STATISTICS OF INCOME . . . 1954

Fiduciary INCOME TAX RETURNS

for 1954

U. S. TREASURY DEPARTMENT · INTERNAL REVENUE SERVICE

Statistics of Income 1954

Fiduciary INCOME TAX RETURNS

for 1954

Prepared under the direction of the
Commissioner of Internal Revenue
by the Statistics Division

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LETTER OF TRANSMITTAL

TREASURY DEPARTMENT,
OFFICE OF COMMISSIONER OF INTERNAL REVENUE,
Washington, D. C., November 12, 1957.

SIR: In accordance with the provisions of section 6108 of the Internal Revenue Code of 1954, requiring the preparation and publication of Statistics with respect to the operation of Federal income tax laws, I have the honor to submit this report, ***Statistics of Income—1954, Fiduciary Income Tax Returns for 1954.*** Data are presented for both taxable and nontaxable fiduciary returns and include the sources of income, deductions, income tax, and tax credits. These items are tabulated by significant categories such as taxable and nontaxable returns, size of income, State of filing, and type of return. More information, relating to the income of estates and of trusts, is shown than in any previous report.

Respectfully,

RUSSELL C. HARRINGTON,
Commissioner of Internal Revenue.

HONORABLE ROBERT B. ANDERSON,
Secretary of the Treasury.

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CONTENTS

	Page
Introduction	1

FIDUCIARY INCOME TAX RETURNS

Characteristics of the year	5
Composition of total income, 1954	6
Fiduciary income tax provisions under the 1954 Code	6
Returns from which data were tabulated	7
Taxable and nontaxable fiduciary returns	7
Returns of trusts and of estates	8
Tabulated data	9
Description of sample and limitations of data	10
Explanation of classifications and terms	11
Classifications for fiduciary returns	11
Sources of income comprising total income	11
Deductions	12
Measures of fiduciary income	13
Tax items	14
Basic tables, 1954:	
1. Number of returns, total income, taxable income, and income tax, by total income classes and classes cumulated.	17
2. Sources of income and loss, deductions, exemptions, taxable income, and tax items, by total income classes	18
3. Trusts: sources of income and loss, exemptions, taxable income, and income tax, by total income classes	22
4. Estates: sources of income and loss, exemptions, taxable income, and income tax, by total income classes	24
5. Taxable income and income tax, by taxable income classes	26
6. Total income, taxable income, income tax, average tax, and effective tax rate, by types of tax and by total income classes	27
7. Capital gains and losses, short- and long-term, and capital loss carryover, by total income classes	28
8. Selected sources of income and income tax, by States and Territories	30
Historical tables, 1945-1954:	
9. Number of returns, total income, and tax, by total income classes	32
10. Sources of income and deductions by type	33

SYNOPSIS OF TAX LAW FOR FIDUCIARY INCOME

A. Requirement for filing return and exemption under the fiduciary income tax law	37
B. Minimum and maximum income tax rates under fiduciary income tax law	37

FACSIMILE

Fiduciary Income Tax Return, Form 1041	41

INDEX

Alphabetical index	55

INTRODUCTION

This report, *Fiduciary Income Tax Returns for 1954,* is another in the series of publications issued for *Statistics of Income—1954.* The series consist of a separate volume for each type of return from which statistical information was compiled by the Statistics Division. These separate volumes replace the two former annual reports, *Statistics of Income, Part 1 and Part 2.* Only tabulations of information reported on fiduciary income tax returns, Form 1041, are contained in this report. Formerly, statistical data for fiduciary returns were included in *Statistics of Income, Part 1.*

Tabulations in this report include data from both taxable and nontaxable fiduciary returns. It is the second time in recent years that the nontaxable returns were used for statistical purposes. *Statistics of Income for 1952, Part 1,* also contained data from both taxable and nontaxable fiduciary returns. However, no data are available for fiduciary returns for the tax year 1953.

Following the text, which gives a resume of the provisions of the Internal Revenue Code for 1954 relating to fiduciary income and the explanation of the classifications of the returns and the items tabulated, there are eight basic tables for current-year data and two historical tables with significant data from taxable fiduciary returns covering a 10-year period.

A synopsis of recent revenue acts with respect to the requirement for filing and the income tax rates is placed at the end of the report with a facsimile of the fiduciary income tax return for 1954.

Fiduciary Income Tax Returns

FIDUCIARY INCOME TAX RETURNS FOR 1954

The fiduciary income tax return, Form 1041, contains annual income either from a trust or from an estate in process of settlement, for which the fiduciary acts as an administrator. Since only certain small trusts and estates are excluded from the filing requirements, the 424,915 returns filed for the income year 1954 contained most of the income derived in the United States from these two sources. The total income was about $3.9 billion, of which $3.2 billion was on returns for trusts.

The income tax, payable by the fiduciary, was $264 million for 1954. The graduated tax rates were the same as for the taxable income of a single individual. These rates were imposed on the amount of taxable income of the fiduciary, which aggregated $697 million. The difference between the total income of $3.9 billion and the much smaller taxable income of fiduciary, $697 million, was caused by the subtraction of numerous allowable deductions. The largest single deduction of over $2 billion was for the amount of distributions to beneficiaries, which is taxable on the income tax return filed by the beneficiary, rather than on the fiduciary return, Form 1041 (for summary of these data, see table B, page 8). As a result of the definition of the base upon which this tax is imposed, 70 percent of the fiduciary returns filed for income year 1954 were nontaxable.

CHARACTERISTICS OF THE YEAR

For the income year 1954, there were 424,915 fiduciary income tax returns filed for the income of estates and of property held in trust. Of this total, 297,136 returns were nontaxable and 127,779 were taxable. Although there were over 11 thousand more returns than for 1952, the last year for which data are available there were 5 thousand fewer taxable returns.

Total income for all fiduciary returns amounted to $3.9 billion. This was over a billion dollars more than was reported for 1952. The total deficit of $11.8 million was more than one-third below the deficit of 1952. These differences were to some extent attributable to the gross basis of reporting certain sources for 1954, as compared with a net basis of reporting all income items for 1952. The average total income per return was $9,243 for 1954, but 67 percent of the returns showed total income under $5,000. There were 3,778 returns with total income of $100,000 or more, 1,624 of which were nontaxable returns.

Taxable income of fiduciary for the tax year 1954 was $697 million. This income was retained by the fiduciaries and they were liable for the income tax on this amount. The income tax before credits on the 127,779 taxable returns was $269 million. Tax credits claimed by the fiduciaries were $4.2 million for dividends received, $726 thousand for foreign tax paid, $75 thousand for partially tax-exempt interest, and $27 thousand for tax paid at source on tax-free covenant bonds.

Income tax liability after credits was $263.9 million, an increase of 12 percent over the tax liability for 1952, even though there were fewer taxable returns for 1954 and the income tax rates were lower than for 1952 income. The effective tax rate for 1954 taxable returns was 37.9 percent based on taxable income of fiduciary.

Text table A presents a comparison of the number of returns, total income, deficit, and income tax reported on the 1954 and 1952 fiduciary returns. The number of returns for 1952 in this comparison has been adjusted to eliminate returns that had no information regarding income or tax, so that the number of returns is comparable. Such returns were included in the 1952 published report.

Table A.—NUMBER OF RETURNS, INCOME, DEFICIT, AND TAX: 1954 AND 1952

Items	1954	1952	Increase or decrease	
			Number or amount	Percent
All returns:				
Number of returns[1]	424,915	413,679	+11,236	+2.72
Total income.....thousand dollars..	3,873,689	2,806,567	+1,067,122	+38.02
Deficit in total income thousand dollars..	11,765	18,407	-6,642	-36.08
Taxable returns:				
Number of returns	127,779	132,927	-5,148	-3.87
Total income.....thousand dollars..	1,868,922	1,307,721	+561,201	+42.91
Income tax after credits thousand dollars..	263,893	234,933	+28,960	+12.33
Nontaxable returns:				
Total number of returns[1]	297,136	280,752	+16,384	+5.84
With total income:				
Number of returns	291,314	270,285	+21,029	+7.78
Total income.....thousand dollars..	2,004,767	1,498,846	+505,921	+33.75
With no total income:				
Number of returns[1]	5,822	10,467	-4,645	-44.38
Deficit in total income thousand dollars..	11,765	18,407	-6,642	-36.08

[1]Excludes returns with no information reported.

