

# 1 Wisconsin income tax

## Form 1 instructions

# 2006

### E-Filing

A quick, easy and smart way to get your taxes DONE! See pages 2A and 3 for e-filing options.



### Free Tax Preparation Available

Commonly referred to as VITA, lower and moderate income individuals and the elderly can have their taxes prepared for free. See page 2B for more information.

### You Don't Have to Pay to Borrow Your Own Money

In 2004, more than 119,000 Wisconsin taxpayers paid an estimated \$29.7 MILLION in Refund Anticipation Loans (RAL) and associated fees. See page 2A for tips on how to avoid this situation.

### Extra Money for Working Families

If you are eligible for the Federal Earned Income Tax Credit and have at least one qualifying child, you are also eligible for the Wisconsin Earned Income Tax Credit. See pages 2B and 24 for more information.



### Paper Clip Your Return

Refunds can be processed faster if you use paper clips instead of staples.

### Lower Your Rent or Property Taxes

For information about Homestead Credit, see page 29.

### New for 2006

- **Tuition Deduction** The maximum subtraction for tuition paid is increased to \$4,536 per student. See page 11.
- **Donations** Three new designations are available. You may donate amounts for multiple sclerosis programs, the firefighters memorial, and prostate cancer research. See page 22.
- **Third Party Designee** You may choose to designate a third party to discuss the processing of your return with the department. See page 28.
- **Special Conditions** A new Special Conditions box is located on the front of the form. See page 6.

### Tax Tips

- **Amended Returns** If after filing your return you find that there is an error on the return, this can be corrected by filing an amended return (Form 1X). See page 4 for information on how to obtain Form 1X.
- **Do you have to make estimated tax payments for 2007?** If yes, and you do not receive the form in the mail, contact any department office or go to our web site at [www.revenue.wi.gov](http://www.revenue.wi.gov) to obtain a personalized copy of Form 1-ES.

**Filing Deadline is Monday,  
April 16, 2007**

**FEDERAL PRIVACY ACT** In compliance with federal law, you are hereby notified that the request for your social security number on the Wisconsin income tax return is made under the authority of Section 71.03(6)(a) of the Wisconsin Statutes. The disclosure of this number on your return is mandatory. It will be used for identification purposes throughout the processing, filing, and auditing of your return and the issuance of refund checks.

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## Which Form To File For 2006

You may file Form WI-Z if you:	You may file Form 1A if you:	You must file Form 1 if you:	You must file Form 1NPR if you:
<ul style="list-style-type: none"> <li>• File federal Form 1040EZ <i>AND</i></li> <li>• Were a Wisconsin resident all year <i>AND</i></li> <li>• Were under age 65 on December 31, 2006, <i>AND</i></li> <li>• Do not have W-2s that include active duty military pay received as a member of the National Guard or Reserves <i>AND</i></li> <li>• Did not have interest income from state, municipal, or U.S. bonds <i>AND</i></li> <li>• Did not receive unemployment compensation <i>AND</i></li> <li>• Are not claiming any credits other than Wisconsin tax withheld from wages, renter's and homeowner's school property tax credit, working families tax credit, or the married couple credit <i>AND</i></li> <li>• Are not claiming Wisconsin homestead credit.</li> </ul>	<ul style="list-style-type: none"> <li>• Were single all year or married and file a joint return or file as head of household <i>AND</i></li> <li>• Were a Wisconsin resident all year <i>AND</i></li> <li>• Have income only from wages, salaries, tips, taxable scholarships and fellowships, interest, dividends, capital gain distributions, unemployment compensation, social security, pensions, annuities, and IRAs <i>AND</i></li> <li>• Have no adjustments to income (except deductions for an IRA or student loan interest) <i>AND</i></li> <li>• Are not claiming credit for itemized deductions, tax paid to another state, historic rehabilitation, venture capital, or repayment of income previously taxed <i>AND</i></li> <li>• Are not subject to a Wisconsin penalty on an IRA, qualified retirement plan, or Coverdell education or medical savings account.</li> </ul> <p><b>Exception</b> If you used federal Form 4972, you must file Form 1.</p>	<ul style="list-style-type: none"> <li>• Were a Wisconsin resident all year <i>AND</i></li> <li>• Were married and file a separate return, or were divorced during the year <i>OR</i></li> <li>• Have income which may not be reported on Form WI-Z or 1A (such as capital gain, rental, farm, or business income) <i>OR</i></li> <li>• Claim adjustments to income (such as for alimony paid, tuition expense, or disability income exclusion) <i>OR</i></li> <li>• Claim credit for itemized deductions, tax paid to another state, historic rehabilitation, venture capital, or repayment of income previously taxed <i>OR</i></li> <li>• Are subject to a Wisconsin penalty on an IRA, qualified retirement plan, or Coverdell education or medical savings account <i>OR</i></li> <li>• Are subject to the alternative minimum tax.</li> </ul>	<ul style="list-style-type: none"> <li>• Were domiciled* in another state or country at any time during the year <i>OR</i></li> <li>• Are married filing a joint return and your spouse was domiciled* in another state or country at any time during the year.</li> </ul> <p>* Your domicile is your true, fixed, and permanent home to which, whenever absent, you intend to return. You can be physically present or residing in one locality but maintain your domicile in another.</p> <p>Your domicile, once established, does not change unless all three of the following circumstances occur or exist:</p> <ol style="list-style-type: none"> <li>(1) You intend to abandon your old domicile and take actions consistent with that intent <i>AND</i></li> <li>(2) You intend to acquire a new domicile and take actions consistent with that intent <i>AND</i></li> <li>(3) You are physically present in the new domicile.</li> </ol>

## 67 Million Taxpayers in the U.S. E-filed Last Year. What do they know that you don't?

### A quick, easy, smart way to get your taxes done!

More than 67 million taxpayers in the U.S. e-filed last year. In Wisconsin alone, over 1.6 million returns were e-filed!

- **Quick** – No more last minute trips to the Post Office – just hit Send! Or tell your preparer “I want the safety and speed of *e-file*.” Did you know that 99% of all e-filers get their State refund within 3-5 business days and their IRS refund within 10 business days when they use direct deposit? Paper filers frequently have to wait 10-12 weeks for their paper refund check.
- **Easy** – Fill in the blanks and the computer software will lead you step-by-step through the program. It will even take care of all the math!
- **Smart** – The IRS and State provide you with an official acknowledgement that your return was received.
- **Convenient** – You can e-file any time of the day or night. Plus, if you owe money, you can e-file your return and designate any date on or before April 16 for the amount to be automatically withdrawn from your checking or savings account.

### Ways to e-file:

- **On-line software.** Visit the IRS web site ([www.irs.gov](http://www.irs.gov)) to find a list of approved on-line software providers. Many of the providers will file your federal return for free and if you choose they will instantaneously file your State return for a small fee.
- **Free-File.** Click on the State's Free-File program located at [www.revenue.wi.gov](http://www.revenue.wi.gov) to file your State return.
- **TeleFile.** Use your telephone to TeleFile your return. See page 25 of the Form 1A and WI-Z booklet for TeleFile instructions and toll-free TeleFile number.
- **Free tax preparation site.** Visit a free tax preparation site, commonly referred to as VITA or TCE (see page 2B for more information). Many of the sites have e-filing capabilities.
- **Purchase software.** Purchase tax preparation software at your local office supply or electronics store.
- **Tax preparer.** Pay a tax preparation company to prepare and e-file your return.

**FreeFile**  
WISCONSIN

## Don't Pay to Borrow Your Own Money

In 2004, more than 119,000 Wisconsin taxpayers paid an estimated \$29.7 MILLION in Refund Anticipation Loans (RAL) and associated fees. A RAL is not a quick

refund. It is actually a short-term loan with an average annual percentage rate (APR) of 512%.



Before electronic filing, when it would take several weeks to process a paper tax return, a RAL was an attractive, timely option to a family in need of money. But with today's electronic filing, you can receive your refund electronically within 3-5 days from the State and 10 days from the IRS. All at no cost to you. So keep all your eligible refund and do not become part of an unfortunate statistic.

### Here are some tips on how to avoid a RAL:

- **Open a checking or savings account.** If you do not have a checking or savings account, consider opening one so your refund can be electronically deposited. Many banks and/or credit unions will set up a checking or savings account for free.
- **E-file and request direct deposit.** When you e-file, request the IRS and the State to electronically deposit your refund directly into your checking or savings account. It typically takes 10 business days for the IRS and 3-5 business days for the State to process and electronically deposit your refund.
- **Visit a free tax preparation site.** Trained volunteers will prepare your tax return for free and many sites will file your return electronically to speed up your refund. For more information read the “Free Tax Preparation Available” article on page 2B.

## Make Work Pay! Apply for Wisconsin's Earned Income Tax Credit (EITC)

Wisconsin's Earned Income Tax Credit is extra money for working families.

To claim the Wisconsin EITC, a taxpayer must meet the following qualifications:

- Qualify for the federal EITC
- Have at least one qualifying child
- Be a full-year Wisconsin resident

If you have:

- 1 qualifying child, you are eligible to receive up to \$110 in Wisconsin EITC
- 2 qualifying children, you are eligible to receive up to \$635 in Wisconsin EITC
- 3 or more qualifying children, you are eligible to receive up to \$1950 in Wisconsin EITC



**Qualifying child criteria:**

The child must meet the relationship, age and residency tests listed in the federal instructions. You need to have worked and have federal adjusted gross income less than:

- \$32,001 (\$34,001 if married filing jointly) if there is one qualifying child
- \$36,348 (\$38,348 if married filing jointly) if there is more than one qualifying child

For more information on the Wisconsin EITC, refer to Form 1 or 1A & WI-Z tax booklet, or call (608) 266-2772.

## Free Tax Preparation Available (commonly referred to as VITA or TCE)

**Need help filing your taxes?**

Wisconsin residents can have their taxes prepared for free at any IRS sponsored Volunteer Income Tax Assistance (VITA) site or at any AARP sponsored Tax Counseling for the Elderly (TCE) site. These two programs have helped millions of individuals across the country in preparing their taxes. Trained volunteers will fill out your tax return and many sites will even e-file your return. The entire service is free.



**Who can use VITA services?**

- Low and moderate income individuals
- Individuals with disabilities
- Elderly
- Individuals who qualify for the Homestead Credit or the Earned Income Tax Credit

**What should you bring?**

- W-2 wage and tax statements
- Information on other sources of income and any deductions
- Social Security cards of taxpayer(s) and dependents
- To claim the Homestead Credit, bring a completed rent certificate (if you are a renter), a copy of your 2006 property tax bill (if you are a homeowner), and a record of any Wisconsin Works (W2) payments received in 2006
- Both spouses must be present to file a joint return

**VITA and TCE locations:**

- In Wisconsin, call or 1-800-829-1040
- On the web, visit [www.revenue.wi.gov](http://www.revenue.wi.gov) and type in "VITA sites" in the Search box
- Call the AARP at 1-888-227-7669

**Who Must File**

Refer to the table to see if you are required to file a return for 2006.

Filing status	Age as of December 31, 2006	You must file if your gross income* (or total gross income of husband and wife) during 2006 was:
Single	Under 65 . . . . .	\$9,160 or more
	65 or older . . . . .	\$9,410 or more
Married-filing joint return	Any age . . . . .	\$18,000 or more
Married-filing separate return	Any age . . . . .	\$9,000 or more (applies to each spouse individually – must use Form 1)
Head of household	Under 65 . . . . .	\$11,630 or more
	65 or older . . . . .	\$11,880 or more

\* Gross income means all income (before deducting expenses) reportable to Wisconsin. The income may be received in the form of money, property, or services. It does not include items that are exempt from Wisconsin tax. For example, it does not include the portion of your social security benefits that is not taxable on your Wisconsin return.

**Other Filing Requirements**

You may have to file a return even if your income is less than the amounts shown on the table. You must file a return for 2006 if:



- You could be claimed as a dependent on someone else’s return and either of the following applies:
  - (1) Your gross income was more than \$850 and it included at least \$301 of unearned income, or
  - (2) Your gross income (total unearned income and earned income) was more than –
    - \$8,460 if single,
    - \$10,930 if head of household,
    - \$15,240 if married filing jointly, or
    - \$7,240 if married filing separately.

Unearned income includes taxable interest, dividends, capital gain distributions, and taxable scholarship and fellowship grants that were not reported to you on a W-2. Earned income includes wages, tips, and scholarship and fellowship grants that were reported to you on a W-2.

- You owe a penalty on an IRA, retirement plan, Coverdell education savings account, or Archer medical savings account.
- You were a nonresident or part-year resident of Wisconsin for 2006 and your gross income was \$2,000 or more. If you were married, you must file a return if the combined gross income of you and your spouse was \$2,000 or more. (You must file Form 1NPR.)

**Who Should File**

Even if you do not have to file, you should file to get a refund if:

- You had Wisconsin income tax withheld from your wages.
- You paid estimated taxes for 2006.
- You claim the earned income credit or the veterans and surviving spouses property tax credit.

**E-Filing (Electronic Filing)**

Electronic filing is the fastest way to get your federal and state income tax refunds. If you choose to have your Wisconsin refund deposited directly in a financial institution account, it may be issued in as few as five working days. Checks may be issued in as few as seven working days.

You may pay by electronic funds transfer if you file electronically. File early and schedule payment as late as April 16. Go to <http://www.revenue.wi.gov/faqs/pcs/e-faq3.html> for more information.

To file your federal and Wisconsin income tax returns electronically, you can use ...

- *Wisconsin Free-File* Available for free on the Department of Revenue web site at [www.revenue.wi.gov](http://www.revenue.wi.gov). These Wisconsin forms are submitted electronically after you complete them.
- *A tax professional* Check your local telephone directory for the names of tax professionals who offer electronic filing, or visit our web site at [www.revenue.wi.gov/eserv/city/index.html](http://www.revenue.wi.gov/eserv/city/index.html).
- *Tax preparation software* Purchase off-the-shelf tax preparation software to install on your computer, or connect to one of the private vendor web sites that offer electronic filing. For more information, visit our web site at [www.revenue.wi.gov/eserv/webased.html](http://www.revenue.wi.gov/eserv/webased.html) or [www.revenue.wi.gov/eserv/offshelf.html](http://www.revenue.wi.gov/eserv/offshelf.html).

**When to File/Extension of Time to File**

Your return is due April 16, 2007.

If you cannot file on time, you can get an extension. You may use any federal extension provision for Wisconsin, even if you are filing your federal return by April 16.

*How to get an extension* You do *not* need to submit a request for an extension to the department prior to the time you file your Wisconsin return. When you file your Form 1 enclose either:

- a copy of your federal extension application (for example, Form 4868) or
- a statement indicating which federal extension provision you want to apply for Wisconsin (for example, the federal automatic 6-month extension provision).

**Note** You will owe interest on any tax that you have not paid by April 16, 2007. This applies even though you may have an extension of time to file. If you do not file your return by April 16, 2007, or during an extension period, you are subject to additional interest and penalties. If you expect to owe tax with your return, you can avoid the 1% per month interest charge during the extension period by paying the tax by April 16, 2007. Submit the payment with a 2006 Wisconsin Form 1-ES. You can get this form at any Department of Revenue office. (**Exception** You will not be charged interest during an extension period if (1) you served in support of Operation Iraqi Freedom in the United States, or (2) you qualify for a federal extension because of service in a combat zone. See Special Conditions below.)

If you were a farmer or fisher and you did not make estimated tax payments, you must file your return and pay any tax due by March 1, 2007, to avoid paying interest for underpayment of estimated tax. Farmers and fishers are individuals who earn at least two-thirds of their gross income from farming or fishing.

**Special Conditions** A "Special Conditions" section is located to the right of the Filing Status section on page 1 of Form 1. If you have an extension of time to file due to service in support of Operation Iraqi Freedom in the United States, fill in "01" in the Special Conditions box. If you qualify for an extension because of service in a combat zone, fill in "02" in the box. If you qualify for an extension because of a presidentially-declared disaster, fill in "03" in the box and indicate the specific disaster on the line provided (for example, Hurricane Katrina).

### Tax Help or Additional Forms

You can get tax help, forms, or publications at any of the following Department of Revenue offices:

(**Note** Do not mail your completed return to any of the addresses listed below. Completed returns should be mailed to the address shown on the return.)

Madison –

Customer assistance:

2135 Rimrock Rd.  
Mail Stop 5-77  
PO Box 8949  
(zip code 53708-8949)  
phone: (608) 266-2772  
e-mail: income@dor.state.wi.us

Forms requests:

Mail Stop 5-77  
PO Box 8949  
(zip code 53708-8949)  
phone: (608) 266-1961  
web site: www.revenue.wi.gov

Milwaukee – State Office Bldg., 819 N. 6th St., Rm. 408  
(zip code 53203-1682)  
income tax information (414) 227-4000  
forms requests (414) 227-4000

Appleton – 265 W. Northland Ave.  
(zip code 54911-2091)  
phone: (920) 832-2727

Eau Claire – State Office Bldg., 718 W. Clairemont Ave.  
(zip code 54701-6190)  
phone: (715) 836-2811

Other offices open on a limited schedule (generally Mondays) are: Baraboo, Beaver Dam, Elkhorn, Fond du Lac, Grafton, Green Bay, Hayward, Hudson, Janesville, Kenosha, LaCrosse, Lancaster, Marinette, Oshkosh, Rhinelander, Sheboygan, Superior, Tomah, Waukesha, Wausau, and Wisconsin Rapids.

**FAX** You can get forms and publications by fax. Just call (608) 261-6229 from the telephone connected to your fax machine.

**Internet Address** You can access the department's web site 24 hours a day, seven days a week, at [www.revenue.wi.gov](http://www.revenue.wi.gov). From this web site, you can:

- Complete electronic forms and submit them for free
- Download forms, instructions, and publications
- See answers to frequently asked questions
- Send us comments or request help by e-mail

**TTY Equipment** Telephone help is available using 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.

### Informational Publications Available

Following is a list of some of the department publications. These publications give detailed information on specific areas of Wisconsin tax law. You can get these publications from any department office or from our Internet web site.

#### 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 2006
- 111 How to Get a Private Letter Ruling From the Wisconsin Department of Revenue
- 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
126	How Your Retirement Benefits Are Taxed
205	Do You Owe Wisconsin Use Tax?
400	Wisconsin's Recycling Surcharge
405	Wisconsin Taxation of Native Americans
503	Wisconsin Farmland Preservation Credit
600	Wisconsin Taxation of Lottery Winnings
601	Wisconsin Taxation of Pari-Mutuel Wager Winnings

### Questions About Refunds –

**Call: (608) 266-8100 in Madison or  
(414) 227-4907 in Milwaukee or  
1-866-WIS-RFND (1-866-947-7363)  
toll-free within the U.S. or Canada**

**Visit our Web Site at: [www.revenue.wi.gov](http://www.revenue.wi.gov).**

If you need to contact us about your refund, please wait at least 10 weeks after filing your Form 1. Refund information may not be available until that time.

You may call one of the numbers indicated above or write to: Department of Revenue, Mail Stop 5-77, PO Box 8949, Madison WI 53708-8949. If you call, you will need your social security number and the dollar amount of your refund.

An automated response is available 24 hours a day, 7 days a week, when you call one of the numbers listed above. If you need to speak with a person, assistance is available Monday through Friday from 7:45 a.m. to 4:15 p.m. by calling (608) 266-2772 in Madison or (414) 227-4000 in Milwaukee (long-distance charges, if applicable, will apply).

You may also get information on your refund using our secure Internet web site at [www.revenue.wi.gov](http://www.revenue.wi.gov).

### Nine Steps To Filing Your Return

- ❶ **Get all of your records together** Make sure that you have all of your income and expense records so you can fill in your return correctly. This includes wage statements and interest and dividend statements.
- ❷ **Decide if you will e-file or paper-file your return** See "E-Filing" on page 3 for the benefits of e-filing. If you decide to e-file, follow the instructions provided in the software you use. If you decide to paper-file, continue with Steps 3 through 9 below.
- ❸ **Fill in your federal return** Before completing Wisconsin Form 1, first fill in your federal return and its supporting schedules. If you are not required to file a federal return, list the sources and amounts of your income and your deductions on a separate sheet.
- ❹ **Fill in your Wisconsin return** Follow the line instructions as you fill in your return.
- ❺ **Sign your Wisconsin return** A joint return must be signed by both spouses.
- ❻ **Check over your Wisconsin return** Check the following items on your return carefully. Your Form 1 will be returned to you or its processing delayed for:
  - missing wage statements,
  - missing signature,
  - missing copy of your federal return (a copy of your federal return must be enclosed with your Wisconsin return),
  - incomplete renter's or homeowner's information (if school property tax credit claimed),
  - incomplete schedules for the itemized deduction and married couple credits (if credit claimed), or
  - missing list of sources and amounts of income if not required to file a federal return.
- ❼ **Assemble your return** See page 28 for information on how to assemble your return. Do **not** staple your return.
- ❽ **Mail your return** Mail your return and all required enclosures to the appropriate address listed on page 28 under "Where to File." Be sure to put sufficient postage on the envelope.
- ❾ **Keep a copy of your return.**

Before completing Form 1, first fill in your federal return and its supporting attachments. If you are not required to file a federal return, list the sources and amounts of your income and deductions on a separate sheet and include it with your Form 1.

Follow these instructions to complete Form 1. Prepare one copy for your records and another to be filed with the department.

**Note** Use black ink to complete the copy of Form 1 that you submit to the department. Do not use pencil or red ink.

■ **Period Covered** File your 2006 return for calendar year 2006 and fiscal years that begin in 2006. For a fiscal year, a 52-53 week period, or a short-period return, fill in the taxable year beginning and ending dates in the taxable year space at the top of the form. If your return is for a fiscal year, a 52-53 week period, or a short-period, also fill in "11" in the Special Conditions box located to the right of the Filing Status section on page 1 of Form 1.

■ **Social Security Number** Fill in your social security number. You must also fill in your spouse's social security number if you are married filing a joint return or married filing a separate return.

■ **Name and Address** Print or type your legal name and address. If you are married filing a joint return, fill in your spouse's legal name (even if your spouse did not have any income). If you filed a joint return for 2005 and you are filing a joint return for 2006 with the same spouse, be sure to enter your names and social security numbers in the same order as on your 2005 return.

■ **Filing Status** Check one of the boxes to indicate your filing status. More than one filing status may apply to you. If it does, choose the one that will give you the lowest tax.

**Note** If you became divorced during 2006 or are married and will file a separate return (including a married person filing as head of household), you should get Publication 109, *Tax Information for Married Persons Filing Separate Returns and Persons Divorced in 2006*, for information on what income you must report.

**Single** You may check the "single" box if **any** of the following was true on December 31, 2006:

- You were never married.
- You were legally separated under a **final** decree of divorce or separate maintenance.
- You were widowed before January 1, 2006, and did not remarry in 2006.

**Married filing joint return** Most married couples will pay less tax if they file a joint return. You may check the "married filing joint return" box if **any** of the following is true:

- You were married as of December 31, 2006.
- Your spouse died in 2006 and you did not remarry in 2006.
- Your spouse died in 2007 before filing a 2006 return.

A husband and wife may file a joint return even if only one had income or if they did not live together all year. However, both spouses must sign the return. If you file a joint return, you may not, after the due date for filing that return, amend it to file as married filing separately. A joint return cannot be filed if you and your spouse have different tax years.

If you file a joint return, both you and your spouse are responsible for any tax due on the return. This means that if one spouse does not pay the tax due, the other may have to.

**Married filing separate return** If you file separate returns, you will usually pay more state tax than if you file a joint return. Your tax may be higher on separate returns because:

- You cannot take the married couple credit.
- If you lived with your spouse at any time in 2006, a greater amount of any unemployment compensation or social security benefits that you received may be taxable.
- You will not qualify for the disability income exclusion.
- You will not qualify for the earned income credit.

**Head of household** If you qualify to file your federal return as head of household, you may also file as head of household for Wisconsin. Unmarried individuals who paid over half the cost of keeping up a home for a qualifying person (such as a child) can use this filing status. Certain married people who lived apart from their spouse for the last 6 months of 2006 may be able to use this status.

If you do not have to file a federal return, contact any Department of Revenue office to see if you qualify. If you file your federal return as a qualifying widow(er), you may file your Wisconsin return as head of household.

■ **State Election Campaign Fund** You may designate \$1 to this fund by checking the box. If you are married, your spouse may also designate \$1 to this fund. Checking the box will neither change your tax nor reduce your refund.

■ **Tax District** Check the proper box and fill in the name of the Wisconsin city, village, or town in which you lived on December 31, 2006. Also fill in the name of the county in which you lived.

■ **School District Number** See the list of school district numbers on page 38. Fill in the number of the school district in which you lived on December 31, 2006.

**New** ■ **Special Conditions** Certain persons have to enter information in the Special Conditions section. See Special Conditions under When to File/Extension of Time to File on page 4, Period Covered on this page, Death of a Taxpayer on page 29, and the instructions for enclosing a divorce decree and injured spouse form on page 28 for information on when to complete this section. If more than one special condition applies, fill in "99" in the Special Conditions box.

**Note** ■ **Rounding Off to Whole Dollars** The form has preprinted zeros in the place used to enter cents. All amounts filled in the form should be rounded to the nearest dollar. Drop amounts under 50¢ and increase amounts from 50¢ to 99¢ to the next whole dollar. For example, \$129.39 becomes \$129 and \$236.50 becomes \$237.

Round off all amounts. But if you have to add two or more amounts to figure the amount to fill in on a line, include cents when adding and only round off the total. If completing the form by hand, do not use commas when filling in amounts.

**CAUTION** All references to federal forms on Form 1 and in these instructions are based on drafts of federal forms available as of the date this booklet was sent to the printer. If any line number on the federal form has changed, use the appropriate line on that final form.

#### ■ Line 1 Federal Adjusted Gross Income

Fill in your federal adjusted gross income from:

- line 37 of your federal Form 1040,
- line 21 of federal Form 1040A, or
- line 4 of federal Form 1040EZ.

