65,900	4,836	4,533	68,850	68,900	5,070	4,767
62,900	62,950	4,606	4,303	65,900	65,950	4,840	4,537	68,900	68,950	5,074	4,771
62,950	63,000	4,610	4,307	65,950	66,000	4,844	4,541	68,950	69,000	5,078	4,775

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

Tax Tables continued

If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is	
At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household
\$69,000 Your tax is --				\$72,000 Your tax is --				\$75,000 Your tax is --			
69,000	69,050	5,081	4,779	72,000	72,050	5,315	5,013	75,000	75,050	5,549	5,247
69,050	69,100	5,085	4,783	72,050	72,100	5,319	5,017	75,050	75,100	5,553	5,251
69,100	69,150	5,089	4,787	72,100	72,150	5,323	5,021	75,100	75,150	5,557	5,255
69,150	69,200	5,093	4,791	72,150	72,200	5,327	5,025	75,150	75,200	5,561	5,259
69,200	69,250	5,097	4,794	72,200	72,250	5,331	5,028	75,200	75,250	5,565	5,262
69,250	69,300	5,101	4,798	72,250	72,300	5,335	5,032	75,250	75,300	5,569	5,266
69,300	69,350	5,105	4,802	72,300	72,350	5,339	5,036	75,300	75,350	5,573	5,270
69,350	69,400	5,109	4,806	72,350	72,400	5,343	5,040	75,350	75,400	5,577	5,274
69,400	69,450	5,113	4,810	72,400	72,450	5,347	5,044	75,400	75,450	5,581	5,278
69,450	69,500	5,117	4,814	72,450	72,500	5,351	5,048	75,450	75,500	5,585	5,282
69,500	69,550	5,120	4,818	72,500	72,550	5,354	5,052	75,500	75,550	5,588	5,286
69,550	69,600	5,124	4,822	72,550	72,600	5,358	5,056	75,550	75,600	5,592	5,290
69,600	69,650	5,128	4,826	72,600	72,650	5,362	5,060	75,600	75,650	5,596	5,294
69,650	69,700	5,132	4,830	72,650	72,700	5,366	5,064	75,650	75,700	5,600	5,298
69,700	69,750	5,136	4,833	72,700	72,750	5,370	5,067	75,700	75,750	5,604	5,301
69,750	69,800	5,140	4,837	72,750	72,800	5,374	5,071	75,750	75,800	5,608	5,305
69,800	69,850	5,144	4,841	72,800	72,850	5,378	5,075	75,800	75,850	5,612	5,309
69,850	69,900	5,148	4,845	72,850	72,900	5,382	5,079	75,850	75,900	5,616	5,313
69,900	69,950	5,152	4,849	72,900	72,950	5,386	5,083	75,900	75,950	5,620	5,317
69,950	70,000	5,156	4,853	72,950	73,000	5,390	5,087	75,950	76,000	5,624	5,321
\$70,000				\$73,000				\$76,000			
70,000	70,050	5,159	4,857	73,000	73,050	5,393	5,091	76,000	76,050	5,627	5,325
70,050	70,100	5,163	4,861	73,050	73,100	5,397	5,095	76,050	76,100	5,631	5,329
70,100	70,150	5,167	4,865	73,100	73,150	5,401	5,099	76,100	76,150	5,635	5,333
70,150	70,200	5,171	4,869	73,150	73,200	5,405	5,103	76,150	76,200	5,639	5,337
70,200	70,250	5,175	4,872	73,200	73,250	5,409	5,106	76,200	76,250	5,643	5,340
70,250	70,300	5,179	4,876	73,250	73,300	5,413	5,110	76,250	76,300	5,647	5,344
70,300	70,350	5,183	4,880	73,300	73,350	5,417	5,114	76,300	76,350	5,651	5,348