The normal tax and surtax for 1954 fiduciary returns amounted to $131 million and the alternative tax was $132.9 million on 2,917 returns with taxable income of fiduciary of $18,000 or more. The normal tax and surtax was about 10 percent less than that of 1952, but the alternative tax had increased nearly 50 percent over the alternative tax for 1952.

Of the sources of income, dividends of $1.8 billion formed the largest single item and comprised nearly one-half of the total income. Dividend receipts occurred on 72 of every 100 returns.

Net proceeds reported in total income from sales of capital assets, amounting to $826.2 million, were the second largest element, followed by gross rents and royalties of $589.2 million.

Total deductions claimed on the 1954 fiduciary returns were $3.3 billion of which the deduction for distributions to beneficiaries was the largest. This distribution of $2.1 billion was taxable to the beneficiary recipients. The deduction appeared on 73 of every 100 returns.

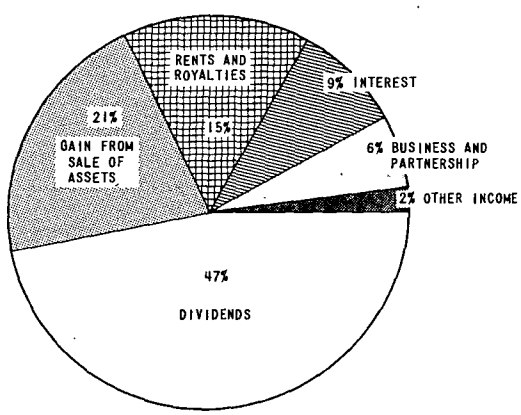
Eight and one-half percent of the returns had interest paid and nearly 44 percent of the returns had taxes deducted. Charitable contributions of $72 million were deducted on 9,659 returns.

Each of the new deductions, dividend exclusions and long-term capital gain, occurred on one-fourth of the returns, while depreciation was claimed on one-eighth of the returns.

COMPOSITION OF TOTAL INCOME, 1954

In chart 1, the components comprising total income reported on fiduciary returns are shown in a percentage relationship to the total income of $3.9 billion. Dividends, as usual, were the largest source of fiduciary income, constituting 47 percent of the income as a whole. Gain from sales of assets, forming 21 percent of the total, was the net amount realized from both capital assets and other property. Rents and royalties, for the most part, were gross receipts and formed 15 percent of the total. Gross profit and loss from business was combined with partnership income and loss to form 6 percent of the total income reported. Other income included the net amount received from other fiduciaries and the miscellaneous items reported as other income.

Chart 1. COMPOSITION OF TOTAL INCOME, 1954



TOTAL INCOME (net) $3.9 BILLION

Segments in the composition of total income have changed since 1952. Much of the change results from the new method of reporting fiduciary income under the 1954 Code. Dividend receipts made up a smaller portion of the total income than was the case on the 1952 returns, although the dollar receipts were larger. Gain from sales of assets more than doubled the proportion of the total as compared with that for 1952, but the comparison is not entirely meaningful because the capital gain deduction was no applied in 1954. The percentage for rents and roy alties showed an increase over 1952, probably c account of the gross receipts basis of reporting i 1954. Interest formed a smaller portion of th total income than in 1952, though the amount wa greater. The business and partnership percentag was somewhat larger than two years ago. However business income for 1954 was reported on a gros profit basis.

FIDUCIARY INCOME TAX PROVISIONS UNDER THE 1954 CODE

The Internal Revenue Code for 1954 effected sub stantial changes in the law governing the taxatio of income of estates and trusts and the distribu tions to beneficiaries, as well as changes in term and language relating to the subject of fiduciar income taxation, which had been in use over a lon period of years. These new provisions apply t estates and trusts with a tax year beginning afte December 31, 1953 and ending after August 16, 1954

The new Code separates trusts into two basic types generally referred to as simple trusts and comple trusts, and establishes rules for each. Simpl trusts include trusts which are required to distribute all income currently and have no provisions i the trust instrument for paying out amounts fo charitable purposes. Complex trusts are trusts whic may accumulate income and distribute corpus, or whic make charitable contributions. Rules provided fo complex trusts apply also to estates under adminis tration.

Income tax is imposed on the taxable income o fiduciary at the same rates which apply to the tax able income of single individuals who are not hea of household or surviving spouse, as was the cas under previous law. The rates effective on January 1 1954 are 20 percent of the first $2,000 of taxabl income of fiduciary, increasing at graduated rate to 91 percent of taxable income in excess of $200,000 These rates are lower than the rates on 1952 an 1953 income.

New tax credits were introduced under the 195 Code. A tax credit for domestic dividends receive is allowed to an estate or trust if the tax yea ended after July 31, 1954, with respect to dividend received after that date and retained by the fidu ciary. The credit is 4 percent of such dividend retained but cannot exceed (a) income tax reduce by foreign tax credit, or (b) 2 percent of the tax able income.

The tax credit for partially tax-exempt interes replaces the former deduction from net income o such interest for normal tax purposes. The credi relates to the share of partially tax-exempt inter est retained by the fiduciary, but cannot excee the smallest of (a) 3 percent of the partially tax exempt interest retained less the portion of amor tized bond premium deduction pertaining thereto (b) the amount of income tax reduced by the ta credits for dividends received and for foreign ta paid, or (c) 3 percent of the taxable income of fi duciary.

The 1954 Code substitutes "taxable income of fiduciary" for "net income of fiduciary." The former means total income less allowable deductions. Allowable deductions differ from previous deductions and also include the exemption for the first time.

There are numerous changes in the content of the items comprising total income and, therefore, in total income itself. The most outstanding changes occur in (a) rent and royalty income which is now on a ***gross*** basis, (b) business profit or loss which is now on a ***gross*** basis, i.e., gross receipts less cost of goods sold, and which now excludes all types of ***other*** income received by the sole proprietorship which are to be reported on Form 1041 according to the character of the income (for example, interest received by a sole proprietorship engaged in retail trade is reported as interest), and (c) net gain from sales of capital assets, the amount of which is ***not*** reduced by 50 percent of the excess of net long-term capital gain over net short-term capital loss.

As a result of including gross rents and royalties and gross profit or loss from business in total income, the deductions for interest, taxes, depreciation, contributions, and other authorized deductions include the expenses for rent, royalty, and business activities. The fiduciary's share of depreciation is a separate deduction as are also his share of the dividend exclusion and his portion of the excess long-term capital gain deduction. The charitable deduction is independent of distributions to beneficiaries. The deduction for distributions to beneficiaries is limited to the amount of distributable net income (a new concept). Distributions to beneficiaries become taxable to them and retain the same character as in the hands of the fiduciary.

Exemption, which was formerly a credit against net income, is now allowed as a deduction in computing taxable income of fiduciary. The exemption is increased from $100 to $300 for trusts required by their trust instrument to distribute all of their income currently, none of which is paid out for charitable purposes. All other trusts are allowed $100 exemption and estates are allowed $600, as in former years.

RETURNS FROM WHICH DATA WERE TABULATED

Fiduciary income tax returns, Form 1041, used for the compilation of data in this report included both taxable and nontaxable returns, neither of which had been audited by the Internal Revenue Service. For this reason, these statistics do not reflect any changes in income, deductions, exemptions, taxes, or other items which may have resulted from the official audit.

Data were taken from fiduciary returns for the income year 1954 which included calendar years, fiscal years ended within the period July 1954 through June 1955, and part years with the greater number of months in 1954. Tentative returns were not used and amended returns were used only if the original returns were excluded. For the first time, fiduciary returns with no information concerning income, deductions, and tax were not used for statistics.

