

# 1998 INSTRUCTIONS FOR THE WISCONSIN FIDUCIARY RETURN – FORM 2 AND SCHEDULES WD AND 2K-1

**Attach a copy of the federal return (Form 1041) and all attachments to the Wisconsin fiduciary return. Also attach copies of Wisconsin Schedules 2K-1 and WD (Form 2), if required.**

## GENERAL INSTRUCTIONS

### Who Must File a Fiduciary Return

Every personal representative or special administrator of the estate of a Wisconsin decedent must file a Wisconsin fiduciary income tax return (Form 2) if the gross income of the estate is \$600 or more. Nonresident estates must file Wisconsin fiduciary returns if they have gross income of \$600 or more from Wisconsin sources. Gross income means all income (before deducting expenses) reportable to Wisconsin which is received in the form of money, property or services. It does not include items which are exempt from Wisconsin tax.

Every trustee of a Wisconsin trust must file a Wisconsin fiduciary income tax return (Form 2) if the trust has:

1. any taxable income for the tax year, or
2. gross income of \$600 or more regardless of the taxable income.

Nonresident trusts must file a Wisconsin fiduciary income tax return if the trust has:

1. any Wisconsin taxable income for the year, or
2. gross income from Wisconsin sources of \$600 or more regardless of the taxable income.

**RESIDENT ESTATE AND TRUST.** Use Form 2 to file an income tax return and pay the tax due if the estate or trust is required to file a return for the taxable year. The estate of a decedent is considered resident of the state in which the decedent was domiciled at the time of death. A trust created by a decedent's will (testamentary trust) is resident at the domicile of the decedent at the time of the decedent's death unless transferred by a court having jurisdiction to another court's jurisdiction. Any other trust is resident at the place where the trust is being administered.

**NONRESIDENT ESTATE OR TRUST.** Use Form 2 to file an income tax return and pay the tax due if (1) there is income or gain from Wisconsin sources and (2) a federal fiduciary return is required to be filed with the Internal Revenue Service. Wisconsin source income includes income or gain from:

- a. Real or tangible personal property located within the state.
- b. A business, trade, profession or occupation carried on within the state, including a corporation taxed under Subchapter S of the Internal Revenue Code.
- c. Personal or professional services performed within the state either as an individual or a member of a partnership.
- d. Income received from the Wisconsin state lottery or a multijurisdictional lottery if the winning lottery ticket or lottery share was purchased from a Wisconsin retailer.

**EXEMPT TRUSTS.** Trusts which are exempt under the Internal Revenue Code by reason of their purposes or activities are also exempt from Wisconsin income tax. Common law trusts organized or conducted for profit are deemed to be corporations and must file on a Wisconsin corporation franchise or income tax return.

**NOTE:** Trusts which are exempt from federal taxation under section 501(a) of the Internal Revenue Code, including certain pension, profit-sharing, and stock bonus plans described in section 401(a) of the Internal Revenue Code, and individual retirement arrangements (IRAs) are required to report unrelated business taxable income for Wisconsin tax purposes. File a Wisconsin Form 4T if the trust reports unrelated business taxable income for federal purposes on federal Form 990-T and the trust has gross income from an unrelated trade or business of \$1,000 or more. For more information, obtain a copy of Wisconsin Form 4T from any Department of Revenue office.

Electing small business trusts (ESBTs) may be S corporation shareholders. The portion of an ESBT that consists of stock of one or more S corporations is treated as a separate trust. The net income for that portion is determined under IRC sec. 641(d), as modified by sec. 71.05(6) to (12), (19), and (20), Wis. Stats. The separate trust is taxed on its Wisconsin taxable income at the highest rate under sec. 71.06(1) Wis. Stats.

**New → Funeral Trust** For tax years beginning after August 5, 1997, if a qualified funeral trust makes the election under section 685 of the internal revenue code for federal income tax purposes, that election applies for Wisconsin income tax purposes. Treat each beneficiary's interest as a separate trust. Attach a copy of the federal form 1041-QFT to the Form 2. See instructions for lines 1 and 6a.

**Individual Returns for Decedents** A personal representative or petitioner must file an individual return from the beginning of the year to the date of death. (Form 1, 1A, INPR, or WI-Z). The due date of the 1998 individual return is April 15, 1999. The filing requirements are as follows:

- a. Single persons.
  - (1) Under age 65 – gross income of \$5,200 or more.
  - (2) Age 65 or over – gross income of \$5,724 or more.
- b. Married persons filing jointly.
  - (1) Both spouses under age 65 – joint gross income of \$8,900 or more.
  - (2) One spouse age 65 or over – joint gross income of \$9,424 or more.
  - (3) Both spouses age 65 or over – joint gross income of \$9,948 or more.
- c. Married persons filing separately – gross income of \$4,230 or more.
- d. Head of household.
  - (1) Under age 65 – gross income of \$7,040 or more.
  - (2) Age 65 or over – gross income of \$7,564 or more.
- e. Part-year resident or nonresident – gross Wisconsin income of \$2,000 or more.

**Income Year** The first fiduciary income tax return filed by a personal representative or petitioner of an estate covers the period from date of death of decedent to the end of the first year selected by the fiduciary. The taxable year cannot be longer than twelve months, must end on the last day of a month, and must coincide with the year selected for filing the federal return. The first return filed by a trustee of a trust covers the period beginning with the creation of the trust to the end of the calendar year. Returns are to be filed for each subsequent year that the estate or trust is in existence.

All income received by the personal representative, petitioner, or trustee each year must be reported on a fiduciary income tax return. Distributions of income to beneficiaries are reported on federal Schedule K-1. Attach copies to the Wisconsin fiduciary return. If there are differences between federal and Wisconsin distributable income, prepare and attach Wisconsin Schedule 2K-1.

**Requests for Closing Certificates** The request for the closing certificate can be made at the time the return is filed for the year prior to the final year.

Section 71.13(2), Wis. Stats., provides that the department may issue a fiduciary closing certificate to an “executor, administrator, personal representative or trustee applying to a court having jurisdiction” in order to obtain the court’s approval for final distribution and discharge of the fiduciary. The department will issue the Closing Certificate for Fiduciaries only in cases where the court has required it to close a proceeding.

**TRUSTS:** Attach copies of the trust instrument and any amendments, a statement as to why the trust is closing and copies of the annual court accountings for the previous 3 years. Also provide the information requested at the bottom of page 2 of the Form 2. The certificate will be mailed within 60 days.

**ESTATES:** Attach copies of the inventory and will including any codicils with the request. If these documents were previously submitted with a Wisconsin estate tax return, it is not necessary to submit additional copies. Also provide the information requested at the bottom of page 2 of the Form 2. The certificate will be mailed or a letter sent in four to six weeks. The receipt of the closing certificate will not relieve the fiduciary from the responsibility of filing the final fiduciary return.

If an estate files a federal estate tax return, Form 706, you must file a Form W706 (Wisconsin Estate Tax Return). The closing certificate for fiduciaries will not be issued until the Form W706 is filed.

**NOTE:** If an estate does not have enough income to require filing a return and needs a Closing Certificate for Fiduciaries, or if the estate will be filing only one fiduciary return when the estate is closed and needs the closing certificate before filing that return, use the following procedures:

1. Complete the top third of Form 2, page 1.
2. Insert the appropriate statement at line 1:
  - a. “Gross income is less than \$600 and no 1041 is required.”  
or
  - b. “A first and final return will be filed upon closing the estate.”

3. Complete the “Information Required” section of Form 2, page 2.
4. Sign and date the Form 2.
5. Attach copies of the inventory and will.

**Final Return of Estate or Trust** A final fiduciary return reporting all income received from the beginning of the taxable year of closing to the date of closing is required. The exemption deduction may not be claimed on the final return.

The net income computed on the final return must be distributed to the beneficiaries and no income tax is payable by the fiduciary. The beneficiaries of the estate or trust must report income as if it had been received without the intervention of the fiduciary.

Attach a copy of the final account to the final fiduciary return or a letter advising that a final account is not required by the probate court.

**Seven Steps To Filing The Fiduciary Income Tax Return**

- 1. Gather all records.**  
Make sure that all income and expense records are available, including interest and dividend statements, so the return can be prepared correctly.
- 2. Complete federal return, Form 1041.**  
Before completing Wisconsin Form 2, complete the federal return Form 1041 and its supporting schedules, if required.
- 3. Complete the Wisconsin return.**  
Follow the line instructions as you complete the form.
- 4. Sign the return.**  
The return must be signed by the personal representative or special administrator of an estate or by the trustee of a trust.
- 5. Check over the Wisconsin return.**  
Check the following items carefully. The Form 2 will be returned or its processing delayed for:
  - missing copy of the federal return, Form 1041, or an explanation as to why a federal return is not required,
  - missing signature,
  - missing trust instrument and amendments (initial return),
  - missing inventory, will with codicils or final account (closing certificate requests).
- 6. Keep a copy of the return.**
- 7. Mail the return and attachments.**

**MAIL ALL WISCONSIN FIDUCIARY INCOME TAX RETURNS AND REQUESTS FOR CLOSING CERTIFICATES TO:**

**WISCONSIN DEPARTMENT OF REVENUE  
POST OFFICE BOX 8904  
MADISON, WISCONSIN 53708-8904**

### Additional Forms or Special Help

If you have questions or need additional forms, help is available in our Madison office at:

Wisconsin Department of Revenue  
4638 University Ave.  
Madison, WI 53702-0001

or by telephone:

Fiduciary Income Tax Information (608) 266-2772  
Forms Requests (608) 266-1961

### Requesting Copies of Prior Tax Returns

The Department of Revenue will provide copies of prior year returns for a fee of \$5.00 per return. Requests must be made in person or in writing. You must provide a copy of the domiciliary letters or letters of trust and the trust instrument. Prepayment of the fee is required. If you want certified copies there is an additional charge of \$1.00 per certification. Send requests with payment to:

Wisconsin Department of Revenue  
PO Box 8903  
Madison, WI 53708

Call (608) 267-1266 for additional information.

### Information Publications Available

Following is a list of some of the department publications. These publications provide detailed information relating to specific areas of Wisconsin tax law. They are available at any department office.