70,350	70,400	5,187	4,884	73,350	73,400	5,421	5,118	76,350	76,400	5,655	5,352
70,400	70,450	5,191	4,888	73,400	73,450	5,425	5,122	76,400	76,450	5,659	5,356
70,450	70,500	5,195	4,892	73,450	73,500	5,429	5,126	76,450	76,500	5,663	5,360
70,500	70,550	5,198	4,896	73,500	73,550	5,432	5,130	76,500	76,550	5,666	5,364
70,550	70,600	5,202	4,900	73,550	73,600	5,436	5,134	76,550	76,600	5,670	5,368
70,600	70,650	5,206	4,904	73,600	73,650	5,440	5,138	76,600	76,650	5,674	5,372
70,650	70,700	5,210	4,908	73,650	73,700	5,444	5,142	76,650	76,700	5,678	5,376
70,700	70,750	5,214	4,911	73,700	73,750	5,448	5,145	76,700	76,750	5,682	5,379
70,750	70,800	5,218	4,915	73,750	73,800	5,452	5,149	76,750	76,800	5,686	5,383
70,800	70,850	5,222	4,919	73,800	73,850	5,456	5,153	76,800	76,850	5,690	5,387
70,850	70,900	5,226	4,923	73,850	73,900	5,460	5,157	76,850	76,900	5,694	5,391
70,900	70,950	5,230	4,927	73,900	73,950	5,464	5,161	76,900	76,950	5,698	5,395
70,950	71,000	5,234	4,931	73,950	74,000	5,468	5,165	76,950	77,000	5,702	5,399
\$71,000				\$74,000				\$77,000			
71,000	71,050	5,237	4,935	74,000	74,050	5,471	5,169	77,000	77,050	5,705	5,403
71,050	71,100	5,241	4,939	74,050	74,100	5,475	5,173	77,050	77,100	5,709	5,407
71,100	71,150	5,245	4,943	74,100	74,150	5,479	5,177	77,100	77,150	5,713	5,411
71,150	71,200	5,249	4,947	74,150	74,200	5,483	5,181	77,150	77,200	5,717	5,415
71,200	71,250	5,253	4,950	74,200	74,250	5,487	5,184	77,200	77,250	5,721	5,418
71,250	71,300	5,257	4,954	74,250	74,300	5,491	5,188	77,250	77,300	5,725	5,422
71,300	71,350	5,261	4,958	74,300	74,350	5,495	5,192	77,300	77,350	5,729	5,426
71,350	71,400	5,265	4,962	74,350	74,400	5,499	5,196	77,350	77,400	5,733	5,430
71,400	71,450	5,269	4,966	74,400	74,450	5,503	5,200	77,400	77,450	5,737	5,434
71,450	71,500	5,273	4,970	74,450	74,500	5,507	5,204	77,450	77,500	5,741	5,438
71,500	71,550	5,276	4,974	74,500	74,550	5,510	5,208	77,500	77,550	5,744	5,442
71,550	71,600	5,280	4,978	74,550	74,600	5,514	5,212	77,550	77,600	5,748	5,446
71,600	71,650	5,284	4,982	74,600	74,650	5,518	5,216	77,600	77,650	5,752	5,450
71,650	71,700	5,288	4,986	74,650	74,700	5,522	5,220	77,650	77,700	5,756	5,454
71,700	71,750	5,292	4,989	74,700	74,750	5,526	5,223	77,700	77,750	5,760	5,457
71,750	71,800	5,296	4,993	74,750	74,800	5,530	5,227	77,750	77,800	5,764	5,461
71,800	71,850	5,300	4,997	74,800	74,850	5,534	5,231	77,800	77,850	5,768	5,465
71,850	71,900	5,304	5,001	74,850	74,900	5,538	5,235	77,850	77,900	5,772	5,469
71,900	71,950	5,308	5,005	74,900	74,950	5,542	5,239	77,900	77,950	5,776	5,473
71,950	72,000	5,312	5,009	74,950	75,000	5,546	5,243	77,950	78,000	5,780	5,477