The Internal Revenue Code of 1954 applies to the income of estates and trusts with a tax year which began after December 31, 1953 and ended after August 16, 1954. Consequently, fiduciary returns with tax year beginning in 1953 and part-year returns with accounting period ended before August 17, 1954 were subject to the Internal Revenue Code of 1939. Returns of estates and trusts subject to the 1939 Code generally were filed on Form 1041 for 1953, as instructed. On the 1953 form, items of income were reported on a net basis and deductions were reported according to the law for that year. Approximately 8 percent of the total returns filed were subject to the 1939 Code. The 1954 fiduciary return, Form 1041, was revised to fulfill the needs of the new provisions of the 1954 Code. Consequently, items of income are on a gross basis and deductions carry all expenses for rents, royalties, and business, in addition to several new deductions.

TAXABLE AND NONTAXABLE FIDUCIARY RETURNS

Tabulations for fiduciary income tax returns in this report include data from both taxable and nontaxable returns. The nontaxable returns form a very important part of the fiduciary income as a whole. About 70 percent of the 1954 fiduciary returns were nontaxable. A fiduciary return is taxable only when income in excess of the allowable exemption is retained by the fiduciary. Returns are often rendered nontaxable because of the distributions to beneficiaries.

Text table B has been prepared so that the taxable and nontaxable data may be readily associated. Total income on the nontaxable returns was a little larger than the total income on the taxable returns. There are just two sources of income on taxable returns that outranked those on nontaxable returns: net profit from partnership and net gain from sales of capital assets. Gains from capital assets are generally considered corpus and for the most part are not distributed to beneficiaries, but instead remain in the hands of the fiduciary. Therefore, it is understandable that a larger amount of these gains occurred on the taxable returns. However, allowable expenses, exemption, and other deductions can be deducted from them for income tax purposes.

Total deductions on the nontaxable returns were nearly twice those on the taxable returns. However, two deductions on taxable returns exceeded those on the nontaxable returns: dividend exclusions and long-term capital gain deduction. The latter is to be expected since it relates to the capital gain in total income of the taxable returns. The distributions to beneficiaries on nontaxable returns are almost three times those on the taxable returns. On nontaxable returns, 77 percent of the total income was distributed to beneficiaries, but only 31 percent of total income on the taxable returns was distributed. Without this deduction for distributions, the remaining deductions were about equal.

Practically all of the nontaxable returns resulted in a deficit amount of taxable income. The taxable returns showed that $697 million of income was retained by the fiduciaries, and this was the base for the income tax liability.

Table B.—SOURCES OF INCOME AND LOSS, DEDUCTIONS, TAXABLE INCOME, AND TAX BY TAX STATUS

Items	Total	Taxable	Nontaxable
Number of returns	424,915	127,779	297,136
	(Thousand dollars)		
Sources:			
Dividends (before exclusions)	1,811,158	744,175	1,066,983
Interest received	331,053	105,497	225,556
Partnership net profit	97,054	59,285	37,769
Partnership net loss	7,110	1,430	5,680
Fiduciary income	27,012	12,040	14,972
Fiduciary loss	423	172	251
Rents and royalties gross	591,060	199,456	391,604
Rents and royalties loss	1,896	351	1,545
Trade or business gross profit	153,759	67,067	86,692
Trade or business gross loss	10,019	1,688	8,331
Net gain from sales of capital assets	835,779	664,818	170,961
Net loss from sales of capital assets	9,538	2,486	7,052
Net gain from sales of *other* property	5,295	1,478	3,817
Net loss from sales of *other* property	6,842	613	6,229
Other sources	45,582	21,846	23,736
Total income (net)	3,861,924	1,868,922	1,993,002
Deductions:			
Interest paid	33,625	13,411	20,214
Taxes	120,437	49,405	71,032
Depreciation	95,099	34,159	60,940
Charitable deduction	72,102	7,117	64,985
Dividend exclusions	5,395	3,348	2,047
Distributions to beneficiaries	2,123,574	579,353	1,544,221
Long-term capital gain deduction	340,957	316,521	24,436
Exemptions	140,203	37,825	102,378
Other deductions	383,025	130,741	252,284
Total deductions	3,314,488	1,171,918	2,142,570
Taxable income of fiduciary	697,011	696,999	(1)
Income tax before credits	268,956	268,954	(1)
Fiduciary's share of tax credit for—			
Foreign tax paid	726	724	(1)
Tax paid at source	27	27	-
Dividends received	4,235	4,235	(1)
Partially tax-exempt interest	75	75	-
Income tax liability after credits	263,893	263,893	-

[1]Sample variability of this item is too large to warrant showing it separately. However, this value is included in the total.

RETURNS OF TRUSTS AND OF ESTATES

Fiduciary income tax returns are of two types, those which show income of estates and others which show income of trusts. Returns of estates are filed annually, by the administrator or executor of the estate of a deceased person, during the period of time in which the estate is being administered under the testator's will or, if intestate, under the jurisdiction of the local court. Generally, returns for the income of an estate are required only for a short period of years. When the estate is settled and assets distributed, the income ceases and no more returns are required.

On the other hand, income of trusts is of a more permanent nature. A trust is created for a specific purpose by means of a trust instrument or agreement for a term of years or may extend for an indefinite time. The income of the trust is reported annually by the trustee as long as the trust exists.

Seventy-six percent of all fiduciary returns for the income year 1954 were returns for trust income, and 24 percent were returns for the income of estates. However, of the total number of taxable fiduciary returns, 70 percent were for trusts and 30 percent for estates.

On account of the different functions of a trust and an estate, each has its distinctive characteristics. Different proportions of the total income are distributed, leaving different proportions in the hands of the fiduciary for taxation. Certain items of income vary in relation to their respective total income, although similar items of income are reported for each.

Text table C has been compiled to point out these and other characteristics. The six sources of income in the table correspond to those shown in the composition of total income for all fiduciary returns in chart 1, page 6. As in that chart, the money amount for each source of income in table C is the net proceeds from that source. Business and partnership were combined and gain from sales of assets includes both capital assets and other property.

Of the 321.2 thousand trust returns, 28 percent were taxable returns showing $509.6 million taxable income retained by the fiduciary. This was one-sixth of the total income of the trusts. Income tax after credits, paid at time of filing by the trustees of these trusts, was $198.1 million.

Of the 103.7 thousand returns for estates, 37 percent were taxable returns with $187.4 million taxable income retained by the fiduciary. This was more than one-fourth of the total income of the estates. Income tax liability reported by executors of these estates was $65.8 million.

Total income reported on returns for trusts was $3.2 billion while that on returns for estates was $690.9 million. Data from returns for trusts showed 51 percent of the total income to be from dividends, 22 percent as gain from sale of assets, and 13 percent from rents and royalties, with only 4 percent from business and partnership. By comparison, the returns for estates had 30 percent from dividends, 19 percent from gain on sale of assets, 24 percent from rents and royalties, and 15 percent from business and partnership. Interest income is the only source occurring in the same proportion.

Only two deductions are available for comparison between the trusts and estates. The deduction for distributions to beneficiaries of $1.9 billion on returns for trusts indicates that 60 percent of their total income was distributed according to the trust instruments. The returns for income of estates showed that this distribution, amounting to $212.8 million, was 31 percent of the total income of the estates.