*Line 1 instructions – continued*

**Exception** The federal adjusted gross income that you must fill in on line 1 may not be the same as the amount reported as adjusted gross income on your federal Form 1040. Differences may occur because Wisconsin generally uses the provisions of federal law as amended to December 31, 2004. Federal laws enacted after December 31, 2004, may not be used for Wisconsin.

A comprehensive list of the provisions of federal law that may not be used for Wisconsin purposes for 2006 can be found in the instructions for Wisconsin Schedule I. The following is a partial list of the items that may affect the largest number of taxpayers.

- Additional first-year bonus depreciation.
- Increase in sec. 179 expensing.
- Deduction for health savings accounts and related provisions.
- Exclusion for 50% of the gain from the sale or exchange of qualified small business stock.

If any provision of federal law which does not apply for Wisconsin purposes affects your federal adjusted gross income, you must complete Wisconsin Schedule I and enclose it with your Form 1. The amount you fill in on line 1 of Form 1 (and amounts filled in on Schedule 1 on page 4 of Form 1) should be the revised amount determined on Schedule I. See page 4 for how to get Schedule I.

**Note** At the time this booklet was sent to the printer, Congress was still considering changes to federal law to extend the subtractions for educator expenses and tuition and fees. If these items are allowed for federal tax purposes for 2006, you must complete Schedule I as they would not apply for Wisconsin for 2006.

If Schedule I adjustments in a prior year affect income or expense items in 2006 (e.g., the special 30% depreciation could not be claimed on property placed in service after September 11, 2001), you must also make adjustments on Schedule I for 2006.

You may also be required to complete Schedule I if you sold assets during 2006, and the gain or loss from the sale is different for Wisconsin and federal purposes due to Schedule I adjustments made in a prior year. This would occur, for example, if different rates of depreciation were allowed for Wisconsin and federal purposes. See the instructions for Schedule I for more information.

### ■ Line 2 State and Municipal Interest

Fill in the amount of interest you received from state and municipal bonds. This will generally be the amount shown on line 8b of your federal Form 1040 or 1040A or the amount identified as tax-exempt interest on line 2 of Form 1040EZ. (If you were required for federal purposes to allocate expenses to this income, reduce the amount to be filled in by such expenses.)

**Exception** If you received interest income which is exempt for state and federal tax purposes, do not include this interest income on line 2. Interest income which is exempt for 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 on or after December 11, 2003, to fund multi-family affordable housing or elderly housing projects,

*Line 2 instructions – continued*

- (6) Wisconsin Housing and Economic Development Authority bonds issued before January 29, 1987, except business development revenue bonds, economic development revenue bonds, and CHAP housing revenue bonds,
- (7) public housing agency bonds issued before January 29, 1987, 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 IRC,
- (8) local exposition district bonds,
- (9) Wisconsin professional baseball park district bonds,
- (10) bonds issued by the Government of Puerto Rico, Guam, the Virgin Islands or, for bonds issued after October 16, 2004, the Government of American Samoa,
- (11) local cultural arts district bonds,
- (12) Wisconsin professional football stadium bonds, and
- (13) Wisconsin Aerospace Authority bonds.

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.

### ■ Line 3 Capital Gain / Loss Addition

If your federal adjusted gross income includes capital gains and/or losses (see line 13, Form 1040), you must complete Schedule WD.

Schedule WD determines whether any capital gain/loss addition must be reported on line 3. For example, after completing Schedule WD, you may be required to include an amount as an addition to income on line 3 because Wisconsin law limits the deduction for a net capital loss to \$500.

**Note** If the only amount reported on line 13 of Form 1040 (line 10 of Form 1040A) is a capital gain distribution from a mutual fund or real estate investment trust and you have no Wisconsin capital loss carryover, do not complete line 3. See line 10 instructions.

### ■ Line 4 Other Additions

**Note** Fill in the code number and amount of any of the additions described below that apply to you. The code number is printed to the left of the various additions. For example, if you are making an addition for a federal net operating loss carryover, you would fill in the numbers 02 in the code number box, and fill in the amount of your federal net operating loss carryover on the line next to the code number box. Also, fill in the total of all your additions on line 4.

**Note** See Additions To or Subtractions From Income on page 16 for information on other items which may have to be included on line 4.

**01 Farm Losses** An addition may be required if farm losses were deducted on your federal tax return and you were *not* actively engaged in the farming operations that produced those losses.

To be “actively engaged in farming” with respect to a farming operation, you must make a significant contribution of (1) capital, equipment, or land, or a combination of capital, equipment, or land; and (2) active personal labor or active personal management, or a combination of both.

Factors you must take into consideration in determining if you contribute a significant amount of active personal labor or active personal management include:

Line 4 instructions – continued

- The type of crops and livestock produced;
- The normal and customary farming practices of the area; and
- The total amount of labor and management which is necessary for such a farming operation in the area.

In order to be considered to be actively engaged in a farming operation, you must have (1) a share of the profits or losses from the farming operation which is commensurate with your contributions to the operation, and (2) contributions to the farming operation which are at risk.

Your combined net losses from farming operations in which you are not actively engaged in farming are limited if your non-farm Wisconsin adjusted gross income is more than \$55,000 (\$27,500 if married filing separately).

To figure your combined net losses from farming operations, add together any losses you have from farming operations in which you were not actively engaged (for example, these could be losses from a farm partnership or tax-option (S) corporation). Do not reduce these losses by any net farm gains. If the total of these losses is more than the maximum allowable loss shown in the tables below, include the excess on line 4.

**Example** A single taxpayer reports a loss of \$25,000 on Schedule E from a farm partnership (the taxpayer is not actively engaged in this farming operation), and a profit of \$5,000 from the rental of farmland. The taxpayer’s nonfarm Wisconsin adjusted gross income is \$60,000. Therefore, only \$20,000 of the \$25,000 farm loss may be deducted. The taxpayer must fill in code 01 and \$5,000 in the space provided on line 4.

Farm Loss Limits – Single persons and married persons filing joint return		
Nonfarm Wisconsin Adjusted Gross Income		
More Than	But Not More Than	Maximum Allowable Loss
\$ 0	.... \$ 55,000	Full Amount
55,000	.... 75,000	\$20,000
75,000	.... 100,000	17,500
100,000	.... 150,000	15,000
150,000	.... 200,000	12,500
200,000	.... 250,000	10,000
250,000	.... 300,000	7,500
300,000	.... 600,000	5,000
600,000	.....	No Loss

Farm Loss Limits – Married persons filing separate returns (including married filing as head of household)		
Nonfarm Wisconsin Adjusted Gross Income		
More Than	But Not More Than	Maximum Allowable Loss
\$ 0	.... \$ 27,500	Full Amount
27,500	.... 37,500	\$10,000
37,500	.... 50,000	8,750
50,000	.... 75,000	7,500
75,000	.... 100,000	6,250
100,000	.... 125,000	5,000
125,000	.... 150,000	3,750
150,000	.... 300,000	2,500
300,000	.....	No Loss

Line 4 instructions – continued

**02 Federal Net Operating Loss Carryover** Fill in any amount deducted as a federal net operating loss carryover. (See the instructions for line 11, Item 10, for information about the Wisconsin net operating loss carryforward.)

**03 Income (Lump-Sum Distributions) Reported on Federal Form 4972** Income from a lump-sum distribution is taxable to Wisconsin. If you reported a lump-sum distribution on federal Form 4972, you must also include the distribution in Wisconsin income. Fill in the total of (1) the capital gain part of the lump-sum distribution from line 6 of Form 4972 and (2) the taxable amount from line 10 of Form 4972. You may reduce this amount by any federal estate tax on line 18 of Form 4972.

**CAUTION** If the amount on line 10 of Form 4972 was computed using the rules for multiple recipients of a lump-sum distribution, include only your share of the taxable amount on line 10 less your share of any federal estate tax attributable to the lump-sum distribution on line 18.

**Note** No portion of a lump-sum distribution may be reported as a capital gain on Wisconsin Schedule WD.

**04 Farmland Preservation Credit and Farmland Tax Relief Credit** The total amount of farmland preservation credit and farmland tax relief credit you received during 2006 must be reported as income. Fill in as an addition any portion of your farmland preservation credit and farmland tax relief credit which was not included as income on your federal tax return.

**05 Development Zones Credit and Technology Zone Credit** Fill in the amount of your development zones credit from Wisconsin Schedule DC and your technology zone credit from Schedule TC. The amount of your credit is income and must be reported on your Wisconsin Form 1, even if you cannot take the full credit this year and must carry part of it forward. (**Note** Development zones credit and technology zone credit that you receive from a partnership or tax-option (S) corporation will be accounted for when you make the adjustment described in Items 51 and 52 on page 16.)

**06 Excess Distribution From a Passive Foreign Investment Company** Fill in the excess distribution from a passive foreign investment company that was not included in federal adjusted gross income (see federal Form 8621).

**07 Manufacturer’s Sales Tax Credit** Fill in the amount of manufacturer’s sales tax credit that was allocated to you from an estate or trust that filed its 2005 return on a fiscal year basis. This is the amount from line 14a of the 2005 Schedule 2K-1. The amount of your credit is income and must be reported on your Wisconsin Form 1, even if you cannot take the full credit this year and must carry part of it forward.

**08 Dairy and Livestock Farm Investment Credit** Fill in the amount of dairy and livestock farm investment credit you computed for 2006. The amount of your credit is income and must be reported on Form 1, even if you cannot take the full credit this year and must carry part of it forward. (**Note** Dairy and livestock farm investment credit that you receive from a partnership or a tax-option (S) corporation will be accounted for when you make the adjustment described in Items 51 and 52 on page 16.)

Line 4 instructions – continued

**09 Venture Capital Credits** Fill in the amount of angel investment credit and early stage seed investment credit that you computed for 2006. The amount of your credit is income and must be reported on your Wisconsin Form 1, even if you cannot take the full credit this year and must carry part of it forward. (Note Angel investment credit and early stage seed investment credit that you receive from a partnership or a tax-option (S) corporation will be accounted for when you make the adjustment described in Items 51 and 52 on page 16.)

**Line 6 State Income Tax Refund**

Refunds of state and local income taxes are not taxable for Wisconsin. Fill in on line 6 the amount from federal Form 1040, line 10.

**Line 7 United States Government Interest**

Fill in the amount of interest on U.S. bonds and interest and dividends of certain U.S. government corporations that is included on line 1 of Form 1. This income is not taxable for Wisconsin.

A mutual fund may invest in U.S. government securities. If it does, a portion or all of its ordinary dividend may not be taxable by Wisconsin. If a mutual fund advised you that all or a portion of its ordinary dividend is from investments in U.S. government securities, you may include that portion on line 7.

**CAUTION** Do not fill in on line 7, interest from Ginnie Mae (Government National Mortgage Association) securities and other similar securities which are “guaranteed” by the United States government. You must include interest from these securities in your Wisconsin taxable income.

**Line 8 Unemployment Compensation**

You may have a different amount of unemployment compensation taxable for Wisconsin and federal purposes. Complete the worksheet in the next column to see if you can subtract any portion of the unemployment compensation which you included as income on your federal tax return.

**Line 9 Social Security Adjustment**

If you had social security benefits that were taxable on your federal return, refer to your federal Social Security Benefits Worksheet. This worksheet is in the Form 1040 or Form 1040A instructions. Is line 7 of your worksheet more than \$34,000 (\$44,000 if you are married filing a joint return or \$0 if married filing a separate return and you lived with your spouse at any time during 2006)? If **NO**, leave line 9 of Form 1 blank. If **YES**, you should fill in the worksheet at right. You can use this worksheet to figure the difference between the amount of social security benefits that are taxable on your federal and Wisconsin returns.

**Note** The Wisconsin Social Security Benefits Worksheet refers to lines on the federal Social Security Benefits Worksheet that is in the federal Forms 1040 and 1040A instructions. You may have used one of the other federal worksheets (for example, the worksheet for social security recipients who contribute to an IRA). If so, use the equivalent lines on that worksheet. If you got a lump-sum payment of benefits for prior years, you may have figured the federal taxable social security separately for each year. In this case, contact any department office for information on how to figure the amount that is not taxable for Wisconsin.

**Unemployment Compensation Worksheet**

Check only one box.

- A. Married filing a joint return – write \$18,000 on line 3 below.
- B. Married not filing a joint return and lived with your spouse at any time during the year – write -0- on line 3 below.
- C. Married not filing a joint return and DID NOT live with your spouse at any time during the year – write \$12,000 on line 3 below.
- D. Single – write \$12,000 on line 3 below.

1. Fill in unemployment compensation from line 19 of federal Form 1040 (line 13 of Form 1040A, or line 3 of Form 1040EZ) . . . . . 1. \_\_\_\_\_
2. Fill in your federal adjusted gross income from line 1 of Form 1 . . . . . 2. \_\_\_\_\_
3. Fill in \$18,000 if you checked box A; or -0- if you checked box B; or \$12,000 if you checked box C or D . . . . . 3. \_\_\_\_\_
4. Fill in taxable social security benefits, if any, from line 20b of federal Form 1040 (line 14b of Form 1040A) . . . . . 4. \_\_\_\_\_
5. Fill in taxable refunds, credits, or offsets, if any, from line 10 of federal Form 1040 . . . . . 5. \_\_\_\_\_
6. Add lines 3, 4, and 5 . . . . . 6. \_\_\_\_\_
7. Subtract line 6 from line 2. If zero or less, fill in -0- here and on line 9 of this worksheet and do not complete line 8. Otherwise, go on to line 8. . . . . 7. \_\_\_\_\_
8. Fill in one-half of the amount on line 7 . . . . . 8. \_\_\_\_\_
9. Fill in the smaller amount of line 1 or line 8. . . . . 9. \_\_\_\_\_
10. Subtract line 9 from line 1. Fill in this amount on line 8 of Form 1 as your subtraction for unemployment compensation. If lines 1 and 9 are equal, fill in -0- . . . . . 10. \_\_\_\_\_

**Wisconsin Social Security Benefits Worksheet**  
(Keep for your records)

1. Taxable social security benefits from line 20b of federal Form 1040 or line 14b of Form 1040A . . . . . 1. \_\_\_\_\_
2. Amount from line 2 of your federal Social Security Benefits Worksheet . . . . . 2. \_\_\_\_\_
3. Amount from line 9 of your federal Social Security Benefits Worksheet (line 7 if married filing separately and you lived with your spouse at any time in 2006) . . . . . 3. \_\_\_\_\_
4. Fill in one-half of line 3 . . . . . 4. \_\_\_\_\_
5. Compare line 2 and line 4. Fill in the smaller amount . . . . . 5. \_\_\_\_\_
6. Subtract line 5 from line 1. Fill in this amount on line 9 of Form 1 . . . . . 6. \_\_\_\_\_

**Line 10 Capital Gain / Loss Subtraction**

If your federal adjusted gross income includes capital gains and/or losses (see line 13, Form 1040 or line 10, Form 1040A), you must complete Schedule WD. You must also complete Schedule WD if your federal adjusted gross income does not include capital gains and/or losses, but you have a capital loss carryover for Wisconsin tax purposes.

Schedule WD determines whether any capital gain/loss subtraction must be reported on line 10. For example, after completing Schedule WD, you may be able to include an amount as a subtraction from income on line 10 because you qualify for the Wisconsin 60% capital gain exclusion.

**Note** **EXCEPTION** If the only amount reported on line 13 of your federal Form 1040 or line 10 of Form 1040A is a capital gain distribution from a mutual fund or real estate investment trust and you have no Wisconsin capital loss carryover, you may claim a capital gain exclusion on line 10. Fill in 60% of the amount of the capital gain distribution on line 10. Do not complete Wisconsin Schedule WD.

**Line 11 Other Subtractions**

**Note** Fill in the code number and amount of any of the subtractions described below that apply to you. The code number is printed to the left of the various subtractions. For example, if you are claiming a subtraction for tuition expenses, you would fill in the numbers 03 in the code number box, and fill in the amount of your subtraction for tuition expenses on the line next to the code number box. Also, fill in the total of all your subtractions on line 11.

**Note** See Additions To or Subtractions From Income on page 16 for information on other items which may have to be included on line 11.

**01 Medical Care Insurance** If you paid medical care insurance costs during 2006 while you were self-employed or an employee whose employer did not contribute toward the cost of your medical care insurance, you may be able to subtract a portion of the cost of your medical care insurance.

“Medical care insurance” means a medical care insurance policy that covers you, your spouse, and dependents and provides surgical, medical, hospital, major medical, or other health service coverage. It does not include premiums for:

- Long-term care insurance,
- Life insurance policies,
- Policies providing payment for loss of earnings,
- Policies for loss of life, limb, sight, etc.,
- Policies that pay you a guaranteed amount each week for a stated number of weeks if you are hospitalized for sickness or injury, or
- The part of your car insurance premiums that provides medical insurance coverage for all persons injured in or by your car.

If you participate in your employer’s fringe benefit cafeteria plan and agree to a voluntary salary reduction in return for a medical care insurance benefit, you may not consider the amount of your salary reduction an amount you paid for

Line 11 instructions – continued

medical care insurance. In this situation, your employer is considered to have paid for your medical care insurance. Such programs may be known as, for example, flexible spending accounts, employee reimbursement accounts, etc.

If you are self-employed, complete Worksheet 1. (**Note** If you are self-employed and deducted 100% of your medical care insurance cost on line 29 of your federal Form 1040 as a self-employed health insurance deduction, do not complete Worksheet 1 or 2. No additional deduction is allowed.)

**Worksheet 1 – Self-Employed Persons**

1. Amount you paid for medical care insurance in 2006 while you were self-employed . . . . . 1. \_\_\_\_\_
2. Self-employed health insurance deduction from line 29 of federal Form 1040\* . . . . . 2. \_\_\_\_\_
3. Amount of medical care insurance deducted on federal Schedule C or F for your employee spouse . . . . . 3. \_\_\_\_\_
4. Add lines 2 and 3 . . . . . 4. \_\_\_\_\_
5. Subtract line 4 from line 1 . . . . . 5. \_\_\_\_\_
6. Net earnings from a trade or business\*\* . . . . . 6. \_\_\_\_\_
7. Fill in the smaller of line 5 or 6 here and on line 11 of Form 1. This is your subtraction for medical care insurance . . . . . 7. \_\_\_\_\_

\* Do not include any amounts deducted for long-term care insurance.

\*\* Net earnings from a trade or business means income from self-employment, including ordinary income from a trade or business as reported on Form 4797, line 18b, and less the deduction for one-half of self-employment tax. The total earnings from a trade or business of both spouses are included. Do not include losses from a trade or business.

If you are an employee whose employer did not contribute toward the cost of your medical care insurance, complete Worksheet 2.

**Worksheet 2 – Employees**

1. Amount you paid for medical care insurance in 2006 while you were an employee whose employer did not contribute toward the cost of the insurance . . . . . 1. \_\_\_\_\_
2. Total wages, salaries, tips, unearned income, and net earnings from a trade or business (for both spouses if married) . . . . . 2. \_\_\_\_\_
3. Fill in the smaller of line 1 or 2 here and on line 11 of Form 1. This is your subtraction for medical care insurance\* . . . . . 3. \_\_\_\_\_

\* **CAUTION** If you qualify for the subtraction both as a self-employed person and as an employee and –

- a. *You were self-employed for the entire taxable year*, your total subtraction (line 7 of Worksheet 1 plus line 3 of Worksheet 2) cannot be more than the amount you filled in on line 5 of Worksheet 1.
- b. *You were self-employed for only part of the taxable year*, your total subtraction (line 7 of Worksheet 1 plus line 3 of Worksheet 2) cannot be more than the total amount paid for medical care insurance during the period in which you were self-employed and in which you were an employee whose employer did not contribute towards the cost of the insurance, less the amount on line 4 of Worksheet 1.

Line 11 instructions – continued

**02 Long-Term Care Insurance** If you paid long-term care insurance costs during 2006, you may be able to subtract all or a portion of the cost of a long-term care insurance policy which covers you or your spouse.

“Long-term care insurance policy” means a disability insurance policy or certificate advertised, marketed, offered, or designed primarily to provide coverage for care that is provided in your home or in an institutional or community-based setting. The care must be convalescent or custodial care or care for a chronic condition or terminal illness.

“Long-term care insurance policy” does not include a medicare supplement policy or medicare replacement policy or a continuing care contract. “Continuing care contract” means a contract which provides nursing services, medical services, or personal care services, in addition to food, shelter, and laundry services, for the duration of a person’s life or for a term in excess of one year, conditioned upon any of the following payments:

- An entrance fee in excess of \$10,000.
- Providing for the transfer of at least \$10,000 (if the amount is expressed in dollars) or 50% of the person’s estate (if the amount is expressed as a percentage of the person’s estate) to the service provider upon the person’s death.

If you paid long-term care insurance costs during 2006 for a policy which covers you or your spouse, complete the following worksheet to determine the amount of your subtraction.

<b>Worksheet – Long-Term Care Insurance</b>	
1. Amount paid for long-term care insurance in 2006	1. _____
2. Portion of long-term care insurance cost included as a self-employed health insurance deduction on line 29 of federal Form 1040	2. _____
3. Portion of long-term care insurance cost deducted on federal Schedule C or F for your employee spouse	3. _____
4. Add lines 2 and 3	4. _____
5. Subtract line 4 from line 1	5. _____
6. Fill in total taxable wages, taxable unearned income (e.g., interest, dividends, capital gains, pensions), and net earnings from a trade or business* (include both spouse’s income if married filing a joint return)	6. _____
7. Fill in the smaller of line 5 or 6. This is your subtraction for long-term care insurance	7. _____
* Net earnings from a trade or business is your income from self-employment, including ordinary income from a trade or business as reported on Form 4797, line 18b, and less the deduction for one-half of self-employment tax. Do not include losses from a trade or business.	

Line 11 instructions – continued

**03 Tuition Expenses** You may be able to claim a subtraction for up to \$4,536 (per student) of the amount you paid during 2006 for tuition for you, your spouse (if married filing a joint return), and children whom you claim as dependents on your federal income tax return.

**(CAUTION** At the time this booklet went to print, it was not known whether there would be a tuition and fees deduction on the federal return. If a tuition and fees deduction is allowed on the federal return and you claim the deduction, you must complete Wisconsin Schedule I to remove the deduction from your federal adjusted gross income.)

The tuition must have been paid during 2006 to attend any of the following:

- Classes in Wisconsin at a school which qualifies as a university, college, or technical college. A “university, college, or technical college” is any school which has a curriculum leading to a diploma, degree, or occupational or vocational objective.
- Classes in Wisconsin at other post-secondary (post-high school) schools that have been approved by the Wisconsin Educational Approval Board.
- Classes in Minnesota at a public vocational school or public institution of higher education in Minnesota under the Minnesota–Wisconsin tuition reciprocity agreement.
- Classes outside Wisconsin provided the tuition is paid to a university, college, or technical college located in Wisconsin.

The subtraction does not apply to tuition paid to pre-schools or elementary or secondary schools (for example, grade schools and high schools).

Tuition paid to a school which fits into one of the four categories listed above may be subtracted regardless of the type of course taken. For example, tuition paid for craft or recreational courses at a technical college qualifies for the subtraction.

Tuition paid to a school which does not fit into any of the four categories listed above may not be claimed as a subtraction. For example, the subtraction does not apply to a fee paid to a retail craft store to attend a session on flower arranging.

Tuition paid for correspondence courses or courses received via the Internet or other electronic transmission qualifies for the subtraction as long as the courses are taken in Wisconsin and are presented by a school (located in or outside Wisconsin) which qualifies as a university, college, or technical college, or a school approved by the Wisconsin Educational Approval Board.

**CAUTION** The subtraction only applies to tuition. Amounts paid as separate charges for other items such as books, supplies, room and board, or other costs may not be subtracted.

You cannot claim a subtraction for tuition paid with certain tax-free funds. For example, you cannot claim a subtraction for tuition paid with tax-free scholarships or Pell grants or for amounts paid or reimbursed to you by your employer. You can subtract tuition paid from loans, gifts, inheritances, and personal savings.

Line 11 instructions – continued

You cannot claim the subtraction if the source of the payment is an amount withdrawn from a Wisconsin state-sponsored college savings program or college tuition and expenses program (for example, EdVest or “tomorrow’s scholar”). This limitation applies only if you previously claimed a subtraction for contributions to these programs.

The subtraction is limited if your federal adjusted gross income exceeds certain amounts. Your federal adjusted gross income is the amount on line 1 of Form 1.

Determine your tuition subtraction as follows:

**Single or Head of Household**

- If line 1 of Form 1 is \$50,000 or less, you may subtract the amount paid for tuition during 2006, but not more than \$4,536 per student.\* Fill in the amount of your subtraction on line 11.
- If line 1 of Form 1 is more than \$50,000 but less than \$60,000, use the worksheet in the next column to figure the amount of your subtraction.
- If line 1 of Form 1 is \$60,000 or more, you may not subtract any amount for tuition expenses.

**Married Filing Joint Return**

- If line 1 of Form 1 is \$80,000 or less, you may subtract the amount paid for tuition during 2006, but not more than \$4,536 per student.\* Fill in the amount of your subtraction on line 11.
- If line 1 of Form 1 is more than \$80,000 but less than \$100,000, use the worksheet in the next column to figure the amount of your subtraction.
- If line 1 of Form 1 is \$100,000 or more, you may not subtract any amount for tuition expenses.

**Married Filing Separate Return**

- If line 1 of Form 1 is \$40,000 or less, you may subtract the amount paid for tuition during 2006, but not more than \$4,536 per student.\* Fill in the amount of your subtraction on line 11.
- If line 1 of Form 1 is more than \$40,000 but less than \$50,000, use the worksheet in the next column to figure the amount of your subtraction.
- If line 1 of Form 1 is \$50,000 or more, you may not subtract any amount for tuition expenses.

\* Your subtraction also cannot be more than your total taxable wages, salary, tips, unearned income, (for example, interest, dividends, capital gains, pensions) and net earnings from a trade or business taxable by Wisconsin.