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

Tax Tables continued

If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is	
At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household
\$78,000 Your tax is --				\$81,000 Your tax is --				\$84,000 Your tax is --			
78,000	78,050	5,783	5,481	81,000	81,050	6,017	5,715	84,000	84,050	6,251	5,949
78,050	78,100	5,787	5,485	81,050	81,100	6,021	5,719	84,050	84,100	6,255	5,953
78,100	78,150	5,791	5,489	81,100	81,150	6,025	5,723	84,100	84,150	6,259	5,957
78,150	78,200	5,795	5,493	81,150	81,200	6,029	5,727	84,150	84,200	6,263	5,961
78,200	78,250	5,799	5,496	81,200	81,250	6,033	5,730	84,200	84,250	6,267	5,964
78,250	78,300	5,803	5,500	81,250	81,300	6,037	5,734	84,250	84,300	6,271	5,968
78,300	78,350	5,807	5,504	81,300	81,350	6,041	5,738	84,300	84,350	6,275	5,972
78,350	78,400	5,811	5,508	81,350	81,400	6,045	5,742	84,350	84,400	6,279	5,976
78,400	78,450	5,815	5,512	81,400	81,450	6,049	5,746	84,400	84,450	6,283	5,980
78,450	78,500	5,819	5,516	81,450	81,500	6,053	5,750	84,450	84,500	6,287	5,984
78,500	78,550	5,822	5,520	81,500	81,550	6,056	5,754	84,500	84,550	6,290	5,988
78,550	78,600	5,826	5,524	81,550	81,600	6,060	5,758	84,550	84,600	6,294	5,992
78,600	78,650	5,830	5,528	81,600	81,650	6,064	5,762	84,600	84,650	6,298	5,996
78,650	78,700	5,834	5,532	81,650	81,700	6,068	5,766	84,650	84,700	6,302	6,000
78,700	78,750	5,838	5,535	81,700	81,750	6,072	5,769	84,700	84,750	6,306	6,003
78,750	78,800	5,842	5,539	81,750	81,800	6,076	5,773	84,750	84,800	6,310	6,007
78,800	78,850	5,846	5,543	81,800	81,850	6,080	5,777	84,800	84,850	6,314	6,011
78,850	78,900	5,850	5,547	81,850	81,900	6,084	5,781	84,850	84,900	6,318	6,015
78,900	78,950	5,854	5,551	81,900	81,950	6,088	5,785	84,900	84,950	6,322	6,019
78,950	79,000	5,858	5,555	81,950	82,000	6,092	5,789	84,950	85,000	6,326	6,023
\$79,000 Your tax is --				\$82,000 Your tax is --				\$85,000 Your tax is --			
79,000	79,050	5,861	5,559	82,000	82,050	6,095	5,793	85,000	85,050	6,329	6,027
79,050	79,100	5,865	5,563	82,050	82,100	6,099	5,797	85,050	85,100	6,333	6,031
79,100	79,150	5,869	5,567	82,100	82,150	6,103	5,801	85,100	85,150	6,337	6,035
79,150	79,200	5,873	5,571	82,150	82,200	6,107	5,805	85,150	85,200	6,341	6,039
79,200	79,250	5,877	5,574	82,200	82,250	6,111	5,808	85,200	85,250	6,345	6,042
79,250	79,300	5,881	5,578	82,250	82,300	6,115	5,812	85,250	85,300	6,349	6,046
79,300	79,350	5,885	5,582	82,300	82,350	6,119	5,816	85,300	85,350	6,353	6,050
79,350	79,400	5,889	5,586	82,350	82,400	6,123	5,820	85,350	85,400	6,357	6,054