#### Number and Title

- |     |  |
|-----|--|
| 102 | Wisconsin Tax Treatment of Tax-Option (S) Corporations and Their Shareholders            |
| 103 | Reporting Capital Gains and Losses for Wisconsin   |
| 104 | Wisconsin Taxation of Military Personnel   |
| 106 | Wisconsin Tax Information for Retirees   |
| 109 | Tax Information for Married Persons Filing Separate Returns and Persons Divorced in 1998 |
| 111 | How to Get a Private Letter Ruling   |
| 113 | Federal and Wisconsin Income Tax Reporting Under the Marital Property Act                |
| 114 | Wisconsin Taxpayer Bill of Rights  |
| 117 | Guide to Wisconsin Information Returns   |
| 120 | Net Operating Losses for Individuals, Estates, and Trusts                                |
| 121 | Reciprocity  |
| 122 | Tax Information for Part-Year Residents and Nonresidents                                 |
| 125 | Credit for Tax Paid to Another State   |
| 205 | Use Tax Information for Individuals  |
| 400 | Wisconsin's Temporary Recycling Surcharge  |
| 503 | Wisconsin Farmland Preservation Credit   |
| 600 | Wisconsin Taxation of Lottery Winnings   |
| 601 | Wisconsin Taxation of Pari-Mutuel Wager Winnings   |

**Hearing-impaired people** Phone help is available for hearing-impaired people who have TTY equipment. Call (608) 267-1049 in Madison or (414) 227-4147 in Milwaukee. These numbers are to be used only when calling with TTY equipment.

**Fax - A - Form** To receive tax forms and publications by FAX call the Department of Revenue's Fax - A - Form Document Retrieval System at (608) 261-6229 from the telephone connected to your fax machine.

**Internet** Forms and information can be found on the department's World Wide Web site at:

<http://www.dor.state.wi.us>

**Due Dates of Returns** A return for a trust is due on or before April 15, 1999. A return for an estate is due on or before April 15, 1999, for a calendar year filer or 3 1/2 months after the close of the taxable year for a fiscal year filer.

**Payment of Tax** The tax of an estate or trust must be paid in full by the due date of the return. Enclose a check or money order payable to the Wisconsin Department of Revenue with the return when filed.

**Extensions** Returns are due by the same date the corresponding federal return is due.

The following extension of time to file options are available:

1. If you have an extension for filing your federal return, this automatically gives you a Wisconsin extension provided you:
  - Estimate your 1998 Wisconsin tax and pay the amount you will owe with your return (line 25 of Form 2) by the due date using 1998 Wisconsin Form 1-ES and
  - Attach a copy of your federal extension application to your Form 2 when filed.
2. Extensions available under federal law may be used for Wisconsin purposes, even if you do not need a federal extension because you file your federal return by the due date. To obtain an extension only for Wisconsin, you must:
  - Estimate your 1998 Wisconsin tax and pay the amount you will owe by the due date (see item 1 above) and
  - Attach a statement to your Form 2 indicating which federal extension provision you are using (e.g., automatic 3-month) or attach a copy of a completed federal extension application form. Estates use IRS Form 2758. Trusts use IRS Form 8736 and IRS Form 8800.

No extension is allowed if your estimate of tax is not reasonable.

**NOTE:** Even though you may have an extension of time to file your return, you will owe interest on any tax not paid by the original due date. Returns not filed by the extended due date are subject to additional interest and penalties.

### 1999 FORM 1-ES – WISCONSIN ESTIMATED TAX

If the 1999 Wisconsin income tax return of an estate or trust will show a balance due to the department of \$200 or more, you must prepay its 1999 tax in installments beginning April 15, 1999, for calendar year fiduciaries or 3 1/2 months after the close of a fiscal year using Wisconsin Form 1-ES.

**EXCEPTION:** Estates and grantor trusts which are funded on account of a decedent's death are exempt from making estimated tax payments for returns ending within two years after the date of death.

Contact any Department of Revenue office to obtain Form 1-ES.

**Internal Revenue Service Adjustments and Amended Returns** If a federal fiduciary return is adjusted by the Internal Revenue Service and the adjustments affect the amount of Wisconsin income reportable or tax payable on Form 2, report the adjustments to the department within 90 days from the date the adjustments become final. If an amended fiduciary return is filed with the Internal Revenue Service or another state and the changes affect the amount of income reportable or tax payable on Form 2, file an amended Wisconsin fiduciary return reflecting these changes. The amended Wisconsin return is due within 90 days from the date the amended return is filed with the Internal Revenue Service or another state. Write "AMENDED RETURN" at the top of the Form 2 and prepare the return using the corrected amounts. Complete line 20 or 22 as appropriate. Include with the amended Wisconsin return a copy of the federal audit report or amended return. You should also explain why the amended return was necessary and what changes were made. If you have already received the Closing Certificate for Fiduciaries, you do not need to request another one unless the court requires it.

**Penalties** Any return which is not filed by the due date or within the extension period is subject to a late filing fee of \$2 when the net tax is less than \$10, \$3 when such tax is \$10 or more but less than \$20, or \$5 when such tax is \$20 or more. Returns which are filed 60 or more days late are subject to a \$30 late filing fee. The late fee is assessed even if there is no tax due. Income taxes become delinquent if not paid when due and are subject to interest at the rate of 1.5% per month until paid. Taxes do not become delinquent during an extension period but are subject to interest at the rate of 12% per annum during the extension period.

**Other Documents Required to Be Filed By The Fiduciary** A copy of the will or trust instrument and subsequent codicils or amendments (if not previously filed) are to be filed with the Wisconsin Form 2.

**Accounting Periods and Methods** Use the same accounting period and method of accounting that are used for federal income tax purposes. If the federal taxable year or method of accounting is changed, such change also applies for Wisconsin. Separate permission to effect such change for Wisconsin is not required. However, attach a copy of the federal document authorizing the change to the Wisconsin fiduciary return.

**Rounding** Cents may be rounded off to the nearest whole dollar on a return and accompanying schedules. Drop amounts under 50¢ and increase amounts from 50¢ to 99¢ to the next dollar.

**Definitions Applicable to Fiduciaries** Under Wisconsin income tax law, federal taxable income is used as a starting point in the computation of fiduciary income subject to the Wisconsin income tax. Therefore, most terms have the same meaning under the Wisconsin law as in the Internal Revenue Code unless otherwise noted.

## SPECIFIC INSTRUCTIONS

Complete the top portion of the return by printing or typing the required information in the boxes provided. Estates use the first line for the name and insert the decedent's social security number. Bankruptcy estates insert the federal ID number. Trusts use the second line for the name and insert the federal ID number. Check the testamentary box if the trust was created by a decedent's will or check the inter vivos box if the trust was created during a grantor's lifetime.

If the trust is an electing small business trust as defined in section 1361(e)(1) of the Internal Revenue code also check that box and see the instructions for line 6b. If the trust is an electing qualified funeral trust, check that box and see the instructions for lines 1 and 6a.

### INCOME

**Line 1.** "Federal taxable income of fiduciary." Enter the amount of taxable income of the fiduciary as reported on the federal Form 1041, line 22. Qualified funeral trusts enter the amount from line 12 Form 1041-QFT.

**Line 2.** "Additions." Enter the total of the nondistributable additions from Schedule A, column 2, line 6.

**Line 4.** "Subtractions." Enter the total of the nondistributable subtractions from Schedule A, column 2, line 12. Enter as a positive amount.

### TAX COMPUTATION

**Line 6a.** "Gross tax." Using the Wisconsin taxable income on line 5 enter the tax from the tax table appearing in these instructions. If a qualified funeral trust is filing a composite return, compute the tax by multiplying the amount on line 5 by 4.77% (.0477) and enter the result on line 6a.

#### Schedule ESBT – Electing Small Business Trust

**Line 6b.** Electing small business trusts must separate the income from S corporations treated as a separate trust from other trust income. The net income for that portion is determined under IRC sec. 641(d), as modified by sec. 71.05(6) to (12), (19) and (20), Wis. Stats. The tax is computed on the following schedule:

1. Separate S-corporation income (enter on Line 6b., Form 2)	\$ _____
2. Tax rate	x .0677
3. Tax on S-corporation income	_____
4. Other trust income	_____
5. Tax on line 4 from tax table	_____
6. Total tax (add lines 3 and 5) Enter on line 6a., page 1 of Form 2.	=====

Include a copy of this schedule with the Form 2 and list the names and federal employer identification numbers of all the S corporations.

**Line 7.** "Exemption." If the estate provides more than fifty percent of a decedent's dependent's support, an exemption of \$50 is allowed for each person who qualifies as a dependent provided the dependent's income is less than \$500.

“Historic Rehabilitation Credits.” A special tax credit may be available for the preservation or rehabilitation of certain historic property. The Division of Historic Preservation of the State Historical Society of Wisconsin is responsible for administering the historic preservation program. Projects must be certified or approved through the State Historical Society of Wisconsin. The credit available to estates and trusts acts as a supplement to the federal historic rehabilitation tax credit. Estates and trusts do not qualify for the state only credit.

Any person who has received certification or approval of a project from the State Historical Society of Wisconsin may be eligible for the credits. Credits attributable to a partnership or tax-option (S) corporation pass through to the partners or shareholders on Schedule 3K-1 or 5K-1.

If you qualify for the supplement to the federal historic credit, complete part 1 of Wisconsin Schedule HR. Copies of Schedule HR are available from any Department of Revenue office.

See line 10 instructions for recovery of federal historic rehabilitation credit.

**Line 9.** “Alternative minimum tax.” Estates and trusts may be subject to the Wisconsin alternative minimum tax if the total of federal alternative minimum taxable income and certain Wisconsin adjustments is greater than \$22,500.

**CAUTION:** An estate or trust may be subject to the Wisconsin alternative minimum tax even though it is not subject to the federal alternative minimum tax.

Enter on line 9 of Form 2 the alternative minimum tax from line 18 of Wisconsin Schedule MT.

**Line 10. Recovery of federal historic rehabilitation credit.** If there is a recovery of the supplement to the federal historic rehabilitation credit, add the recovery amount to the amount which would otherwise be reported on line 10, Form 2. Also, write HR and the amount to the left of the total entered on line 10, Form 2 and enclose Schedule HR.