Table C.—SOURCES OF INCOME, TAXABLE INCOME, AND TAX FOR TRUSTS AND FOR ESTATES

Items	Total fiduciary returns	Returns for trusts		Returns for estates	
		Number or amount	Percent of total	Number or amount	Percent of total
Number of returns:					
Taxable	127,779	89,470	28	38,309	37
Nontaxable	297,136	231,726	72	65,410	63
Total	424,915	321,196	100	103,719	100
	(Thousand dollars)	(Thousand dollars)		(Thousand dollars)	
Sources:					
Dividends (before exclusions)	1,811,158	1,603,382	51	207,776	30
Interest received	331,053	271,565	9	59,488	9
Rents and royalties	589,164	421,747	13	167,417	24
Business and partnership	233,684	133,469	4	100,215	15
Gain from sale of assets	824,694	690,876	22	133,818	19
Other income	72,171	50,012	1	22,166	3
Total income	3,861,924	3,171,051	100	690,873	100
Distributions to beneficiaries	2,123,574	1,910,777	60	212,796	31
Exemptions	140,203	77,965	2	62,237	9
Taxable income of fiduciary	697,011	509,609	16	187,402	27
Income tax after credits	263,893	198,132	-	65,761	-

Exemption of $600 was claimed against the total income on each of the 103.7 thousand returns for estate income. Returns for trusts showed that an exemption of $300 was claimed for each of the 229.2 thousand simple trusts, and $100 was claimed for each of 92 thousand complex trusts. This frequency for simple and complex trusts was based entirely on the amount of exemption taken and not on a legal definition. These exemptions provided tax-free income of 9 percent in the case of income of estates, but only 2 percent for the income of trusts.

TABULATED DATA

Fiduciary income and tax data for the income year 1954 are tabulated in eight basic tables. With the exception of two tables, these data are distributed by total income classes. There is one table showing a distribution by size of the taxable income of fiduciary, and one with information tabulated by States and Territories. Data from taxable and nontaxable returns are shown separately in six tables but are combined in the remaining two. Summary information for returns under $5,000 and for returns $5,000 or more total income, occurring in several of the tables, is cumulated from the classes as such, regardless of the tax status.

All of these basic tables include data for estates and trusts subject to the 1939 Code as well as data from those subject to the 1954 Code. As a consequence, the various sources of income tabulated are a combination of data part of which was reported on a net basis and part on a gross basis. Similarly, of the several deductions, each is an aggregate of a deduction sometimes reported as required under the new law and other times as required under the old law. Tax items also vary according to the provisions governing the accounting period of the estate or trust. Ninety-two percent of the fiduciary returns were subject to the 1954 Code.

In table 1, the number of fiduciary returns with total income and the related amounts of total income, taxable income of fiduciary, and income tax after credits are tabulated to show their distribution by total income classes, as well as their cumulation at each income class level from the lowest class and their cumulation at each income class level from the highest class, together with a corresponding percentage of the total. Taxable and nontaxable returns with total income are combined, but nontaxable returns with no total income are shown apart from the cumulations. Throughout these distributions, the nontaxable returns with total income are in their proper class.

Table 2 presents statistics for all fiduciary returns tabulated by total income classes, separately for taxable and nontaxable returns. These data show the sources of income and loss comprising total income, total income, and allowable deductions which include among others the dividend exclusions, charitable deduction, distributions to beneficiaries, long-term capital gain deduction, and exemptions. Also, there are shown the taxable income of fiduciary, income tax before credits, tax credits, and income tax liability after credits. Frequencies for number of returns are supplied for each item where appropriate and also for the number of returns with no taxable income of fiduciary.

Table 3 contains data from the fiduciary returns filed for the income of trusts. It shows each of the sources comprising total income, total income, the deduction allowed for distributions to beneficiaries, exemption claimed at $300 by each simple trust and that claimed at $100 by each complex trust, taxable income of the trust, and income tax liability after credits. The number of returns is given for these items and also for the number of trusts with no taxable income of trust. Taxable and nontaxable returns are shown separately by total income classes.

Table 4 contains only data from fiduciary returns filed for the income of estates. This is a companion table for table 3 with the same classification and with similar items, except that the exemption is $600 for each estate.

Table 5 shows a distribution of data for fiduciary returns that had taxable income of fiduciary. These data are classified by size of taxable income of fiduciary. This is a new classification in which the class intervals correspond to the brackets of the graduated tax rate schedule applicable to fiduciary income. The amounts of taxable income, normal tax and surtax, and alternative tax (both after credits) are tabulated and the frequencies for the taxes are also shown. Nontaxable returns with taxable income are those on which the original income tax was eliminated by the tax credits.

Table 6 for taxable fiduciary returns contains data related to the normal tax and surtax and that related to the alternative tax, and shows for each, by total income classes, the total income, taxable income of fiduciary, income tax after credits, average income tax, and the effective tax rate based on taxable income.

Table 7 pertains to the capital gains and losses reported on fiduciary returns. Data for returns with a net loss from sales of capital assets in total income are tabulated apart from data for returns with a net gain from such sales in total income. Returns with net gain from sales of capital assets are segregated to show data relative to normal tax and surtax separately from the data relating to alternative tax. In all categories, the net short-term capital gain and loss, the net long-term capital gain and loss, and the capital loss carryover are tabulated by total income classes. In addition, there is the capital loss before application of the statutory limitation on the deduction, as well as the allowable loss deducted from gross income in computing total income, and the amount of capital gain included in total income.

Table 8 for fiduciary returns shows two sources of income, total income, taxable income of fiduciary, and income tax liability after credits, with frequencies for these items and also for returns with no taxable income, distributed by States and Territories in which the returns were filed. Returns with no total income are not included in this table.

In addition to the basic tables for 1954 fiduciary income and tax data, there are two tables, numbers 9 and 10, which show historical data reported on taxable returns for income years 1945 through 1954, except

that no data are available for 1953 income year. Table 9 distributes by total income classes the number of returns, amounts of total income and income tax after credits. Table 10 presents the sources of income comprising total income, total income, deductions, and taxable income of fiduciary.

Throughout the tables, money amounts in thousand dollars and percentages were rounded and may not add to the totals.

DESCRIPTION OF THE SAMPLE AND LIMITATIONS OF DATA

The data presented for fiduciary income tax returns for 1954 are based on a stratified systematic sample which called for including 100 percent of returns showing total income of $50,000 or more and of various lesser percentages of returns showing total income under $50,000. More than 34,000 returns were selected in 64 district directors' offices. These represented about 8 percent of the total population of 431,337 fiduciary returns filed throughout the country.

Description of the sample.—Table D shows the number of returns processed, the number of returns in the sample, the prescribed sampling ratios, and the achieved sampling ratios, by estimating stratum. The differences between the prescribed sampling ratios and the achieved sampling ratios arise from three sources: incomplete numbering series, nonresponse, and the normal variation between expected sample size and actual sample size that arises in systematic sampling through the use of serial numbers.

Table D.—NUMBER OF FIDUCIARY INCOME TAX RETURNS PROCESSED FOR 1954, NUMBER OF RETURNS IN SAMPLE AND SAMPLING RATIOS, BY ESTIMATING STRATUM

Sampling stratum		Number of returns processed	Number of returns in sample	Sampling ratios or skip interval	
Total income	Tax status			Prescribed	Achieved
Under $50,000.....	Taxable.....	121,086	10,766	1/9	1/11
Under $50,000.....	Nontaxable....	298,940	14,957	1/19	1/20
$50,000 and over....	Taxable.....	6,236	5,382	1/1	7/8
$50,000 and over....	Nontaxable....	5,075	3,627	1/1	2/3
Grand total, all returns.....		431,337	34,732	-	-

In addition to the stratification imposed by selecting returns from each internal revenue district, the sample selection was adapted to the regular return sorting procedures which are employed in the district offices to facilitate collection and audit requirements. Returns are sorted on the basis of size of total income and taxpayment status, as reported by the taxpayer. These sorts constituted effective sampling strata because the characteristics on which the strata are based correlate highly with income and tax characteristics.

Inflating sample values to population size.—The sample values were extended to the returns they represented by multiplying them by "weighting factors." These weighting factors were derived for each class of return by dividing the number of sample returns into the total number of returns filed. For instance, the weighting factor of 20 for low, nontaxable returns was obtained by dividing the number of returns in the sample, 14,957, into the total number of returns filed, 298,940. The primary sources of population data were counts made and submitted by the district offices showing the numbers of Form 1041 returns processed.