79,400	79,450	5,893	5,590	82,400	82,450	6,127	5,824	85,400	85,450	6,361	6,058
79,450	79,500	5,897	5,594	82,450	82,500	6,131	5,828	85,450	85,500	6,365	6,062
79,500	79,550	5,900	5,598	82,500	82,550	6,134	5,832	85,500	85,550	6,368	6,066
79,550	79,600	5,904	5,602	82,550	82,600	6,138	5,836	85,550	85,600	6,372	6,070
79,600	79,650	5,908	5,606	82,600	82,650	6,142	5,840	85,600	85,650	6,376	6,074
79,650	79,700	5,912	5,610	82,650	82,700	6,146	5,844	85,650	85,700	6,380	6,078
79,700	79,750	5,916	5,613	82,700	82,750	6,150	5,847	85,700	85,750	6,384	6,081
79,750	79,800	5,920	5,617	82,750	82,800	6,154	5,851	85,750	85,800	6,388	6,085
79,800	79,850	5,924	5,621	82,800	82,850	6,158	5,855	85,800	85,850	6,392	6,089
79,850	79,900	5,928	5,625	82,850	82,900	6,162	5,859	85,850	85,900	6,396	6,093
79,900	79,950	5,932	5,629	82,900	82,950	6,166	5,863	85,900	85,950	6,400	6,097
79,950	80,000	5,936	5,633	82,950	83,000	6,170	5,867	85,950	86,000	6,404	6,101
\$80,000 Your tax is --				\$83,000 Your tax is --				\$86,000 Your tax is --			
80,000	80,050	5,939	5,637	83,000	83,050	6,173	5,871	86,000	86,050	6,407	6,105
80,050	80,100	5,943	5,641	83,050	83,100	6,177	5,875	86,050	86,100	6,411	6,109
80,100	80,150	5,947	5,645	83,100	83,150	6,181	5,879	86,100	86,150	6,415	6,113
80,150	80,200	5,951	5,649	83,150	83,200	6,185	5,883	86,150	86,200	6,419	6,117
80,200	80,250	5,955	5,652	83,200	83,250	6,189	5,886	86,200	86,250	6,423	6,120
80,250	80,300	5,959	5,656	83,250	83,300	6,193	5,890	86,250	86,300	6,427	6,124
80,300	80,350	5,963	5,660	83,300	83,350	6,197	5,894	86,300	86,350	6,431	6,128
80,350	80,400	5,967	5,664	83,350	83,400	6,201	5,898	86,350	86,400	6,435	6,132
80,400	80,450	5,971	5,668	83,400	83,450	6,205	5,902	86,400	86,450	6,439	6,136
80,450	80,500	5,975	5,672	83,450	83,500	6,209	5,906	86,450	86,500	6,443	6,140
80,500	80,550	5,978	5,676	83,500	83,550	6,212	5,910	86,500	86,550	6,446	6,144
80,550	80,600	5,982	5,680	83,550	83,600	6,216	5,914	86,550	86,600	6,450	6,148
80,600	80,650	5,986	5,684	83,600	83,650	6,220	5,918	86,600	86,650	6,454	6,152
80,650	80,700	5,990	5,688	83,650	83,700	6,224	5,922	86,650	86,700	6,458	6,156
80,700	80,750	5,994	5,691	83,700	83,750	6,228	5,925	86,700	86,750	6,462	6,159
80,750	80,800	5,998	5,695	83,750	83,800	6,232	5,929	86,750	86,800	6,466	6,163
80,800	80,850	6,002	5,699	83,800	83,850	6,236	5,933	86,800	86,850	6,470	6,167
80,850	80,900	6,006	5,703	83,850	83,900	6,240	5,937	86,850	86,900	6,474	6,171
80,900	80,950	6,010	5,707	83,900	83,950	6,244	5,941	86,900	86,950	6,478	6,175
80,950	81,000	6,014	5,711	83,950	84,000	6,248	5,945	86,950	87,000	6,482	6,179