**04 Military and Uniformed Services Retirement Benefits** You may subtract retirement payments received from:

- (1) The U.S. military retirement system (including payments from the Retired Serviceman’s Family Protection Plan), and
- (2) The U.S. government that relate to service with the Coast Guard, the commissioned corps of the National Oceanic and Atmospheric Administration, or the commissioned corps of the Public Health Service.

Line 11 instructions – continued

<b>Tuition Expense Worksheet</b>	
<b>CAUTION</b> Only certain taxpayers are required to complete this worksheet. See the instructions for your filing status.	
1. Amount paid for tuition in 2006. Do not fill in more than \$4,536 per student . . . . .	1. _____
2. Fill in the amount from line 1 of Form 1 . . . . .	2. _____
3. Fill in \$50,000 (\$80,000 if married filing joint return or \$40,000 if married filing separate return) . . . . .	3. _____
4. Subtract line 3 from line 2 . . . . .	4. _____
5. Divide the amount on line 4 by 10,000 (20,000 if married filing joint return). Fill in decimal amount . . . . .	5. _____
6. Multiply line 1 by the decimal amount on line 5 . . . . .	6. _____
7. Subtract line 6 from line 1. This is your subtraction for tuition expense* . . . . .	7. _____

Your subtraction cannot be more than the amount of such retirement payments that you included in your federal income.

**05 Local and State Retirement Benefits** You may subtract any payments received from the retirement systems listed below provided:

- (1) You were retired from the system before January 1, 1964, or
- (2) You were a member of the system as of December 31, 1963, retiring at a later date and payments you receive are from an account established before 1964, or
- (3) You are receiving payments from the system as the beneficiary of an individual who met either condition 1 or 2.

Your subtraction cannot be more than the amount of such payments that you included in your federal income.

The specific retirement systems are:

Milwaukee City Employees, Milwaukee City Police Officers, Milwaukee Fire Fighters, Milwaukee Public School Teachers, Milwaukee County Employees, Milwaukee Sheriff, and Wisconsin State Teachers retirement systems.

**Note** Do not subtract any of the following:

- Payments received as a result of voluntary tax-sheltered annuity deposits in any of the retirement systems listed above.
- Payments received from one of the retirement systems listed above if you first became a member after December 31, 1963. This applies even though pre-1964 military service may have been counted as creditable service in computing your retirement benefit.

Line 11 instructions – continued

**CAUTION** Your retirement benefits may be subtracted only if they are based on qualified membership in one of the retirement systems listed on page 12. Qualified membership is membership that began before January 1964 as explained on page 12. Any portion of your retirement benefit that is based on membership in other retirement systems (or based on employment that began after December 31, 1963) is taxable and may not be subtracted.

**Example 1** You were a member of the Wisconsin State Teachers Retirement System as of December 31, 1963. You left teaching after 1963 and withdrew the allowable amount from your retirement account. This closed the account. You later returned to teaching. A new retirement account was then established for you. Retirement benefits from this new account (established after 1963) do not qualify for the exemption.

**Example 2** You were employed as a teacher from 1960-65. During that time you were a member of the Wisconsin State Teachers Retirement System. From 1966 until retirement, you were employed by a state agency (not as a teacher). You were then a member of the Wisconsin Retirement System. You receive an annuity from the Department of Employee Trust Funds. The annuity is based on employment in both retirement systems. Only the portion of the annuity that is due to the Wisconsin State Teachers Retirement System may be subtracted. You may use the following formula to figure the exempt amount that may be subtracted:

$$\frac{\text{Years of creditable service in an exempt plan}}{\text{Total years of creditable service}} \times \text{Annuity included in federal income} = \text{Portion of annuity which may be subtracted}$$

**Note** You may have received separate Forms 1099-R for the taxable and exempt portions of your annuity. In this case, you may use the Form 1099-R information instead of the above formula.

**06 Federal Retirement Benefits** You may subtract payments received from a federal retirement system provided:

- (1) You were retired from the system before January 1, 1964, or
- (2) You were a member of the system as of December 31, 1963, retiring at a later date and payments you receive are from an account established before 1964, or
- (3) You are receiving payments from the system as the beneficiary of an individual who met either condition 1 or 2.

See “**05 Local and State Retirement Benefits**” on page 12 for further information. The limitations and examples that apply to local and state retirement benefits also apply to federal retirement benefits.

A “federal retirement system” is a United States government civilian employee retirement system. Examples of such retirement systems include the Civil Service Retirement System and the Federal Employees’ Retirement System. Payments from the federal Thrift Savings Plan do not qualify for the subtraction.

Line 11 instructions – continued

**07 Railroad Retirement Benefits, Railroad Unemployment Insurance, and Sickness Benefits** Wisconsin does not tax amounts received from the U.S. Railroad Retirement Board. You may subtract such amounts if they were included in your federal adjusted gross income.

However, if you included tier 1 railroad retirement benefits (RRB) as part of your taxable social security (SS), use the following formula to figure your subtraction for your tier 1 RRB:

$$\frac{\text{Tier 1 RRB}}{\text{Total tier 1 RRB and SS received}} \times \text{Taxable SS}^* = \text{Subtraction for RRB}$$

\* From line 20b of federal Form 1040 or line 14b of Form 1040A. However, if you computed a subtraction for social security on the Wisconsin Social Security Benefits Worksheet for line 9 on page 9, use the amount from line 5 of that worksheet.

**08 Adoption Expenses** If you adopted a child for whom a final order of adoption was entered by a Wisconsin court during 2006, you may subtract up to \$5,000 of the amount you paid for adoption fees, court costs, and legal fees relating to the adoption. You may include amounts paid during 2004, 2005, and 2006. Don’t count amounts reimbursed under any adoption assistance program. If you adopt more than one child during the year, you may deduct up to \$5,000 of adoption expenses for each child.

**09 Recoveries of Federal Itemized Deductions** Fill in any amount included as income on your federal tax return that is a recovery of a federal itemized deduction from a prior year for which you did not receive a Wisconsin tax benefit.

**Example** You claimed an itemized deduction on your 2005 federal tax return for a casualty loss of \$2,000. You could not claim the casualty loss for the itemized deduction credit on your 2005 Wisconsin income tax return. During 2006 you received a reimbursement of \$1,000 from your insurance company for part of the casualty loss. The \$1,000 reimbursement is included on your 2006 federal tax return as a recovery of an amount previously claimed as an itemized deduction. Because you did not claim the casualty loss for the itemized deduction credit for Wisconsin for 2005, the \$1,000 is not taxable to Wisconsin for 2006. Fill in the \$1,000 recovery on line 11.

**10 Wisconsin Net Operating Loss Carryforward** If you had a net operating loss (NOL) in an earlier year to carry forward to 2006, include the allowable amount on line 11. Enclose a statement showing how you figured the amount. Get Publication 120, *Net Operating Losses for Individuals, Estates, and Trusts*, for more details on computing the NOL and the allowable deduction. See page 4 for information on how to get this publication.

**11 Native Americans** Certain income (for example, wages) earned by a Native American who both lives and works on his or her tribal reservation is not subject to Wisconsin income tax and may be subtracted. See Publication 405, *Wisconsin Taxation of Native Americans*, for more information.

*Line 11 instructions – continued*

**12 Amounts Not Taxable by Wisconsin** You may subtract any amounts not taxable by Wisconsin (less related expenses except those expenses which are used to calculate the Wisconsin itemized deduction credit) which have been included as income on your federal tax return or excluded from federal deductions.

**Example** Wisconsin doesn't tax certain relocation assistance payments received by persons displaced by condemnation, subject to the conditions in sec. 32.19 of the Wisconsin Statutes.

**13 Farm Loss Carryover** If you were subject to farm loss limitations (see instructions for line 4, Item 01 for a description) on your 1991 or subsequent year Wisconsin income tax return, you may be able to claim a subtraction for all or a portion of the farm loss disallowed in those years. Farm losses disallowed as a deduction may be carried forward for 15 years to the extent that the farm losses are not offset against farm income of any year between the loss year and the year for which the carryover is claimed. The amount of carryover that can be subtracted is the lesser of (1) the farm loss carryover or (2) the net profits and net gains from the sale or exchange of capital or business assets in the current year from the same farming business or portion of that business to which the limits on deductible farm losses applied in the loss year.

**Example** You have a farm loss carryover from 2005 of \$30,000. For 2006 you report a net loss of \$2,000 on Schedule F and a net gain of \$6,000 from the sale of farm equipment on Form 4797. The gain and loss are from the same farming business to which the limitation applied in the loss year. You may subtract \$6,000 as a farm loss carryover on line 11.

**14 Contributions to a Wisconsin State-Sponsored College Savings Program** You may be able to subtract the amount you contributed to a Wisconsin state-sponsored college savings account (for example, EdVest or "tomorrow's scholar").

The beneficiary of the account must be either you, your spouse (if married filing joint return), your child who is claimed as a dependent on your federal income tax return, your grandchild, great-grandchild, niece, or nephew. The subtraction is equal to the amount you contributed to the account during 2006, but not more than \$3,000 per beneficiary. In the case of a married couple filing a joint return, the total deduction per beneficiary by the married couple may not exceed \$3,000 each year.

For example, you have two children whom you claim as dependents on your federal return. You established EdVest accounts for each child. In 2006, you contributed \$3,000 to the account of each child. You may claim a subtraction of \$6,000.

**Limitation** Your subtraction may not be more than the total of your wages, salaries, tips, unearned income, and net earnings from a trade or business. If you are married and filing a joint return, the limitation is based on the total of both spouses' income from these sources.

**15 Distributions from Wisconsin State-Sponsored College Savings and Tuition Programs** If you included earnings from a qualified college savings or tuition program in your federal

*Line 11 instructions – continued*

adjusted gross income, you may subtract that amount if either of the following applies:

1. The earnings were due to a qualified withdrawal from a Wisconsin state-sponsored college savings account (for example, EdVest or "tomorrow's scholar" college savings account).
2. The earnings were from a Wisconsin EdVest tuition unit account and you received a refund because the beneficiary completed the program in which he or she was enrolled and had not used all of the tuition units purchased; or the beneficiary was awarded a scholarship, tuition waiver, or similar subsidy that could not be converted to cash.

**16 Disability Income Exclusion** If you are retired on permanent and total disability and have included your disability income on line 1 of Form 1, you may be able to subtract up to \$5,200 of your disability income. You must meet ALL these tests:

- You did not reach mandatory retirement age before January 1, 2006.
- You were under age 65 on December 31, 2006.
- You were permanently and totally disabled –
  - a. when you retired, or
  - b. on January 1, 1976, or January 1, 1977, if you retired before January 1, 1977, on disability or under circumstances which entitled you to retire on disability.
- If you were married at the end of 2006, you must file a joint return.
- You did not in any year prior to 1984 choose to treat your disability income as a pension instead of taking the exclusion.
- Your federal adjusted gross income is less than \$20,200 (\$25,400 if married and both spouses are eligible).

Compute your exclusion on Wisconsin Schedule 2440W (*Disability Income Exclusion*). Enclose Schedule 2440W with your Form 1. See page 4 for information on how to get this form.

**17 Sale of Business Assets or Assets Used in Farming to a Related Person** You may subtract the taxable portion of gain you realize from the sale or disposition to a related person of business assets or assets used in farming if the following conditions apply:

- The related person is your child, grandchild, great-grandchild, parent, brother or sister, nephew or niece, grandparent, great-grandparent, or aunt or uncle. The person may be related to you by blood, marriage, or adoption.
- The asset was held by you for more than 12 months.
- The gain is treated as capital gain for federal tax purposes. Amounts treated as ordinary income do not qualify.

Gain on the sale or disposition of shares in a corporation or trust qualifies only if:

- The number of shareholders or beneficiaries does not exceed 15. Lineal ancestors and descendants and aunts, uncles, and 1st cousins thereof count collectively as one shareholder or

Line 11 instructions – continued

beneficiary. This collective authorization may not be used for more than one family in a single corporation or trust.

- The corporation does not have more than two classes of shares.
- All shareholders or beneficiaries, other than any estate, are natural persons.

**Farming** “Farming” means 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 fruit or nuts) are not treated as an agricultural or horticultural commodity. (Trees may qualify as a business asset, see below.)

**Business Assets** “Business assets” are assets used in an activity carried on for a livelihood or in good faith to make a profit. The facts and circumstances of each case determine whether or not an activity is a business. Regularity of activities and transactions and the production of income are important elements. You do not need to actually make a profit to be in a business as long as you have a profit motive. You do need, however, to make ongoing efforts to further the interests of your business.

“Business assets” include assets used in the performance of services by an individual as an employee and assets used in the conduct of a trade or business by an individual who is self-employed.

“Business assets” do not include investment and rental property (for example, stocks, bonds, and residential rental property) unless you are subject to federal self-employment tax on the earnings from the activity. (**Note** Rental property which is a farm or farm equipment may qualify as an asset “used in farming.”)

**Computing the subtraction** You must first complete Wisconsin Schedule WD. The amount of gain that may be subtracted is determined after netting all capital gains and losses on Schedule WD.

- If amounts reported in Parts I and II of Schedule WD consist only of capital gains, your subtraction is equal to 40% of the long-term gain on the sale of the asset to the related person.
- If the amount on line 15 or 16 of Schedule WD is a net loss, you may not subtract any amount as gain on the sale of the asset to the related person.
- If the amount on line 16 of Schedule WD is a net gain and (1) the only gain reported on Schedule WD is from the sale of the asset to the related person and (2) you show a loss on line 14, column (f) of Schedule WD and/or on line 7 of Schedule WD, your subtraction is equal to the amount on line 19 of Schedule WD.
- If the amount on line 16 of Schedule WD is a net gain and (1) the only long-term gain reported on Schedule WD is from the sale of the asset to the related person, (2) you show a loss on line 14, column (f) of Schedule WD, and (3) you show a gain on line 7 of Schedule WD, your subtraction is equal to the amount on line 19 of Schedule WD less the amount on line 7 of Schedule WD.
- If the amount on line 16 of Schedule WD is a net gain and (1) that net gain includes more than one long-term capital

Line 11 instructions – continued

gain and (2) you show a loss on line 14, column (f) of Schedule WD and/or on line 7 of Schedule WD, complete the worksheet below to compute your subtraction.

- If the amount on line 16 of Schedule WD is a net gain and (1) that net gain includes more than one long-term capital gain, (2) you show a loss on line 14, column (f) of Schedule WD, and (3) you show a gain on line 7 of Schedule WD, complete the worksheet below to compute your subtraction.

<b>Worksheet for Gain on Sale of Assets to Related Person</b>	
1. Amount from line 19 of Schedule WD . . . . .	1. _____
2. Net short-term gain, if any, from line 7 of Schedule WD . . . . .	2. _____
3. Subtract line 2 from line 1 . . . . .	3. _____
4. Long-term gain on the sale of asset to related person . . . . .	4. _____
5. Total long-term capital gain from line 14, column (g) of Schedule WD . . . . .	5. _____
6. Divide line 4 by line 5. Fill in decimal amount . . . . .	6. _____
7. Multiply line 3 by line 6. This is your subtraction for gain on the sale of assets to a related person . . . . .	7. _____

**18 Repayment of Income Previously Taxed** If you had to repay during 2006, an amount that you included in your Wisconsin income in an earlier year, you may be able to subtract the amount repaid. A subtraction may be claimed only for repayments that are allowed as a miscellaneous itemized deduction on line 26 or 27 of your federal Schedule A.

If you did not itemize deductions for federal tax purposes, use the amounts that would be deductible if you had itemized deductions. To determine the amounts to use, complete a federal Schedule A. Write “Wisconsin” at the top of this Schedule A and enclose it with your Form 1.

**CAUTION** Only amounts previously included in Wisconsin income may be claimed as a subtraction.

If the amount repaid was over \$3,000, you may either subtract the repayment as described above *or* take a tax credit. See the line 44 instructions.

**19 Human Organ Donation** If you, your spouse, or a person who is claimed as a dependent on your federal income tax return donates one or more of their human organs to another person for human organ transplantation, you may subtract up to \$10,000 of unreimbursed expenses related to the organ donation. “Human organ” means all or part of a liver, pancreas, kidney, intestine, lung, or bone marrow. The subtraction may be claimed only in the taxable year in which the transplantation occurs. The subtraction may be claimed only once. Up to \$10,000 of the following unreimbursed expenses may be claimed:

- Travel expenses.
- Lodging expenses.
- Lost wages.

*Line 11 instructions – continued*

**20 Reserve or National Guard Members** If you were a member of the Reserves or National Guard and served on active duty, you may subtract any military pay that is included on your W-2 and was:

- Received from the federal government,
- Received after being called into active federal service or into special state service authorized by the federal Department of Defense, and
- Paid to you for a period of time during which you were on active duty.

**CAUTION** The subtraction only applies to members of the Reserves or National Guard who are called into active federal service under 10 USC 12302(a) or 10 USC 12304 or into special state service under 32 USC 502(f). However, it does not apply to pay that members of the Reserves and National Guard receive for their weekend or two-week annual training. It also does not apply to a person who is serving on active duty or full-time duty in the active guard reserve (AGR) program.

**21 Manufacturer's Sales Tax Credit Adjustment** If you had unused manufacturer's sales tax credit from 1998 through 2005 of more than \$25,000, see Schedule MS. Fill in the amount of your manufacturer's sales tax credit deduction from line 20 of Schedule MS.

**22 Recapture of Development Zones Investment Credit** If you will be including an amount on line 37 as recapture of development zones investment credit, you may claim a subtraction for the amount of the recapture.

### 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. Fill in the code number and amount of any additions that apply to you on line 4. Fill in the code number and amount of any subtractions that apply to you on line 11.

**51 Tax-Option (S) Corporation Adjustments** Fill in any of the following adjustments that apply to you:

- (1) If you were a shareholder of a tax-option (S) corporation which is required to file a Wisconsin franchise or income tax return, you will receive a Wisconsin Schedule 5K-1 from the S corporation informing you of any adjustments to be made for Wisconsin tax purposes.
- (2) If you are a shareholder of a federal S corporation that elects not to be treated as a Wisconsin tax-option (S) corporation, you must reverse all items of S corporation income, loss, or deduction included on your federal return and then add your 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 have already been removed from Wisconsin income when you completed Wisconsin Schedule WD.)
- (3) Instead of using tax-option (S) corporation items deductible on federal Schedule A to compute the Wisconsin itemized deduction credit, you may elect to treat these items as subtraction modifications. Your subtraction is limited to the amount actually deductible for federal purposes.

*Line 11 (line 4) instructions – continued*

For more information, get Publication 102, *Wisconsin Tax Treatment of Tax-Option (S) Corporations and Their Shareholders*. See page 4 for information on how to get this publication.

**52 Your Share of Partnership, Trust, or Estate Adjustments** If you were a member of a partnership or you received income from an estate or trust, you will receive a statement from the partnership, trust, or estate notifying you of any additions or subtractions which you should make on your return. Fill in the amount of any such additions on line 4 and any subtractions on line 11.

**53 Differences in Federal and Wisconsin Basis of Assets** Additions or subtractions may be necessary if there is a difference between the federal basis and the Wisconsin basis of your property. Additions or subtractions are necessary if:

- (1) You acquired property after December 31, 1964, which may be depreciated or amortized (such as buildings and leaseholds), and the federal basis is greater or less than the Wisconsin basis.
- (2) You sold (or otherwise disposed of) property which may not be depreciated or amortized (such as land, stocks, and bonds) in a taxable transaction, and your basis in the assets was greater or less for federal purposes than for Wisconsin.

**Example** You sold stock which you acquired by inheritance and your federal basis was greater than your Wisconsin basis. You must make an adjustment for the difference in basis.

Compute the amount of any addition or subtraction due to a difference in basis on Wisconsin Schedule T (*Transitional Adjustments*). Enclose a completed Schedule T with your Form 1. See page 4 for information on how to get this form.

**CAUTION** If the difference in basis is due to the difference in the federal and Wisconsin definition of the Internal Revenue Code, use Schedule I to adjust for the difference in basis rather than Schedule T.

**54 Differences in Federal and Wisconsin Basis of Partnership Interest** An addition or subtraction may be necessary if you sold your interest in a partnership and any increases or decreases were made to the federal basis of your partnership interest in taxable years prior to 1975, which resulted from partnership business or property located outside Wisconsin. (Prior to 1975, Wisconsin did not tax income from business or property located outside Wisconsin.) Compute any addition or subtraction due to a difference in basis on Wisconsin Schedule T.

**55 Differences in Federal and Wisconsin Reporting of Marital Property (Community) Income** If you are married filing a separate return or married filing as head of household or if you obtained a decree of divorce or separate maintenance during 2006, you may have to report a different amount of income on your Wisconsin Form 1 than on your federal Form 1040. Fill in on line 4 any additional amount which is taxable to you rather than your spouse because of any difference in federal and state reporting of marital property (community) income. Fill in on

Line 11 (line 4) instructions – continued

line 11 any amount which is taxable to your spouse rather than to you because of any difference in federal and state reporting of marital property (community) income. For further information, get Publication 109, *Tax Information for Married Persons Filing Separate Returns and Persons Divorced in 2006*. See page 4 for information on how to get this publication.

■ **Line 15 Standard Deduction**

Most people can find their standard deduction by using the Standard Deduction Table on page 30. Use the amount on line 14 to find the standard deduction for your filing status. **But**, do *not* use the table if any one of the following applies:

- You (or your spouse if filing a joint return) can be claimed as a dependent on another person’s (for example, parent’s) income tax return. Use the Standard Deduction Worksheet for Dependents below to figure your standard deduction.
- You are filing a short period income tax return or are filing federal Form 4563 to claim an exclusion of income from sources within U.S. possessions. You are not allowed any amount of standard deduction. Fill in 0 on line 15.

Standard Deduction Worksheet for Dependents	
1. Earned income* included in line 14 of Form 1 . . . . .	1. _____
2. Addition amount . . . . .	2. _____ 300.
3. Add lines 1 and 2. If total is less than \$850, fill in \$850 . . . . .	3. _____
4. Using the amount on line 14 of Form 1, fill in the <b>standard deduction</b> for your filing status from table, page 30 . . . . .	4. _____
5. Fill in the <b>SMALLER</b> of line 3 or 4 here and on line 15 of Form 1 . . . . .	5. _____
* <b>Earned income</b> includes wages, salaries, tips, professional fees, and any other compensation received for personal services you performed. It does not include scholarship or fellowship income that is not reported on a W-2.	

■ **Line 17 Deduction for Exemptions**

Use the Deduction for Exemptions Worksheet in the next column to determine your deduction for exemptions.

You may claim a personal exemption of \$700 for *yourself*. You may also claim an exemption of \$700 for your *spouse* if you are filing a joint return. Fill in lines 1 and 3 of the worksheet (see **EXCEPTION** in the next column).

In addition, you may claim an exemption of \$700 for each person who qualifies as your dependent for federal income tax purposes (see line 6c of your federal Form 1040A or 1040). Fill in the number of dependents on line 5a of the worksheet and line 17b of Form 1. Do **not** count yourself or your spouse as a dependent. Multiply the number on line 5a by \$700, and fill in the result on line 5b.

If you or your spouse were age 65 or older on December 31, 2006, be sure to complete line 2 or 4 of the worksheet and line 17c of Form 1. If you were born on January 1, 1942, you are considered to be age 65 at the end of 2006.

Line 17 instructions – continued

**EXCEPTION** A personal exemption is not allowed for a person who can be claimed as a dependent on someone else’s return. If you checked the box on line 15, fill in -0- on lines 1 and 2 of the Deduction for Exemptions Worksheet below. If you are married filing a joint return and your spouse can be claimed as a dependent, fill in -0- on lines 3 and 4 of the worksheet.

Deduction for Exemptions Worksheet	
1. Fill in \$700 for yourself* . . . . .	1. _____
2. Fill in \$250 if you were age 65 or older on December 31, 2006* . . . . .	2. _____
3. If a joint return, fill in \$700 for your spouse* . . . . .	3. _____
4. Fill in \$250 if married filing a joint return and your spouse was age 65 or older on December 31, 2006* . . . . .	4. _____
5. Fill in the number of dependents (do not count yourself or your spouse) on line 5a and on line 17b of Form 1 . . . → 5a. _____ x \$700 = . . . 5b. _____	
6. Add lines 1 through 4 and 5b. Fill in here and on line 17a of Form 1 . . . . .	6. _____
* See EXCEPTION above.	

■ **Line 19 Tax**

Use the amount on line 18 to find your tax in the Tax Table on pages 31-36. Find your income-level bracket and read across to the column showing your filing status to find your tax. Be sure you use the correct column in the Tax Table for your filing status. Fill in your tax on line 19.

**EXCEPTION** If the amount on line 18 is \$100,000 or more, use the Tax Computation Worksheet on page 37 to compute your tax.

■ **Line 20 Itemized Deduction Credit**

If the total of certain federal itemized deductions exceeds your Wisconsin standard deduction, you may claim the itemized deduction credit.

Complete Schedule 1 on page 4 of Form 1 to see if you can claim the credit. Schedule 1 lists the specific deductions to use from federal Schedule A (see EXCEPTIONS below).

If you did not itemize deductions for federal tax purposes, use the amounts which would be deductible if you had itemized deductions. To determine the amounts to use, complete a federal Schedule A. Write “Wisconsin” at the top of this Schedule A and enclose it with your Form 1.

**Note** **EXCEPTIONS** Even though Schedule 1 has entry lines for medical expenses, interest paid, and gifts to charity, not all of the amounts of these items that are deducted on federal Schedule A can be used for the itemized deduction credit. The following describes the portion of these items that may not be used to compute the itemized deduction credit.

- Medical expenses – the amount of medical care insurance and long-term care insurance claimed as a subtraction on line 11.
- Interest – paid on a second home located outside Wisconsin.
  - paid on a residence which is a boat.
  - paid to purchase or hold U.S. government securities.

*Line 20 instructions – continued*

- Contributions and interest allocated to you by a tax-option (S) corporation, if you treated the amount as a subtraction on line 11.

### ■ Line 21 Armed Forces Member Credit

The armed forces member credit is available to certain members of the U.S. armed forces. You may claim the credit if you meet all of the following:

- You were on active duty, and
- You received military pay from the federal government in 2006, and
- The military pay was for services performed **while stationed outside the United States**.