In comparing the weighted sample numbers of returns with the figures presented as national totals for similar classes of returns, slight discrepancies will be noted. As shown in table E, the discrepancies result from the elimination of certain returns and the reclassification of others in preparing the tables.

Table E.—SOURCES OF DEVIATION BETWEEN WEIGHTED SAMPLE NUMBER OF RETURNS AND NUMBER OF RETURNS APPEARING IN TABLES FOR 1954

Total income class	Number of returns		Deviation from weighted sample	Source of deviation	
	National totals	Weighted sample		Returns with no information[1]	Misclassified returns
Under $50,000, taxable.....	122,299	121,086	+1,213	0	+1,213
Under $50,000, nontaxable.....	292,795	298,940	-6,145	-6,422	+277
$50,000 and over, taxable.....	5,480	6,236	-756	0	-756
$50,000 and over, nontaxable.....	4,341	5,075	-734	0	-734
All classes.....	424,915	431,337	-6,422	-6,422	0

[1]These figures are estimated from sample returns filed with the Internal Revenue Service but which contain no information on income. They are in the population of returns sampled but are excluded from tabulations.

Separate systems of weighting were used for the national tabulations and for the State tabulations. The weights for the national tabulations were derived from nationwide populations obtained by adding the populations reported by the district directors' offices. The separate district office populations were used to derive the independent district office weights for the State tabulations. Achieved sampling rates varied sufficiently among districts to warrant using two separate systems of weights.

As a result of using two weighting systems and rounded weighting factors, there exist slight discrepancies between items in tables showing distributions by States and corresponding items shown in the national tables.

Sampling variability.—The data are subject to sampling variability. Table F below shows the range within which we would expect to find 19 out of 20 estimates prepared from samples similarly selected. In the preparation of this table, it was assumed that systematic selection within strata would yield results equivalent to simple random sampling. For instance, if data from taxable returns showing total income under $50,000 reveal 10,000 returns having a certain characteristic, the chances are 19 out of 20 that the difference between this figure and the one that would have been obtained from a complete count is less than 620.

A general table of sampling variability for estimates that are based on returns from the several strata is not practical to prepare because of the large number of entries in the tables. The sampling variability for the value in each such cell must be estimated individually.

Deletion of certain entries.—Throughout the tables the policy has been followed of deleting where pos-

Table F.—SAMPLING VARIABILITY OF ESTIMATED NUMBER OF RETURNS

If the estimated number of returns is—	And the total income class of returns to which the estimate refers is—	
	Under $50,000, taxable	Under $50,000, nontaxable
	Then the chances are about 19 out of 20 that the difference between this estimated number of returns and the figure that would be obtained from a count of all returns is less than—	
100	60	80
1,000	200	270
10,000	620	860
25,000	910	1,320
50,000	1,100	1,780
75,000	1,090	2,070

sible those entries where the estimated relative error traceable to sampling variability was judged to be excessive. These cells are appropriately noted in each instance where this deletion has occurred.

Other limitations of the data.—In addition to sampling variability, the data are subject to certain other limitations. Many of the tax returns from which data were obtained had not been subjected to a complete audit with the result that errors made by taxpayers in filling out the returns were not completely eliminated. In addition, controls maintained over the selection and processing of the returns used in compiling the data do not completely eliminate the possibility of error. Practical operating considerations necessitate allowance of reasonable tolerances in processing controls.

EXPLANATION OF CLASSIFICATIONS AND TERMS

Classifications for Fiduciary Returns

Fiduciary returns for estates and trusts for the income year 1954 were classified by size of total income, by size of taxable income, by States and Territories, as taxable and nontaxable returns, and as returns for estates or trusts. Taxable returns were classified by types of tax.

These classifications were applied to all returns whether subject to the 1939 Code or to the 1954 Code. Classifications as described below refer in particular to circumstances under the 1954 Code. For returns subject to the 1939 Code, there was a corresponding counterpart on which the classification was based, except that surtax net income was substituted for taxable income of fiduciary. Only 8 percent of the total returns filed were subject to the 1939 Code.

Total income classes.—Fiduciary returns were classified into total income classes based on the amount of total income reported for each estate or trust. Returns that showed a deficit in total income, regardless of the amount, and returns with a break-even in total income are designated "No total income" and appear in aggregate under nontaxable returns. Returns with no information concerning income and deductions were excluded.

Taxable and nontaxable returns.—This classification was based on the presence or absence of an income tax liability after credits. Taxable returns are those which had an income tax liability remaining after the four tax credits allowed for foreign taxes paid, tax paid at source on tax-free covenant bonds, dividends received, and partially tax-exempt interest had been deducted. Nontaxable returns are returns with no income tax remaining after the four tax credits. A few nontaxable returns had a tax before credits which was eliminated by the credits.

Returns for estates and for trusts.—Certain fiduciary returns were filed for the income of an estate under administration and others for the income from property held in trust. This classification was determined from these facts.

Types of tax.—Taxable returns were classified by the two types of tax, namely, normal tax and surtax, and alternative tax. The alternative tax concerns the special treatment of taxing capital gains.

Taxable income classes.—This size classification was based on the amount of taxable income of fiduciary. Taxable income of fiduciary is a new term under the 1954 Code and is the amount to which the tax rates are applied. The class intervals coincide with the brackets of the graduated tax rate schedule. For returns subject to the 1939 Code, surtax net income (a comparable concept) was used as the basis of this size classification.

States and Territories.—The distribution of fiduciary returns by States and Territories included the 48 States, District of Columbia, and Hawaii. This distribution was based on the location of the internal revenue district in which the return was filed, except that the District of Columbia was separated from the Baltimore (Md.) District, by means of the address of the fiduciary.

Sources of Income Comprising Total Income

As previously stated, the sources of income on fiduciary returns for the income year 1954 were reported under rules pertaining to the 1954 Code in some instances and to the 1939 Code in others. The descriptions below relate to amounts reported under the 1954 rules. Ninety-two percent of all returns were subject to the 1954 Code.

Dividends (before exclusions) include foreign and domestic dividends received by the estate or trust through trade or business, partnership, or another fiduciary, as well as those received directly. However, so-called dividends from mutual savings banks, cooperative banks, domestic building and loan associations, domestic savings and loan associations, and Federal savings and loan associations are to be reported as interest according to instructions on the return and, therefore, are excluded from dividends received.

Interest received is that on bank deposits, notes, corporation bonds, mortgages, tax-free covenant bonds, and Government obligations (unless wholly exempt), and includes such interest received through partnerships, trade or business, and other fiduciaries. Interest also includes the so-called dividends listed above which, according to the instructions, are considered interest for income tax purposes.

Partnership net profit or net loss is the estate's or trust's share (whether received or not) of the ordinary net income or loss from all partnerships, syndicates, or joint ventures in which the estate or trust participated. If there were two or more

partnerships, the shares of profit and loss were combined and only the net result reported. However, the share of partnership profit or loss reported excluded gain or loss from sales of capital assets, dividends received, and partially tax-exempt interest, but the share was reported without the deduction for contributions or the net operating loss deduction

Fiduciary income or loss is the estate's or trust's share, as beneficiary, of the distributions to beneficiaries (whether received or not) from another estate or trust. However, in reporting this income the fiduciary excluded gains from sales of capital assets, dividends received, and partially tax-exempt interest so as to report each in its respective source. A loss, including capital loss, from another estate or trust can be received only upon termination of the other estate or trust.

Gross rents and royalties received or accrued were reported as a single item of income and the combined amount reported is the gross rentals, received directly or through business, for the occupancy of real estate or the use of personal property, as well as gross royalties from books, plays, copyrights, trade-marks, formulas, patents, and from natural resources such as oil, gas, timber, and mineral rights. All expenses relating to such income were claimed among the deductions for interest, taxes, depreciation and depletion, and other deductions.

Gross profit or loss from trade or business is the excess of gross receipts from sales or services over cost of goods sold, and gross loss is the reverse. Any other type of business income was reported in the appropriate source according to the character of such income. Business expenses were deducted by the fiduciary under depreciation, charitable contributions, and other deductions.