**Recapture of investment credit.** If there is a recapture of investment credit, add the recapture amount to the amount which would otherwise be reported on line 10, Form 2. Also, write DC and the amount to the left of the total entered on line 10, Form 2 and enclose Schedule DC.

**Line 11.** “Development zone credits.” Special tax credits may be available for persons doing business in Wisconsin development zones. The Wisconsin Department of Commerce administers the development zone program. Any person conducting business in a development zone who has been certified by the Department of Commerce may be eligible for the credits. Credits attributable to the business operation of a partnership or tax-option (S) corporation pass through to the partners or shareholders on Schedule 3K-1 or 5K-1. Credits may also be allocated to beneficiaries of estates and trusts (see Schedule 2K-1).

If you qualify to claim any of the development zone credits, complete the Wisconsin Schedule DC. Schedule DC is available from any Department of Revenue office.

To claim the development zone credits enter the total credits from Schedule DC on line 11 of Form 2 and attach a completed Schedule DC to Form 2.

**New → Manufacturer’s Sales Tax Credit.** The manufacturer’s sales tax credit is available for the amount of sales and use tax paid on fuel and electricity consumed in manufacturing in Wisconsin. If you qualify for this credit, attach a completed Schedule MS to the Form 2. Fill in on line 11 of Form 2 the amount from line 18 of Schedule MS.

If you have both development zone credit and manufacturer’s sales tax credit, add them together and put the total on line 11 of Form 2. Attach both Schedule DC and Schedule MS to the Form 2.

**Line 13.** “Temporary recycling surcharge.” Estates and trusts that have

- nonfarm trade or business activities (as defined later) in Wisconsin, or
- farming activities in Wisconsin

are subject to the temporary recycling surcharge.

**EXCEPTION:** A trust or estate is not subject to the temporary recycling surcharge if

- it has less than \$4,000 of gross receipts from a trade or business (as defined later) for federal income tax purposes and isn’t engaged in farming, or
- it has engaged only in farming and has less than \$1,000 of net farm profit (line 36 of federal Schedule F) for federal income tax purposes, or
- it is engaged in both farming and other trade or business activities with less than \$4,000 of gross receipts from all nonfarm trade or business activities and less than \$1,000 of net farm profit for federal income tax purposes, or
- it files its return on a fiscal year basis and its 1998 taxable year ends after April 1, 1999.

### Definitions

*Farming* Farming is the cultivation of land or the raising or harvesting of any agricultural or horticultural commodity including the raising, shearing, feeding, caring for, training, and management of animals. Trees, other than trees bearing fruits or nuts, aren’t treated as an agricultural or horticultural commodity. Raising or harvesting Christmas trees is not considered farming.

*Net farm profit* Net farm profit is all farm income less all farm expenses for federal income tax purposes. It includes the amount identified as “Net farm profit or (loss)” of federal Schedule F plus any ordinary gain or (loss) from farming reported on federal Form 4797, line 18.

*Gross Receipts* Gross receipts include total receipts or sales from all nonfarm trade or business activities (as defined later) reportable for federal income tax purposes, before deducting returns and allowances and any other business expenses. For example, line 1 of federal Schedule C plus the sales price of business assets producing ordinary income or (loss) reported on federal Form 4797 are gross receipts.

*Net business income* Net business income is the net profit from a trade or business (as defined later) except farming. The net profit is all business income less all deductible business expenses for federal income tax purposes, (even though some business activities may be conducted outside Wisconsin) including ordinary gain or (loss) reported on Form 4797, line 18.

*Trade or business* A trade or business is an activity regularly carried on for a livelihood or with the intention of making a profit. Trade or business income includes

- net profit from operating a trade or business or practicing a profession as a sole proprietorship, reportable on federal Schedule C, line 31.
- other self-employment income, such as director's fees.
- guaranteed payments from a partnership received by:
  - (1) a partner, for services performed in the capacity as a partner, and
  - (2) a general partner, for the use of capital.

Guaranteed payments are amounts figured without regard to the income of the partnership and are reportable on federal Schedule E. The surcharge does not apply to payments from a partnership received by a partner who is not acting in the capacity as a partner. The partnership is subject to the surcharge on these payments.

**Temporary recycling surcharge for fiduciaries** In the space provided on line 13, fill in the amount of your net business income (as defined earlier). Fill in a zero (0) if you have a net loss. (You are still subject to a \$25 minimum surcharge even if you have a net loss.) Fiduciaries operating more than one business must combine the net income or loss from all trades or businesses, except farming, and enter the result.

**EXCEPTION:** If you have less than \$4,000 of gross receipts from a trade or business (as defined earlier) for federal income tax purposes, you aren't subject to a temporary recycling surcharge based on net business income. However, if you are also engaged in farming, see "Temporary recycling surcharge for farmers" below.

Multiply the amount of your net business income by 0.2173% (0.002173) and fill in the result on line 13. If the result is less than \$25 or if you have a net loss from trade or business activities, fill in \$25. If the result is more than \$9,800, fill in \$9,800.

**Temporary recycling surcharge for farmers** If you are engaged in farming in Wisconsin and have a net farm profit of \$1,000 or more for federal income tax purposes, fill in \$25 on line 13.

**NOTE:** If you are engaged in both farming and some other trade or business in Wisconsin, you may owe the \$25 farm surcharge in addition to any surcharge based on your net business income. You must compute your surcharge by completing the worksheet on this page.

**Nonresidents and part-year residents** If you do not meet the \$4,000 gross receipts and net farm profit exceptions described above, you will be subject to the temporary recycling surcharge. However, the amount of your Wisconsin net business income rather than your federal net business income should be entered at line 13 or on the temporary recycling surcharge worksheet.

*Publication 400, Wisconsin Temporary Recycling Surcharge, provides further information on the temporary recycling surcharge. Publication 400 is available at any Department of Revenue office.*

### Temporary Recycling Surcharge Worksheet

1. Fill in your net business income (If a net loss, fill in a zero (0) and enter \$25 on line 2) . . . . . 1. \_\_\_\_\_
2. Multiply the amount on line 1 by .002173 and fill in the result, but not less than \$25 nor more than \$9,800 2. \_\_\_\_\_
3. If you are engaged in farming in Wisconsin and have net farm profit of \$1,000 or more, fill in \$25. . . . . 3. \_\_\_\_\_
4. Add lines 2 and 3. Fill in here and on line 13 of Form 2. Check the box on line 13 . . . . . 4. \_\_\_\_\_

**Line 15.** "Wisconsin income tax withheld." Enter on this line any Wisconsin income tax withheld. Wisconsin income tax withheld on salary or wage checks received by the personal representative or petitioner on income in respect of the decedent must be supported by a wage statement from the decedent's employer. Attach a copy of the wage statement to the Form 2.

**Line 16.** "1998 Wisconsin estimated payments and amount applied from 1997 return." Enter the total of (1) any overpayment of 1997 income tax that the estate or trust was allowed as a credit on its 1998 Wisconsin estimated tax, (2) any Wisconsin estimated tax payments made by the estate or trust for 1998, and (3) advance payments or any payments filed with an extension.

**Line 17.** "Farmland preservation credit." A credit may be claimed by certain trusts and estates based on property taxes accrued on Wisconsin farmland which is subject to agricultural use restrictions in the form of a zoning ordinance or a farmland preservation agreement as provided by Chapter 91, Wisconsin Statutes. Attach Schedule FC.

The farmland preservation credit program provides an income tax credit to Wisconsin residents who own at least 35 acres of farmland in Wisconsin. For more information about farmland preservation credit, contact our Farmland Preservation Unit in Madison at (608) 266-2442 or any Department of Revenue office. A copy of the claim form (Wisconsin Schedule FC), is available at any Department of Revenue office.

**Line 18.** "Net income tax paid to other states." Resident estates and trusts may claim a credit against their Wisconsin income tax for income tax paid to another state or the District of Columbia subject to the following requirements:

- a. The income taxed by the other state must also be included in Wisconsin taxable income.
- b. The credit claimed must be for the net amount of tax due and paid to the other state. (This may be more or less than any amount paid on a declaration of estimated tax.)
- c. The amount of credit claimed cannot exceed the Wisconsin tax shown on line 12.
- d. Provide a copy of the other state's fiduciary return with the Wisconsin fiduciary return.

Credit may not be claimed for taxes paid such as a city tax, severance tax, foreign tax, etc. If the estate or trust paid "minimum tax" to another state, that tax may be eligible for credit. Contact any Department of Revenue office for further information.

**NOTE:** If only part of the income taxed by the other state is taxed by Wisconsin (for example, capital gains on assets held more than one year are taxed at only 40% for Wisconsin) you must limit the credit claimed on line 18. Use the following formula to determine the amount of credit:

$$\frac{\text{Income taxable to both Wisconsin and other state}}{\text{Total income taxable to other state}} \times \text{Total net income taxes paid to other state} = \text{Amount of net income tax allowable as a credit against Wisconsin tax}$$

**Line 19.** "Farmland tax relief credit." An estate or trust may qualify for the farmland tax relief credit if it meets the following three conditions:

1. At least 35 acres of Wisconsin farmland must have been owned during the 1998 taxable year. The personal representative of an estate and the trustee of a qualifying trust are considered owners of the farmland held by an estate or trust and may claim this credit on the fiduciary return.

The following do not qualify for the credit:

- a. The estate of an individual who is a nonresident on the date of death.
  - b. A trust created by a nonresident.
  - c. A trust which receives Wisconsin real property from a nonresident.
  - d. A trust in which a nonresident settler retains a beneficial interest.
2. The 1997 property taxes for the farmland on which the credit is based must have been paid.
  3. The farmland must be in agricultural use. The farm of which the farmland is a part must have produced at least \$6,000 of gross farm profits during 1998 or a total of \$18,000 in gross farm profits for 1996, 1997, and 1998 combined. However, if at least 35 acres of your farmland was enrolled in the Conservation Reserve Program during all or part of 1998, you do not have to meet this gross farm profits requirement.