**Note** You may *not* claim the armed forces member credit if you were on active duty as a member of the Reserves or National Guard and you excluded certain military pay from your income. See Item 20 on page 16 of the instructions for information on the exclusion.

The credit is equal to the amount of military pay you received for services performed while stationed outside the United States, but not more than \$300. If you are married filing a joint return and both spouses qualify for the credit, each may claim up to \$300.

### ■ Line 22 Renter's and Homeowner's School Property Tax Credit

You may claim a credit if you paid rent during 2006 for living quarters used as your primary residence OR you paid property taxes during 2006 on your home. You are eligible for a credit whether or not you claim homestead credit on line 45.

**Note** You may *not* claim the school property tax credit if you or your spouse are claiming the veterans and surviving spouses property tax credit.

#### Special Cases

**If You Paid Both Property Taxes and Rent** You may claim both the renter's credit and the homeowner's credit. The total combined credit claimed on lines 22a and 22b may not be more than \$300 (\$150 if married filing a separate return or married filing as head of household).

**Married Persons Filing a Joint Return** Figure your credit by using the rent and property taxes paid by both spouses.

**Married Persons Filing Separate Returns or Married Persons Filing as Head of Household** Each spouse may claim a credit. Each of you may use only your own property taxes and rent to figure the credit. The maximum credit allowable to each spouse is \$150.

**Persons Who Jointly Own a Home or Share Rented Living Quarters** When two or more persons (other than husband and wife) jointly own a home or share rented living quarters, each may claim a credit. However, the property taxes and rent paid must be divided among the owners or occupants. See the instructions for lines 22a and 22b.

### ■ Line 22a How to Figure the Renter's School Property Tax Credit

**Step 1 Rent Paid in 2006** Fill in on the appropriate line(s) the total rent that you paid in 2006 for living quarters (1) where the heat was included in the rent, and (2) where the heat was not included in the

*Line 22a instructions – continued*

rent. These living quarters must have been used as your principal home. Do not include rent that you may claim as a business expense. Do not include rent paid for housing that is exempt from property taxes, for example, rent for a university dorm, nonprofit senior housing, or public housing. (Property owned by a public housing authority is considered tax-exempt unless that authority makes payments in place of property taxes to the city or town in which it is located. If you live in public housing, you may wish to ask your manager about this.)

If the rent you paid included food, housekeeping, medical, or other services, reduce the amount filled in for rent paid in 2006 by the value of these items. If you shared living quarters with one or more persons (other than your spouse or dependents), fill in only the portion of the rent which you paid in 2006. For example, if you and two other persons rented an apartment and paid a total rent of \$3,000 in 2006, and you each paid \$1,000 of the rent, each could claim a credit based on \$1,000 of rent.

**Step 2** Refer to the Renter's School Property Tax Credit Table on page 19 to figure your credit. If heat was included in your rent, use Column 1 of the table. If heat was not included, use Column 2. Fill in your credit on line 22a.

**Exception** If you paid both rent where heat was included and rent where heat was not included, complete the worksheet below.

#### Renter's Worksheet

*(Complete only if Exception described above applies)*

1. Credit for rent with heat included  
(from Column 1 of Table on page 19) . . . . 1. \_\_\_\_\_
2. Credit for rent where heat not included  
(from Column 2 of Table on page 19) . . . . 2. \_\_\_\_\_
3. Add lines 1 and 2. Fill in on line 22a of  
Form 1\* . . . . . 3. \_\_\_\_\_

\* Do not fill in more than \$300 (\$150 if married filing a separate return or married filing as head of household).

### ■ Line 22b How to Figure the Homeowner's School Property Tax Credit

**Step 1 Property Taxes Paid on Home in 2006** Fill in the amount of property taxes that you *paid* in 2006 on your home. Do **not** include:

- Charges for special assessments, delinquent interest, or services that may be included on your tax bill (such as trash removal, recycling fee, or a water bill).
- Property taxes that you can claim as a business expense (for example, farm taxes or rental property taxes).
- Property taxes paid on property that is not your primary residence (such as a cottage or vacant land).
- Property taxes that you paid in any year other than 2006.

Property taxes are further limited as follows:

- a. If you bought or sold your home during 2006, the property taxes of the seller and buyer are the taxes set forth for each in the closing agreement made at the sale or purchase. If the closing agreement does not divide the property taxes between the seller and buyer, divide them on the basis of the number of months each owned the home.

Line 22b instructions – continued

**Renter's School Property Tax Credit Table\***

If Rent Paid is:		Your Line 22a Credit is:		If Rent Paid is:		Your Line 22a Credit is:		If Rent Paid is:		Your Line 22a Credit is:		If Rent Paid is:		Your Line 22a Credit is:	
		Col. 1	Col. 2												
At Least	But Less Than	Heat Included in Rent	Heat Not Included in Rent	At Least	But Less Than	Heat Included in Rent	Heat Not Included in Rent	At Least	But Less Than	Heat Included in Rent	Heat Not Included in Rent	At Least	But Less Than	Heat Included in Rent	Heat Not Included in Rent
\$ 1	\$ 100	\$ 1	\$ 2	\$ 3,500	\$ 3,600	\$ 85	\$ 107	\$ 7,000	\$ 7,100	\$ 169	\$ 212	\$ 10,500	\$ 10,600	\$ 253	\$ 300
100	200	4	5	3,600	3,700	88	110	7,100	7,200	172	215	10,600	10,700	256	300
200	300	6	8	3,700	3,800	90	113	7,200	7,300	174	218	10,700	10,800	258	300
300	400	8	11	3,800	3,900	92	116	7,300	7,400	176	221	10,800	10,900	260	300
400	500	11	14	3,900	4,000	95	119	7,400	7,500	179	224	10,900	11,000	263	300
500	600	13	17	4,000	4,100	97	122	7,500	7,600	181	227	11,000	11,100	265	300
600	700	16	20	4,100	4,200	100	125	7,600	7,700	184	230	11,100	11,200	268	300
700	800	18	23	4,200	4,300	102	128	7,700	7,800	186	233	11,200	11,300	270	300
800	900	20	26	4,300	4,400	104	131	7,800	7,900	188	236	11,300	11,400	272	300
900	1,000	23	29	4,400	4,500	107	134	7,900	8,000	191	239	11,400	11,500	275	300
								8,000	8,100	193	242				
1,000	1,100	25	32	4,500	4,600	109	137					11,500	11,600	277	300
1,100	1,200	28	35	4,600	4,700	112	140	8,100	8,200	196	245	11,600	11,700	280	300
1,200	1,300	30	38	4,700	4,800	114	143	8,200	8,300	198	248	11,700	11,800	282	300
1,300	1,400	32	41	4,800	4,900	116	146	8,300	8,400	200	251	11,800	11,900	284	300
1,400	1,500	35	44	4,900	5,000	119	149	8,400	8,500	203	254	11,900	12,000	287	300
1,500	1,600	37	47	5,000	5,100	121	152	8,500	8,600	205	257	12,000	12,100	289	300
1,600	1,700	40	50	5,100	5,200	124	155	8,600	8,700	208	260	12,100	12,200	292	300
1,700	1,800	42	53	5,200	5,300	126	158	8,700	8,800	210	263	12,200	12,300	294	300
1,800	1,900	44	56	5,300	5,400	128	161	8,800	8,900	212	266	12,300	12,400	296	300
1,900	2,000	47	59	5,400	5,500	131	164	8,900	9,000	215	269	12,400	12,500	299	300
2,000	2,100	49	62	5,500	5,600	133	167	9,000	9,100	217	272	12,500 or more		300	300
2,100	2,200	52	65	5,600	5,700	136	170	9,100	9,200	220	275				
2,200	2,300	54	68	5,700	5,800	138	173	9,200	9,300	222	278				
2,300	2,400	56	71	5,800	5,900	140	176	9,300	9,400	224	281				
2,400	2,500	59	74	5,900	6,000	143	179	9,400	9,500	227	284				
2,500	2,600	61	77	6,000	6,100	145	182	9,500	9,600	229	287				
2,600	2,700	64	80	6,100	6,200	148	185	9,600	9,700	232	290				
2,700	2,800	66	83	6,200	6,300	150	188	9,700	9,800	234	293				
2,800	2,900	68	86	6,300	6,400	152	191	9,800	9,900	236	296				
2,900	3,000	71	89	6,400	6,500	155	194	9,900	10,000	239	299				
3,000	3,100	73	92	6,500	6,600	157	197	10,000	10,100	241	300				
3,100	3,200	76	95	6,600	6,700	160	200	10,100	10,200	244	300				
3,200	3,300	78	98	6,700	6,800	162	203	10,200	10,300	246	300				
3,300	3,400	80	101	6,800	6,900	164	206	10,300	10,400	248	300				
3,400	3,500	83	104	6,900	7,000	167	209	10,400	10,500	251	300				

\***Caution** The credit allowed certain persons may be less than the amount indicated. See "Special Cases" on page 18.

- b. If you owned a mobile home during 2006, property taxes include the parking permit fees paid to your municipality and/or the personal property taxes paid on your mobile home. (Payments for space rental should be filled in as rent on line 22a.)
- c. If you, or you and your spouse, owned a home jointly with one or more other persons, you may only use that portion of the property taxes that reflects your percentage of ownership. For example, if you and another person (other than your spouse) jointly owned a home on which taxes of \$1,500 were paid, each of you would claim a credit based on \$750 of taxes.

**CAUTION** Property taxes paid during 2006 must be reduced by any amounts received as a refund of such taxes. For example, a taxpayer claimed farmland preservation credit (which is considered a refund of property taxes) on his or her 2005 Wisconsin return.

The taxpayer received a farmland preservation credit in 2006 of \$600 that was based on 2005 property taxes accrued of \$6,000. The 2005 property taxes were paid in 2006 and 10% of such taxes were allocable to the personal residence and 90% to the farm property. Thus, for tax purposes, property taxes paid on the entire property during 2006 are \$5,400 (\$6,000 less \$600 farmland preservation credit). Of this amount, \$540 (10% of \$5,400) is used to compute the 2006 school property tax credit.

**Step 2** Use the Homeowner's School Property Tax Credit Table on page 20 to figure your credit. Fill in the amount of your credit on line 22b.

**CAUTION** If you are also claiming the renter's credit on line 22a, the total of your renter's and homeowner's credits can't be more than \$300 (\$150 if married filing a separate return or married filing as head of household).

Line 22b instructions – continued

**Homeowner's School Property Tax Credit Table\***

If Property Taxes are:			If Property Taxes are:			If Property Taxes are:		
At Least	But Less Than	Line 22b Credit is	At Least	But Less Than	Line 22b Credit is	At Least	But Less Than	Line 22b Credit is
\$ 1	\$ 25	\$ 2	\$ 875	\$ 900	\$ 107	\$ 1,750	\$ 1,775	\$ 212
25	50	5	900	925	110	1,775	1,800	215
50	75	8	925	950	113	1,800	1,825	218
75	100	11	950	975	116	1,825	1,850	221
100	125	14	975	1,000	119	1,850	1,875	224
125	150	17	1,000	1,025	122	1,875	1,900	227
150	175	20	1,025	1,050	125	1,900	1,925	230
175	200	23	1,050	1,075	128	1,925	1,950	233
200	225	26	1,075	1,100	131	1,950	1,975	236
225	250	29	1,100	1,125	134	1,975	2,000	239
250	275	32	1,125	1,150	137	2,000	2,025	242
275	300	35	1,150	1,175	140	2,025	2,050	245
300	325	38	1,175	1,200	143	2,050	2,075	248
325	350	41	1,200	1,225	146	2,075	2,100	251
350	375	44	1,225	1,250	149	2,100	2,125	254
375	400	47	1,250	1,275	152	2,125	2,150	257
400	425	50	1,275	1,300	155	2,150	2,175	260
425	450	53	1,300	1,325	158	2,175	2,200	263
450	475	56	1,325	1,350	161	2,200	2,225	266
475	500	59	1,350	1,375	164	2,225	2,250	269
500	525	62	1,375	1,400	167	2,250	2,275	272
525	550	65	1,400	1,425	170	2,275	2,300	275
550	575	68	1,425	1,450	173	2,300	2,325	278
575	600	71	1,450	1,475	176	2,325	2,350	281
600	625	74	1,475	1,500	179	2,350	2,375	284
625	650	77	1,500	1,525	182	2,375	2,400	287
650	675	80	1,525	1,550	185	2,400	2,425	290
675	700	83	1,550	1,575	188	2,425	2,450	293
700	725	86	1,575	1,600	191	2,450	2,475	296
725	750	89	1,600	1,625	194	2,475	2,500	299
750	775	92	1,625	1,650	197	2,500 or more		300
775	800	95	1,650	1,675	200			
800	825	98	1,675	1,700	203			
825	850	101	1,700	1,725	206			
850	875	104	1,725	1,750	209			

\***Caution** The credit allowed certain persons may be less than the amount indicated. See "Special Cases" on page 18.

**Line 23 Historic Rehabilitation Credits**

Any individual 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 (see 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 either of the historic rehabilitation credits, complete Wisconsin Schedule HR. Fill in the amount from Schedule HR on line 23. Enclose Schedule HR and the required certification with Form 1.

**Exception** If you are only claiming credits that are passed through from an estate or trust, partnership, or tax-option (S) corporation, you do not have to complete Schedule HR. Fill in the total historic rehabilitation credits from your Schedule 2K-1, 3K-1, or 5K-1 on line 23. Enclose a copy of the schedules with Form 1.

**Line 24 Working Families Tax Credit**

If your income is less than the amount indicated below for your filing status, you may claim the working families tax credit.

**Exception** You may not claim the working families tax credit if you may be claimed as a dependent on another person's (for example, your parent's) income tax return.

**Single, Head of Household, or Married Filing Separate Return**

- If the amount on line 14 of Form 1 is \$9,000 or less, your working families tax credit is equal to your tax. Fill in the amount from line 19 of Form 1 on line 24.
- If the amount on line 14 of Form 1 is more than \$9,000 but less than \$10,000, use the worksheet below to compute your working families tax credit.
- If the amount on line 14 of Form 1 is \$10,000 or more, leave line 24 blank. You do not qualify for the working families tax credit.

**Married Filing Joint Return**

- If the amount on line 14 of Form 1 is \$18,000 or less, your working families tax credit is equal to your tax. Fill in the amount from line 19 of Form 1 on line 24.
- If the amount on line 14 of Form 1 is more than \$18,000 but less than \$19,000, use the worksheet below to compute your working families tax credit.
- If the amount on line 14 of Form 1 is \$19,000 or more, leave line 24 blank. You do not qualify for the working families tax credit.

**Working Families Tax Credit Worksheet**

Do **not** complete this worksheet if:

- Line 14 of your Form 1 is \$9,000 or less (\$18,000 or less if married filing a joint return).
- Line 14 of your Form 1 is \$10,000 or more (\$19,000 or more if married filing a joint return).
- You may be claimed as a dependent on another person's return.

1. Amount from line 19 of Form 1 ..... 1. \_\_\_\_\_
2. Total credits from lines 20 through 23 of Form 1 ..... 2. \_\_\_\_\_
3. Subtract line 2 from line 1. If the result is zero or less, stop here. You do not qualify for the credit ..... 3. \_\_\_\_\_
4. Fill in \$10,000 (\$19,000 if married filing a joint return) ..... 4. \_\_\_\_\_
5. Fill in amount from line 14 of Form 1 ..... 5. \_\_\_\_\_
6. Subtract line 5 from line 4 ..... 6. \_\_\_\_\_
7. Divide line 6 by one thousand (1,000). Fill in decimal amount ..... 7. \_\_\_\_\_
8. Multiply line 3 by line 7. This is your working families tax credit. Fill in this amount on line 24 of Form 1 ..... 8. \_\_\_\_\_

**Line 27 Alternative Minimum Tax**

You may owe Wisconsin alternative minimum tax if you benefit from certain deductions, credits, and the special tax treatment of some kinds of income. This tax is figured on Schedule MT. Use the worksheet below to see if you must complete Schedule MT.

If line 10 of the worksheet is more than the amount on Form 1, line 26, fill in Schedule MT to see if you owe the alternative minimum tax. If line 10 is equal to or less than the amount on Form 1, line 26, do not fill in Schedule MT.

Include the following adjustments and preference items on line 2 of the worksheet below.

**Adjustment and Tax Preference Items**

1. Accelerated depreciation.
2. Amortization of pollution control facilities or depletion.
3. Stock received by exercising an incentive stock option and you did not dispose of the stock in the same year.
4. Intangible drilling, circulation, research, experimental, or mining costs.
5. Income or (loss) from tax shelter farm activities or passive activities.
6. Income from long-term contracts not figured using the percentage of completion method.
7. Interest paid on a home mortgage *not* used to buy, build, or substantially improve your home.
8. Investment interest expense reported on Form 4952.
9. Wisconsin net operating loss deduction.
10. Alternative minimum tax adjustments from an estate, trust, tax-option (S) corporation, partnership, or a cooperative.

See page 4 for information on how to get Schedule MT.

**Worksheet To See If You Should Fill in Schedule MT**

**Caution** If you are married filing separately and line 3 of this worksheet is more than \$165,000, you should fill in Schedule MT.

1. Fill in the amount from Form 1, line 14 . . .	1. _____
2. Fill in the total of all adjustments and preference items that apply to you . . . . .	2. _____
3. Add lines 1 and 2 . . . . .	3. _____
4. Fill in \$45,000 (\$22,500 if married filing separately; \$33,750 if single or head of household) . . . . .	4. _____
5. Subtract line 4 from line 3. If zero or less, <b>stop here</b> ; you don't need to fill in Schedule MT . . . . .	5. _____
6. Fill in \$150,000 (\$75,000 if married filing separately; \$112,500 if single or head of household) . . . . .	6. _____
7. Subtract line 6 from line 3. If zero or less, fill in -0- here and on line 8 and go to line 9 . .	7. _____
8. Multiply line 7 by 25% (.25) and fill in the result but <b>do not</b> fill in more than line 4 above . .	8. _____
9. Add lines 5 and 8 . . . . .	9. _____
10. Multiply line 9 by 6.5% (.065) . . . . .	10. _____

**Line 29 Married Couple Credit**

You can claim the married couple credit if:

- You are married filing a joint return, and
- Both you and your spouse have qualified earned income, and
- You do not file federal Form 2555 or Form 2555EZ to claim an exclusion of foreign earned income or Form 4563 to claim an exclusion of income from sources in U.S. possessions.

To figure the credit, fill in Schedule 2 on page 4 of Form 1. Figure earned income separately for yourself and your spouse on lines 1 through 3 in Columns (A) and (B) of Schedule 2.

“Earned income” includes *taxable* wages, salaries, tips, scholarships or fellowships (only amounts reported on a W-2), other employee compensation, disability income treated as wages, and net earnings from self-employment.

“Earned income” does not include other income such as interest, dividends, IRA distributions, deferred compensation (even though it may be reported on a W-2), unemployment compensation, rental income, social security, pensions, annuities, or income that is not taxable to Wisconsin. Do not consider marital property law, marital property agreements, or unilateral statements in figuring each spouse’s earned income.

The credit is based on qualified earned income. You must figure qualified earned income separately for yourself and your spouse. Figure it on lines 4 and 5 of Schedule 2 by subtracting the total of certain adjustments from earned income. These adjustments (and the related lines on federal Form 1040) are:

- IRA deduction (line 32),
- Self-employed SEP, SIMPLE, and qualified plans (line 28),
- Repayment of supplemental unemployment benefits (included in the total on line 36),
- Certain business expenses of reservists, performing artists, and fee-basis government officials (line 24),
- Contributions to secs. 403(b) and 501(c)(18) pension plans (included in the total on line 36), and
- Disability income exclusion (from line 11 of Wisconsin Form 1).

**Line 30 Other Credits**

Include the following credits on lines a through g of line 30. Fill in the total of the amounts on lines a through g on line 30h. To find out if you can take any of these credits, see the appropriate schedule. Enclose a copy of the completed schedule(s) with Form 1.

**a Schedule MS – Manufacturer’s Sales Tax Credit** If you had unused manufacturer’s sales tax credit from 1998 through 2005, complete Schedule MS to determine the amount of carryover credit you may claim for 2006. Fill in the amount of your available manufacturer’s sales tax credit carryforward from line 10 of Schedule MS on line 30a.

**b Schedule DI – Dairy and Livestock Farm Investment Credit** The dairy and livestock farm investment credit is based on the amount paid for dairy or livestock farm modernization or expansion related to the operation of a dairy or livestock farm in Wisconsin. See Schedule DI.

Line 30 instructions – continued

**c Schedule DC – Development Zones Credit** Special tax credits may be available to persons doing business in Wisconsin development zones. If you qualify for the development zones credit, complete Wisconsin Schedule DC. Fill in the amount of your credit from Schedule DC on line 30c.

**d Schedule TC – Technology Zone Credit** The technology zone credit may be available for persons doing business in Wisconsin technology zones. If you qualify for the technology zone credit, complete Wisconsin Schedule TC. Fill in the amount of your credit from Schedule TC on line 30d.

**e Schedule VC(Part I) – Angel Investment Credit** The angel investment credit is available to accredited investors who make a bona fide angel investment in a qualified new business venture that is certified by the Department of Commerce. See Schedule VC.

**f Schedule VC(Part II) – Early Stage Seed Investment Credit** The early stage seed investment credit is based on an investment paid to a fund manager certified by the Department of Commerce that the fund manager invests in a certified business. See Schedule VC.

**g Schedule OS – Credit for Net Tax Paid to Another State** If you paid tax both to Wisconsin and another state on the same income, you may be able to claim a credit for such tax. Read the Schedule OS instructions to determine if you may claim the credit. If you qualify for the credit, complete Schedule OS. Fill in the amount of your credit from Schedule OS on line 30g. Be sure to enter in the box on line 30g the 2-letter postal abbreviation for the other state to which you paid tax. If you paid tax to more than one other state, fill in the number “99” in the box.

**CAUTION** Credit cannot be claimed for taxes paid to **Illinois, Indiana, Kentucky, Michigan, or Minnesota** on personal service income (such as wages, salaries, tips, commissions, bonuses, etc.) you received from working in one of those states. Instead, file a return with that state to get a refund of any tax withheld from your wages. Be sure to explain on that state’s return that you were a Wisconsin resident when earning the wages in that state. See Publication 121, *Reciprocity*, for more information.

#### ■ Line 33 Recycling Surcharge

The recycling surcharge applies to individuals who have trade or business activities in Wisconsin (including activities as a statutory employee) and have \$4,000,000 or more of gross receipts from trade or business activities for federal income tax purposes.

If you are subject to the recycling surcharge, complete Wisconsin Schedule RS. Fill in the amount from line 2 or 3 of Schedule RS on line 33 of Form 1. Enclose a copy of Schedule RS with Form 1.

#### ■ Line 34 Sales and Use Tax Due on Out-of-State Purchases

Did you make any taxable purchases from out-of-state firms in 2006 on which sales and use tax was not charged? If yes, you must report Wisconsin sales and use tax on these purchases on line 34 if they were stored, used, or consumed in Wisconsin. Taxable purchases include furniture, carpet, clothing, computers, books, CDs, DVDs, cassettes, video tapes, jewelry, coins purchased for more than face value, etc.

Line 34 instructions – continued

**Example** You purchased \$300 of clothing through a catalog or over the Internet. No sales and use tax was charged. The clothing was delivered in a county with a 5% tax rate. You are liable for \$15 Wisconsin tax ( $\$300 \times 5\% = \$15$ ) on this purchase.

Complete the worksheet below to determine whether you are liable for Wisconsin sales and use tax.

#### Worksheet for Computing Wisconsin Sales and Use Tax

1. Total purchases subject to Wisconsin sales and use tax (i.e., purchases on which no sales and use tax was charged by the seller) .. \$ \_\_\_\_\_
2. Sales and use tax rate (see rate chart below) .. x \_\_\_\_\_ %
3. Amount of sales and use tax due for 2006 (line 1 multiplied by tax rate on line 2). Round this amount to the nearest dollar and fill in on line 34 of Form 1 ..... \$ \_\_\_\_\_

#### Sales and Use Tax Rate Chart

In all Wisconsin counties except those shown in a through d below, the tax rate was 5.5% for all of 2006.

- a. If storage, use, or consumption in 2006 was in one of the following counties, the tax rate was 5.6%:  

Milwaukee	Ozaukee	Washington
-----------	---------	------------
- b. If storage, use, or consumption in 2006 was in one of the following counties, the tax rate was 5.1%:  

Racine	Waukesha
--------	----------
- c. If storage, use, or consumption in 2006 was in Florence County, the tax rate was 5% before July 1, 2006, and 5.5% on July 1, 2006, and after.
- d. If storage, use, or consumption in 2006 was in one of the following counties, the tax rate was 5%:  

Calumet	Kewaunee	Outagamie	Sheboygan
Clark	Manitowoc	Rock	Winnebago
Fond du Lac	Menominee		

#### ■ Line 35 Donations

You may designate amounts as a donation to one or more of the programs listed on lines 35a through 35g. Your donation will either reduce your refund or be added to tax due. Add the amounts on lines 35a through 35g and fill in the total on line 35h.

**Line 35a Endangered Resources Donation** With your gift, the Endangered Resources Program works to protect and manage native plant and animal species, natural communities, and other natural features. Through the purchase and protection of 415 State Natural Areas, the Endangered Resources Program leads the way in restoration of populations and habitats of rare and endangered species and promotes appreciation, knowledge, and stewardship of endangered resources for present and future generations.

Your donation supports preservation and management of over 200 endangered and threatened Wisconsin plants and animals and our finest remaining examples of prairies, forests, and wetlands. All gifts (up to a total of \$364,000) will be matched by state general purpose revenue, which makes your gift twice as important.

Consider a gift of \$25, \$50, or \$75, or choose your own amount to fill in on the endangered resources line on your Wisconsin tax form.

*Line 35 instructions – continued*

You can also send a check directly to: Endangered Resources Fund, PO Box 7921, Madison WI 53707.