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

Tax Tables continued

If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is	
At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household
\$87,000 Your tax is --				\$90,000 Your tax is --				\$93,000 Your tax is --			
87,000	87,050	6,485	6,183	90,000	90,050	6,719	6,417	93,000	93,050	6,953	6,651
87,050	87,100	6,489	6,187	90,050	90,100	6,723	6,421	93,050	93,100	6,957	6,655
87,100	87,150	6,493	6,191	90,100	90,150	6,727	6,425	93,100	93,150	6,961	6,659
87,150	87,200	6,497	6,195	90,150	90,200	6,731	6,429	93,150	93,200	6,965	6,663
87,200	87,250	6,501	6,198	90,200	90,250	6,735	6,432	93,200	93,250	6,969	6,666
87,250	87,300	6,505	6,202	90,250	90,300	6,739	6,436	93,250	93,300	6,973	6,670
87,300	87,350	6,509	6,206	90,300	90,350	6,743	6,440	93,300	93,350	6,977	6,674
87,350	87,400	6,513	6,210	90,350	90,400	6,747	6,444	93,350	93,400	6,981	6,678
87,400	87,450	6,517	6,214	90,400	90,450	6,751	6,448	93,400	93,450	6,985	6,682
87,450	87,500	6,521	6,218	90,450	90,500	6,755	6,452	93,450	93,500	6,989	6,686
87,500	87,550	6,524	6,222	90,500	90,550	6,758	6,456	93,500	93,550	6,992	6,690
87,550	87,600	6,528	6,226	90,550	90,600	6,762	6,460	93,550	93,600	6,996	6,694
87,600	87,650	6,532	6,230	90,600	90,650	6,766	6,464	93,600	93,650	7,000	6,698
87,650	87,700	6,536	6,234	90,650	90,700	6,770	6,468	93,650	93,700	7,004	6,702
87,700	87,750	6,540	6,237	90,700	90,750	6,774	6,471	93,700	93,750	7,008	6,705
87,750	87,800	6,544	6,241	90,750	90,800	6,778	6,475	93,750	93,800	7,012	6,709
87,800	87,850	6,548	6,245	90,800	90,850	6,782	6,479	93,800	93,850	7,016	6,713
87,850	87,900	6,552	6,249	90,850	90,900	6,786	6,483	93,850	93,900	7,020	6,717
87,900	87,950	6,556	6,253	90,900	90,950	6,790	6,487	93,900	93,950	7,024	6,721
87,950	88,000	6,560	6,257	90,950	91,000	6,794	6,491	93,950	94,000	7,028	6,725
\$88,000 Your tax is --				\$91,000 Your tax is --				\$94,000 Your tax is --			
88,000	88,050	6,563	6,261	91,000	91,050	6,797	6,495	94,000	94,050	7,031	6,729
88,050	88,100	6,567	6,265	91,050	91,100	6,801	6,499	94,050	94,100	7,035	6,733
88,100	88,150	6,571	6,269	91,100	91,150	6,805	6,503	94,100	94,150	7,039	6,737
88,150	88,200	6,575	6,273	91,150	91,200	6,809	6,507	94,150	94,200	7,043	6,741
88,200	88,250	6,579	6,276	91,200	91,250	6,813	6,510	94,200	94,250	7,047	6,744
88,250	88,300	6,583	6,280	91,250	91,300	6,817	6,514	94,250	94,300	7,051	6,748
88,300	88,350	6,587	6,284	91,300	91,350	6,821	6,518	94,300	94,350	7,055	6,752
88,350	88,400	6,591	6,288	91,350	91,400	6,825	6,522	94,350	94,400	7,059	6,756