Gross farm profits means gross receipts, excluding rent, from the land's agricultural use, less the cost or other basis of livestock or other items purchased for resale which are sold or otherwise disposed of during the income year. Gross farm profits include the fair market value, at the time of disposition, of payments in kind received for placing land in federal programs. If the farmland is rented out, the renter's gross profits are used to satisfy this requirement. Gross farm profits do not include the fair market value of crops grown but not sold during the year.

Fill in the property taxes on the farmland (exclusive of improve-

ments) in the space provided on line 19, but do not fill in more than \$10,000. The credit is based on property taxes levied on the farmland during the 1998 calendar year. This is your 1998 property tax bill (payable in 1999). You can use up to \$10,000 of property taxes to compute the credit. This includes property taxes on all land which is in agricultural use, less any state aid or credit. Do not include property taxes on any improvements (e.g., farm building or a residence), special assessments, special charges or interest.

**NOTE:** The property tax bill may include property taxes on both the farmland and improvements. Use the following formula to determine the portion of the property taxes attributable only to the land.

$$\frac{\text{Assessed value of farmland}}{\text{Total assessed value of land and improvements}} \times \text{1998 property taxes levied in 1998 after lottery credit} = \text{Portion of property taxes to be used for the credit}$$

If the farmland is co-owned with someone other than the estate or trust, you may use only those taxes which reflect the ownership percentage of the estate or trust.

If the estate or trust purchased the farmland on which this claim is based during the taxable year, fill in the property taxes on the farmland less any amount allocated to the seller in the closing agreement. If the amount is not set forth in a closing agreement, fill in the total taxes. Do not fill in more than \$10,000.

When property is transferred during the claim year by a method other than a sale, such as through gift, divorce, death, bankruptcy, foreclosure, or repossession, the owner of the property on the tax levy date is the owner who may claim the credit. The tax levy date is the date the property tax roll is delivered to the local treasurer for collection, usually in early December of each year.

If the farmland is owned by a tax-option (S) corporation or by a partnership, fill in the portion of property taxes on the farmland that reflects the ownership percentage of the estate or trust. You may have to contact the tax-option (S) corporation or the partnership to get information on the amount of taxes levied on the farmland during 1998.

Fill in the amount of your credit on line 19 of Form 2. The credit is equal to 10% of the property taxes on the farmland up to a maximum credit of \$1,000.

**CAUTION:** If you are claiming farmland preservation credit on line 17, the total of your farmland preservation credit and your farmland tax relief credit cannot exceed 95% of the property taxes on the farm. If your credits exceed this amount, you should reduce your farmland tax relief credit accordingly.

Attach a copy of your 1998 property tax bill(s) to your Wisconsin Form 2.

**NOTE:** If you are also claiming farmland preservation credit on Form 2 and have attached a copy of your 1998 property tax bill(s) to your Schedule FC, you do not have to attach an additional copy of your property tax bill(s). If the farmland on which

the credits are based was purchased or sold during the year, only the buyer must attach a copy of the 1998 property tax bill(s); however, both the buyer and seller must attach a copy of the closing agreement.

If any of the 1998 property tax bills show unpaid prior year taxes, attach a statement signed by your county treasurer indicating the date the unpaid property taxes were paid in full.

**Line 20.** “Amended return only.” Enter amount paid with original Form 2 plus any additional amount paid after it was filed.

**Line 22.** “Amended return only.” Enter the refund from the original Form 2 plus any additional refunds received after it was filed less the amount applied to 1999 estimated tax.

**Line 24.** “Tax refund.” An overpayment of tax will be refunded after verification by the Department of Revenue. Amounts less than \$1 cannot be refunded.

**Line 25.** “Balance due.” The balance due must be paid in full with the return. Make remittance payable to the Wisconsin Department of Revenue. If you owe less than \$1, send in your return, but do not pay the tax.

**Line 26.** “Amount of line 24 to be applied to your 1999 estimated tax.” Enter on line 26 the amount of refund from line 24 that should be applied to your 1999 estimated income tax. The difference between line 26 and line 24 will be refunded to you.

## INSTRUCTIONS FOR PAGE 2 OF FORM 2

### SCHEDULE A – MODIFICATIONS AND ADJUSTMENTS

“Adjustments.” Instructions for Schedule B explain in detail the nature of these adjustments.

“Modifications.” Certain modifications must be made to federal taxable income in order to arrive at Wisconsin taxable income. Federal taxable income is the amount shown on the federal Form 1041, line 22. Modifications are added to or subtracted from federal taxable income and are described in detail below. Modifications include transitional adjustments.

Enter in column 1, distributable income, the modifications which relate to items of income or deductions which affect the computation of the distributable net income for the taxable year. Enter in column 2, nondistributable income, any of the modifications and adjustments which affect nondistributable income taxable to the fiduciary.

### ADDITIONS

**Line 1.** “Adjustments to convert 1998 federal taxable income to the level allowable under the Internal Revenue Code in effect on December 31, 1997” (see instructions for Schedule B on page 11).

Wisconsin law provides that the federal exclusion for 50% of the gain from the sale or exchange of qualified small business stock issued after August 10, 1993 and held more than five years does not apply for Wisconsin. If a deduction is taken on Form 1041 for this exclusion of gain, an adjustment must be made on Schedule B.

**Line 2.** “Interest (less related expenses) on state and municipal obligations.” Enter in the appropriate column the amount of interest on state and municipal obligations which was excluded from federal taxable income. **EXCEPTION:** Interest which is by federal or Wisconsin law exempt from Wisconsin taxation should not be entered on line 2. Interest income which is exempt for both federal and Wisconsin tax purposes includes interest from (1) public housing authority or community development authority bonds issued by municipalities located in Wisconsin, (2) Wisconsin Housing Finance Authority bonds, (3) Wisconsin municipal redevelopment authority bonds, (4) Wisconsin higher education bonds, (5) Wisconsin Housing and Economic Development Authority bonds issued before 1/29/87, except business development revenue bonds, economic development revenue bonds and CHAP housing revenue bonds, (6) public housing agency bonds issued before 1/29/87 by agencies located outside Wisconsin where the interest therefrom qualifies for exemption from federal taxation for a reason other than or in addition to section 103 of the Internal Revenue Code, (7) local exposition district bonds, (8) professional baseball park district bonds and (9) bonds issued by the Government of Puerto Rico, Guam, or the Virgin Islands. Interest from these sources is exempt from Wisconsin income tax whether received by a direct owner of these securities or by a shareholder in a mutual fund which invests in these securities.

If a charitable deduction is claimed, reduce the amount of interest added back by the amount of the municipal interest which is used or set aside for charitable purposes.

**Line 3.** “State and local taxes.” Enter the amount of taxes deducted from federal taxable income on line 11, Form 1041. This amount must be allocated between distributable and nondistributable income based on tax benefit.

**Line 4.** “Capital gain/loss adjustment.” If federal taxable income includes capital gains and/or losses (see line 4, Form 1041), complete Wisconsin Schedule WD (Form 2) to determine if an adjustment must be made to arrive at Wisconsin income. For example, an adjustment may be required because Wisconsin law limits deductions for net capital losses to \$500. You can obtain Schedule WD (Form 2) from any Department of Revenue office. If assets sold during 1998 had a different basis for federal than for Wisconsin purposes, see instructions for Schedule C and “Adjustment for Ordinary Income or Loss for Assets Reported on Federal Form 4797” on page 10.

**Line 5.** “Other additions.” Enter any other amount subject to Wisconsin taxation, less any amount allocable to it, which has been excluded or deducted in the computation of federal taxable income or distributable net income. Examples are:

- a. Federal net operating loss carryover.
- b. Lump-sum distribution. If you reported lump-sum distribution income on federal Form 4972, you must also include the distribution in Wisconsin income. Fill in on Schedule A, line 5 the amount of lump-sum distribution income which is reported on line 10 of Form 4972 plus any capital gain reported on line 6 of Form 4972. You may reduce this amount by any federal estate tax on line 18 of Form 4972.

**NOTE:** No portion of a lump-sum distribution may be reported as a capital gain on a Wisconsin Schedule WD (Form 2).



- c. Transitional adjustments. These are adjustments required by the Wisconsin Statutes to account for differences between federal basis and Wisconsin basis of changing basis assets (those subject to depreciation or amortization). Attach a schedule showing the computation of each transitional adjustment made.
- d. Farm losses exceeding the maximum losses allowed. (See Wisconsin Form 1 instructions for further details.) The farm loss limits for single persons apply to estates and trusts.
- e. For deaths occurring between August 1, 1987 and December 31, 1991, expenses of administering an estate claimed as a deduction on federal Form 1041 which have been or will be claimed as a deduction on a Wisconsin inheritance tax return. This modification applies only to nondistributable income.
- f. Excess Distribution From a Passive Foreign Investment Company. Fill in the amount of excess distribution from a passive foreign investment company which has not been included in federal adjusted gross income (see federal Form 8621).
- g. **New → Manufacturer's Sales Tax Credit.** Fill in the amount of manufacturer's sales tax credit that you computed for 1998. This is the amount from line 10 (line 11 for beneficiaries of an estate or trust) of Schedule MS. The amount of your credit is income and must be reported on your Wisconsin Form 2, even if you cannot take the full credit this year and must carry part of it forward. (**EXCEPTION:** Do not include manufacturer's sales tax credit from a partnership or tax option corporation. Those credits are already included in the income of the partnership or tax options corporation.)

## SUBTRACTIONS

**Line 7.** "Adjustments to convert 1998 federal taxable income to the level allowable under the Internal Revenue Code in effect on December 31, 1997" (see instructions for Schedule B on page 10).

**Line 8.** "Interest (less related expenses) on obligations of the United States." Enter in the appropriate column the net amount of interest and dividends on obligations and certain securities of the United States, which are by federal law exempt from taxation by states. To arrive at the net amount, you must reduce the total U.S. interest by the proportionate share of deductions claimed on Form 1041.

A distribution received from a mutual fund which invests in U.S. government securities may be partially or completely nontaxable for Wisconsin tax purposes. If information received from a mutual fund advises that any portion of a distribution is from investments in U.S. government securities, that portion of the distribution may be included as U.S. government interest on line 8.

**CAUTION:** Do not fill in on line 8 interest from Ginnie Mae (Government National Mortgage Association) securities and other similar securities which are "guaranteed" by the U.S. government.