**Line 35b Packers Football Stadium Donation** Your Packer football stadium donation will be used for maintenance and operating costs of the professional football stadium in Green Bay. Fill in the amount you want to donate on line 35b.

**Line 35c Breast Cancer Research Donation** Your breast cancer research donation will be divided equally between the Medical College of Wisconsin, Inc., and the University of Wisconsin Comprehensive Cancer Center for breast cancer research projects. Fill in the amount you want to donate on line 35c.

**Line 35d Veterans Trust Fund Donation** Your donation to the Veterans Trust Fund will be used by the Wisconsin Department of Veterans Affairs for the benefit of veterans or their dependents. Fill in the amount you want to donate on line 35d.

**Line 35e Multiple Sclerosis Donation** Donations will be forwarded to the National Multiple Sclerosis Society to be distributed to entities located in Wisconsin that operate health-related programs for people in Wisconsin with multiple sclerosis. Fill in the amount you want to donate on line 35e.

**Line 35f Firefighters Memorial** You may donate an amount towards a firefighters memorial. Fill in the amount you want to donate on line 35f.

**Line 35g Prostate Cancer Research Donation** Your prostate cancer research donation will be divided equally between the Medical College of Wisconsin, Inc., and the University of Wisconsin Comprehensive Cancer Center for prostate cancer research projects. Fill in the amount you want to donate on line 35g.

■ **Line 36 Penalties on IRAs, Other Retirement Plans, MSAs, Etc.**

The Wisconsin penalty on IRAs, retirement plans, medical savings accounts (MSAs), etc., is equal to 33% of the following federal taxes:

- Tax on IRAs, other qualified retirement plans, etc., (line 60 of federal Form 1040). Do not include any amount from line 8 or 49 of federal Form 5329.
- Total tax due from lines 4, 17, 25, 33, 41, and 53 of federal Form 5329 (include only if the tax due on this form was paid separately and is not included on line 60 of your Form 1040).
- Tax on excess contributions (line 2 of federal Form 5330).
- Tax on prohibited transactions (lines 6a and 6b of federal Form 5330).
- Section 72(m)(5) excess benefits tax (included in the total on line 63 of federal Form 1040).
- Tax on Archer MSA distributions (line 11b of federal Form 8853).

If you were subject to any of the above federal taxes for 2006, fill in the total of such taxes in the space provided on line 36. Multiply the amount filled in by .33 (33%) and fill in the result on line 36.

**Note** You are not subject to the penalty on payments from certain retirement plans if the payments are exempt from Wisconsin tax. See the instructions for line 11, Items 05 and 06, for information on

*Line 36 instructions – continued*

retirement payments that are exempt from Wisconsin tax and to which the penalty does not apply.

If you were required to file federal Form 5329 or 5330, enclose a copy of your Form 5329 and/or 5330 with your Form 1.

■ **Line 37 Credit Repayments and Other Penalties**

If you are required to repay a Wisconsin credit or are subject to a penalty for selling business or farming assets purchased from a related person, fill in the amount of the repayment or penalty on line 37. See below for further information.

- **Recapture of development zones investment credit** You may be required to recapture development zones investment credit if you disposed of or stopped using in a development zone any property for which you claimed the investment credit in a prior year. See Part IV of Schedule DC for further information. Fill in the amount from line 34 of Schedule DC on line 37.
- **State historic rehabilitation credit** You may have to repay all or part of the state historic rehabilitation credit if you disposed of the property within 5 years after the date on which the preservation or rehabilitation work was complete or the Wisconsin Historical Society determines that you have not complied with all of the requirements. Contact any department office for information on determining the amount to be repaid.
- **Angel investment credit** If an investment for which you claimed the angel investment credit in a prior year was held for less than one year, you must repay the amount of the credit that you received related to the investment.
- **Penalty for selling business assets (or assets used in farming) purchased from a related person** Capital gain on the sale or disposition of business or farming assets may be excluded from Wisconsin taxation if the assets were held more than one year and are disposed of to certain related persons. The related person who purchases or otherwise receives the assets on which the gain is excluded is subject to a penalty if he/she sells or disposes of the assets within two years. The penalty does not apply in the case of an involuntary conversion (for example, assets are destroyed by fire or livestock dies). Contact any department office for information on how to compute the penalty.

■ **Line 40 Wisconsin Tax Withheld**

Add the **Wisconsin** income tax withheld shown on your withholding statements (Forms W-2, W-2G, 1099-G, 1099-R, and 1099-MISC). Also, if any Wisconsin pass-through entity withholding tax was allocated to you from a tiered pass-through entity of which you are a member, you may include that withholding. Fill in the total on line 40. Enclose readable copies of your withholding statements with Form 1. (See Assembling Your Return on page 28.)

**Note** Wisconsin tax withheld is shown in Box 17 of Form W-2 or Box 10 of Form 1099-R, but only if Wisconsin is the state identified in Box 15 of Form W-2 or Box 11 of Form 1099-R.

DO NOT:

- claim credit for tax withheld for other states.
- claim amounts marked social security or Medicare tax withheld.
- claim credit for federal tax withheld.
- include withholding statements from other tax years.
- write on or change or attempt to correct the amounts on your withholding statements.

*Line 40 instructions – continued*

It is your responsibility to ensure that your employer or other payer has provided withholding statements that:

1. Are clear and easy to read.
2. Show withholding was paid to Wisconsin.

If you do not have a withholding statement or need a corrected withholding statement, contact your employer or other payer.

### ■ Line 41 2006 Wisconsin Estimated Tax Payments and Amount Applied From 2005 Return

Fill in any payments you made on your estimated Wisconsin income tax (Form 1-ES) for 2006. Include any overpayment from your 2005 return that you were allowed as credit to your 2006 Wisconsin estimated tax.

If you are married filing a joint return, fill in the total of:

- any separate estimated tax payments made by each spouse,
- any joint estimated tax payments, and
- any overpayments from your 2005 returns that you and your spouse were allowed as credit to 2006 Wisconsin estimated tax.

If you are filing a separate tax return, you may not claim any part of your spouse's separate estimated tax payments or credits. However, you and your spouse may split your joint estimated tax payments and credits between you as you choose on your separate returns. If you cannot agree on how joint amounts are to be split between you, the department will split them between you according to your respective income tax liabilities.

Follow the above instructions even if your spouse died during 2006.

**Name Change** If you changed your name because of marriage, divorce, etc., and you made estimated tax payments using your former name, enclose a statement with Form 1. On the statement, explain all the payments you and your spouse made for 2006 and the name(s) and social security number(s) under which you made them.

### ■ Line 42 Earned Income Credit

If you qualify for the federal earned income credit and you have at least one qualifying child, you also qualify for the Wisconsin earned income credit. However, you must have been a resident of Wisconsin for the entire year.

To claim the Wisconsin earned income credit, complete the following steps and fill in the required information in the spaces provided on line 42.

**Step 1** Fill in the **number** of children who meet the requirements of a "qualifying child" for purposes of the federal earned income credit (see the instructions for earned income credit in your federal return for definition of a "qualifying child").

**CAUTION** For federal purposes only your first two qualifying children are counted. For Wisconsin purposes all of your qualifying children are counted.

**Step 2** Fill in the **federal earned income credit** from line 66a of federal Form 1040 or line 40a of federal Form 1040A.

*Line 42 instructions – continued*

**Step 3** Fill in the percentage rate which applies to you.

Number of qualifying children (see Step 1 above)	Fill in this percentage rate
1	4%
2	14%
3 or more	43%

**Step 4** Multiply the amount of your federal credit (Step 2) by the percentage determined in Step 3. Fill in the result on line 42. This is your Wisconsin earned income credit.



**Note Enclosures With Your Return** You must enclose a copy of your completed federal Schedule EIC with Form 1. The federal Schedule EIC requests information for two qualifying children. If you have a third qualifying child, also enclose a sheet giving the same information as requested on the Schedule EIC for your third child. Failure to provide this information may delay your refund.

**Note** If the IRS is computing your federal earned income credit and you want the department to compute your Wisconsin earned income credit for you, fill in the number of your qualifying children in the space provided on line 42. Write "EIC" in the space to the right of line 42. Complete your return through line 47 of Form 1. Enclose a copy of your federal return (Form 1040A or Form 1040) with your Form 1.

### ■ Line 43 Farmland Preservation Credit

If you are claiming farmland preservation credit, include a completed Schedule FC with your Form 1. Fill in on line 43 of Form 1 the amount from line 18 of your Schedule FC.

**Note** For a description of the farmland preservation credit program, see Special Instruction G on page 29.

### ■ Line 44 Repayment Credit

If you had to repay during 2006, an amount that you had included in income in an earlier year because at that time you thought you had an unrestricted right to it, you may be able to claim a credit based on the amount repaid. To qualify for the credit, the amount repaid must be over \$3,000 and the amount repaid cannot have been subtracted in computing Wisconsin adjusted gross income.

Use the following steps to compute your credit:

- (1) Refigure your tax from the earlier year without including in income the amount you repaid in 2006.
- (2) Subtract the tax in (1) from the tax shown on your return for the earlier year. The difference is the amount of your credit.

Fill in the amount of your credit on line 44 of Form 1. Enclose a statement showing how you computed your credit.

### ■ Line 45 Homestead Credit

If you are claiming homestead credit, attach your completed Schedule H or H-EZ to your Form 1. Fill in on line 45 of Form 1 the amount from line 19 of your Schedule H or line 14 of Schedule H-EZ.

**Note** To see if you qualify for homestead credit, refer to Special Instruction F on page 29. You cannot claim homestead credit if you (or your spouse, if married) claim the veterans and surviving spouses property tax credit.

**Line 46 Farmland Tax Relief Credit**

If you qualify for the farmland tax relief credit, complete line 46 and enclose a copy of your 2006 property tax bill(s) with Form 1.

**Note** You may *not* claim the farmland tax relief credit if you (or your spouse, if married) are claiming the veterans and surviving spouses property tax credit.

**Qualifications** You may qualify for the farmland tax relief credit if you meet the following conditions:

- You or a member of your household must have been the owner of at least 35 acres of Wisconsin farmland during the 2006 taxable year. Household means an individual, his or her spouse, and all dependents while they are under age 18.
- Your 2005 property taxes for the farmland on which the credit is based must have been paid.
- 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 2006 or at least a total of \$18,000 of gross farm profits for 2004, 2005, and 2006 combined. However, if at least 35 acres of your farmland was enrolled in the Conservation Reserve Program during all or part of 2006, 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 taxable 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 you rent out your farmland, 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, fuel tax credits or refund, or a previous year's farmland preservation or farmland tax relief credit.

**Who May Claim the Credit** Only one member of a household may claim the credit. If two or more members of a household each qualify (for example, where a husband and wife have entered into a farm partnership agreement), they must determine between themselves who the claimant will be. If they are unable to agree, the matter may be referred to the Secretary of Revenue, whose decision will be final.

A claimant may be (1) an individual, (2) each member of a partnership (except publicly traded partnerships) having a joint or common interest in land, (3) a shareholder in a tax-option (S) corporation, (4) the vendee under a land contract, or (5) a guardian on behalf of a ward. When farmland is subject to a life estate, the person who has an ownership interest and is operating the farm and paying the property taxes is the owner who may claim the credit.

**Property Taxes to Use** Fill in the property taxes on your farmland (exclusive of improvements) in the space provided on line 46, but do not fill in more than \$6,521. The credit is based on property taxes levied on your farmland during the 2006 calendar year. This is your 2006 property tax bill (payable in 2007). You can use up to \$6,521 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 (for example, farm buildings or a residence), special assessments, special charges, or interest.

*Line 46 instructions – continued*

**Note** Your 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. *If you have more than one property tax bill, apply the formula to each bill separately.*

$$\frac{\text{Assessed value of farmland}}{\text{Total assessed value of land and improvements}} \times \text{2006 property taxes levied in 2006 before lottery and gaming credit} = \text{Portion of property taxes to be used for the credit}$$

If the farmland is co-owned with someone other than a member of your household, you may use only those taxes on the farmland which reflect your ownership percentage.

If you sold the farmland on which this claim is based during the taxable year, fill in only that portion of the property taxes on the farmland which is allocated to you in the closing agreement pertaining to the sale of the property (use the above formula if improvements are included). If the amount is not set forth in a closing agreement, you may not use any of these taxes in your computation. Do not fill in more than \$6,521.

If you 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 (use the above formula if improvements are included). If the amount is not set forth in a closing agreement, fill in the total taxes on the farmland. Do not fill in more than \$6,521.

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 you and your household. 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 2006.

**Computing the Credit** Fill in the amount of your credit on line 46 of Form 1. The credit is equal to 23% of the property taxes on your farmland up to a maximum credit of \$1,500. (**Caution** If you are claiming farmland preservation credit on line 43, 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.)

**Enclosures** Enclose a copy of your 2006 property tax bill(s) with your Wisconsin Form 1. (**Note** If you are also claiming farmland preservation credit or homestead credit on Form 1 and have enclosed a copy of your 2006 property tax bill(s) with your Schedule FC or Schedule H, you do not have to enclose an additional copy.) If the farmland on which the credit is based was purchased or sold during the year, only the buyer must enclose a copy of the 2006 property tax bill(s); however, both the buyer and seller must enclose a copy of the closing agreement relating to the sale.

*Line 46 instructions – continued*

If any of the 2006 property tax bills show unpaid prior year taxes, enclose a statement signed by your county treasurer indicating the date the 2005 property taxes were paid in full.

If your name is not on the property tax bill, enclose a document that shows your percentage of ownership of the farmland (for example, a copy of your partnership agreement, deed, land contract, divorce decree, etc.).

### ■ Line 47 Eligible Veterans and Surviving Spouses Property Tax Credit

**Who May Claim the Credit** An eligible unremarried surviving spouse or an eligible veteran may claim the veterans and surviving spouses property tax credit. (**Note** If you claim the veterans and surviving spouses property tax credit, you or your spouse may **not** claim the school property tax credit, homestead credit, farmland tax relief credit, or farmland preservation credit.)

An “eligible unremarried surviving spouse” means an unremarried surviving spouse of one of the following, as verified by the Wisconsin Department of Veterans Affairs:

- An individual who had served on active duty in the U.S. armed forces or in forces incorporated as part of the U.S. armed forces, who was a resident of Wisconsin at the time of entry into active service, and who, while a resident of Wisconsin, died while on active duty.
- An individual who had served on active duty under honorable conditions in the U.S. armed forces or in forces incorporated as part of the U.S. armed forces; who was a resident of Wisconsin at the time of entry into active service; who was at least 65 years of age at the time of his or her death or would have been 65 years of age at the close of the year in which the death occurred; who was a resident of Wisconsin at the time of his or her death; and who had a service-connected disability rating of 100% under 38 USC 1114 or 1134.
- An individual who had served in the National Guard or a reserve component of the U.S. armed forces, who was a resident of Wisconsin at the time of entry into that service, and who, while a resident of Wisconsin, died in the line of duty while on active or inactive duty for training purposes.

“Eligible veteran” means an individual who is at least 65 years of age and who is verified by the Wisconsin Department of Veterans Affairs as meeting all of the following conditions:

- Served on active duty under honorable conditions in the U.S. armed forces or in forces incorporated in the U.S. armed forces.
- Was a resident of Wisconsin at the time of entry into active service.
- Is currently a resident of Wisconsin for purposes of receiving veterans benefits under ch. 45, Wis. Stats.
- Has a service-connected disability rating of 100% under 38 USC 1114 or 1134.

**Computing the Credit** The credit is equal to the property taxes paid during the year on the claimant’s principal dwelling in Wisconsin. The credit is based on real and personal property taxes, exclusive of special assessments, delinquent interest, and charges for service. Do not include any property taxes that are properly includable as a trade or business expense.

If the principal dwelling on which the taxes were paid is owned by two or more persons or entities as joint tenants or tenants-in-common,

*Line 47 instructions – continued*

use only that part of property taxes paid that reflects the ownership percentage of the claimant.

### Exceptions

**Married filing a joint return** If property is owned by an eligible veteran and his/her spouse as joint tenants, tenants-in-common, or as marital property, the credit is based on 100% of property taxes paid on the principal dwelling.

**Married filing a separate return** If property is owned by an eligible veteran and his/her spouse as joint tenants, tenants-in-common, or as marital property, each spouse may claim the credit based on their respective ownership interest in the eligible veteran’s principal dwelling.

If the principal dwelling is sold during the taxable year, the property taxes for the seller and buyer shall be the amount of the tax prorated to each in the closing agreement pertaining to the sale. If not provided for in the closing agreement, the tax shall be prorated between the seller and buyer in proportion to months of ownership.

If you owned and lived in a mobile home as your principal dwelling, “property taxes” includes monthly mobile home parking permit fees you paid to the municipality.

“Principal dwelling” means any dwelling and the land surrounding it that is reasonably necessary for use of the dwelling as a primary dwelling. It may include a part of a multidwelling or multipurpose building and a part of the land upon which it is built that is used as the primary dwelling.

The credit must be claimed within 4 years of the unextended due date of the return.

### Verification of Eligibility for the Credit

If you did not claim the credit for 2005, before claiming the credit for 2006 you must request verification from the Wisconsin Department of Veterans Affairs (WDVA) indicating that you qualify for the credit. Use Form WDVA 2097 (which you can find in WDVA Brochure B0106) to submit your request, along with a copy of the veteran’s DD Form 214 and Veterans Administration disability award letter and, if applicable, the veteran’s death certificate, a marriage certificate, and a completed copy of Form WDVA 0001 (if the veteran never previously submitted one). The WDVA 0001 and the brochure are available from your county veterans service officer or on the Internet at [www.dva.state.wi.us](http://www.dva.state.wi.us). You may submit these forms and supporting documents to your county veterans service officer or mail them to: Wisconsin Department of Veterans Affairs, 30 West Mifflin St., PO Box 7843, Madison WI 53707-7843. If you qualify, the WDVA will send you a verification of your eligibility.

**Note** You do not have to obtain verification from the WDVA for 2006 if you previously received verification for 2005. If you still qualify for the credit, you may claim the credit but do not have to enclose verification.

**Enclosures** Enclose a copy of your property tax bill, proof of payment, and the verification, if required, received from the WDVA with your return.

### ■ Line 49 Amount You Overpaid

If line 48 is larger than line 39, complete line 49 to determine the amount you overpaid.

Line 49 instructions – continued

**Note** If you were required to make estimated tax payments and you did not make such payments timely, you may owe what is called “underpayment interest.” You may owe underpayment interest even if you are due a refund. Read the line 53 instructions to see if you owe underpayment interest. If you owe underpayment interest and you show an overpayment on line 49, reduce the amount on line 49 by the amount of underpayment interest on line 53.

#### ■ Line 50 Refund

Fill in on line 50 the amount from line 49 that you want refunded to you.

**Note** If you are divorced, see item 6 on page 28. You may need to enclose a copy of your divorce decree with your return.

#### ■ Line 51 Amount Applied to 2007 Estimated Tax

Fill in on line 51 the amount, if any, of the overpayment on line 49 you want applied to your 2007 estimated tax.

If you are married filing a joint return, we will apply the amount on line 51 to your joint estimated tax. If you are married filing a separate return, we will apply the amount on line 51 to your separate estimated tax.

#### ■ Line 52 Amount You Owe

If line 48 is less than line 39, complete line 52 to determine the amount you owe.

**Note** If the amount you owe with your return is \$200 or more, you may also owe what is called “underpayment interest.” This is an interest charge that applies when you have not prepaid enough of your tax through withholding and/or estimated tax payments. Read the line 53 instructions to see if you owe underpayment interest. If you do, include the underpayment interest from line 53 in the amount you fill in on line 52.

If you owe an amount with your return, you can pay by check, money order, or credit card. **Do not** include any 2007 estimated tax payment in your check, money order, or amount you charge. Instead, make the estimated tax payment separately.

**To pay by check or money order** Make your check or money order payable to the Wisconsin Department of Revenue. Write your social security number on your check or money order. Paper clip it to the front of your Form 1.

**To pay by credit card** You may use your MasterCard®, American Express® Card, Visa® Card, or Discover® Card. To pay by credit card, call toll free or access by Internet the service provider listed below and follow the instructions of the provider. A convenience fee of 2.5% (with a minimum of \$1) will be charged by the service provider based on the amount you are paying. You will be told what the fee is during the transaction and you will have the option to either continue or cancel the transaction. **If you pay by credit card before filing your return**, enter on page 1 of Form 1 in the lower right corner the confirmation number you were given at the end of the transaction and the amount you charged (not including the convenience fee).

Official Payments Corporation  
1-800-2PAY-TAX (1-800-272-9829)  
1-866-621-4109 (Customer Service)  
[www.officialpayments.com](http://www.officialpayments.com)

Line 52 instructions – continued

**What if you cannot pay?** If you cannot pay the full amount shown as due on your tax return when you file, you may ask to make installment payments to the Department of Revenue. Due to additional fees and interest charges related to installment agreements, it is the department’s policy to not enter into formal payment arrangements until after a bill is issued by the department and the due date on that assessment has passed. It is generally to your advantage to pay your liability in full rather than in installments. Installment agreements with the department are subject to a \$20 installment agreement fee. In addition, bills not paid in full by the due date become liable for additional interest of 18% per year and a delinquent tax collection fee of the greater of \$35 or 6½ percent of the unpaid amount. For more information concerning payments and to obtain the Installment Agreement Request Form (Form A-771), consult the Department of Revenue web site at [www.revenue.wi.gov](http://www.revenue.wi.gov).

**Note** Failure to pay your Wisconsin income tax may result in certification of your unpaid liability to the Treasury Offset Program. Federal law authorizes the U.S. Department of Treasury to reduce, or offset, any federal income tax refunds payable to you by the IRS to satisfy unpaid state income tax debts. Any unpaid liability will remain eligible for this offset until paid.

#### ■ Line 53 Underpayment Interest

You may owe underpayment interest if the amount of Wisconsin income tax withheld from your wages was less than your tax liability, or if you had income that was not subject to withholding and you did not make timely estimated payments. In general, in each quarter of the year, you should be paying enough tax through withholding payments and quarterly estimated tax payments to cover the taxes you expect to owe for the tax year. For more information on making estimated tax payments, see “Estimated Tax Payments Required for Next Year” on page 29.

Underpayment interest applies if:

- Line 52 is at least \$200 and it is more than 10% of the tax shown on your return, or
- You did not pay enough estimated tax by any of the due dates. This is true even if you are due a refund.

The “tax shown on your return” is the amount on line 32 plus the amount on line 33, minus the amounts on lines 42 through 47.

**Exceptions** You will not owe underpayment interest if your 2005 tax return was for a tax year of 12 full months (or would have been had you been required to file) **AND either** of the following applies.

1. You had no tax liability for 2005 and you were a Wisconsin resident for all of 2005, **or**
2. The amounts on lines 40 and 41 of your 2006 return are at least as much as the tax shown on your 2005 return. Your estimated tax payments for 2006 must have been made on time and for the required amount.

The tax shown on your 2005 return is the amount on line 31 plus the amount on line 32 of 2005 Form 1 minus the amounts on lines 43 through 48.

**New** If you meet one of the above exceptions or are enclosing Schedule U (see next paragraph) or an application for a waiver with your return, check the box to the left of line 53.

Line 53 instructions – continued

### Figuring Underpayment Interest

If the **Exceptions** on page 27 do not apply, see **Schedule U** to find out if you owe underpayment interest. If you do, you can use the schedule to figure the amount. In certain situations, you may be able to lower your underpayment interest. For details, see the instructions for Schedule U. Fill in the underpayment interest from Schedule U on line 53. Add the amount of the underpayment interest to any tax due and fill in the total on line 52. If you are due a refund, subtract the underpayment interest from the overpayment you show on line 49 and adjust lines 50 and 51 if necessary. Enclose Schedule U with your Form 1.

**New**

■ **Third Party Designee** If you want to allow a tax preparer, family member, friend, or any other person you choose to discuss your 2006 tax return with the Department of Revenue, check the “Yes” box in the “Third Party Designee” area of your return. Also, fill in the designee’s name, phone number, and any five digits the designee chooses as his or her personal identification number (PIN).

If you check the “Yes” box, you (and your spouse if filing a joint return) are authorizing the department to discuss with the designee any questions that may arise during the processing of your return. You are also authorizing the designee to:

- Give the department any information missing from your return,
- Call the department for information about the processing of your return or the status of your refund or payment(s), and
- Respond to certain department notices about math errors, offsets, and return preparation.

You are not authorizing the designee to receive any refund check, bind you to anything (including any additional tax liability), or otherwise represent you before the department. If you want to expand the designee’s authorization, you must submit Form A-222 (*Power of Attorney*).

The authorization will automatically end no later than the due date (without regard to extensions) for filing your 2007 tax return. This is April 15, 2008, for most people.

■ **Sign and Date Your Return** Sign and date your return at the bottom of page 3. Form 1 is not considered a valid return unless you sign it. Your spouse must also sign it if it is a joint return. Also fill in your daytime phone number. Keep a copy of your dated return.



### Assembling Your Return

Begin by putting the four pages of Form 1 in numerical order. Then, attach, using a paper clip, the following in the *order listed*. Do not staple your return. Stapling will delay the processing of your return and any refund.

**Exception** If you are including Schedule H or H-EZ, please staple all attachments to Form 1.

1. **Payment** – If you owe an amount with your return, paper clip your payment to the front of Form 1, unless you are paying by credit card.
2. **Wisconsin Schedules** – Copies of appropriate Wisconsin schedules and supporting documents, such as Schedule H or H-EZ (homestead credit) or Schedule FC (farmland preservation credit).

3. **W-2s or 1099s** – The appropriate copy of each of your withholding statements (Forms W-2, W-2G, 1099-G, 1099-R, and 1099-MISC).

4. **Federal Return** – A complete copy of your federal return (Form 1040, 1040A, or 1040EZ and its supporting schedules and forms. If you itemize deductions on your federal return but do not claim the itemized deduction credit on your Wisconsin return, you do not have to enclose federal Schedule A.