Net gain from sales of capital assets is the net gain realized from sales or exchanges of property treated as capital assets, the entire amount of which was included in total income of the estate or trust. It is a combination of the net short-term capital gain or loss (including the capital loss carryover from 1949-53) and 100 percent of the net long-term capital gain or loss, which combination resulted in a net gain. In computing the net gain, the short- and long-term capital gains and losses received through business or partnerships and capital gains received from another fiduciary were included. The amount of net gain from sales of capital assets included in total income of the estate or trust is not reduced by 50 percent of the excess long-term capital gain over short-term capital loss as it is in the case of reporting capital gain in adjusted gross income on an individual return.

Net loss from sales of capital assets is the amount of loss allowed the estate or trust on account of sales or exchanges of property treated as capital assets. The allowable loss was deducted from gross income in determining the amount of total income of the estate or trust. In the computation of deductible loss, all short-term capital gains and losses (including the capital loss carryover from 1949-53) were merged with 100 percent of the long-term capital gains and losses. The resulting capital loss was allowed only to the extent of the smallest of the following amounts (a) capital loss, (b) taxable income computed without regard to capit gains and losses and the deduction for exemptio or (c) $1,000. In merging the short- and long-te capital gains and losses, all such gains and loss sustained in business or received through partne ships, and capital gains received from other fid ciaries were included. The disallowed portion may b carried forward for 5 succeeding years as a short term capital loss to the extent not eliminated i the interim.

Short-term applies to gains and losses from sale of capital assets held 6 months or less and suc gains and losses, together with the capital los carryover, are merged to obtain the net short-ter capital gain or loss. In this merger, the net short term capital gain or loss from partnerships and ne short-term capital gain from other fiduciaries ar also included.

Long-term applies to gains and losses from sale of property treated as capital assets if held mor than 6 months. These are taken into account at 10 percent. Long-term capital gains and losses to gether with the net long-term capital gain or los received through partnerships and the net long-ter capital gain received from another fiduciary ar merged to determine the net long-term capital gai or loss.

Capital loss carryover from 1949-53 is the remain ing portion of net capital loss sustained in thos years but which the fiduciary has not yet been abl to eliminate through his capital gains or the $1,00 deduction allowed for capital loss in computin total income, in the years subsequent to the yea in which the capital loss was sustained. This carry over is reported with and treated as a short-ter capital loss in the 1954 income year.

Net loss from sales of capital assets before lim itation is the entire net loss from sales or ex changes of property treated as capital assets an reported on returns with a capital loss deductio from gross income on account of this loss. It is combination of the net short-term capital gain o loss including the capital loss carryover and th net long-term capital gain or loss, without regar to the statutory limitation on the allowable deduc tion.

Net gain or loss from sales of property othe than capital assets is that resulting from sales o exchanges of property including business property none of which was treated as a capital asset. Th net gain or net loss realized from such sales wa ordinary gain or loss and, in either case, th amount thereof was used in its entirety for th computation of total income of the estate or trust

Other sources of income include any type of incom subject to income tax received by the estate o trust, not elsewhere tabulated.

Deductions

Deductions allowed estates and trusts under the 195 Code differ from those allowed under the 1939 Code Each deduction was tabulated as reported on the re turn, so that the amount of any deduction in th tables, common to both laws, is a combination of tha deduction reported sometimes under the 1939 Code an

sometimes under the 1954 Code. The explanations below describe deductions as allowed under the 1954 Code. Ninety-two percent of all returns reported deductions as provided under the new Code.

Interest paid or accrued is the interest expenses of the estate or trust, including that relating to rents and royalties, but excludes interest on business indebtedness (which is in other deductions) and interest expenses attributable to or allocable to tax-exempt securities or income.

Taxes are those paid or accrued during the tax year of the estate or trust, including taxes relating to rents and royalties, but exclude taxes relating to trade or business (which are in other deductions). Amounts deducted as taxes included taxes on real estate (except those assessed against local benefits which tend to increase the value of the property assessed), State and local income taxes, taxes paid to a foreign country or possession of the United States but only if no tax credit was claimed for such taxes, and in general other non-Federal taxes paid.

Depreciation is the fiduciary's portion of depreciation and depletion to which the estate or trust is entitled. In computing the taxable income of fiduciary, a deduction for depreciation and depletion was allowed only to the extent that these deductions were not allocated to the beneficiaries or to charitable gifts. In the allocation of amounts between fiduciary and others, depreciation and depletion relating to trade or business and to rents and royalties were included as well as that received as beneficiary from the distribution of another estate or trust. In the case of a trust, the apportionment between fiduciary and others was made in accordance with the governing instrument or, in the absence of such provisions, on the basis of income allocated to each. In the case of an estate, the apportionment between the fiduciary and others was made on the basis of income allocated to each.

Charitable deduction is allowed to an estate or trust for amounts of income which, pursuant to the governing instrument, were paid or set aside to be used exclusively for public purposes, or for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, or for the establishment, maintenance, and operation of public, nonprofit cemeteries. In computing the charitable deduction, the contributions made through business and partnership were included. The charitable deduction, under certain conditions, may be subject to the percentage limitations imposed on the charitable deduction of an individual, or denied to the extent that it can be traced to unrelated business income. Also, the charitable contributions are subject to adjustments in order to eliminate from the deduction any tax-exempt income and, where the contributions are deemed to include long-term capital gain, to prevent a double deduction relative to the excess capital gain.

Dividend exclusions relate to domestic dividends which were received by an estate or trust with a tax year ended after July 31, 1954 and which qualified for the exclusion. Since dividends were fully reported in total income, a fiduciary who retained such dividends was allowed a deduction not to exceed $50 in computing taxable income of fiduciary.

Distributions to beneficiaries pertain to amounts paid, credited, or required to be distributed to the beneficiaries of the estate or trust. The allowable deduction is equal to the sum of these distributions or to the amount of distributable net income, whichever is less, but for the purpose of this comparison both amounts must be adjusted to exclude items of tax-exempt income entering into the distributable net income.

Long-term capital gain deduction is allowed in computing taxable income of fiduciary in cases where a portion or all of the capital gain is retained by the estate or trust. The deduction is 50 percent of the excess net long-term capital gain over net short-term capital loss left in the hands of the fiduciary.

Exemption for an estate is $600. For a trust required to distribute all of its income currently, it is $300. All other trust are allowed $100.

Other deductions include rent and royalty expenses other than interest, taxes, depreciation, and depletion; expenses of running a trade or business other than depreciation, depletion, and charitable contributions; bond amortization; net operating loss deduction; nonbusiness losses arising from fire, storm, or other casualty, or from theft; and other nonbusiness expenses such as that incurred for the production or collection of income subject to tax, or for the management, conservation, and maintenance of property held for the production of income subject to tax.

Measures of Fiduciary Income

Since the 1954 Code does not apply to estates and trusts with year ended before August 17, 1954, nor to any year beginning in 1953, the income on such returns was reported according to the 1939 Code. Consequently, the income tabulated contains income reported under rules of the 1939 Code as well as under the 1954 Code. Only income items under the 1954 Code are described. A majority of the returns was filed under the provisions of the new Code.

Total income of the estate or trust as reported under the 1954 rules is the sum of dividends before exclusions, interest received, partnership profit or loss, income or loss from another fiduciary, gross receipts from rents and royalties, gross profit or loss from trade or business, net gain from sales of capital assets and of other property, allowable loss from sales of capital assets and of other property, and other sources of income as reported on each return. Rents and royalties income, business profit or loss, and capital gain were reported on a gross basis for the first time.

Deficit in total income of an estate or trust existed when the losses allowed for the computation of total income exceeded the positive items of income entering into the composition of total income.

Taxable income of fiduciary is the amount of income for the current year that is retained by the fiduciary of the estate or trust. It is the excess of total income over total deductions. Taxable in-

come is the base upon which the tax was computed. If the numerous changes for reporting income and deductions under the 1954 Code are ignored, the concept of taxable income may be considered similar to that of surtax net income under prior law. Therefore, for returns subject to the 1939 Code, the surtax net income was substituted for the taxable income of fiduciary.