If a charitable deduction is claimed, reduce the amount of U.S. interest subtracted by the amount of U.S. interest included in the charitable deduction on federal Form 1041.

**Line 9.** "Capital gain/loss adjustment." If federal taxable income includes capital gains and/or losses (see line 4, Form 1041) complete Wisconsin Schedule WD (Form 2) to determine if an adjustment must be made to arrive at Wisconsin taxable income. For example, an adjustment may be required because Wisconsin law allows an exclusion of 60% of capital gain from assets held more than one year. You can obtain Schedule WD (Form 2) from any Department of Revenue office.

**Line 10.** "State income tax refunds." Enter refunds of state and local income taxes.

**Line 11.** "Other subtractions." Enter on this line any amount which is deductible or exempt from taxation by Wisconsin law and which has been included in the computation of federal taxable income. Examples are:

- a. For deaths occurring between August 1, 1987 and December 31, 1991, expenses of administering an estate not claimed as deductions on the federal fiduciary return and not claimed as a deduction for Wisconsin inheritance tax purposes. This modification applies only to nondistributable income.
- b. Payments received from certain retirement funds exempt from Wisconsin taxation to the extent included in federal income. However, payments received from a tax-sheltered annuity deposit in such retirement systems are taxable. (See Wisconsin Form 1 instructions for further details.)
- c. If you had a Wisconsin net operating loss (NOL) in an earlier year to carry forward to 1998, include the allowable amount on Schedule A. Attach a statement showing how you figured the amount. Get Publication 120, Net Operating Losses for Individuals, Estates, and Trusts, from any Department of Revenue office for more details on computing NOL and the allowable deduction.
- d. Relocation assistance payments received subject to the provisions set forth in Section 32.19, Wisconsin Statutes.
- e. Transitional adjustments. See instruction (c) for line 5. Attach schedule.
- f. Farm loss carryover. See Wisconsin Form 1 instructions for further details.
- g. Income of nonresidents not subject to Wisconsin tax.

## ADDITIONS TO OR SUBTRACTIONS FROM INCOME

The following items may be either an addition to or a subtraction from federal adjusted gross income, depending on your situation. Use line 5 or line 11, Schedule A.

- a. Distributive share of net modifications of a partnership or corporation taxed under Subchapter S of the Internal Revenue Code if it increases or reduces the income of the partnership or corporation. If the estate or trust is a shareholder of a federal S corporation that elects not to be treated as a Wisconsin tax-option (S) corporation, all items of S corporation income, loss, or deduction included on the federal return must be reversed. Add to Wisconsin income the estate's or trust's pro rata share of any distributions made by the corporation of earnings and profits.

**CAUTION:** Do not reverse any item of S corporation income or loss reported on federal Schedule D. These items are removed from Wisconsin income when Wisconsin Schedule WD (Form 2) is completed.

**b. Adjustment for Ordinary Income or Loss for Assets Reported on Federal Form 4797.** If you reported sales (or other dispositions) of assets on federal Form 4797 and there was a difference between the federal basis and the Wisconsin basis, follow the three steps below to figure the adjustment.

**STEP 1:** Recompute federal Form 4797, Sales of Business Property.

- For assets the estate or trust sold or otherwise disposed of, use the Wisconsin basis instead of the federal basis when recomputing Form 4797.
- For those assets disposed of by a partnership, tax-option (S) corporation, or other estate or trust, from which the estate or trust received a distribution, use the Wisconsin gain or loss instead of the federal gain or loss when recomputing Form 4797.

**NOTE:** The Wisconsin gain or loss can be found on line 6 of Wisconsin Schedule 3K-1 or line 5 of Wisconsin Schedule 5K-1.

Label this recomputed Form 4797 “Wisconsin.” Attach the “Wisconsin” Form 4797 to Form 2.

**STEP 2:** If a gain was entered on line 7 or 9 of “Wisconsin” Form 4797, the amounts from the “Wisconsin” Form 4797 must be used to complete line 11 of Wisconsin Schedule WD (Form 2).

**STEP 3:** Compare the ordinary income or loss on “Wisconsin” Form 4797 line 18 to the amount on federal Form 4797.

**NOTE:** Complete Step 3 only if Part II was completed on either the federal or “Wisconsin” Form 4797.

- If you have ordinary income for both federal and Wisconsin purposes, fill in lines a and b of the following worksheet. Also fill in line c or line d, whichever applies.
- If you have an ordinary loss for both federal and Wisconsin purposes, fill in lines e and f of the following worksheet. Also fill in line g or h, whichever applies.
- If you have ordinary income for federal purposes and line 18 on the “Wisconsin” Form 4797 is blank or a loss, fill in lines a, b, e, and f of the following worksheet. Also fill in line d and line g. Add the amounts on lines d and g and fill in the result on line 11 of Schedule A, Page 2, Form 2.
- If you have an ordinary loss for federal purposes and line 18 on the “Wisconsin” Form 4797 is blank or a gain, fill in lines a, b, e, and f of the following worksheet. Also fill in line c and line h. Add the amounts on lines c and h and fill in the result on line 5 of Schedule A, Page 2, Form 2.

	Distributable	Non-Distributable
<b>a</b> Fill in ordinary income from line 18 of federal Form 4797 (if blank, fill in zero (0)) . . . . .		
<b>b</b> Fill in ordinary income from line 18 of “Wisconsin” Form 4797 (if blank, fill in zero (0)) . . . . .		
<b>c</b> If line b is more than line a, subtract line a from line b. Fill in the result here and on line 5 of Schedule A, Page 2, Form 2 . . . . .		
<b>d</b> If line b is less than line a, subtract line b from line a. Fill in the result here and on line 11 of Schedule A, Page 2, Form 2 . . . . .		
<b>e</b> Fill in ordinary loss from line 18 of federal Form 4797 (if blank, fill in zero (0)) . . . . .		
<b>f</b> Fill in ordinary loss from line 18 of “Wisconsin” Form 4797 (if blank, fill in zero (0)) . . . . .		
<b>g</b> If line f is more than line e, subtract line e from line f. Fill in the result here and on line 11 of Schedule A, Page 2, Form 2 . . . . .		
<b>h</b> If line f is less than line e subtract line f from line e. Fill in the result here and on line 5 of Schedule A, Page 2, Form 2 . . . . .		

**NOTE:** Nonresident estates and trusts should enter the ordinary income or loss computed on the “Wisconsin” Form 4797 that is **from Wisconsin sources** when completing Step 3 above.

**SCHEDULE B – ADJUSTMENTS**

**IMPORTANT:** The Wisconsin Statutes generally require that the computation of taxable income on the 1998 Wisconsin fiduciary income tax return is to be based on the Internal Revenue Code enacted as of December 31, 1997. Changes to federal law enacted after December 31, 1997, do not apply for Wisconsin purposes. Refer to Wisconsin Schedule I, Form 1, Individual Income Tax Return.

Wisconsin law also provides that the following provision of federal law does not apply for Wisconsin (even though this provision was enacted into federal law prior to December 31, 1997):

- The exclusion for 50% of the gain from the sale or exchange of qualified small business stock issued after August 10, 1993 and held for more than five years.

Adjustments to convert federal taxable income to taxable income under the Internal Revenue Code provisions in effect for Wisconsin purposes should be shown on Schedule B.

**NOTE:** If there is inadequate space, attach a separate sheet to Form 2 giving the required information.

## SCHEDULE C – ADJUSTMENTS TO CAPITAL GAINS/LOSSES

Complete Schedule C to adjust capital gains and losses if capital assets sold or otherwise disposed of in 1998 had a different basis for Wisconsin than for federal income tax purposes. The most common reason for a difference in basis is the use of the alternate value for federal estate tax purposes while date of death value is required to be used for Wisconsin inheritance tax purposes for deaths prior to January 1, 1992. For deaths after December 31, 1991, if the alternate value is used for federal estate tax purposes, the alternate value would also be used for Wisconsin estate tax purposes.

To figure the adjustment, first determine the holding period for each capital asset which had a different basis for federal and Wisconsin purposes. Property acquired by a decedent's estate from the decedent is considered to be held more than one year. (Do not list assets reported on federal Form 4797, such as depreciable property used in a trade or business, in Schedule C. See "Adjustment for Ordinary Income or Loss for Assets Reported on Federal Form 4797," page 10 of these instructions.)

For capital assets held one year or less, fill in line 1a. If the Wisconsin adjusted basis is more than the federal adjusted basis, fill in a negative number in the difference column (column C). Combine the amounts in column C and fill in the result on line 1b of Schedule C and on line 4 of Wisconsin Schedule WD (Form 2) (enter a negative number as a loss).

For capital assets held more than one year, fill in line 2a. If the Wisconsin adjusted basis is more than the federal adjusted basis, fill in a negative number in the difference column (column C). Combine the amounts in column C and fill in the result on line 2b of Schedule C and on line 12 of Wisconsin Schedule WD (Form 2) (enter a negative number as a loss).

**NOTE:** If there is inadequate space on lines 1a and 2a to list each capital asset which had a different basis for Wisconsin than for federal tax purposes, attach a separate sheet to Form 2 giving the required information.

## SCHEDULE 2K-1 – BENEFICIARY'S SHARE OF INCOME, DEDUCTIONS, ETC.

Schedule 2K-1 shows each beneficiary's share of income, deductions, etc., distributed by the estate or trust. Schedule 2K-1 requires an entry for the federal amount, adjustment, and Wisconsin amount of each applicable estate or trust item.

Prepare a Schedule 2K-1 for each individual or entity that was a beneficiary during the estate's or trust's taxable year. Attach a copy of each beneficiary's Schedule 2K-1 to the Form 2 filed with the department. Keep a copy as part of the estate's or trust's records and give each beneficiary his or her own separate copy.