5. **Extension Form or Statement** – A copy of your federal extension application form or required statement if you are filing under an extension of time to file.

6. **Divorce Decree** –

- *Persons divorced after June 20, 1996, who compute a refund* If your divorce decree apportions any tax liability owed to the department to your former spouse, enclose a copy of the decree with your Form 1. Fill in “04” in the Special Conditions box on page 1 of Form 1. This will prevent your refund from being applied against such tax liability.
- *Persons divorced who file a joint return* – If your divorce decree apportions any refund to you or your former spouse, or between you and your former spouse, the department will issue the refund to the person(s) to whom the refund is awarded under the terms of the divorce. Enclose a copy of the portion of your divorce decree that relates to the tax refund with your Form 1. Fill in “04” in the Special Conditions box on page 1 of Form 1.

7. **Injured Spouse** – If you are filing federal Form 8379, *Injured Spouse Claim and Allocation*, enclose a copy with your Form 1. Fill in “05” in the Special Conditions box on page 1 of Form 1.

**CAUTION** Be sure to file all four pages of Form 1. Please send the original of your return. Do not send a photocopy.

■ **Where to File** Mail your return to the Wisconsin Department of Revenue at:

<i>(if tax is due)</i>	<i>(if refund or no tax due)</i>	<i>(if homestead credit claimed)</i>
PO Box 268	PO Box 59	PO Box 34
Madison WI	Madison WI	Madison WI
53790-0001	53785-0001	53786-0001

Envelopes without enough postage will be returned to you by the post office. Your envelope may need additional postage if it contains more than five pages or is oversized (for example, it is over ¼” thick). Also, include your complete return address.

**Private Delivery Services** You can use certain private delivery services approved by the IRS to meet the timely filing rule. The approved private delivery services are listed in the instructions for your federal tax form. Items must be delivered to Wisconsin Department of Revenue, 2135 Rimrock Rd., Madison WI 53713. Private delivery services cannot deliver items to PO boxes. The private delivery service can tell you how to get written proof of the mailing date.

### A. Penalties for Not Filing Returns or Filing Incorrect Returns

If you do not file an income tax return which you are required to file, or if you file an incorrect return due to negligence or fraud, penalties and interest may be assessed against you. The interest rate on delinquent taxes is 18% per year. Civil penalties can be as much as 100% of the amount of tax not reported on the return. Criminal penalties for failing to file or filing a false return include a fine up to \$10,000 and imprisonment.

### B. Internal Revenue Service Adjustments

Did the Internal Revenue Service adjust any of your federal income tax returns? If yes, you may have to notify the Department of Revenue of such adjustments. You must notify the department if the adjustments affect your Wisconsin income, any credit, or tax payable.

The department must be notified within 90 days after the adjustments are final. You must submit a copy of the final federal audit report by either:

- (1) Including it with an amended return (Form 1X) that reflects the federal adjustments, or
- (2) Mailing the copy to:

Wisconsin Department of Revenue  
Audit Bureau  
PO Box 8906  
Madison WI 53708-8906

### C. Amended Returns

If you filed an amended return with the Internal Revenue Service or another state, you generally must also file an amended Wisconsin return within 90 days. You need to file an amended Wisconsin return if the changes affect your Wisconsin income, any credit, or tax payable. Use Form 1X to file an amended Wisconsin return.

### D. Estimated Tax Payments Required for Next Year?

If your 2007 Wisconsin income tax return will show a tax balance due to the department of \$200 or more, you must either:

- Make estimated tax payments for 2007 in installments beginning April 16, 2007, using Wisconsin Form 1-ES, or
- Increase the amount of income tax withheld from your 2007 pay.

For example, you may have a tax balance due with your return if you have income from which Wisconsin tax is not withheld. If you do not make required installment payments, you may be charged interest.

For more information, contact the department's Customer Service and Education Bureau at (608) 266-2772 or any Department of Revenue office.

If you must file Form 1-ES for 2007 and do not receive the form in the mail, contact any Department of Revenue office or go to our web site at [www.revenue.wi.gov](http://www.revenue.wi.gov) to obtain a personalized copy of Form 1-ES.

### E. Armed Forces Personnel

If you were a Wisconsin resident on the date you entered military service, you are considered a Wisconsin resident during your entire military career unless you take action to change your legal residency.

For more information, get Publication 104, *Wisconsin Taxation of Military Personnel*.

### F. Homestead Credit

The Wisconsin homestead credit program provides direct relief to homeowners and renters. You may qualify if you were:

- At least 18 years old on December 31, 2006.
- A Wisconsin resident for all of 2006.
- Not claimed as a dependent on anyone's 2006 federal tax return (unless you were 62 or older on December 31, 2006).
- Not living in tax-exempt public housing for all of 2006. (**Note** Some exceptions apply to this rule and are explained in the instructions for the homestead credit form.)
- Not living in a nursing home and receiving medical assistance (Title XIX) when you file for homestead credit.
- Had total household income, including wages, interest, social security, and income from certain other sources, below \$24,500 in 2006.

If you (or your spouse if married) claim the veterans and surviving spouses property tax credit, you are not eligible for homestead credit.

For more information about homestead credit, contact our Homestead Unit in Madison at (608) 266-8641 or any department office. See page 4 for information on obtaining Schedule H or H-EZ, which you must complete to apply for the credit. Schedules H and H-EZ are also available at many libraries.

### G. Farmland Preservation Credit

The farmland preservation credit program provides an income tax credit to Wisconsin residents who own at least 35 acres of farmland in Wisconsin. If you claim homestead credit or the veterans and surviving spouses property tax credit, you are not eligible for farmland preservation credit. For more information about farmland preservation credit, contact our Farmland Preservation Unit in Madison at (608) 266-2442 or any department office. See page 4 for information on obtaining Schedule FC, which you must complete to apply for the credit.

### H. Death of a Taxpayer

A return for a taxpayer who died in 2006 should be filed on the same form which would have been used if he or she had lived. Include only the taxpayer's income up to the date of his or her death.

If there is no estate to probate, a surviving heir may file Form 1 for the person who died. If there is an estate, the personal representative for the estate must file the return. The person filing the Form 1 should sign it and indicate his or her relationship

to the person who died (for example, "surviving heir" or "personal representative").

The person who files the return must complete the "Special Conditions" section located to the right of the Filing Status section on page 1 of Form 1. If the return for the decedent is filed as single, head of household, or married filing separate, fill in "06" in the Special Conditions box and indicate the date of death on the line provided. If a joint return is being filed, fill in "06" in the box if it is the husband who is deceased and the date of death. If it is the wife who is deceased, fill in "07" in the box and the date of death. If both spouses are deceased, fill in "08" in the box and both dates of death.

If the taxpayer did not have to file a return but paid estimated tax or had tax withheld, a return must be filed to get a refund.

If you are a surviving heir and are filing a return claiming a refund on behalf of a person who died, complete Form I-804, *Claim for Decedent's Wisconsin Income Tax Refund*. Enclose it with the return. This applies only if the refund is more than \$100. If the refund is \$100 or less, enclose a note with the return. List your name, address, social security number, and your relationship to the person who died, and sign the note. If you are enclosing Form I-804 or a note, fill in "10" in the Special Conditions box.

If your spouse died during 2006 and you did not 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" in the area where you sign the return. If someone else is the personal representative, he or she must also sign.

If you are claiming a refund as a surviving spouse filing a joint return with the deceased and you follow the above instructions, you do not have to file the Form I-804.

If your spouse died before 2006 and you have not remarried, you must file as single or, if qualified, as head of household.

(**Note** Generally, if the decedent died during 2006, a Wisconsin estate tax return (Form W706) must be filed if the gross estate, plus adjusted taxable gifts and specific exemptions, is more than \$675,000. An estate tax return is due nine months after the decedent's death.)

For more information about the final income tax return to be filed for a deceased person or about estate tax returns which may also be required, contact any department office or call (608) 266-2772.

### I. Requesting Copies of Your Returns

The Department of Revenue will provide copies of your returns for prior years. The cost is \$5.00 per return. You must make your request in person or in writing. Call (608) 266-2890 for more information. You can also get a copy of Form P-521, *Request for Copy of Tax Return(s)*, from our Internet web site.

## 2006 STANDARD DEDUCTION TABLE

Most people can find their standard deduction by using this table. **But**, do *not* use this table if any one of the following applies:

- You (or your spouse if filing a joint return) can be claimed as a dependent on another person's (for example, parent's) income tax return. Use the Standard Deduction Worksheet for Dependents on page 17 to figure your standard deduction, or
- You are filing a short period income tax return or are filing federal Form 4563 to claim an exclusion of income from sources within U.S. possessions. You are not allowed any amount of standard deduction. Fill in 0 on line 15.

If your income (line 14 of Form 1) is-		And you are-				If your income (line 14 of Form 1) is-		And you are-				If your income (line 14 of Form 1) is-		And you are-			
At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household	At least	But less than	Single	Married filing jointly	Married filing separately	Head of a household
Your standard deduction is-		Your standard deduction is-				Your standard deduction is-		Your standard deduction is-				Your standard deduction is-		Your standard deduction is-			
<b>0</b>	<b>8,130</b>	8,460	15,240	7,240	10,930	<b>37,500</b>	<b>38,000</b>	5,394	11,160	1,382	5,394	<b>67,500</b>	<b>68,000</b>	1,794	5,226	0	1,794
<b>8,130</b>	<b>8,500</b>	8,460	15,240	7,203	10,930	<b>38,000</b>	<b>38,500</b>	5,334	11,061	1,283	5,334	<b>68,000</b>	<b>68,500</b>	1,734	5,128	0	1,734
<b>8,500</b>	<b>9,000</b>	8,460	15,240	7,117	10,930	<b>38,500</b>	<b>39,000</b>	5,274	10,962	1,184	5,274	<b>68,500</b>	<b>69,000</b>	1,674	5,029	0	1,674
<b>9,000</b>	<b>9,500</b>	8,460	15,240	7,018	10,930	<b>39,000</b>	<b>39,500</b>	5,214	10,863	1,085	5,214	<b>69,000</b>	<b>69,500</b>	1,614	4,930	0	1,614
<b>9,500</b>	<b>10,000</b>	8,460	15,240	6,920	10,930	<b>39,500</b>	<b>40,000</b>	5,154	10,764	986	5,154	<b>69,500</b>	<b>70,000</b>	1,554	4,831	0	1,554
<b>10,000</b>	<b>10,500</b>	8,460	15,240	6,821	10,930	<b>40,000</b>	<b>40,500</b>	5,094	10,665	887	5,094	<b>70,000</b>	<b>70,500</b>	1,494	4,732	0	1,494
<b>10,500</b>	<b>11,000</b>	8,460	15,240	6,722	10,930	<b>40,500</b>	<b>41,000</b>	5,034	10,566	788	5,034	<b>70,500</b>	<b>71,000</b>	1,434	4,633	0	1,434
<b>11,000</b>	<b>11,500</b>	8,460	15,240	6,623	10,930	<b>41,000</b>	<b>41,500</b>	4,974	10,468	690	4,974	<b>71,000</b>	<b>71,500</b>	1,374	4,534	0	1,374
<b>11,500</b>	<b>12,000</b>	8,460	15,240	6,524	10,930	<b>41,500</b>	<b>42,000</b>	4,914	10,369	591	4,914	<b>71,500</b>	<b>72,000</b>	1,314	4,435	0	1,314
<b>12,000</b>	<b>12,500</b>	8,454	15,240	6,425	10,919	<b>42,000</b>	<b>42,500</b>	4,854	10,270	492	4,854	<b>72,000</b>	<b>72,500</b>	1,254	4,336	0	1,254
<b>12,500</b>	<b>13,000</b>	8,394	15,240	6,326	10,806	<b>42,500</b>	<b>43,000</b>	4,794	10,171	393	4,794	<b>72,500</b>	<b>73,000</b>	1,194	4,237	0	1,194
<b>13,000</b>	<b>13,500</b>	8,334	15,240	6,227	10,694	<b>43,000</b>	<b>43,500</b>	4,734	10,072	294	4,734	<b>73,000</b>	<b>73,500</b>	1,134	4,139	0	1,134
<b>13,500</b>	<b>14,000</b>	8,274	15,240	6,128	10,581	<b>43,500</b>	<b>44,000</b>	4,674	9,973	195	4,674	<b>73,500</b>	<b>74,000</b>	1,074	4,040	0	1,074
<b>14,000</b>	<b>14,500</b>	8,214	15,240	6,030	10,468	<b>44,000</b>	<b>44,500</b>	4,614	9,874	96	4,614	<b>74,000</b>	<b>74,500</b>	1,014	3,941	0	1,014
<b>14,500</b>	<b>15,000</b>	8,154	15,240	5,931	10,356	<b>44,500</b>	<b>45,000</b>	4,554	9,775	0	4,554	<b>74,500</b>	<b>75,000</b>	954	3,842	0	954
<b>15,000</b>	<b>15,500</b>	8,094	15,240	5,832	10,243	<b>45,000</b>	<b>45,500</b>	4,494	9,676	0	4,494	<b>75,000</b>	<b>75,500</b>	894	3,743	0	894
<b>15,500</b>	<b>16,000</b>	8,034	15,240	5,733	10,131	<b>45,500</b>	<b>46,000</b>	4,434	9,578	0	4,434	<b>75,500</b>	<b>76,000</b>	834	3,644	0	834
<b>16,000</b>	<b>16,500</b>	7,974	15,240	5,634	10,018	<b>46,000</b>	<b>46,500</b>	4,374	9,479	0	4,374	<b>76,000</b>	<b>76,500</b>	774	3,545	0	774
<b>16,500</b>	<b>17,000</b>	7,914	15,240	5,535	9,906	<b>46,500</b>	<b>47,000</b>	4,314	9,380	0	4,314	<b>76,500</b>	<b>77,000</b>	714	3,446	0	714
<b>17,000</b>	<b>17,500</b>	7,854	15,214	5,436	9,793	<b>47,000</b>	<b>47,500</b>	4,254	9,281	0	4,254	<b>77,000</b>	<b>77,500</b>	654	3,347	0	654
<b>17,500</b>	<b>18,000</b>	7,794	15,115	5,337	9,680	<b>47,500</b>	<b>48,000</b>	4,194	9,182	0	4,194	<b>77,500</b>	<b>78,000</b>	594	3,249	0	594
<b>18,000</b>	<b>18,500</b>	7,734	15,017	5,238	9,568	<b>48,000</b>	<b>48,500</b>	4,134	9,083	0	4,134	<b>78,000</b>	<b>78,500</b>	534	3,150	0	534
<b>18,500</b>	<b>19,000</b>	7,674	14,918	5,140	9,455	<b>48,500</b>	<b>49,000</b>	4,074	8,984	0	4,074	<b>78,500</b>	<b>79,000</b>	474	3,051	0	474
<b>19,000</b>	<b>19,500</b>	7,614	14,819	5,041	9,343	<b>49,000</b>	<b>49,500</b>	4,014	8,885	0	4,014	<b>79,000</b>	<b>79,500</b>	414	2,952	0	414
<b>19,500</b>	<b>20,000</b>	7,554	14,720	4,942	9,230	<b>49,500</b>	<b>50,000</b>	3,954	8,786	0	3,954	<b>79,500</b>	<b>80,000</b>	354	2,853	0	354
<b>20,000</b>	<b>20,500</b>	7,494	14,621	4,843	9,118	<b>50,000</b>	<b>50,500</b>	3,894	8,688	0	3,894	<b>80,000</b>	<b>80,500</b>	294	2,754	0	294
<b>20,500</b>	<b>21,000</b>	7,434	14,522	4,744	9,005	<b>50,500</b>	<b>51,000</b>	3,834	8,589	0	3,834	<b>80,500</b>	<b>81,000</b>	234	2,655	0	234
<b>21,000</b>	<b>21,500</b>	7,374	14,423	4,645	8,892	<b>51,000</b>	<b>51,500</b>	3,774	8,490	0	3,774	<b>81,000</b>	<b>81,500</b>	174	2,556	0	174
<b>21,500</b>	<b>22,000</b>	7,314	14,324	4,546	8,780	<b>51,500</b>	<b>52,000</b>	3,714	8,391	0	3,714	<b>81,500</b>	<b>82,000</b>	114	2,457	0	114
<b>22,000</b>	<b>22,500</b>	7,254	14,225	4,447	8,667	<b>52,000</b>	<b>52,500</b>	3,654	8,292	0	3,654	<b>82,000</b>	<b>82,500</b>	54	2,359	0	54
<b>22,500</b>	<b>23,000</b>	7,194	14,126	4,348	8,555	<b>52,500</b>	<b>53,000</b>	3,594	8,193	0	3,594	<b>82,500</b>	<b>83,000</b>	0	2,260	0	0
<b>23,000</b>	<b>23,500</b>	7,134	14,028	4,250	8,442	<b>53,000</b>	<b>53,500</b>	3,534	8,094	0	3,534	<b>83,000</b>	<b>83,500</b>	0	2,161	0	0
<b>23,500</b>	<b>24,000</b>	7,074	13,929	4,151	8,330	<b>53,500</b>	<b>54,000</b>	3,474	7,995	0	3,474	<b>83,500</b>	<b>84,000</b>	0	2,062	0	0
<b>24,000</b>	<b>24,500</b>	7,014	13,830	4,052	8,217	<b>54,000</b>	<b>54,500</b>	3,414	7,896	0	3,414	<b>84,000</b>	<b>84,500</b>	0	1,963	0	0
<b>24,500</b>	<b>25,000</b>	6,954	13,731	3,953	8,104	<b>54,500</b>	<b>55,000</b>	3,354	7,798	0	3,354	<b>84,500</b>	<b>85,000</b>	0	1,864	0	0
<b>25,000</b>	<b>25,500</b>	6,894	13,632	3,854	7,992	<b>55,000</b>	<b>55,500</b>	3,294	7,699	0	3,294	<b>85,000</b>	<b>85,500</b>	0	1,765	0	0
<b>25,500</b>	<b>26,000</b>	6,834	13,533	3,755	7,879	<b>55,500</b>	<b>56,000</b>	3,234	7,600	0	3,234	<b>85,500</b>	<b>86,000</b>	0	1,666	0	0
<b>26,000</b>	<b>26,500</b>	6,774	13,434	3,656	7,767	<b>56,000</b>	<b>56,500</b>	3,174	7,501	0	3,174	<b>86,000</b>	<b>86,500</b>	0	1,567	0	0
<b>26,500</b>	<b>27,000</b>	6,714	13,335	3,557	7,654	<b>56,500</b>	<b>57,000</b>	3,114	7,402	0	3,114	<b>86,500</b>	<b>87,000</b>	0	1,469	0	0
<b>27,000</b>	<b>27,500</b>	6,654	13,236	3,458	7,541	<b>57,000</b>	<b>57,500</b>	3,054	7,303	0	3,054	<b>87,000</b>	<b>87,500</b>	0	1,370	0	0
<b>27,500</b>	<b>28,000</b>	6,594	13,138	3,360	7,429	<b>57,500</b>	<b>58,000</b>	2,994	7,204	0	2,994	<b>87,500</b>	<b>88,000</b>	0	1,271	0	0
<b>28,000</b>	<b>28,500</b>	6,534	13,039	3,261	7,316	<b>58,000</b>	<b>58,500</b>	2,934	7,105	0	2,934	<b>88,000</b>	<b>88,500</b>	0	1,172	0	0
<b>28,500</b>	<b>29,000</b>	6,474	12,940	3,162	7,204	<b>58,500</b>	<b>59,000</b>	2,874	7,006	0	2,874	<b>88,500</b>	<b>89,000</b>	0	1,073	0	0
<b>29,000</b>	<b>29,500</b>	6,414	12,841	3,063	7,091	<b>59,000</b>	<b>59,500</b>	2,814	6,908	0	2,814	<b>89,000</b>	<b>89,500</b>	0	974	0	0
<b>29,500</b>	<b>30,000</b>	6,354	12,742	2,964	6,979	<b>59,500</b>	<b>60,000</b>	2,754	6,809	0	2,754	<b>89,500</b>	<b>90,000</b>	0	875	0	0
<b>30,000</b>	<b>30,500</b>	6,294	12,643	2,865	6,866	<b>60,000</b>	<b>60,500</b>	2,694	6,710	0	2,694	<b>90,000</b>	<b>90,500</b>	0	776	0	0
<b>30,500</b>	<b>31,000</b>	6,234	12,544	2,766	6,753	<b>60,500</b>	<b>61,000</b>	2,634	6,611	0	2,634	<b>90,500</b>	<b>91,000</b>	0	677	0	0
<b>31,000</b>	<b>31,500</b>	6,174	12,445	2,667	6,641	<b>61,000</b>	<b>61,500</b>	2,574	6,512	0	2,574	<b>91,000</b>	<b>91,500</b>	0	579	0	0
<b>31,500</b>	<b>32,000</b>	6,114	12,346	2,568	6,528	<b>61,500</b>	<b>62,000</b>	2,514	6,413	0	2,514	<b>91,500</b>	<b>92,000</b>	0	480	0	0
<b>32,000</b>	<b>32,500</b>	6,054	12,248	2,470	6,416	<b>62,000</b>	<b>62,500</b>	2,454	6,314	0	2,454	<b>92,000</b>	<b>92,500</b>	0	381	0	0
<b>32,500</b>	<b>33,000</b>	5,994	12,149	2,371	6,303	<b>62,500</b>	<b>63,000</b>	2,394	6,215	0	2,394	<b>92,500</b>	<b>93,000</b>	0	282	0	0
<b>33,000</b>	<b>33,500</b>	5,934	12,050	2,272	6,191	<b>63,000</b>	<b>63,500</b>	2,334	6,116	0	2,334	<b>93,000</b>	<b>93,500</b>	0	183	0	0

# 2006 TAX TABLE FOR FORM 1 FILERS

**Use this Tax Table if your taxable income is less than \$100,000. If \$100,000 or more, use the Tax Computation Worksheet on page 37.**

**Example** Mr. and Mrs. Smith are filing a joint return. Their taxable income on line 18 of Form 1 is \$28,653. First they find the \$28,000 heading in the table. Then they find the \$28,600 – 28,700 income line. Next, they find the column for married filing jointly and read down the column. The amount shown where the income line and the filing status column meet is \$1,587. This is the tax amount they must write on line 19 of their return.