Tax Items

On any fiscal year or part-year return with an accounting period that included January 1, 1954, the income tax was prorated to give effect to the different rates applying to income received in 1953 and 1954. The rates on 1954 income retained by the fiduciary were 20 percent of the taxable income of fiduciary not in excess of $2,000 increasing to 91 percent of taxable income in excess of $200,000, but the maximum tax did not exceed 87 percent of the taxable income. The income tax rates on 1954 income were somewhat lower than on 1953 income.

Income tax before credits is the tax based on taxable income retained by the fiduciary. It may be either the normal tax and surtax or the alternative tax, and it is prior to the deduction of tax credits allowed the fiduciary.

Normal tax and surtax, the regular income tax, occurred on returns for estates and trusts unless the alternative tax relating to capital gains was imposed.

Alternative tax applied only if it was less than the regular income tax and only when the fiduciary retained some portion of the excess long-term capital gain over short-term capital loss on returns with taxable income of fiduciary greater than $18,000. The special rate of 25 percent applied to the entire excess long-term capital gain retained by the fiduciary.

Tax credit for foreign tax paid is the fiduciary's share of the tax credit allowed on account of income, war profits, or excess profits taxes paid to a foreign country or to a possession of the United States. The fiduciary's share was equal to the total allowable credit for such foreign taxes paid minus the proportionate share of credit allocated to the beneficiaries.

Tax credit for tax paid at source is the fiduciary's share of tax credit allowed for tax withheld and paid, by the debtor corporation, on interest from tax-free covenant bonds. The tax credit allowed against the income tax of the fiduciary was equal to the total tax withheld (usually 2 percent of interest earned) minus the amount of tax withheld allocated to the beneficiaries.

Tax credit for dividends received is allowed only on returns of estates and trusts with a tax year ended after July 31, 1954. Dividends received credit was allowed the fiduciary to the extent of 4 percent of domestic corporation dividends received after July 31, 1954 and included in gross income, but only with respect to so much of such dividends as were not included in the gross income of any beneficiary. Furthermore, the fiduciary's credit was limited to the smaller of (a) tax before credits reduced by foreign tax credit, or (b) 2 percent of taxable income of fiduciary.

Tax credit for partially tax-exempt interest is allowed in the amount of 3 percent of partially tax-exempt interest received by the estate or trust reduced by the amount of such interest reported in gross income of beneficiaries and the amortized bond premium with respect to the bonds yielding the interest upon which the credit was claimed. However, the credit allowed the fiduciary could not exceed the smallest of (a) tax before credits reduced by credit for foreign tax paid and for dividends received, (b) 3 percent of taxable income of fiduciary, or (c) if alternative tax was applicable, 3 percent of the ordinary income.

Income tax liability after credits is the income tax remaining after the four tax credits were deducted. It was the net tax liability reported by the fiduciary at time of filing the return.

BASIC TABLES
FIDUCIARY RETURNS, 1954

	Page
1. Number of returns, total income, taxable income, and income tax, by total income classes and classes cumulated.....	17
2. Sources of income and loss, deductions, exemptions, taxable income, and tax items, by total income classes.....	18
3. Trusts: sources of income and loss, exemptions, taxable income, and income tax, by total income classes.....	22
4. Estates: sources of income and loss, exemptions, taxable income, and income tax, by total income classes.....	24
5. Taxable income and income tax, by taxable income classes.....	26
6. Total income, taxable income, income tax, average tax, and effective tax rate, by types of tax and by total income classes	27
7 Capital gains and losses, short- and long-term, and capital loss carryover, by total income classes.....	28
8. Selected sources of income and income tax, by States and Territories.....	30

