

**FORM FOR ESTIMATING 2005 INCOME TAX LIABILITY (does not consider AMT or averaging)**

**FARM INCOME**

- 1. Total farm receipts to date ..... \$ \_\_\_\_\_
- 2. Estimated farm receipts to end of year ..... \$ \_\_\_\_\_
- 3. **TOTAL 1040F SALES (Line 1+2)..... \$ \_\_\_\_\_**

**EXPENSES AND DEPRECIATION**

- 4. Cash expenses to date ..... \$ \_\_\_\_\_
- 5. Estimated cash expenses to end of year..... \$ \_\_\_\_\_
- 6. Depreciation for the year ..... \$ \_\_\_\_\_
- 7. **TOTAL EXPENSES AND DEPRECIATION (Line 4+5+6) ..... \$ \_\_\_\_\_**
- 8. **1040F NET FARM PROFIT (Line 3-7)..... \$ \_\_\_\_\_**

**ADDITIONAL INCOME**

- 9. Long-term capital gains (LTCG) and losses ..... \$ \_\_\_\_\_
- 10. Short-term capital gains and depreciation recapture..... \$ \_\_\_\_\_
- 11. Nonfarm income (includes wages, interest, rent income, etc.)..... \$ \_\_\_\_\_
- 12. **TOTAL ADDITIONAL INCOME (Line 9+10+11 ..... \$ \_\_\_\_\_**
- 13. **TOTAL INCOME (Line 8+12)..... \$ \_\_\_\_\_**

- 14. Self-employment retirement deduction (Keogh and/or IRA, or SEP)..... \$ \_\_\_\_\_
- 15. 100% of medical insurance premium for self-employed..... \$ \_\_\_\_\_
- 16. One-half (1/2) self-employment tax (1/2 of line 27) & 3% Domestic Production ... \$ \_\_\_\_\_
- 17. **TOTAL ADJUSTMENTS TO INCOME (Line 14+15+16)..... \$ \_\_\_\_\_**
- 18. **ADJUSTED GROSS INCOME (Line 13-17) ..... \$ \_\_\_\_\_**

- 19. Greater of itemized deductions or standard deduction<sup>1</sup> ..... \$ \_\_\_\_\_
- <sup>1</sup>(\$10,000 for married filing joint, \$7,200 head of household, \$5,000 single, \$5,000 married filing separate.)  
(Up to 80% of itemized deductions are phased out at the rate of 3% for AGI in excess of \$145,950.)
- 20. Exemptions (Number \_\_\_\_\_ x \$3,200 per exemption)<sup>1</sup> ..... \$ \_\_\_\_\_
- (Caution--a phase-out of exemptions [2% for every \$2,500 of AGI] begins at AGI of \$218,950 for a couple, \$145,950 for single, \$182,450 for head of household, and \$109,475 for married filing separate.)

- 21. **TOTAL EXEMPTIONS AND DEDUCTIONS (Line 19+20)..... \$ \_\_\_\_\_**
- 22. Taxable income after exemptions and deductions (Line 18-21)..... \$ \_\_\_\_\_
- 23. **REGULAR FEDERAL INCOME TAX (subtract LTCG before using tables)..... \$ \_\_\_\_\_**
- 24. Capital gains tax<sup>2</sup> (15% or 5%)..... \$ \_\_\_\_\_
- 25. Credits..... \$ \_\_\_\_\_
- 26. Federal income tax due (Lines 23 + 24 - 25)..... \$ \_\_\_\_\_
- 27. Social Security tax: 15.3% [of the lesser of (Line 8 x .9235)  
or \$90,000] + [2.9% of (line 8 x .9235) over \$90,000] ..... \$ \_\_\_\_\_
- 28. **TOTAL FEDERAL TAX OBLIGATION (Line 26+27)..... \$ \_\_\_\_\_**

<sup>1</sup> If a married taxpayer and/or spouse is age 65 or over, or is blind, add \$1000 to the standard deduction for each spouse 65 or over and/or \$1000 additional if blind. The addition is \$1,250 if the taxpayer is single or head of household, and age 65 or over and \$1,250 additional if blind.  
<sup>2</sup> If tax rate for calculating line 23 is in the 10 or 15% bracket, then rate is 5% for the amount equal to the difference between taxable income and the top of the 15% bracket (\$29,700 for single and \$59,400 for married filing joint). For bracket amounts 25% or greater, the capital gain rate is 15%.