At least	But less than	Your tax is –		
		Single or Head of a household	Married filing jointly	Married filing separately
<b>28,500</b>	<b>28,600</b>	1,650	1,581	1,718
<b>28,600</b>	<b>28,700</b>	1,656	<u>1,587</u>	1,725
<b>28,700</b>	<b>28,800</b>	1,663	1,594	1,731
<b>28,800</b>	<b>28,900</b>	1,669	1,600	1,738
<b>28,900</b>	<b>29,000</b>	1,676	1,607	1,744

If line 18 (Taxable income) is –		And you are –			If line 18 (Taxable income) is –		And you are –			If line 18 (Taxable income) is –		And you are –		
At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately	At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately	At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately
					<b>3,000</b>						<b>7,000</b>			
					<b>3,000</b>	<b>3,100</b>	140	140	140	<b>7,000</b>	<b>7,100</b>	324	324	339
					<b>3,100</b>	<b>3,200</b>	145	145	145	<b>7,100</b>	<b>7,200</b>	329	329	345
					<b>3,200</b>	<b>3,300</b>	150	150	150	<b>7,200</b>	<b>7,300</b>	334	334	351
					<b>3,300</b>	<b>3,400</b>	154	154	154	<b>7,300</b>	<b>7,400</b>	338	338	357
					<b>3,400</b>	<b>3,500</b>	159	159	159	<b>7,400</b>	<b>7,500</b>	343	343	363
					<b>3,500</b>	<b>3,600</b>	163	163	163	<b>7,500</b>	<b>7,600</b>	347	347	370
					<b>3,600</b>	<b>3,700</b>	168	168	168	<b>7,600</b>	<b>7,700</b>	352	352	376
					<b>3,700</b>	<b>3,800</b>	173	173	173	<b>7,700</b>	<b>7,800</b>	357	357	382
					<b>3,800</b>	<b>3,900</b>	177	177	177	<b>7,800</b>	<b>7,900</b>	361	361	388
					<b>3,900</b>	<b>4,000</b>	182	182	182	<b>7,900</b>	<b>8,000</b>	366	366	394
					<b>4,000</b>						<b>8,000</b>			
					<b>4,000</b>	<b>4,100</b>	186	186	186	<b>8,000</b>	<b>8,100</b>	370	370	400
					<b>4,100</b>	<b>4,200</b>	191	191	191	<b>8,100</b>	<b>8,200</b>	375	375	407
					<b>4,200</b>	<b>4,300</b>	196	196	196	<b>8,200</b>	<b>8,300</b>	380	380	413
					<b>4,300</b>	<b>4,400</b>	200	200	200	<b>8,300</b>	<b>8,400</b>	384	384	419
					<b>4,400</b>	<b>4,500</b>	205	205	205	<b>8,400</b>	<b>8,500</b>	389	389	425
					<b>4,500</b>	<b>4,600</b>	209	209	209	<b>8,500</b>	<b>8,600</b>	393	393	431
					<b>4,600</b>	<b>4,700</b>	214	214	214	<b>8,600</b>	<b>8,700</b>	398	398	437
					<b>4,700</b>	<b>4,800</b>	219	219	219	<b>8,700</b>	<b>8,800</b>	403	403	443
					<b>4,800</b>	<b>4,900</b>	223	223	223	<b>8,800</b>	<b>8,900</b>	407	407	450
					<b>4,900</b>	<b>5,000</b>	228	228	228	<b>8,900</b>	<b>9,000</b>	412	412	456
<b>1,000</b>					<b>5,000</b>						<b>9,000</b>			
<b>1,000</b>	<b>1,100</b>	48	48	48	<b>5,000</b>	<b>5,100</b>	232	232	232	<b>9,000</b>	<b>9,100</b>	416	416	462
<b>1,100</b>	<b>1,200</b>	53	53	53	<b>5,100</b>	<b>5,200</b>	237	237	237	<b>9,100</b>	<b>9,200</b>	421	421	468
<b>1,200</b>	<b>1,300</b>	58	58	58	<b>5,200</b>	<b>5,300</b>	242	242	242	<b>9,200</b>	<b>9,300</b>	427	426	474
<b>1,300</b>	<b>1,400</b>	62	62	62	<b>5,300</b>	<b>5,400</b>	246	246	246	<b>9,300</b>	<b>9,400</b>	433	430	480
<b>1,400</b>	<b>1,500</b>	67	67	67	<b>5,400</b>	<b>5,500</b>	251	251	251	<b>9,400</b>	<b>9,500</b>	439	435	486
					<b>5,500</b>	<b>5,600</b>	255	255	255	<b>9,500</b>	<b>9,600</b>	445	439	493
					<b>5,600</b>	<b>5,700</b>	260	260	260	<b>9,600</b>	<b>9,700</b>	451	444	499
					<b>5,700</b>	<b>5,800</b>	265	265	265	<b>9,700</b>	<b>9,800</b>	458	449	505
					<b>5,800</b>	<b>5,900</b>	269	269	269	<b>9,800</b>	<b>9,900</b>	464	453	511
					<b>5,900</b>	<b>6,000</b>	274	274	274	<b>9,900</b>	<b>10,000</b>	470	458	517
<b>2,000</b>					<b>6,000</b>						<b>10,000</b>			
<b>2,000</b>	<b>2,100</b>	94	94	94	<b>6,000</b>	<b>6,100</b>	278	278	278	<b>10,000</b>	<b>10,100</b>	476	462	523
<b>2,100</b>	<b>2,200</b>	99	99	99	<b>6,100</b>	<b>6,200</b>	283	283	284	<b>10,100</b>	<b>10,200</b>	482	467	530
<b>2,200</b>	<b>2,300</b>	104	104	104	<b>6,200</b>	<b>6,300</b>	288	288	290	<b>10,200</b>	<b>10,300</b>	488	472	536
<b>2,300</b>	<b>2,400</b>	108	108	108	<b>6,300</b>	<b>6,400</b>	292	292	296	<b>10,300</b>	<b>10,400</b>	495	476	542
<b>2,400</b>	<b>2,500</b>	113	113	113	<b>6,400</b>	<b>6,500</b>	297	297	302	<b>10,400</b>	<b>10,500</b>	501	481	548
					<b>6,500</b>	<b>6,600</b>	301	301	308	<b>10,500</b>	<b>10,600</b>	507	485	554
					<b>6,600</b>	<b>6,700</b>	306	306	314	<b>10,600</b>	<b>10,700</b>	513	490	560
					<b>6,700</b>	<b>6,800</b>	311	311	320	<b>10,700</b>	<b>10,800</b>	519	495	566
					<b>6,800</b>	<b>6,900</b>	315	315	327	<b>10,800</b>	<b>10,900</b>	525	499	573
					<b>6,900</b>	<b>7,000</b>	320	320	333	<b>10,900</b>	<b>11,000</b>	531	504	579

If line 18 (Taxable income) is –		And you are –			If line 18 (Taxable income) is –		And you are –			If line 18 (Taxable income) is –		And you are –		
At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately	At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately	At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately
Your tax is –		Your tax is –			Your tax is –		Your tax is –			Your tax is –		Your tax is –		
<b>11,000</b>					<b>17,000</b>					<b>23,000</b>				
11,000	11,100	538	508	585	17,000	17,100	907	859	971	23,000	23,100	1,292	1,228	1,361
11,100	11,200	544	513	591	17,100	17,200	913	865	977	23,100	23,200	1,299	1,234	1,367
11,200	11,300	550	518	597	17,200	17,300	919	872	984	23,200	23,300	1,305	1,241	1,374
11,300	11,400	556	522	603	17,300	17,400	925	878	990	23,300	23,400	1,312	1,247	1,380
11,400	11,500	562	527	609	17,400	17,500	931	884	997	23,400	23,500	1,318	1,253	1,387
11,500	11,600	568	531	616	17,500	17,600	937	890	1,003	23,500	23,600	1,325	1,259	1,393
11,600	11,700	574	536	622	17,600	17,700	943	896	1,010	23,600	23,700	1,331	1,265	1,400
11,700	11,800	581	541	628	17,700	17,800	950	902	1,016	23,700	23,800	1,338	1,271	1,406
11,800	11,900	587	545	634	17,800	17,900	956	909	1,023	23,800	23,900	1,344	1,278	1,413
11,900	12,000	593	550	640	17,900	18,000	962	915	1,029	23,900	24,000	1,351	1,284	1,419
<b>12,000</b>					<b>18,000</b>					<b>24,000</b>				
12,000	12,100	599	554	646	18,000	18,100	968	921	1,036	24,000	24,100	1,357	1,290	1,426
12,100	12,200	605	559	653	18,100	18,200	974	927	1,042	24,100	24,200	1,364	1,296	1,432
12,200	12,300	611	564	659	18,200	18,300	980	933	1,049	24,200	24,300	1,370	1,302	1,439
12,300	12,400	618	570	665	18,300	18,400	987	939	1,055	24,300	24,400	1,377	1,308	1,445
12,400	12,500	624	576	672	18,400	18,500	993	945	1,062	24,400	24,500	1,383	1,314	1,452
12,500	12,600	630	583	678	18,500	18,600	1,000	952	1,068	24,500	24,600	1,390	1,321	1,458
12,600	12,700	636	589	685	18,600	18,700	1,006	958	1,075	24,600	24,700	1,396	1,327	1,465
12,700	12,800	642	595	691	18,700	18,800	1,013	964	1,081	24,700	24,800	1,403	1,334	1,471
12,800	12,900	648	601	698	18,800	18,900	1,019	970	1,088	24,800	24,900	1,409	1,340	1,478
12,900	13,000	654	607	704	18,900	19,000	1,026	976	1,094	24,900	25,000	1,416	1,347	1,484
<b>13,000</b>					<b>19,000</b>					<b>25,000</b>				
13,000	13,100	661	613	711	19,000	19,100	1,032	982	1,101	25,000	25,100	1,422	1,353	1,491
13,100	13,200	667	619	717	19,100	19,200	1,039	988	1,107	25,100	25,200	1,429	1,360	1,497
13,200	13,300	673	626	724	19,200	19,300	1,045	995	1,114	25,200	25,300	1,435	1,366	1,504
13,300	13,400	679	632	730	19,300	19,400	1,052	1,001	1,120	25,300	25,400	1,442	1,373	1,510
13,400	13,500	685	638	737	19,400	19,500	1,058	1,007	1,127	25,400	25,500	1,448	1,379	1,517
13,500	13,600	691	644	743	19,500	19,600	1,065	1,013	1,133	25,500	25,600	1,455	1,386	1,523
13,600	13,700	697	650	750	19,600	19,700	1,071	1,019	1,140	25,600	25,700	1,461	1,392	1,530
13,700	13,800	704	656	756	19,700	19,800	1,078	1,025	1,146	25,700	25,800	1,468	1,399	1,536
13,800	13,900	710	663	763	19,800	19,900	1,084	1,032	1,153	25,800	25,900	1,474	1,405	1,543
13,900	14,000	716	669	769	19,900	20,000	1,091	1,038	1,159	25,900	26,000	1,481	1,412	1,549
<b>14,000</b>					<b>20,000</b>					<b>26,000</b>				
14,000	14,100	722	675	776	20,000	20,100	1,097	1,044	1,166	26,000	26,100	1,487	1,418	1,556
14,100	14,200	728	681	782	20,100	20,200	1,104	1,050	1,172	26,100	26,200	1,494	1,425	1,562
14,200	14,300	734	687	789	20,200	20,300	1,110	1,056	1,179	26,200	26,300	1,500	1,431	1,569
14,300	14,400	741	693	795	20,300	20,400	1,117	1,062	1,185	26,300	26,400	1,507	1,438	1,575
14,400	14,500	747	699	802	20,400	20,500	1,123	1,068	1,192	26,400	26,500	1,513	1,444	1,582
14,500	14,600	753	706	808	20,500	20,600	1,130	1,075	1,198	26,500	26,600	1,520	1,451	1,588
14,600	14,700	759	712	815	20,600	20,700	1,136	1,081	1,205	26,600	26,700	1,526	1,457	1,595
14,700	14,800	765	718	821	20,700	20,800	1,143	1,087	1,211	26,700	26,800	1,533	1,464	1,601
14,800	14,900	771	724	828	20,800	20,900	1,149	1,093	1,218	26,800	26,900	1,539	1,470	1,608
14,900	15,000	777	730	834	20,900	21,000	1,156	1,099	1,224	26,900	27,000	1,546	1,477	1,614
<b>15,000</b>					<b>21,000</b>					<b>27,000</b>				
15,000	15,100	784	736	841	21,000	21,100	1,162	1,105	1,231	27,000	27,100	1,552	1,483	1,621
15,100	15,200	790	742	847	21,100	21,200	1,169	1,111	1,237	27,100	27,200	1,559	1,490	1,627
15,200	15,300	796	749	854	21,200	21,300	1,175	1,118	1,244	27,200	27,300	1,565	1,496	1,634
15,300	15,400	802	755	860	21,300	21,400	1,182	1,124	1,250	27,300	27,400	1,572	1,503	1,640
15,400	15,500	808	761	867	21,400	21,500	1,188	1,130	1,257	27,400	27,500	1,578	1,509	1,647
15,500	15,600	814	767	873	21,500	21,600	1,195	1,136	1,263	27,500	27,600	1,585	1,516	1,653
15,600	15,700	820	773	880	21,600	21,700	1,201	1,142	1,270	27,600	27,700	1,591	1,522	1,660
15,700	15,800	827	779	886	21,700	21,800	1,208	1,148	1,276	27,700	27,800	1,598	1,529	1,666
15,800	15,900	833	786	893	21,800	21,900	1,214	1,155	1,283	27,800	27,900	1,604	1,535	1,673
15,900	16,000	839	792	899	21,900	22,000	1,221	1,161	1,289	27,900	28,000	1,611	1,542	1,679
<b>16,000</b>					<b>22,000</b>					<b>28,000</b>				
16,000	16,100	845	798	906	22,000	22,100	1,227	1,167	1,296	28,000	28,100	1,617	1,548	1,686
16,100	16,200	851	804	912	22,100	22,200	1,234	1,173	1,302	28,100	28,200	1,624	1,555	1,692
16,200	16,300	857	810	919	22,200	22,300	1,240	1,179	1,309	28,200	28,300	1,630	1,561	1,699
16,300	16,400	864	816	925	22,300	22,400	1,247	1,185	1,315	28,300	28,400	1,637	1,568	1,705
16,400	16,500	870	822	932	22,400	22,500	1,253	1,191	1,322	28,400	28,500	1,643	1,574	1,712
16,500	16,600	876	829	938	22,500	22,600	1,260	1,198	1,328	28,500	28,600	1,650	1,581	1,718
16,600	16,700	882	835	945	22,600	22,700	1,266	1,204	1,335	28,600	28,700	1,656	1,587	1,725
16,700	16,800	888	841	951	22,700	22,800	1,273	1,210	1,341	28,700	28,800	1,663	1,594	1,731
16,800	16,900	894	847	958	22,800	22,900	1,279	1,216	1,348	28,800	28,900	1,669	1,600	1,738
16,900	17,000	900	853	964	22,900	23,000	1,286	1,222	1,354	28,900	29,000	1,676	1,607	1,744

If line 18 (Taxable income) is –		And you are –			If line 18 (Taxable income) is –		And you are –			If line 18 (Taxable income) is –		And you are –		
At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately	At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately	At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately
		Your tax is –					Your tax is –					Your tax is –		
<b>29,000</b>					<b>35,000</b>					<b>41,000</b>				
29,000	29,100	1,682	1,613	1,751	35,000	35,100	2,072	2,003	2,141	41,000	41,100	2,462	2,393	2,531
29,100	29,200	1,689	1,620	1,757	35,100	35,200	2,079	2,010	2,147	41,100	41,200	2,469	2,400	2,537
29,200	29,300	1,695	1,626	1,764	35,200	35,300	2,085	2,016	2,154	41,200	41,300	2,475	2,406	2,544
29,300	29,400	1,702	1,633	1,770	35,300	35,400	2,092	2,023	2,160	41,300	41,400	2,482	2,413	2,550
29,400	29,500	1,708	1,639	1,777	35,400	35,500	2,098	2,029	2,167	41,400	41,500	2,488	2,419	2,557
29,500	29,600	1,715	1,646	1,783	35,500	35,600	2,105	2,036	2,173	41,500	41,600	2,495	2,426	2,563
29,600	29,700	1,721	1,652	1,790	35,600	35,700	2,111	2,042	2,180	41,600	41,700	2,501	2,432	2,570
29,700	29,800	1,728	1,659	1,796	35,700	35,800	2,118	2,049	2,186	41,700	41,800	2,508	2,439	2,576
29,800	29,900	1,734	1,665	1,803	35,800	35,900	2,124	2,055	2,193	41,800	41,900	2,514	2,445	2,583
29,900	30,000	1,741	1,672	1,809	35,900	36,000	2,131	2,062	2,199	41,900	42,000	2,521	2,452	2,589
<b>30,000</b>					<b>36,000</b>					<b>42,000</b>				
30,000	30,100	1,747	1,678	1,816	36,000	36,100	2,137	2,068	2,206	42,000	42,100	2,527	2,458	2,596
30,100	30,200	1,754	1,685	1,822	36,100	36,200	2,144	2,075	2,212	42,100	42,200	2,534	2,465	2,602
30,200	30,300	1,760	1,691	1,829	36,200	36,300	2,150	2,081	2,219	42,200	42,300	2,540	2,471	2,609
30,300	30,400	1,767	1,698	1,835	36,300	36,400	2,157	2,088	2,225	42,300	42,400	2,547	2,478	2,615
30,400	30,500	1,773	1,704	1,842	36,400	36,500	2,163	2,094	2,232	42,400	42,500	2,553	2,484	2,622
30,500	30,600	1,780	1,711	1,848	36,500	36,600	2,170	2,101	2,238	42,500	42,600	2,560	2,491	2,628
30,600	30,700	1,786	1,717	1,855	36,600	36,700	2,176	2,107	2,245	42,600	42,700	2,566	2,497	2,635
30,700	30,800	1,793	1,724	1,861	36,700	36,800	2,183	2,114	2,251	42,700	42,800	2,573	2,504	2,641
30,800	30,900	1,799	1,730	1,868	36,800	36,900	2,189	2,120	2,258	42,800	42,900	2,579	2,510	2,648
30,900	31,000	1,806	1,737	1,874	36,900	37,000	2,196	2,127	2,264	42,900	43,000	2,586	2,517	2,654
<b>31,000</b>					<b>37,000</b>					<b>43,000</b>				
31,000	31,100	1,812	1,743	1,881	37,000	37,100	2,202	2,133	2,271	43,000	43,100	2,592	2,523	2,661
31,100	31,200	1,819	1,750	1,887	37,100	37,200	2,209	2,140	2,277	43,100	43,200	2,599	2,530	2,667
31,200	31,300	1,825	1,756	1,894	37,200	37,300	2,215	2,146	2,284	43,200	43,300	2,605	2,536	2,674
31,300	31,400	1,832	1,763	1,900	37,300	37,400	2,222	2,153	2,290	43,300	43,400	2,612	2,543	2,680
31,400	31,500	1,838	1,769	1,907	37,400	37,500	2,228	2,159	2,297	43,400	43,500	2,618	2,549	2,687
31,500	31,600	1,845	1,776	1,913	37,500	37,600	2,235	2,166	2,303	43,500	43,600	2,625	2,556	2,693
31,600	31,700	1,851	1,782	1,920	37,600	37,700	2,241	2,172	2,310	43,600	43,700	2,631	2,562	2,700
31,700	31,800	1,858	1,789	1,926	37,700	37,800	2,248	2,179	2,316	43,700	43,800	2,638	2,569	2,706
31,800	31,900	1,864	1,795	1,933	37,800	37,900	2,254	2,185	2,323	43,800	43,900	2,644	2,575	2,713
31,900	32,000	1,871	1,802	1,939	37,900	38,000	2,261	2,192	2,329	43,900	44,000	2,651	2,582	2,719
<b>32,000</b>					<b>38,000</b>					<b>44,000</b>				
32,000	32,100	1,877	1,808	1,946	38,000	38,100	2,267	2,198	2,336	44,000	44,100	2,657	2,588	2,726
32,100	32,200	1,884	1,815	1,952	38,100	38,200	2,274	2,205	2,342	44,100	44,200	2,664	2,595	2,732
32,200	32,300	1,890	1,821	1,959	38,200	38,300	2,280	2,211	2,349	44,200	44,300	2,670	2,601	2,739
32,300	32,400	1,897	1,828	1,965	38,300	38,400	2,287	2,218	2,355	44,300	44,400	2,677	2,608	2,745
32,400	32,500	1,903	1,834	1,972	38,400	38,500	2,293	2,224	2,362	44,400	44,500	2,683	2,614	2,752
32,500	32,600	1,910	1,841	1,978	38,500	38,600	2,300	2,231	2,368	44,500	44,600	2,690	2,621	2,758
32,600	32,700	1,916	1,847	1,985	38,600	38,700	2,306	2,237	2,375	44,600	44,700	2,696	2,627	2,765
32,700	32,800	1,923	1,854	1,991	38,700	38,800	2,313	2,244	2,381	44,700	44,800	2,703	2,634	2,771
32,800	32,900	1,929	1,860	1,998	38,800	38,900	2,319	2,250	2,388	44,800	44,900	2,709	2,640	2,778
32,900	33,000	1,936	1,867	2,004	38,900	39,000	2,326	2,257	2,394	44,900	45,000	2,716	2,647	2,784
<b>33,000</b>					<b>39,000</b>					<b>45,000</b>				
33,000	33,100	1,942	1,873	2,011	39,000	39,100	2,332	2,263	2,401	45,000	45,100	2,722	2,653	2,791
33,100	33,200	1,949	1,880	2,017	39,100	39,200	2,339	2,270	2,407	45,100	45,200	2,729	2,660	2,797
33,200	33,300	1,955	1,886	2,024	39,200	39,300	2,345	2,276	2,414	45,200	45,300	2,735	2,666	2,804
33,300	33,400	1,962	1,893	2,030	39,300	39,400	2,352	2,283	2,420	45,300	45,400	2,742	2,673	2,810
33,400	33,500	1,968	1,899	2,037	39,400	39,500	2,358	2,289	2,427	45,400	45,500	2,748	2,679	2,817
33,500	33,600	1,975	1,906	2,043	39,500	39,600	2,365	2,296	2,433	45,500	45,600	2,755	2,686	2,823
33,600	33,700	1,981	1,912	2,050	39,600	39,700	2,371	2,302	2,440	45,600	45,700	2,761	2,692	2,830
33,700	33,800	1,988	1,919	2,056	39,700	39,800	2,378	2,309	2,446	45,700	45,800	2,768	2,699	2,836
33,800	33,900	1,994	1,925	2,063	39,800	39,900	2,384	2,315	2,453	45,800	45,900	2,774	2,705	2,843
33,900	34,000	2,001	1,932	2,069	39,900	40,000	2,391	2,322	2,459	45,900	46,000	2,781	2,712	2,849
<b>34,000</b>					<b>40,000</b>					<b>46,000</b>				
34,000	34,100	2,007	1,938	2,076	40,000	40,100	2,397	2,328	2,466	46,000	46,100	2,787	2,718	2,856
34,100	34,200	2,014	1,945	2,082	40,100	40,200	2,404	2,335	2,472	46,100	46,200	2,794	2,725	2,862
34,200	34,300	2,020	1,951	2,089	40,200	40,300	2,410	2,341	2,479	46,200	46,300	2,800	2,731	2,869
34,300	34,400	2,027	1,958	2,095	40,300	40,400	2,417	2,348	2,485	46,300	46,400	2,807	2,738	2,875
34,400	34,500	2,033	1,964	2,102	40,400	40,500	2,423	2,354	2,492	46,400	46,500	2,813	2,744	2,882
34,500	34,600	2,040	1,971	2,108	40,500	40,600	2,430	2,361	2,498	46,500	46,600	2,820	2,751	2,888
34,600	34,700	2,046	1,977	2,115	40,600	40,700	2,436	2,367	2,505	46,600	46,700	2,826	2,757	2,895
34,700	34,800	2,053	1,984	2,121	40,700	40,800	2,443	2,374	2,511	46,700	46,800	2,833	2,764	2,901
34,800	34,900	2,059	1,990	2,128	40,800	40,900	2,449	2,380	2,518	46,800	46,900	2,839	2,770	2,908
34,900	35,000	2,066	1,997	2,134	40,900	41,000	2,456	2,387	2,524	46,900	47,000	2,846	2,777	2,914

If line 18 (Taxable income) is –		And you are –			If line 18 (Taxable income) is –		And you are –			If line 18 (Taxable income) is –		And you are –		
At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately	At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately	At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately
		Your tax is –					Your tax is –					Your tax is –		
<b>47,000</b>					<b>53,000</b>					<b>59,000</b>				
47,000	47,100	2,852	2,783	2,921	53,000	53,100	3,242	3,173	3,311	59,000	59,100	3,632	3,563	3,701
47,100	47,200	2,859	2,790	2,927	53,100	53,200	3,249	3,180	3,317	59,100	59,200	3,639	3,570	3,707
47,200	47,300	2,865	2,796	2,934	53,200	53,300	3,255	3,186	3,324	59,200	59,300	3,645	3,576	3,714
47,300	47,400	2,872	2,803	2,940	53,300	53,400	3,262	3,193	3,330	59,300	59,400	3,652	3,583	3,720
47,400	47,500	2,878	2,809	2,947	53,400	53,500	3,268	3,199	3,337	59,400	59,500	3,658	3,589	3,727
47,500	47,600	2,885	2,816	2,953	53,500	53,600	3,275	3,206	3,343	59,500	59,600	3,665	3,596	3,733
47,600	47,700	2,891	2,822	2,960	53,600	53,700	3,281	3,212	3,350	59,600	59,700	3,671	3,602	3,740
47,700	47,800	2,898	2,829	2,966	53,700	53,800	3,288	3,219	3,356	59,700	59,800	3,678	3,609	3,746
47,800	47,900	2,904	2,835	2,973	53,800	53,900	3,294	3,225	3,363	59,800	59,900	3,684	3,615	3,753
47,900	48,000	2,911	2,842	2,979	53,900	54,000	3,301	3,232	3,369	59,900	60,000	3,691	3,622	3,759
<b>48,000</b>					<b>54,000</b>					<b>60,000</b>				
48,000	48,100	2,917	2,848	2,986	54,000	54,100	3,307	3,238	3,376	60,000	60,100	3,697	3,628	3,766
48,100	48,200	2,924	2,855	2,992	54,100	54,200	3,314	3,245	3,382	60,100	60,200	3,704	3,635	3,772
48,200	48,300	2,930	2,861	2,999	54,200	54,300	3,320	3,251	3,389	60,200	60,300	3,710	3,641	3,779
48,300	48,400	2,937	2,868	3,005	54,300	54,400	3,327	3,258	3,395	60,300	60,400	3,717	3,648	3,785
48,400	48,500	2,943	2,874	3,012	54,400	54,500	3,333	3,264	3,402	60,400	60,500	3,723	3,654	3,792
48,500	48,600	2,950	2,881	3,018	54,500	54,600	3,340	3,271	3,408	60,500	60,600	3,730	3,661	3,798
48,600	48,700	2,956	2,887	3,025	54,600	54,700	3,346	3,277	3,415	60,600	60,700	3,736	3,667	3,805
48,700	48,800	2,963	2,894	3,031	54,700	54,800	3,353	3,284	3,421	60,700	60,800	3,743	3,674	3,811
48,800	48,900	2,969	2,900	3,038	54,800	54,900	3,359	3,290	3,428	60,800	60,900	3,749	3,680	3,818
48,900	49,000	2,976	2,907	3,044	54,900	55,000	3,366	3,297	3,434	60,900	61,000	3,756	3,687	3,824
<b>49,000</b>					<b>55,000</b>					<b>61,000</b>				
49,000	49,100	2,982	2,913	3,051	55,000	55,100	3,372	3,303	3,441	61,000	61,100	3,762	3,693	3,831
49,100	49,200	2,989	2,920	3,057	55,100	55,200	3,379	3,310	3,447	61,100	61,200	3,769	3,700	3,837
49,200	49,300	2,995	2,926	3,064	55,200	55,300	3,385	3,316	3,454	61,200	61,300	3,775	3,706	3,844
49,300	49,400	3,002	2,933	3,070	55,300	55,400	3,392	3,323	3,460	61,300	61,400	3,782	3,713	3,850
49,400	49,500	3,008	2,939	3,077	55,400	55,500	3,398	3,329	3,467	61,400	61,500	3,788	3,719	3,857
49,500	49,600	3,015	2,946	3,083	55,500	55,600	3,405	3,336	3,473	61,500	61,600	3,795	3,726	3,863
49,600	49,700	3,021	2,952	3,090	55,600	55,700	3,411	3,342	3,480	61,600	61,700	3,801	3,732	3,870
49,700	49,800	3,028	2,959	3,096	55,700	55,800	3,418	3,349	3,486	61,700	61,800	3,808	3,739	3,876
49,800	49,900	3,034	2,965	3,103	55,800	55,900	3,424	3,355	3,493	61,800	61,900	3,814	3,745	3,883
49,900	50,000	3,041	2,972	3,109	55,900	56,000	3,431	3,362	3,499	61,900	62,000	3,821	3,752	3,889
<b>50,000</b>					<b>56,000</b>					<b>62,000</b>				
50,000	50,100	3,047	2,978	3,116	56,000	56,100	3,437	3,368	3,506	62,000	62,100	3,827	3,758	3,896
50,100	50,200	3,054	2,985	3,122	56,100	56,200	3,444	3,375	3,512	62,100	62,200	3,834	3,765	3,902
50,200	50,300	3,060	2,991	3,129	56,200	56,300	3,450	3,381	3,519	62,200	62,300	3,840	3,771	3,909
50,300	50,400	3,067	2,998	3,135	56,300	56,400	3,457	3,388	3,525	62,300	62,400	3,847	3,778	3,915
50,400	50,500	3,073	3,004	3,142	56,400	56,500	3,463	3,394	3,532	62,400	62,500	3,853	3,784	3,922
50,500	50,600	3,080	3,011	3,148	56,500	56,600	3,470	3,401	3,538	62,500	62,600	3,860	3,791	3,928
50,600	50,700	3,086	3,017	3,155	56,600	56,700	3,476	3,407	3,545	62,600	62,700	3,866	3,797	3,935
50,700	50,800	3,093	3,024	3,161	56,700	56,800	3,483	3,414	3,551	62,700	62,800	3,873	3,804	3,941
50,800	50,900	3,099	3,030	3,168	56,800	56,900	3,489	3,420	3,558	62,800	62,900	3,879	3,810	3,948
50,900	51,000	3,106	3,037	3,174	56,900	57,000	3,496	3,427	3,564	62,900	63,000	3,886	3,817	3,954
<b>51,000</b>					<b>57,000</b>					<b>63,000</b>				
51,000	51,100	3,112	3,043	3,181	57,000	57,100	3,502	3,433	3,571	63,000	63,100	3,892	3,823	3,961
51,100	51,200	3,119	3,050	3,187	57,100	57,200	3,509	3,440	3,577	63,100	63,200	3,899	3,830	3,967
51,200	51,300	3,125	3,056	3,194	57,200	57,300	3,515	3,446	3,584	63,200	63,300	3,905	3,836	3,974
51,300	51,400	3,132	3,063	3,200	57,300	57,400	3,522	3,453	3,590	63,300	63,400	3,912	3,843	3,980
51,400	51,500	3,138	3,069	3,207	57,400	57,500	3,528	3,459	3,597	63,400	63,500	3,918	3,849	3,987
51,500	51,600	3,145	3,076	3,213	57,500	57,600	3,535	3,466	3,603	63,500	63,600	3,925	3,856	3,993
51,600	51,700	3,151	3,082	3,220	57,600	57,700	3,541	3,472	3,610	63,600	63,700	3,931	3,862	4,000
51,700	51,800	3,158	3,089	3,226	57,700	57,800	3,548	3,479	3,616	63,700	63,800	3,938	3,869	4,006
51,800	51,900	3,164	3,095	3,233	57,800	57,900	3,554	3,485	3,623	63,800	63,900	3,944	3,875	4,013
51,900	52,000	3,171	3,102	3,239	57,900	58,000	3,561	3,492	3,629	63,900	64,000	3,951	3,882	4,019
<b>52,000</b>					<b>58,000</b>					<b>64,000</b>				
52,000	52,100	3,177	3,108	3,246	58,000	58,100	3,567	3,498	3,636	64,000	64,100	3,957	3,888	4,026
52,100	52,200	3,184	3,115	3,252	58,100	58,200	3,574	3,505	3,642	64,100	64,200	3,964	3,895	4,032
52,200	52,300	3,190	3,121	3,259	58,200	58,300	3,580	3,511	3,649	64,200	64,300	3,970	3,901	4,039
52,300	52,400	3,197	3,128	3,265	58,300	58,400	3,587	3,518	3,655	64,300	64,400	3,977	3,908	4,045
52,400	52,500	3,203	3,134	3,272	58,400	58,500	3,593	3,524	3,662	64,400	64,500	3,983	3,914	4,052
52,500	52,600	3,210	3,141	3,278	58,500	58,600	3,600	3,531	3,668	64,500	64,600	3,990	3,921	4,058
52,600	52,700	3,216	3,147	3,285	58,600	58,700	3,606	3,537	3,675	64,600	64,700	3,996	3,927	4,065
52,700	52,800	3,223	3,154	3,291	58,700	58,800	3,613	3,544	3,681	64,700	64,800	4,003	3,934	4,071
52,800	52,900	3,229	3,160	3,298	58,800	58,900	3,619	3,550	3,688	64,800	64,900	4,009	3,940	4,078
52,900	53,000	3,236	3,167	3,304	58,900	59,000	3,626	3,557	3,694	64,900	65,000	4,016	3,947	4,084