88,400	88,450	6,595	6,292	91,400	91,450	6,829	6,526	94,400	94,450	7,063	6,760
88,450	88,500	6,599	6,296	91,450	91,500	6,833	6,530	94,450	94,500	7,067	6,764
88,500	88,550	6,602	6,300	91,500	91,550	6,836	6,534	94,500	94,550	7,070	6,768
88,550	88,600	6,606	6,304	91,550	91,600	6,840	6,538	94,550	94,600	7,074	6,772
88,600	88,650	6,610	6,308	91,600	91,650	6,844	6,542	94,600	94,650	7,078	6,776
88,650	88,700	6,614	6,312	91,650	91,700	6,848	6,546	94,650	94,700	7,082	6,780
88,700	88,750	6,618	6,315	91,700	91,750	6,852	6,549	94,700	94,750	7,086	6,783
88,750	88,800	6,622	6,319	91,750	91,800	6,856	6,553	94,750	94,800	7,090	6,787
88,800	88,850	6,626	6,323	91,800	91,850	6,860	6,557	94,800	94,850	7,094	6,791
88,850	88,900	6,630	6,327	91,850	91,900	6,864	6,561	94,850	94,900	7,098	6,795
88,900	88,950	6,634	6,331	91,900	91,950	6,868	6,565	94,900	94,950	7,102	6,799
88,950	89,000	6,638	6,335	91,950	92,000	6,872	6,569	94,950	95,000	7,106	6,803
\$89,000 Your tax is --				\$92,000 Your tax is --				\$95,000 Your tax is --			
89,000	89,050	6,641	6,339	92,000	92,050	6,875	6,573	95,000	95,050	7,109	6,807
89,050	89,100	6,645	6,343	92,050	92,100	6,879	6,577	95,050	95,100	7,113	6,811
89,100	89,150	6,649	6,347	92,100	92,150	6,883	6,581	95,100	95,150	7,117	6,815
89,150	89,200	6,653	6,351	92,150	92,200	6,887	6,585	95,150	95,200	7,121	6,819
89,200	89,250	6,657	6,354	92,200	92,250	6,891	6,588	95,200	95,250	7,125	6,822
89,250	89,300	6,661	6,358	92,250	92,300	6,895	6,592	95,250	95,300	7,129	6,826
89,300	89,350	6,665	6,362	92,300	92,350	6,899	6,596	95,300	95,350	7,133	6,830
89,350	89,400	6,669	6,366	92,350	92,400	6,903	6,600	95,350	95,400	7,137	6,834
89,400	89,450	6,673	6,370	92,400	92,450	6,907	6,604	95,400	95,450	7,141	6,838
89,450	89,500	6,677	6,374	92,450	92,500	6,911	6,608	95,450	95,500	7,145	6,842
89,500	89,550	6,680	6,378	92,500	92,550	6,914	6,612	95,500	95,550	7,148	6,846
89,550	89,600	6,684	6,382	92,550	92,600	6,918	6,616	95,550	95,600	7,152	6,850
89,600	89,650	6,688	6,386	92,600	92,650	6,922	6,620	95,600	95,650	7,156	6,854
89,650	89,700	6,692	6,390	92,650	92,700	6,926	6,624	95,650	95,700	7,160	6,858
89,700	89,750	6,696	6,393	92,700	92,750	6,930	6,627	95,700	95,750	7,164	6,861
89,750	89,800	6,700	6,397	92,750	92,800	6,934	6,631	95,750	95,800	7,168	6,865
89,800	89,850	6,704	6,401	92,800	92,850	6,938	6,635	95,800	95,850	7,172	6,869
89,850	89,900	6,708	6,405	92,850	92,900	6,942	6,639	95,850	95,900	7,176	6,873
89,900	89,950	6,712	6,409	92,900	92,950	6,946	6,643	95,900	95,950	7,180	6,877
89,950	90,000	6,716	6,413	92,950	93,000	6,950	6,647	95,950	96,000	7,184	6,881