### 2005 Tax Rates, Single Individual

<b>Taxable Income</b>	<b>Tax Payable</b>
\$ 0 - 7,300	10% of TI
\$ 7,300 - 29,700	\$ 730.00 + 15.0% of (TI - 7,300)
\$ 29,700 - 71,950	\$ 4,090.00 + 25.0% of (TI - 29,700)
\$ 71,950 - 150,150	\$ 14,652.50 + 28.0% of (TI - 71,950)
\$ 150,150 - 326,450	\$ 36,548.50 + 33.0% of (TI - 150,150)
Over \$326,450	\$ 94,727.50 + 35.0% of (TI - 326,450)

### 2005 Tax Rates, Married Filing Jointly

<b>Taxable Income</b>	<b>Tax Payable</b>
\$ 0 - 14,600	10% of TI
\$ 14,600 - 59,400	\$ 1,460.00 + 15.0% of (TI - 14,600)
\$ 59,400 - 119,950	\$ 8,180.00 + 25.0% of (TI - 59,400)
\$ 119,950 - 182,800	\$ 23,317.50 + 28.0% of (TI - 119,950)
\$ 182,800 - 326,450	\$ 40,915.50 + 33.0% of (TI - 182,800)
Over \$326,450	\$ 88,320.00 + 35.0% of (TI - 326,450)

### 2005 Tax Rates, Heads of Households

<b>Taxable Income</b>	<b>Tax Payable</b>
\$ 0 - 10,450	10% of TI
\$ 10,450 - 39,800	\$ 1,045.00 + 15.0% of (TI - 10,450)
\$ 39,800 - 102,800	\$ 5,447.50 + 25.0% of (TI - 39,800)
\$ 102,800 - 166,450	\$ 21,197.50 + 28.0% of (TI - 102,800)
\$ 166,450 - 326,450	\$ 39,019.50 + 33.0% of (TI - 166,450)
Over \$326,450	\$ 91,819.50 + 35.0% of (TI - 326,450)

### 2005 Married Filing Separately

<b>Taxable Income</b>	<b>Tax Payable</b>
\$ 0 - 7,300	10% of TI
\$ 7,300 - 29,700	\$ 730.00 + 15.0% of (TI - 7,300)
\$ 29,700 - 59,975	\$ 4,090.00 + 25.0% of (TI - 29,700)
\$ 59,975 - 91,400	\$ 11,658.75 + 28.0% of (TI - 59,975)
\$ 91,400 - 163,225	\$ 20,457.75 + 33.0% of (TI - 91,400)
Over \$163,225	\$ 44,160.00 + 35.0% of (TI - 163,225)

### 2005 Estates and Trusts

<b>Taxable Income</b>	<b>Tax Payable</b>
\$ 0 - 2,000	15% of TI
\$ 2,000 - 4,700	\$ 300.00 + 25.0% of (TI - 2,000)
\$ 4,700 - 7,150	\$ 975.00 + 28.0% of (TI - 4,700)
\$ 7,150 - 9,750	\$ 1,661.00 + 33.0% of (TI - 7,150)
Over \$9,750	\$ 2,519.00 + 35.0% of (TI - 9,750)

### Corporations

<b>Taxable Income</b>	<b>Tax Payable</b>
\$ 0 - 50,000	15% of TI
\$ 50,000 - 75,000	\$ 7,500 + 25% of (TI - 50,000)
\$ 75,000 - 100,000	\$ 13,750 + 34% of (TI - 75,000)
\$ 100,000 - 335,000	\$ 22,250 + 39% of (TI - 100,000)
\$ 335,000 - 10,000,000	\$ 113,900 + 34% of (TI - 335,000)
\$ 10,000,000 - 15,000,000	\$ 3,400,000 + 35% of (TI - 10,000,000)
\$ 15,000,000 - 18,333,333	\$ 5,150,000 + 38% of (TI - 15,000,000)
Over \$18,333,333	35% of (TI - 0)