If line 18 (Taxable income) is –		And you are –			If line 18 (Taxable income) is –		And you are –			If line 18 (Taxable income) is –		And you are –		
At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately	At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately	At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately
		Your tax is –					Your tax is –					Your tax is –		
<b>65,000</b>					<b>71,000</b>					<b>77,000</b>				
65,000	65,100	4,022	3,953	4,091	71,000	71,100	4,412	4,343	4,481	77,000	77,100	4,802	4,733	4,871
65,100	65,200	4,029	3,960	4,097	71,100	71,200	4,419	4,350	4,487	77,100	77,200	4,809	4,740	4,877
65,200	65,300	4,035	3,966	4,104	71,200	71,300	4,425	4,356	4,494	77,200	77,300	4,815	4,746	4,884
65,300	65,400	4,042	3,973	4,110	71,300	71,400	4,432	4,363	4,500	77,300	77,400	4,822	4,753	4,890
65,400	65,500	4,048	3,979	4,117	71,400	71,500	4,438	4,369	4,507	77,400	77,500	4,828	4,759	4,897
65,500	65,600	4,055	3,986	4,123	71,500	71,600	4,445	4,376	4,513	77,500	77,600	4,835	4,766	4,903
65,600	65,700	4,061	3,992	4,130	71,600	71,700	4,451	4,382	4,520	77,600	77,700	4,841	4,772	4,910
65,700	65,800	4,068	3,999	4,136	71,700	71,800	4,458	4,389	4,526	77,700	77,800	4,848	4,779	4,916
65,800	65,900	4,074	4,005	4,143	71,800	71,900	4,464	4,395	4,533	77,800	77,900	4,854	4,785	4,923
65,900	66,000	4,081	4,012	4,149	71,900	72,000	4,471	4,402	4,539	77,900	78,000	4,861	4,792	4,929
<b>66,000</b>					<b>72,000</b>					<b>78,000</b>				
66,000	66,100	4,087	4,018	4,156	72,000	72,100	4,477	4,408	4,546	78,000	78,100	4,867	4,798	4,936
66,100	66,200	4,094	4,025	4,162	72,100	72,200	4,484	4,415	4,552	78,100	78,200	4,874	4,805	4,942
66,200	66,300	4,100	4,031	4,169	72,200	72,300	4,490	4,421	4,559	78,200	78,300	4,880	4,811	4,949
66,300	66,400	4,107	4,038	4,175	72,300	72,400	4,497	4,428	4,565	78,300	78,400	4,887	4,818	4,955
66,400	66,500	4,113	4,044	4,182	72,400	72,500	4,503	4,434	4,572	78,400	78,500	4,893	4,824	4,962
66,500	66,600	4,120	4,051	4,188	72,500	72,600	4,510	4,441	4,578	78,500	78,600	4,900	4,831	4,968
66,600	66,700	4,126	4,057	4,195	72,600	72,700	4,516	4,447	4,585	78,600	78,700	4,906	4,837	4,975
66,700	66,800	4,133	4,064	4,201	72,700	72,800	4,523	4,454	4,591	78,700	78,800	4,913	4,844	4,981
66,800	66,900	4,139	4,070	4,208	72,800	72,900	4,529	4,460	4,598	78,800	78,900	4,919	4,850	4,988
66,900	67,000	4,146	4,077	4,214	72,900	73,000	4,536	4,467	4,604	78,900	79,000	4,926	4,857	4,994
<b>67,000</b>					<b>73,000</b>					<b>79,000</b>				
67,000	67,100	4,152	4,083	4,221	73,000	73,100	4,542	4,473	4,611	79,000	79,100	4,932	4,863	5,001
67,100	67,200	4,159	4,090	4,227	73,100	73,200	4,549	4,480	4,617	79,100	79,200	4,939	4,870	5,007
67,200	67,300	4,165	4,096	4,234	73,200	73,300	4,555	4,486	4,624	79,200	79,300	4,945	4,876	5,014
67,300	67,400	4,172	4,103	4,240	73,300	73,400	4,562	4,493	4,630	79,300	79,400	4,952	4,883	5,020
67,400	67,500	4,178	4,109	4,247	73,400	73,500	4,568	4,499	4,637	79,400	79,500	4,958	4,889	5,027
67,500	67,600	4,185	4,116	4,253	73,500	73,600	4,575	4,506	4,643	79,500	79,600	4,965	4,896	5,033
67,600	67,700	4,191	4,122	4,260	73,600	73,700	4,581	4,512	4,650	79,600	79,700	4,971	4,902	5,040
67,700	67,800	4,198	4,129	4,266	73,700	73,800	4,588	4,519	4,656	79,700	79,800	4,978	4,909	5,046
67,800	67,900	4,204	4,135	4,273	73,800	73,900	4,594	4,525	4,663	79,800	79,900	4,984	4,915	5,053
67,900	68,000	4,211	4,142	4,279	73,900	74,000	4,601	4,532	4,669	79,900	80,000	4,991	4,922	5,059
<b>68,000</b>					<b>74,000</b>					<b>80,000</b>				
68,000	68,100	4,217	4,148	4,286	74,000	74,100	4,607	4,538	4,676	80,000	80,100	4,997	4,928	5,066
68,100	68,200	4,224	4,155	4,292	74,100	74,200	4,614	4,545	4,682	80,100	80,200	5,004	4,935	5,072
68,200	68,300	4,230	4,161	4,299	74,200	74,300	4,620	4,551	4,689	80,200	80,300	5,010	4,941	5,079
68,300	68,400	4,237	4,168	4,305	74,300	74,400	4,627	4,558	4,695	80,300	80,400	5,017	4,948	5,085
68,400	68,500	4,243	4,174	4,312	74,400	74,500	4,633	4,564	4,702	80,400	80,500	5,023	4,954	5,092
68,500	68,600	4,250	4,181	4,318	74,500	74,600	4,640	4,571	4,708	80,500	80,600	5,030	4,961	5,098
68,600	68,700	4,256	4,187	4,325	74,600	74,700	4,646	4,577	4,715	80,600	80,700	5,036	4,967	5,105
68,700	68,800	4,263	4,194	4,331	74,700	74,800	4,653	4,584	4,721	80,700	80,800	5,043	4,974	5,111
68,800	68,900	4,269	4,200	4,338	74,800	74,900	4,659	4,590	4,728	80,800	80,900	5,049	4,980	5,118
68,900	69,000	4,276	4,207	4,344	74,900	75,000	4,666	4,597	4,734	80,900	81,000	5,056	4,987	5,124
<b>69,000</b>					<b>75,000</b>					<b>81,000</b>				
69,000	69,100	4,282	4,213	4,351	75,000	75,100	4,672	4,603	4,741	81,000	81,100	5,062	4,993	5,131
69,100	69,200	4,289	4,220	4,357	75,100	75,200	4,679	4,610	4,747	81,100	81,200	5,069	5,000	5,137
69,200	69,300	4,295	4,226	4,364	75,200	75,300	4,685	4,616	4,754	81,200	81,300	5,075	5,006	5,144
69,300	69,400	4,302	4,233	4,370	75,300	75,400	4,692	4,623	4,760	81,300	81,400	5,082	5,013	5,150
69,400	69,500	4,308	4,239	4,377	75,400	75,500	4,698	4,629	4,767	81,400	81,500	5,088	5,019	5,157
69,500	69,600	4,315	4,246	4,383	75,500	75,600	4,705	4,636	4,773	81,500	81,600	5,095	5,026	5,163
69,600	69,700	4,321	4,252	4,390	75,600	75,700	4,711	4,642	4,780	81,600	81,700	5,101	5,032	5,170
69,700	69,800	4,328	4,259	4,396	75,700	75,800	4,718	4,649	4,786	81,700	81,800	5,108	5,039	5,176
69,800	69,900	4,334	4,265	4,403	75,800	75,900	4,724	4,655	4,793	81,800	81,900	5,114	5,045	5,183
69,900	70,000	4,341	4,272	4,409	75,900	76,000	4,731	4,662	4,799	81,900	82,000	5,121	5,052	5,189
<b>70,000</b>					<b>76,000</b>					<b>82,000</b>				
70,000	70,100	4,347	4,278	4,416	76,000	76,100	4,737	4,668	4,806	82,000	82,100	5,127	5,058	5,196
70,100	70,200	4,354	4,285	4,422	76,100	76,200	4,744	4,675	4,812	82,100	82,200	5,134	5,065	5,202
70,200	70,300	4,360	4,291	4,429	76,200	76,300	4,750	4,681	4,819	82,200	82,300	5,140	5,071	5,209
70,300	70,400	4,367	4,298	4,435	76,300	76,400	4,757	4,688	4,825	82,300	82,400	5,147	5,078	5,215
70,400	70,500	4,373	4,304	4,442	76,400	76,500	4,763	4,694	4,832	82,400	82,500	5,153	5,084	5,222
70,500	70,600	4,380	4,311	4,448	76,500	76,600	4,770	4,701	4,838	82,500	82,600	5,160	5,091	5,228
70,600	70,700	4,386	4,317	4,455	76,600	76,700	4,776	4,707	4,845	82,600	82,700	5,166	5,097	5,235
70,700	70,800	4,393	4,324	4,461	76,700	76,800	4,783	4,714	4,851	82,700	82,800	5,173	5,104	5,241
70,800	70,900	4,399	4,330	4,468	76,800	76,900	4,789	4,720	4,858	82,800	82,900	5,179	5,110	5,248
70,900	71,000	4,406	4,337	4,474	76,900	77,000	4,796	4,727	4,864	82,900	83,000	5,186	5,117	5,254

If line 18 (Taxable income) is –		And you are –			If line 18 (Taxable income) is –		And you are –			If line 18 (Taxable income) is –		And you are –		
At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately	At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately	At least	But less than	Single or Head of a household	Married filing jointly	Married filing separately
Your tax is –		Your tax is –			Your tax is –		Your tax is –			Your tax is –		Your tax is –		
<b>83,000</b>					<b>89,000</b>					<b>95,000</b>				
83,000	83,100	5,192	5,123	5,261	89,000	89,100	5,582	5,513	5,651	95,000	95,100	5,972	5,903	6,049
83,100	83,200	5,199	5,130	5,267	89,100	89,200	5,589	5,520	5,657	95,100	95,200	5,979	5,910	6,056
83,200	83,300	5,205	5,136	5,274	89,200	89,300	5,595	5,526	5,664	95,200	95,300	5,985	5,916	6,063
83,300	83,400	5,212	5,143	5,280	89,300	89,400	5,602	5,533	5,670	95,300	95,400	5,992	5,923	6,070
83,400	83,500	5,218	5,149	5,287	89,400	89,500	5,608	5,539	5,677	95,400	95,500	5,998	5,929	6,076
83,500	83,600	5,225	5,156	5,293	89,500	89,600	5,615	5,546	5,683	95,500	95,600	6,005	5,936	6,083
83,600	83,700	5,231	5,162	5,300	89,600	89,700	5,621	5,552	5,690	95,600	95,700	6,011	5,942	6,090
83,700	83,800	5,238	5,169	5,306	89,700	89,800	5,628	5,559	5,696	95,700	95,800	6,018	5,949	6,097
83,800	83,900	5,244	5,175	5,313	89,800	89,900	5,634	5,565	5,703	95,800	95,900	6,024	5,955	6,103
83,900	84,000	5,251	5,182	5,319	89,900	90,000	5,641	5,572	5,709	95,900	96,000	6,031	5,962	6,110
<b>84,000</b>					<b>90,000</b>					<b>96,000</b>				
84,000	84,100	5,257	5,188	5,326	90,000	90,100	5,647	5,578	5,716	96,000	96,100	6,037	5,968	6,117
84,100	84,200	5,264	5,195	5,332	90,100	90,200	5,654	5,585	5,722	96,100	96,200	6,044	5,975	6,124
84,200	84,300	5,270	5,201	5,339	90,200	90,300	5,660	5,591	5,729	96,200	96,300	6,050	5,981	6,130
84,300	84,400	5,277	5,208	5,345	90,300	90,400	5,667	5,598	5,735	96,300	96,400	6,057	5,988	6,137
84,400	84,500	5,283	5,214	5,352	90,400	90,500	5,673	5,604	5,742	96,400	96,500	6,063	5,994	6,144
84,500	84,600	5,290	5,221	5,358	90,500	90,600	5,680	5,611	5,748	96,500	96,600	6,070	6,001	6,151
84,600	84,700	5,296	5,227	5,365	90,600	90,700	5,686	5,617	5,755	96,600	96,700	6,076	6,007	6,157
84,700	84,800	5,303	5,234	5,371	90,700	90,800	5,693	5,624	5,761	96,700	96,800	6,083	6,014	6,164
84,800	84,900	5,309	5,240	5,378	90,800	90,900	5,699	5,630	5,768	96,800	96,900	6,089	6,020	6,171
84,900	85,000	5,316	5,247	5,384	90,900	91,000	5,706	5,637	5,774	96,900	97,000	6,096	6,027	6,178
<b>85,000</b>					<b>91,000</b>					<b>97,000</b>				
85,000	85,100	5,322	5,253	5,391	91,000	91,100	5,712	5,643	5,781	97,000	97,100	6,102	6,033	6,184
85,100	85,200	5,329	5,260	5,397	91,100	91,200	5,719	5,650	5,787	97,100	97,200	6,109	6,040	6,191
85,200	85,300	5,335	5,266	5,404	91,200	91,300	5,725	5,656	5,794	97,200	97,300	6,115	6,046	6,198
85,300	85,400	5,342	5,273	5,410	91,300	91,400	5,732	5,663	5,800	97,300	97,400	6,122	6,053	6,205
85,400	85,500	5,348	5,279	5,417	91,400	91,500	5,738	5,669	5,807	97,400	97,500	6,128	6,059	6,211
85,500	85,600	5,355	5,286	5,423	91,500	91,600	5,745	5,676	5,813	97,500	97,600	6,135	6,066	6,218
85,600	85,700	5,361	5,292	5,430	91,600	91,700	5,751	5,682	5,820	97,600	97,700	6,141	6,072	6,225
85,700	85,800	5,368	5,299	5,436	91,700	91,800	5,758	5,689	5,827	97,700	97,800	6,148	6,079	6,232
85,800	85,900	5,374	5,305	5,443	91,800	91,900	5,764	5,695	5,833	97,800	97,900	6,154	6,085	6,238
85,900	86,000	5,381	5,312	5,449	91,900	92,000	5,771	5,702	5,840	97,900	98,000	6,161	6,092	6,245
<b>86,000</b>					<b>92,000</b>					<b>98,000</b>				
86,000	86,100	5,387	5,318	5,456	92,000	92,100	5,777	5,708	5,847	98,000	98,100	6,167	6,098	6,252
86,100	86,200	5,394	5,325	5,462	92,100	92,200	5,784	5,715	5,854	98,100	98,200	6,174	6,105	6,259
86,200	86,300	5,400	5,331	5,469	92,200	92,300	5,790	5,721	5,860	98,200	98,300	6,180	6,111	6,265
86,300	86,400	5,407	5,338	5,475	92,300	92,400	5,797	5,728	5,867	98,300	98,400	6,187	6,118	6,272
86,400	86,500	5,413	5,344	5,482	92,400	92,500	5,803	5,734	5,874	98,400	98,500	6,193	6,124	6,279
86,500	86,600	5,420	5,351	5,488	92,500	92,600	5,810	5,741	5,881	98,500	98,600	6,200	6,131	6,286
86,600	86,700	5,426	5,357	5,495	92,600	92,700	5,816	5,747	5,887	98,600	98,700	6,206	6,137	6,292
86,700	86,800	5,433	5,364	5,501	92,700	92,800	5,823	5,754	5,894	98,700	98,800	6,213	6,144	6,299
86,800	86,900	5,439	5,370	5,508	92,800	92,900	5,829	5,760	5,901	98,800	98,900	6,219	6,150	6,306
86,900	87,000	5,446	5,377	5,514	92,900	93,000	5,836	5,767	5,908	98,900	99,000	6,226	6,157	6,313
<b>87,000</b>					<b>93,000</b>					<b>99,000</b>				
87,000	87,100	5,452	5,383	5,521	93,000	93,100	5,842	5,773	5,914	99,000	99,100	6,232	6,163	6,319
87,100	87,200	5,459	5,390	5,527	93,100	93,200	5,849	5,780	5,921	99,100	99,200	6,239	6,170	6,326
87,200	87,300	5,465	5,396	5,534	93,200	93,300	5,855	5,786	5,928	99,200	99,300	6,245	6,176	6,333
87,300	87,400	5,472	5,403	5,540	93,300	93,400	5,862	5,793	5,935	99,300	99,400	6,252	6,183	6,340
87,400	87,500	5,478	5,409	5,547	93,400	93,500	5,868	5,799	5,941	99,400	99,500	6,258	6,189	6,346
87,500	87,600	5,485	5,416	5,553	93,500	93,600	5,875	5,806	5,948	99,500	99,600	6,265	6,196	6,353
87,600	87,700	5,491	5,422	5,560	93,600	93,700	5,881	5,812	5,955	99,600	99,700	6,271	6,202	6,360
87,700	87,800	5,498	5,429	5,566	93,700	93,800	5,888	5,819	5,962	99,700	99,800	6,278	6,209	6,367
87,800	87,900	5,504	5,435	5,573	93,800	93,900	5,894	5,825	5,968	99,800	99,900	6,284	6,215	6,373
87,900	88,000	5,511	5,442	5,579	93,900	94,000	5,901	5,832	5,975	99,900	100,000	6,291	6,222	6,380
<b>88,000</b>					<b>94,000</b>									
88,000	88,100	5,517	5,448	5,586	94,000	94,100	5,907	5,838	5,982					
88,100	88,200	5,524	5,455	5,592	94,100	94,200	5,914	5,845	5,989					
88,200	88,300	5,530	5,461	5,599	94,200	94,300	5,920	5,851	5,995					
88,300	88,400	5,537	5,468	5,605	94,300	94,400	5,927	5,858	6,002					
88,400	88,500	5,543	5,474	5,612	94,400	94,500	5,933	5,864	6,009					
88,500	88,600	5,550	5,481	5,618	94,500	94,600	5,940	5,871	6,016					
88,600	88,700	5,556	5,487	5,625	94,600	94,700	5,946	5,877	6,022					
88,700	88,800	5,563	5,494	5,631	94,700	94,800	5,953	5,884	6,029					
88,800	88,900	5,569	5,500	5,638	94,800	94,900	5,959	5,890	6,036					
88,900	89,000	5,576	5,507	5,644	94,900	95,000	5,966	5,897	6,043					

**\$100,000 or over –**  
use the  
Tax Computation Worksheet  
on page 37

**Caution** Use the Tax Computation Worksheet to figure your tax if your taxable income is \$100,000 or more.

**Section A** – Use if your filing status is **Single** or **Head of household**. Complete the row below that applies to you.

	(a) Fill in the amount from line 18	(b) Multiplication amount	(c) Multiply (a) by (b)	(d) Subtraction amount	(e) Subtract (d) from (c). Fill in the result here and on Form 1, line 19
Taxable income. If line 18 is –					
At least \$100,000 but less than \$137,410	\$	x 6.5% (.065)	\$	\$ 206.10	\$
\$137,410 or over	\$	x 6.75% (.0675)	\$	\$ 549.62	\$

**Section B** – Use if your filing status is **Married filing jointly**. Complete the row below that applies to you.

	(a) Fill in the amount from line 18	(b) Multiplication amount	(c) Multiply (a) by (b)	(d) Subtraction amount	(e) Subtract (d) from (c). Fill in the result here and on Form 1, line 19
Taxable income. If line 18 is –					
At least \$100,000 but less than \$183,210	\$	x 6.5% (.065)	\$	\$ 274.76	\$
\$183,210 or over	\$	x 6.75% (.0675)	\$	\$ 732.78	\$

**Section C** – Use if your filing status is **Married filing separately**. Complete the row below.

	(a) Fill in the amount from line 18	(b) Multiplication amount	(c) Multiply (a) by (b)	(d) Subtraction amount	(e) Subtract (d) from (c). Fill in the result here and on Form 1, line 19
Taxable income. If line 18 is –					
\$100,000 or over	\$	x 6.75% (.0675)	\$	\$366.44	\$

WISCONSIN SCHOOL DISTRICT NUMBER

Appearing below is an alphabetical listing of Wisconsin school districts. Refer to this listing and find the number of the district in which you lived on December 31, 2006. Fill in this number in the name and address area of your return. Failure to include your school district number may delay the processing of your return and any refund due.

The listing is divided into two sections. SECTION I lists all districts which operate high schools. SECTION II lists those districts which operate schools having only elementary grades.

Your school district will generally be the name of the municipality where the public high school is located which any children at your home would be entitled to attend. However, if such high school is a "union high school," refer to SECTION II and find the number of your elementary district.

The listing has the names of the school districts only to help you find your district number. Don't write in the name of your school district or the name

of any specific school. Fill in only your school district's number on the school district line in the name and address area of your return. For example:

- 1. If you lived in the city of Milwaukee, you will fill in the number 3619 on the school district line.
2. If you lived in the city of Hartford, you would refer to Section II and find the number 2443, which is the number for Jt. No. 1 Hartford elementary district.

The following are other factors to be considered in determining your school district number:

- 1. If you lived in one school district but worked in another, fill in the district number where you lived.
2. If you were temporarily living away from your permanent home, fill in the district number of your permanent home.

Note If you can't identify your school district, contact your municipal clerk or local school for help.

SECTION I - SCHOOL DISTRICTS OPERATING HIGH SCHOOLS

Table with 11 columns: School District, No., School District, No. Lists various Wisconsin school districts and their corresponding numbers.

\*This is a "Union High School" district. Refer to Section II of this listing and determine the number of your elementary school district.

SECTION II - SCHOOL DISTRICTS OPERATING ONLY ELEMENTARY SCHOOLS

Table with 11 columns: School District, No., School District, No. Lists elementary school districts and their corresponding numbers.