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

Tax Tables continued

If line 21, Form 40 or line 44, Form 43		And your filing status is		If line 21, Form 40 or line 44, Form 43		And your filing status is	
At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household	At Least	But Less Than	Single or Married Filing Separately	Married Filing Jointly* or Head of Household
\$96,000				\$98,000			
Your tax is --				Your tax is --			
96,000	96,050	7,187	6,885	98,000	98,050	7,343	7,041
96,050	96,100	7,191	6,889	98,050	98,100	7,347	7,045
96,100	96,150	7,195	6,893	98,100	98,150	7,351	7,049
96,150	96,200	7,199	6,897	98,150	98,200	7,355	7,053
96,200	96,250	7,203	6,900	98,200	98,250	7,359	7,056
96,250	96,300	7,207	6,904	98,250	98,300	7,363	7,060
96,300	96,350	7,211	6,908	98,300	98,350	7,367	7,064
96,350	96,400	7,215	6,912	98,350	98,400	7,371	7,068
96,400	96,450	7,219	6,916	98,400	98,450	7,375	7,072
96,450	96,500	7,223	6,920	98,450	98,500	7,379	7,076
96,500	96,550	7,226	6,924	98,500	98,550	7,382	7,080
96,550	96,600	7,230	6,928	98,550	98,600	7,386	7,084
96,600	96,650	7,234	6,932	98,600	98,650	7,390	7,088
96,650	96,700	7,238	6,936	98,650	98,700	7,394	7,092
96,700	96,750	7,242	6,939	98,700	98,750	7,398	7,095
96,750	96,800	7,246	6,943	98,750	98,800	7,402	7,099
96,800	96,850	7,250	6,947	98,800	98,850	7,406	7,103
96,850	96,900	7,254	6,951	98,850	98,900	7,410	7,107
96,900	96,950	7,258	6,955	98,900	98,950	7,414	7,111
96,950	97,000	7,262	6,959	98,950	99,000	7,418	7,115
\$97,000				\$99,000			
Your tax is --				Your tax is --			
97,000	97,050	7,265	6,963	99,000	99,050	7,421	7,119
97,050	97,100	7,269	6,967	99,050	99,100	7,425	7,123
97,100	97,150	7,273	6,971	99,100	99,150	7,429	7,127
97,150	97,200	7,277	6,975	99,150	99,200	7,433	7,131
97,200	97,250	7,281	6,978	99,200	99,250	7,437	7,134
97,250	97,300	7,285	6,982	99,250	99,300	7,441	7,138
97,300	97,350	7,289	6,986	99,300	99,350	7,445	7,142
97,350	97,400	7,293	6,990	99,350	99,400	7,449	7,146
97,400	97,450	7,297	6,994	99,400	99,450	7,453	7,150
97,450	97,500	7,301	6,998	99,450	99,500	7,457	7,154
97,500	97,550	7,304	7,002	99,500	99,550	7,460	7,158
97,550	97,600	7,308	7,006	99,550	99,600	7,464	7,162
97,600	97,650	7,312	7,010	99,600	99,650	7,468	7,166
97,650	97,700	7,316	7,014	99,650	99,700	7,472	7,170
97,700	97,750	7,320	7,017	99,700	99,750	7,476	7,173
97,750	97,800	7,324	7,021	99,750	99,800	7,480	7,177
97,800	97,850	7,328	7,025	99,800	99,850	7,484	7,181
97,850	97,900	7,332	7,029	99,850	99,900	7,488	7,185
97,900	97,950	7,336	7,033	99,900	99,950	7,492	7,189
97,950	98,000	7,340	7,037	99,950	100,000	7,496	7,193

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

Tax Rate Schedules

Use the following schedules if your taxable income is \$100,000 or more.

Single Taxpayers and Married Filing Separate Returns

If you checked Filing Status Box 1 or 3, your tax is \$7,496 plus 7.8% of the amount over \$100,000.

Married Filing Joint Returns, Qualifying Widow and Widowers, and Head of Household

If you checked Filing Status Box 2, 4, or 5, your tax is \$7,193 plus 7.8% of the amount over \$100,000.

Enter the tax on line 22, Form 40, or line 45, Form 43.