

**FORM FOR ESTIMATING 2006 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 Prod Act Ded \$ \_\_\_\_\_
- 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>(\$10,300 for married filing joint, \$7,550 head of household, \$5,150 single, \$5,150 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 \$3,300 per exemption)<sup>1</sup> ..... \$ \_\_\_\_\_
- (Caution--a phase-out of exemptions [2% for every \$2,500 of AGI] begins at AGI of \$225,750 for a couple,  
\$150,500 for single, \$188,150 for head of household, and \$112,875 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 \$94,200] + [2.9% of (line 8 x .9235) over \$94,200] ..... \$ \_\_\_\_\_
- 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 between taxable ordinary income and the top of the 15% bracket (\$30,650 for single and \$61,300 for married filing joint). For bracket amounts 25% or greater, the capital gain rate is 15%.

**2006 Tax Rates, Single Individual**

<b>Taxable Income</b>	<b>Tax Payable</b>
\$ 0 - 7,550	10% of TI
\$ 7,550 - 30,650	\$ 755.00 + 15.0% of (TI - 7,550)
\$ 30,650 - 74,200	\$ 4,220.00 + 25.0% of (TI - 30,650)
\$ 74,200 - 154,800	\$ 15,107.50 + 28.0% of (TI - 74,200)
\$ 154,800 - 336,550	\$ 37,675.50 + 33.0% of (TI - 154,800)
Over \$336,550	\$ 97,653.00 + 35.0% of (TI - 336,550)

**2006 Tax Rates, Married Filing Jointly**

<b>Taxable Income</b>	<b>Tax Payable</b>
\$ 0 - 15,100	10% of TI
\$ 15,100 - 61,300	\$ 1,510.00 + 15.0% of (TI - 15,100)
\$ 61,300 - 123,700	\$ 8,440.00 + 25.0% of (TI - 61,300)
\$ 123,700 - 188,450	\$ 24,040.00 + 28.0% of (TI - 123,700)
\$ 188,450 - 336,550	\$ 42,170.00 + 33.0% of (TI - 188,450)
Over \$336,550	\$ 91,043.00 + 35.0% of (TI - 336,550)

**2006 Tax Rates, Heads of Households**

<b>Taxable Income</b>	<b>Tax Payable</b>
\$ 0 - 10,750	10% of TI
\$ 10,750 - 41,050	\$ 1,075.00 + 15.0% of (TI - 10,750)
\$ 41,050 - 106,000	\$ 5,620.00 + 25.0% of (TI - 41,050)
\$ 106,000 - 171,650	\$ 21,857.50 + 28.0% of (TI - 106,000)
\$ 171,650 - 336,550	\$ 40,239.50 + 33.0% of (TI - 171,650)
Over \$336,550	\$ 94,656.50 + 35.0% of (TI - 336,550)

**2006 Married Filing Separately**

<b>Taxable Income</b>	<b>Tax Payable</b>
\$ 0 - 7,550	10% of TI
\$ 7,550 - 30,650	\$ 755.00 + 15.0% of (TI - 7,550)
\$ 30,650 - 61,850	\$ 4,220.00 + 25.0% of (TI - 30,650)
\$ 61,850 - 94,225	\$ 12,020.00 + 28.0% of (TI - 61,850)
\$ 94,225 - 168,275	\$ 21,085.00 + 33.0% of (TI - 94,225)
Over \$168,275	\$ 45,521.50 + 35.0% of (TI - 168,275)

**2006 Estates and Trusts**

<b>Taxable Income</b>	<b>Tax Payable</b>
\$ 0 - 2,050	15% of TI
\$ 2,050 - 4,850	\$ 307.50 + 25.0% of (TI - 2,050)
\$ 4,850 - 7,400	\$ 1,007.50 + 28.0% of (TI - 4,850)
\$ 7,400 - 10,050	\$1,721.50 + 33.0% of (TI - 7,400)
Over \$10,050	\$ 2,596.00 + 35.0% of (TI - 10,050)

**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)