**EXCEPTIONS:** A Schedule 2K-1 need not be prepared for a Wisconsin resident beneficiary if there are no differences between federal and Wisconsin income, deductions, gains or losses. Schedule 2K-1 need not be prepared for nonresident beneficiaries if the income, deductions, etc., distributed are not from Wisconsin sources. Income from Wisconsin sources includes:

- Wages, salaries, commissions, and other income for personal services performed in Wisconsin.
- Rents and royalties from tangible property located in Wisconsin, such as land, buildings, and machinery.
- Gains or losses from sales or other dispositions of tangible property located in Wisconsin, such as land, buildings, and machinery.
- Profits or losses from businesses, professions, and farm operations conducted in Wisconsin, including sole proprietorships, partnerships, and tax-option (S) corporations.
- Income from the Wisconsin state lottery, a multijurisdictional lottery if the winning lottery ticket or lottery share was purchased from a Wisconsin retailer, or pari-mutuel wager winnings and purses.

On each Schedule 2K-1, enter the name and federal identification number of the trust or estate. Also enter the beneficiary's identifying number (social security number for individuals), name, and address and the fiduciary's name and address in the appropriate spaces.

**Column b. Federal Amount** – Enter the applicable amount from federal Schedule K-1.

**EXCEPTION:** If the federal amount was computed using a provision of federal law that Wisconsin doesn't follow, you must first complete Schedule B on Form 2, page 2. See the instructions for lines 1 through 6 of Schedule 2K-1 for more information.

**Column c. Adjustment** – Enter the amount of any additions or subtractions from federal income (modifications and any other adjustments) made to arrive at the amount of any item of estate or trust income, deduction, etc., reportable under Wisconsin law.

**Column d. Wisconsin Amount** – Enter the amount of each estate or trust item which is reportable by the beneficiary under Wisconsin law (column b plus or minus column c).

**Lines 1 through 6.** Enter in column b the amount from federal Schedule K-1 unless the item is computed under a provision of federal law that Wisconsin doesn't follow. Enter total federal long-term capital gains on line 4, column b.

If an item is computed under a provision of federal law that cannot be used for Wisconsin purposes, enter in column b the amount from the federal Schedule K-1 plus or minus, as appropriate, the beneficiary's share of the amount from Schedule B, column 1 of Form 2. On line 14c, identify the beneficiary's share of the amount from Schedule B, column 1 as a "Schedule I Adjustment." Each beneficiary must account for this federal - Wisconsin difference on Wisconsin Schedule I.

Enter the amount of the beneficiary's share of modifications from lines 3, 5, 8, 10, and 11 of Schedule A, Form 2 on the appropriate lines of Schedule 2K-1, column c. Show addition modifications as a positive number. Show subtraction modifications with the number in parentheses.

Example 1: If the federal amount on line 1, column b of Schedule 2K-1 includes any U.S. government interest, show the beneficiary's share of the amount of U.S. government interest as a subtraction modification in column c.

Example 2: If the federal amount on line 6a, column b of Schedule 2K-1 includes a deduction for state and local income taxes, show the beneficiary's share of the amount of taxes as an addition modification in column c.

**NOTE:** Do not adjust for state and municipal interest on line 1, column c. Enter state and municipal interest taxable to Wisconsin on line 14b column d of Schedule 2K-1.

For lines 3 and 4, enter in column d the beneficiary's share of the amounts from lines 6c and 14c of Wisconsin Schedule WD (Form 2). Enter in column b, the amounts from lines 3 and 4c of the federal K-1. The difference between column d and column b is entered as the adjustment in column c.

**Lines 7 through 9.** Enter the beneficiary's share of distributable net alternative minimum taxable income from federal Schedule K-1 on line 7, column b. If any adjustment on lines 5 and 6 in column c of Schedule 2K-1 relates to an item that generates an "adjustment" amount for minimum tax purposes, any resulting increase or decrease in the amount of the "adjustment" for Wisconsin purposes should be entered as an adjustment in column c.

**Lines 12a through 12d** Enter the beneficiary's share of distributable tax preference items from federal Schedule K-1. If any adjustment on lines 5 and 6 in column c of Schedule 2K-1 relates to an item that generates a tax preference amount for minimum tax purposes, any resulting increase or decrease in the amount of tax preference for Wisconsin purposes should be entered as an adjustment in column c.

For example, for Wisconsin purposes an adjustment is reported on line 5b in column c of Schedule 2K-1, to increase by \$10,000 the amount of depreciation on an asset which has a larger basis for Wisconsin than for federal purposes. This depreciation is computed under an accelerated method and \$4,000 of the \$10,000 represents a tax preference. Therefore, \$4,000 would be entered on line 12a, column c.

**Line 13f.** In the space provided, or on an attached schedule, show any items and amounts that are not included on lines 1 through 13e and that are required to be reported separately by beneficiaries. Include the federal amount, any adjustment, and the Wisconsin amount of each item.

**Line 14a.** Not applicable for Wisconsin.

**Line 14b.** Enter in column d the amount of the beneficiary's share of state and municipal interest from line 2, column 1 of Schedule A, Form 2. The difference between column d and column b is entered as the adjustment in column c. Column c should be interest exempt for both federal and Wisconsin, less related expense.

**Line 14c through 14h.** In the space provided, or on an attached schedule, show any items and amounts that are not included on lines 1 through 14b and that are required to be reported separately by beneficiaries. Include the federal amount, any adjustment, and the Wisconsin amount of each item.

**Lines 15a through 15h.** Enter on these lines any credits from Wisconsin Schedules HR, DC and MS which are allocable to the beneficiary.

## INSTRUCTIONS FOR 1998 WISCONSIN SCHEDULE WD (FORM 2)

Purpose of Schedule: Schedule WD is used to determine the amount of capital gain or loss which you must include in Wisconsin income. Generally, all amounts reported on your federal Schedule D must be reported on Schedule WD. However, for Wisconsin tax purposes, you may exclude 60% of the net capital gain from assets held more than one year or acquired from a decedent.

The amount of net capital loss that can be applied against other income after offsetting capital gains is limited to \$500.

Unused capital losses are carried over to later years until fully used.

Attach Schedule WD to your Wisconsin Form 2.

### Specific Instructions:

#### Part I and Part II, Capital Gains and Losses

If you are not affected by any of the items listed below under "Items Which Require Adjustment," fill in the net short-term gain or (loss) from line 5 of your federal Schedule D on line 6a of Schedule WD. Fill in the net long-term gain or (loss) from line 13 of your federal Schedule D on line 14a of Schedule WD. Complete lines 6b, 6c, 14b, and 14c. Write "Same as federal" in the space by line 1 of Schedule WD, and go on to Part III on page 2 of Schedule WD.

**Distributable or Nondistributable Capital Gains:** Capital losses are not distributable except on the final return. Capital gains are reportable by the estate or trust on Schedule WD and not distributable to the beneficiaries on Schedule 2K-1 unless either:

1. the will or trust instrument specifically requires that capital gains are distributed to the beneficiaries, or
2. it is the final return of the estate or trust.

If you are affected by any of the items listed below under "Items Which Require Adjustment," fill in each separate amount from lines 1 through 4 and lines 6 through 11 of your federal Schedule D on the appropriate lines on Schedule WD. However, for those items which require adjustment, fill in the amount indicated in these instructions instead of the amount reported on your federal Schedule D.

## Items Which Require Adjustment

The following items either require adjustments to the amounts reported on your federal Schedule D or determine whether an amount is reported as a short-term or long-term capital gain or loss:

**Capital Loss Carryovers:** Fill in your capital loss carryover from assets held one year or less from line 25 of your 1997 Schedule WD on line 5 of Schedule WD. Fill in your capital loss carryover from assets held more than one year from line 30 of your 1997 Schedule WD on line 13 of Schedule WD.

You may have to reduce your capital loss carryover to 1998 if you excluded income from discharge of indebtedness from your 1998 taxable income. Contact any Department of Revenue office for further information.

**Sale of Property Within 2 Years of Acquisition:** A trust may exclude from federal taxable income the gain on the sale of any property within 2 years of acquisition (section 641(c)(1) of the Internal Revenue Code). For Wisconsin purposes, the gain must be reported on Schedule WD or the “Wisconsin” 4797. If the property is a capital asset, fill in the gain on lines 1 or 7 of Schedule WD depending on how long the trust held the asset. If the property would be reported on Form 4797, recompute Form 4797 to include such property when computing net gain or loss.

**NOTE:** See “Adjustment for Ordinary Income or Loss for Assets Reported on Federal Form 4797” on page 10 of these instructions.

**Net Capital Gain on the Sale of Small Business Stock:** Do not include on Schedule WD any net capital gain from the sale of qualified small business stock which you acquired on or after January 1, 1986, and held for at least 5 years, and which was not acquired by gift. To be qualified small business stock, the corporation must have met certain requirements at the time you acquired the stock from the corporation. You must attach to your Form 2 a copy of the certification you received from the corporation which indicates the requirements were met.

**Nonresident Estates and Trusts:** Nonresident estates and trusts should include only gain or loss from Wisconsin sources on Schedule WD.

Gain or loss from Wisconsin sources includes gain or loss from the sale of land, buildings, and machinery located in Wisconsin, and your share of gain or loss from a trust, partnership, or tax-option (S) corporation which has been reported to you on Schedule 2K-1, 3K-1, or 5K-1. It doesn't include losses from nonbusiness bad debts and worthless securities, and gains or losses from sales of stocks.

### Gain From Installment Sales:

- Taxable gain from installment sales reported on lines 2 and 7 of federal Schedule D must be reported on lines 2 and 8 of Schedule WD, as appropriate. Gain from an installment sale is reported on line 2 of Schedule WD if at the time of sale or other disposition you held the property for one year or less, unless the property was acquired from a decedent. If at the time of sale or other disposition you held the property for more than one year or acquired the property from a decedent, the gain is reported on line 8 of Schedule WD.

- Taxable gain from installment sales which is from Form 4797 and included on line 10 of federal Schedule D is included on line 11 of Schedule WD. For property not acquired from a decedent and held one year or less, report the installment sale gain on line 1 of Schedule WD. The remaining portion of the amount on line 10 of federal Schedule D should be reported on line 11 of Schedule WD.
- If you have a federal gain on an installment sale of property located outside Wisconsin and the sale occurred while you were a nonresident of Wisconsin, do not include this installment gain on Schedule WD. For Wisconsin purposes, it is assumed that a nonresident person who sells property located outside Wisconsin elects to report the entire gain in the year of sale, when none of the gain would have been taxable by Wisconsin. Subsequently, any portion of such installment gain which is taxable for federal purposes is not taxable for Wisconsin.

**NOTE:** Payments received after death from an installment sale made prior to death are “income in respect of a decedent” and the profit is reported in the estate's income just as it was reported prior to death. If the debt is transferred to the buyer or cancelled, the total unreported gain is taxable to the estate.

**Gain or Loss From Partnerships, S Corporations, and Fiduciaries:** Fill in on line 3 or 9 the amount of capital gain or loss from partnerships, tax-option (S) corporations, estates, and trusts.

- If the partnership, S corporation, estate, or trust has informed you of any adjustment to be made to the capital gain or loss for Wisconsin, be sure to use the gain or loss as adjusted.
- If you are a shareholder in a federal S corporation that elects not to be treated as a Wisconsin tax-option (S) corporation, do not include on Schedule WD any capital gain or loss distributed to you by that federal S corporation. See “Additions to or Subtractions from Income” on page 9 of these instructions for additions and subtractions you must make to adjust for tax-option (S) corporation income.

**Adjustment for Differences Between Wisconsin and Federal Basis of Assets:** Gain or loss from the sale of assets may be different for Wisconsin and federal purposes because of a difference in the federal and Wisconsin basis of your property.

- If you have a difference in the Wisconsin and federal basis of property and that property is a capital asset (sale or other disposition is reported on federal Schedule D), fill in the federal gain or loss in Part I or Part II of Schedule WD, as appropriate. You must also complete Schedule C on Form 2 to compute the amount to fill in on line 4 or 12 of Schedule WD.
- If you have a difference between the Wisconsin and federal basis of property and the sale or other disposition of such property is reported on federal Form 4797, see the instruction for Form 2 under “Additions to or Subtractions from Income.” If you entered a gain on line 7 or 9 of your “Wisconsin” Form 4797, you must use the amount from the “Wisconsin” Form 4797 to complete line 11 of Schedule WD.

### Part III, Summary of Parts I and II

Complete lines 15 through 19 to compute the amount of capital gain or loss that must be included in Wisconsin taxable income. On line 15, it is necessary that capital gains and losses distributed to beneficiaries be separated from those of the fiduciary.

**NOTE:** If capital gain income is used or set aside for charitable purposes, the amount on line 17 must be adjusted for 60% of the capital gain income included in the charitable deduction.

**EXAMPLE:** An estate is required to set aside 25% of its income for a charity named in the decedent's will.

Net capital gain	\$10,000
60% of net capital gain	\$ 6,000
Less 25% included in charitable deduction	<u>(1,500)</u>
Adjusted amount to enter on line 17	\$ 4,500

**Definition of Wisconsin ordinary income:** Wisconsin ordinary income is all taxable income for Wisconsin (not capital gains or losses) less all Wisconsin deductions (not exemptions).

When computing the Wisconsin capital loss limitation, "Wisconsin ordinary income" means income less deductions. Do not include capital gains or losses or the exemption.

### Part IV, Computation of Wisconsin Adjustment to Income

Complete Part IV to figure the amount you must report as a capital gain/loss adjustment on Schedule A, Form 2.

Compare the net gain or loss on Schedule WD (line 18 for a net gain or line 19 for a net loss) to the amount of capital gain or loss on line 4 of federal Form 1041. On lines 20a and 20e, it is necessary that gains and losses distributed to beneficiaries be separated from those of the fiduciary. (When completing Part IV, enter all amounts as positive numbers.)

- If the net gain or loss on Schedule WD (line 18 for a net gain or line 19 for a net loss) is the same as the amount of capital gain or loss on line 4 of federal Form 1041, do not complete Part IV. No adjustment to the capital gain or loss is necessary for Wisconsin purposes. Go on to Part V.
- If the estate or trust has a net gain for both federal and Wisconsin purposes, fill in lines 20a and 20b. Also, fill in either line 20c or line 20d, whichever applies.
- If the estate or trust has a net loss for both federal and Wisconsin purposes, fill in lines 20e and 20f. Also fill in either line 20g or line 20h, whichever applies.
- If the estate or trust has a net gain for federal purposes and a net loss for Wisconsin, fill in your federal gain on line 20a and your Wisconsin loss on line 20f. Also complete lines 20d and 20g and fill in the result on line 9, Schedule A of Form 2.
- If the estate or trust has a net loss for federal purposes and a net gain for Wisconsin, fill in your federal loss on line 20e and your Wisconsin gain on line 20b. Fill in zero (0) on lines 20a and 20f. Also complete lines 20c and 20h. Add the amounts on lines 20c and 20h and fill in the result on line 4, Schedule A of Form 2.

### Part V, Computation of Capital Loss Carryovers From 1998 to 1999

If the net loss on line 15, column b is more than the loss on line 19, complete Part V to compute the amount of your capital loss carryover. Complete lines 21 through 25 to figure the short-term capital loss carryover. Complete lines 26 through 30 to figure the long-term capital loss carryover.

# 1998 TAX TABLE

If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is
			2,750	2,800	132	6,500	6,600	312	12,500	12,600	679	18,500	18,600	1,076
			2,800	2,850	135	6,600	6,700	317	12,600	12,700	686	18,600	18,700	1,083
			2,850	2,900	137	6,700	6,800	322	12,700	12,800	692	18,700	18,800	1,089
			2,900	2,950	140	6,800	6,900	327	12,800	12,900	699	18,800	18,900	1,096
0	10	0	2,950	3,000	142	6,900	7,000	332	12,900	13,000	705	18,900	19,000	1,103
			3,000	3,050	144	7,000	7,100	336	13,000	13,100	711	19,000	19,100	1,110
10	50	1	3,050	3,100	147	7,100	7,200	341	13,100	13,200	718	19,100	19,200	1,116
50	100	4	3,100	3,150	149	7,200	7,300	346	13,200	13,300	724	19,200	19,300	1,123
100	150	6	3,150	3,200	151	7,300	7,400	351	13,300	13,400	730	19,300	19,400	1,130
150	200	8	3,200	3,250	154	7,400	7,500	355	13,400	13,500	737	19,400	19,500	1,137
200	250	11												
			3,250	3,300	156	7,500	7,600	361	13,500	13,600	743	19,500	19,600	1,144
250	300	13	3,300	3,350	159	7,600	7,700	367	13,600	13,700	750	19,600	19,700	1,150
300	350	16	3,350	3,400	161	7,700	7,800	374	13,700	13,800	756	19,700	19,800	1,157
350	400	18	3,400	3,450	163	7,800	7,900	380	13,800	13,900	762	19,800	19,900	1,164
400	450	20	3,450	3,500	166	7,900	8,000	386	13,900	14,000	769	19,900	20,000	1,171
450	500	23												
			3,500	3,550	168	8,000	8,100	393	14,000	14,100	775	20,000	20,100	1,177
500	550	25	3,550	3,600	171	8,100	8,200	399	14,100	14,200	781	20,100	20,200	1,184
550	600	27	3,600	3,650	173	8,200	8,300	406	14,200	14,300	788	20,200	20,300	1,191
600	650	30	3,650	3,700	175	8,300	8,400	412	14,300	14,400	794	20,300	20,400	1,198
650	700	32	3,700	3,750	178	8,400	8,500	418	14,400	14,500	800	20,400	20,500	1,204
700	750	35												
			3,750	3,800	180	8,500	8,600	425	14,500	14,600	807	20,500	20,600	1,211
750	800	37	3,800	3,850	182	8,600	8,700	431	14,600	14,700	813	20,600	20,700	1,218
800	850	39	3,850	3,900	185	8,700	8,800	437	14,700	14,800	820	20,700	20,800	1,225
850	900	42	3,900	3,950	187	8,800	8,900	444	14,800	14,900	826	20,800	20,900	1,232
900	950	44	3,950	4,000	190	8,900	9,000	450	14,900	15,000	832	20,900	21,000	1,238
950	1,000	47												
			4,000	4,050	192	9,000	9,100	456	15,000	15,100	839	21,000	21,100	1,245
1,000	1,050	49	4,050	4,100	194	9,100	9,200	463	15,100	15,200	846	21,100	21,200	1,252
1,050	1,100	51	4,100	4,150	197	9,200	9,300	469	15,200	15,300	852	21,200	21,300	1,259
1,100	1,150	54	4,150	4,200	199	9,300	9,400	476	15,300	15,400	859	21,300	21,400	1,265
1,150	1,200	56	4,200	4,250	202	9,400	9,500	482	15,400	15,500	866	21,400	21,500	1,272
1,200	1,250	58												
			4,250	4,300	204	9,500	9,600	488	15,500	15,600	873	21,500	21,600	1,279
1,250	1,300	61	4,300	4,350	206	9,600	9,700	495	15,600	15,700	880	21,600	21,700	1,286
1,300	1,350	63	4,350	4,400	209	9,700	9,800	501	15,700	15,800	886	21,700	21,800	1,292
1,350	1,400	66	4,400	4,450	211	9,800	9,900	507	15,800	15,900	893	21,800	21,900	1,299
1,400	1,450	68	4,450	4,500	213	9,900	10,000	514	15,900	16,000	900	21,900	22,000	1,306
1,450	1,500	70												
			4,500	4,550	216	10,000	10,100	520	16,000	16,100	907	22,000	22,100	1,313
1,500	1,550	73	4,550	4,600	218	10,100	10,200	527	16,100	16,200	913	22,100	22,200	1,320
1,550	1,600	75	4,600	4,650	221	10,200	10,300	533	16,200	16,300	920	22,200	22,300	1,326
1,600	1,650	78	4,650	4,700	223	10,300	10,400	539	16,300	16,400	927	22,300	22,400	1,333
1,650	1,700	80	4,700	4,750	225	10,400	10,500	546	16,400	16,500	934	22,400	22,500	1,340
1,700	1,750	82												
			4,750	4,800	228	10,500	10,600	552	16,500	16,600	940	22,500	22,600	1,347
1,750	1,800	85	4,800	4,850	230	10,600	10,700	558	16,600	16,700	947	22,600	22,700	1,353
1,800	1,850	87	4,850	4,900	233	10,700	10,800	565	16,700	16,800	954	22,700	22,800	1,360
1,850	1,900	89	4,900	4,950	235	10,800	10,900	571	16,800	16,900	961	22,800	22,900	1,367
1,900	1,950	92	4,950	5,000	237	10,900	11,000	578	16,900	17,000	968	22,900	23,000	1,374
1,950	2,000	94												
			5,000	5,100	241	11,000	11,100	584	17,000	17,100	974	23,000	23,100	1,380
2,000	2,050	97	5,100	5,200	246	11,100	11,200	590	17,100	17,200	981	23,100	23,200	1,387
2,050	2,100	99	5,200	5,300	250	11,200	11,300	597	17,200	17,300	988	23,200	23,300	1,394
2,100	2,150	101	5,300	5,400	255	11,300	11,400	603	17,300	17,400	995	23,300	23,400	1,401
2,150	2,200	104	5,400	5,500	260	11,400	11,500	609	17,400	17,500	1,001	23,400	23,500	1,408
2,200	2,250	106												
			5,500	5,600	265	11,500	11,600	616	17,500	17,600	1,008	23,500	23,600	1,414
2,250	2,300	109	5,600	5,700	270	11,600	11,700	622	17,600	17,700	1,015	23,600	23,700	1,421
2,300	2,350	111	5,700	5,800	274	11,700	11,800	628	17,700	17,800	1,022	23,700	23,800	1,428
2,350	2,400	113	5,800	5,900	279	11,800	11,900	635	17,800	17,900	1,028	23,800	23,900	1,435
2,400	2,450	116	5,900	6,000	284	11,900	12,000	641	17,900	18,000	1,035	23,900	24,000	1,441
2,450	2,500	118												
			6,000	6,100	289	12,000	12,100	648	18,000	18,100	1,042	24,000	24,100	1,448
2,500	2,550	120	6,100	6,200	293	12,100	12,200	654	18,100	18,200	1,049	24,100	24,200	1,455
2,550	2,600	123	6,200	6,300	298	12,200	12,300	660	18,200	18,300	1,056	24,200	24,300	1,462
2,600	2,650	125	6,300	6,400	303	12,300	12,400	667	18,300	18,400	1,062	24,300	24,400	1,468
2,650	2,700	128	6,400	6,500	308	12,400	12,500	673	18,400	18,500	1,069	24,400	24,500	1,475
2,700	2,750	130												

# 1998 TAX TABLE (Cont'd.)

If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is	If Line 5 is at least	but less than	Gross tax is
24,500	24,600	1,482	30,500	30,600	1,888	36,500	36,600	2,294	42,500	42,600	2,701	48,500	48,600	3,107
24,600	24,700	1,489	30,600	30,700	1,895	36,600	36,700	2,301	42,600	42,700	2,707	48,600	48,700	3,114
24,700	24,800	1,496	30,700	30,800	1,902	36,700	36,800	2,308	42,700	42,800	2,714	48,700	48,800	3,120
24,800	24,900	1,502	30,800	30,900	1,909	36,800	36,900	2,315	42,800	42,900	2,721	48,800	48,900	3,127
24,900	25,000	1,509	30,900	31,000	1,915	36,900	37,000	2,322	42,900	43,000	2,728	48,900	49,000	3,134
25,000	25,100	1,516	31,000	31,100	1,922	37,000	37,100	2,328	43,000	43,100	2,734	49,000	49,100	3,141
25,100	25,200	1,523	31,100	31,200	1,929	37,100	37,200	2,335	43,100	43,200	2,741	49,100	49,200	3,147
25,200	25,300	1,529	31,200	31,300	1,936	37,200	37,300	2,342	43,200	43,300	2,748	49,200	49,300	3,154
25,300	25,400	1,536	31,300	31,400	1,942	37,300	37,400	2,349	43,300	43,400	2,755	49,300	49,400	3,161
25,400	25,500	1,543	31,400	31,500	1,949	37,400	37,500	2,355	43,400	43,500	2,762	49,400	49,500	3,168
25,500	25,600	1,550	31,500	31,600	1,956	37,500	37,600	2,362	43,500	43,600	2,768	49,500	49,600	3,175
25,600	25,700	1,557	31,600	31,700	1,963	37,600	37,700	2,369	43,600	43,700	2,775	49,600	49,700	3,181
25,700	25,800	1,563	31,700	31,800	1,969	37,700	37,800	2,376	43,700	43,800	2,782	49,700	49,800	3,188
25,800	25,900	1,570	31,800	31,900	1,976	37,800	37,900	2,382	43,800	43,900	2,789	49,800	49,900	3,195
25,900	26,000	1,577	31,900	32,000	1,983	37,900	38,000	2,389	43,900	44,000	2,795	49,900	50,000	3,202
26,000	26,100	1,584	32,000	32,100	1,990	38,000	38,100	2,396	44,000	44,100	2,802	50,000 or more		3,205
26,100	26,200	1,590	32,100	32,200	1,997	38,100	38,200	2,403	44,100	44,200	2,809	plus 6.77% of taxable income over \$50,000		
26,200	26,300	1,597	32,200	32,300	2,003	38,200	38,300	2,410	44,200	44,300	2,816			
26,300	26,400	1,604	32,300	32,400	2,010	38,300	38,400	2,416	44,300	44,400	2,822			
26,400	26,500	1,611	32,400	32,500	2,017	38,400	38,500	2,423	44,400	44,500	2,829			
26,500	26,600	1,617	32,500	32,600	2,024	38,500	38,600	2,430	44,500	44,600	2,836			
26,600	26,700	1,624	32,600	32,700	2,030	38,600	38,700	2,437	44,600	44,700	2,843			
26,700	26,800	1,631	32,700	32,800	2,037	38,700	38,800	2,443	44,700	44,800	2,850			
26,800	26,900	1,638	32,800	32,900	2,044	38,800	38,900	2,450	44,800	44,900	2,856			
26,900	27,000	1,645	32,900	33,000	2,051	38,900	39,000	2,457	44,900	45,000	2,863			
27,000	27,100	1,651	33,000	33,100	2,057	39,000	39,100	2,464	45,000	45,100	2,870			
27,100	27,200	1,658	33,100	33,200	2,064	39,100	39,200	2,470	45,100	45,200	2,877			
27,200	27,300	1,665	33,200	33,300	2,071	39,200	39,300	2,477	45,200	45,300	2,883			
27,300	27,400	1,672	33,300	33,400	2,078	39,300	39,400	2,484	45,300	45,400	2,890			
27,400	27,500	1,678	33,400	33,500	2,085	39,400	39,500	2,491	45,400	45,500	2,897			
27,500	27,600	1,685	33,500	33,600	2,091	39,500	39,600	2,498	45,500	45,600	2,904			
27,600	27,700	1,692	33,600	33,700	2,098	39,600	39,700	2,504	45,600	45,700	2,911			
27,700	27,800	1,699	33,700	33,800	2,105	39,700	39,800	2,511	45,700	45,800	2,917			
27,800	27,900	1,705	33,800	33,900	2,112	39,800	39,900	2,518	45,800	45,900	2,924			
27,900	28,000	1,712	33,900	34,000	2,118	39,900	40,000	2,525	45,900	46,000	2,931			
28,000	28,100	1,719	34,000	34,100	2,125	40,000	40,100	2,531	46,000	46,100	2,938			
28,100	28,200	1,726	34,100	34,200	2,132	40,100	40,200	2,538	46,100	46,200	2,944			
28,200	28,300	1,733	34,200	34,300	2,139	40,200	40,300	2,545	46,200	46,300	2,951			
28,300	28,400	1,739	34,300	34,400	2,145	40,300	40,400	2,552	46,300	46,400	2,958			
28,400	28,500	1,746	34,400	34,500	2,152	40,400	40,500	2,558	46,400	46,500	2,965			
28,500	28,600	1,753	34,500	34,600	2,159	40,500	40,600	2,565	46,500	46,600	2,971			
28,600	28,700	1,760	34,600	34,700	2,166	40,600	40,700	2,572	46,600	46,700	2,978			
28,700	28,800	1,766	34,700	34,800	2,173	40,700	40,800	2,579	46,700	46,800	2,985			
28,800	28,900	1,773	34,800	34,900	2,179	40,800	40,900	2,586	46,800	46,900	2,992			
28,900	29,000	1,780	34,900	35,000	2,186	40,900	41,000	2,592	46,900	47,000	2,999			
29,000	29,100	1,787	35,000	35,100	2,193	41,000	41,100	2,599	47,000	47,100	3,005			
29,100	29,200	1,793	35,100	35,200	2,200	41,100	41,200	2,606	47,100	47,200	3,012			
29,200	29,300	1,800	35,200	35,300	2,206	41,200	41,300	2,613	47,200	47,300	3,019			
29,300	29,400	1,807	35,300	35,400	2,213	41,300	41,400	2,619	47,300	47,400	3,026			
29,400	29,500	1,814	35,400	35,500	2,220	41,400	41,500	2,626	47,400	47,500	3,032			
29,500	29,600	1,821	35,500	35,600	2,227	41,500	41,600	2,633	47,500	47,600	3,039			
29,600	29,700	1,827	35,600	35,700	2,234	41,600	41,700	2,640	47,600	47,700	3,046			
29,700	29,800	1,834	35,700	35,800	2,240	41,700	41,800	2,646	47,700	47,800	3,053			
29,800	29,900	1,841	35,800	35,900	2,247	41,800	41,900	2,653	47,800	47,900	3,059			
29,900	30,000	1,848	35,900	36,000	2,254	41,900	42,000	2,660	47,900	48,000	3,066			
30,000	30,100	1,854	36,000	36,100	2,261	42,000	42,100	2,667	48,000	48,100	3,073			
30,100	30,200	1,861	36,100	36,200	2,267	42,100	42,200	2,674	48,100	48,200	3,080			
30,200	30,300	1,868	36,200	36,300	2,274	42,200	42,300	2,680	48,200	48,300	3,087			
30,300	30,400	1,875	36,300	36,400	2,281	42,300	42,400	2,687	48,300	48,400	3,093			
30,400	30,500	1,881	36,400	36,500	2,288	42,400	42,500	2,694	48,400	48,500	3,100			