Table 1.—NUMBER OF RETURNS, TOTAL INCOME, TAXABLE INCOME, AND INCOME TAX, BY TOTAL INCOME CLASSES AND CLASSES CUMULATED

	Total income classes and classes cumulated	Returns		Total income		Taxable income of fiduciary		Income tax liability after credits		
		Number	Percent of total	Amount (Thousand dollars)	Percent of total	Amount (Thousand dollars)	Percent of total	Amount (Thousand dollars)	Percent of total	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
	TOTAL INCOME CLASSES									
	Returns with total income, taxable and nontaxable:									
1	Under $600	58,049	13.9	18,011	0.5	1,628	0.2	310	0.1	1
2	$600 under $1,000	43,762	10.4	34,402	.9	2,897	.4	551	.2	2
3	$1,000 under $1,500	41,828	10.0	51,696	1.3	5,966	.9	1,133	.4	3
4	$1,500 under $2,000	33,700	8.0	58,491	1.5	7,826	1.1	1,491	.6	4
5	$2,000 under $2,500	25,995	6.2	58,261	1.5	7,862	1.1	1,502	.6	5
6	$2,500 under $3,000	21,042	5.0	57,622	1.5	7,992	1.1	1,538	.6	6
7	$3,000 under $3,500	17,704	4.2	57,383	1.5	8,491	1.2	1,685	.6	7
8	$3,500 under $4,000	13,636	3.3	51,002	1.3	7,852	1.1	1,538	.6	8
9	$4,000 under $4,500	13,188	3.1	55,832	1.4	8,103	1.2	1,598	.6	9
10	$4,500 under $5,000	10,806	2.6	51,331	1.3	8,373	1.2	1,683	.6	10
11	$5,000 under $6,000	17,998	4.3	98,419	2.5	16,303	2.3	3,320	1.3	11
12	$6,000 under $7,000	14,834	3.5	96,011	2.5	16,202	2.3	3,351	1.3	12
13	$7,000 under $8,000	11,343	2.7	84,895	2.2	14,748	2.1	3,158	1.2	13
14	$8,000 under $9,000	9,448	2.3	80,116	2.1	13,995	2.0	3,074	1.2	14
15	$9,000 under $10,000	7,770	1.9	73,614	1.9	11,604	1.7	2,601	1.0	15
16	$10,000 under $15,000	27,015	6.4	330,366	8.5	56,470	8.1	13,702	5.2	16
17	$15,000 under $20,000	14,947	3.6	258,308	6.7	46,207	6.6	12,223	4.6	17
18	$20,000 under $30,000	14,977	3.6	365,188	9.4	65,373	9.4	19,876	7.5	18
19	$30,000 under $50,000	11,230	2.7	428,806	11.1	69,301	9.9	25,435	9.6	19
20	$50,000 under $100,000	6,043	1.4	415,864	10.7	78,616	11.3	34,999	13.3	20
21	$100,000 under $150,000	1,696	.4	203,799	5.3	38,494	5.5	19,651	7.4	21
22	$150,000 under $200,000	710	.2	121,254	3.1	22,396	3.2	12,123	4.6	22
23	$200,000 under $500,000	972	.2	290,688	7.5	58,046	8.3	32,130	12.2	23
24	$500,000 under $1,000,000	273	.1	183,024	4.7	36,183	5.2	20,408	7.7	24
25	$1,000,000 or more	127	(1)	349,276	9.0	86,083	12.4	44,813	17.0	25
26	Total	419,093	100.0	3,873,689	100.0	697,011	100.0	263,893	100.0	26
27	Returns with no total income, nontaxable	5,822	-	[2]11,765	-	-	-	-	-	27
28	Grand total	424,915	-	[3]3,861,924	-	697,011	-	263,893	-	28
	CUMULATED FROM LOWEST TOTAL INCOME CLASS									
	Returns with total income, taxable and nontaxable:									
29	Under $600	58,049	13.9	18,011	0.5	1,628	0.2	310	0.1	29
30	Under $1,000	101,811	24.3	52,413	1.4	4,525	.6	861	.3	30
31	Under $1,500	143,639	34.3	104,109	2.7	10,491	1.5	1,994	.8	31
32	Under $2,000	177,339	42.3	162,600	4.2	18,317	2.6	3,485	1.3	32
33	Under $2,500	203,334	48.5	220,861	5.7	26,179	3.8	4,987	1.9	33
34	Under $3,000	224,376	53.5	278,483	7.2	34,171	4.9	6,525	2.5	34
35	Under $3,500	242,080	57.8	335,866	8.7	42,662	6.1	8,210	3.1	35
36	Under $4,000	255,716	61.0	386,868	10.0	50,514	7.2	9,748	3.7	36
37	Under $4,500	268,904	64.2	442,700	11.4	58,617	8.4	11,346	4.3	37
38	Under $5,000	279,710	66.7	494,061	12.8	66,990	9.6	13,029	4.9	38
39	Under $6,000	297,708	71.0	592,480	15.3	83,293	12.0	16,349	6.2	39
40	Under $7,000	312,542	74.6	688,491	17.8	99,495	14.3	19,700	7.5	40
41	Under $8,000	323,885	77.3	773,386	20.0	114,243	16.4	22,858	8.7	41
42	Under $9,000	333,333	79.5	853,502	22.0	128,238	18.4	25,932	9.8	42
43	Under $10,000	341,103	81.4	927,116	23.9	139,842	20.1	28,533	10.8	43
44	Under $15,000	368,118	87.8	1,257,482	32.5	196,312	28.2	42,235	16.0	44
45	Under $20,000	383,065	91.4	1,515,790	39.1	242,519	34.8	54,458	20.6	45
46	Under $30,000	398,042	95.0	1,880,978	48.6	307,892	44.2	74,334	28.2	46
47	Under $50,000	409,272	97.7	2,309,734	59.6	377,193	54.1	99,769	37.8	47
48	Under $100,000	415,315	99.1	2,725,643	70.4	455,809	65.4	134,768	51.1	48
49	Under $150,000	417,011	99.5	2,929,447	75.6	494,303	70.9	154,419	58.5	49
50	Under $200,000	417,721	99.7	3,050,701	78.8	516,699	74.1	166,542	63.1	50
51	Under $500,000	418,693	99.9	3,341,389	86.3	574,745	82.5	198,672	75.3	51
52	Under $1,000,000	418,966	99.9	3,524,413	91.0	610,928	87.6	219,080	83.0	52
53	All returns	419,093	100.0	3,873,689	100.0	697,011	100.0	263,893	100.0	53
54	Returns with no total income, nontaxable	5,822	-	[2]11,765	-	-	-	-	-	54
55	Total returns	424,915	-	[3]3,861,924	-	697,011	-	263,893	-	55
	CUMULATED FROM HIGHEST TOTAL INCOME CLASS									
	Returns with total income, taxable and nontaxable:									
56	$1,000,000 or more	127	(1)	349,276	9.0	86,083	12.4	44,813	17.0	56
57	$500,000 or more	400	0.1	532,300	13.7	122,266	17.5	65,221	24.7	57
58	$200,000 or more	1,372	.3	822,988	21.2	180,312	25.9	97,351	36.9	58
59	$150,000 or more	2,082	.5	944,242	24.4	202,708	29.1	109,474	41.5	59
60	$100,000 or more	3,778	.9	1,143,041	29.6	241,202	34.6	129,125	48.9	60
61	$50,000 or more	9,821	2.3	1,563,905	40.4	319,818	45.9	164,124	62.2	61
62	$30,000 or more	21,051	5.0	1,992,711	51.4	389,119	55.8	189,559	71.8	62
63	$20,000 or more	36,028	8.6	2,357,899	60.9	454,492	65.2	209,435	79.4	63
64	$15,000 or more	50,975	12.2	2,616,207	67.5	500,699	71.8	221,658	84.0	64
65	$10,000 or more	77,990	18.6	2,946,573	76.1	557,169	79.9	235,360	89.2	65
66	$9,000 or more	85,760	20.5	3,020,187	78.0	568,773	81.6	237,961	90.2	66
67	$8,000 or more	95,208	22.7	3,100,303	80.0	582,768	83.6	241,035	91.3	67
68	$7,000 or more	106,551	25.4	3,185,198	82.2	597,516	85.7	244,193	92.5	68
69	$6,000 or more	121,385	29.0	3,281,209	84.7	613,718	88.0	247,544	93.8	69
70	$5,000 or more	139,383	33.3	3,379,628	87.2	630,021	90.4	250,864	95.1	70
71	$4,500 or more	150,189	35.8	3,433,939	88.6	638,394	91.6	252,547	95.7	71
72	$4,000 or more	163,377	39.0	3,486,821	90.0	646,497	92.8	254,145	96.3	72
73	$3,500 or more	177,013	42.2	3,537,823	91.3	654,349	93.9	255,683	96.9	73
74	$3,000 or more	194,717	46.5	3,595,206	92.8	662,840	95.1	257,368	97.5	74
75	$2,500 or more	215,759	51.5	3,652,823	94.3	670,832	96.2	258,906	98.1	75
76	$2,000 or more	241,754	57.7	3,711,799	95.8	678,694	97.4	260,408	98.7	76
77	$1,500 or more	275,454	65.7	3,769,980	97.3	686,520	98.5	261,899	99.2	77
78	$1,000 or more	317,482	75.7	3,821,776	98.6	692,486	99.4	263,032	99.7	78
79	$500 or more	361,044	86.1	3,855,978	99.5	695,383	99.8	263,583	99.9	79
80	All returns	419,093	100.0	3,873,689	100.0	697,011	100.0	263,893	100.0	80
81	Returns with no total income, nontaxable	5,822	-	[2]11,765	-	-	-	-	-	81
82	Total returns	424,915	-	[3]3,861,924	-	697,011	-	263,893	-	82

See text for "Explanation of Classifications and Terms" and for "Description of Sample and Limitations of Data."
[1]Less than .05 percent.
[2]Deficit in total income.
[3]Total income after deficit in total income.

Table 2.—SOURCES OF INCOME AND LOSS, DEDUCTIONS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY TOTAL INCOME CLASSES

	Total income classes	Total number of returns	Dividends (before exclusions)		Interest received		Partnership				Fiduciary				Rents and royalties				
							Net profit		Net loss		Income		Loss		Gross		Loss		
			Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	
	Taxable returns:																		
1	Under $600	9,496	5,590	1,536	6,018	1,134	470	140	(1)	(1)	481	85	-	-	687	184	(1)	(1)	1
2	$600 under $1,000	8,386	5,388	3,054	4,480	1,636	413	247	(1)	(1)	355	125	-	-	1,257	668	(1)	(1)	2
3	$1,000 under $1,500	10,006	6,673	5,106	5,430	2,296	779	727	(1)	(1)	505	191	(1)	(1)	2,061	1,802	(1)	(1)	3
4	$1,500 under $2,000	8,999	6,229	6,611	5,561	2,584	642	902	(1)	(1)	448	358	(1)	(1)	2,150	2,396	(1)	(1)	4
5	$2,000 under $2,500	7,112	4,871	6,220	4,273	2,390	608	971	(1)	(1)	275	313	(1)	(1)	1,722	2,474	-	-	5
6	$2,500 under $3,000	5,931	4,338	6,602	3,671	2,177	470	815	(1)	(1)	264	256	(1)	(1)	1,419	2,509	55	12	6
7	$3,000 under $3,500	5,339	4,046	7,300	3,347	2,067	435	1,073	-	-	241	349	(1)	(1)	1,224	2,433	(1)	(1)	7
8	$3,500 under $4,000	4,494	3,401	6,565	2,943	2,584	232	454	-	-	229	279	-	-	1,045	2,350	-	-	8
9	$4,000 under $4,500	4,210	3,272	7,555	2,757	2,349	229	453	(1)	(1)	126	99	(1)	(1)	1,083	2,785	(1)	(1)	9
10	$4,500 under $5,000	3,719	2,710	6,553	2,445	2,099	344	1,074	(1)	(1)	149	232	-	-	781	2,164	(1)	(1)	10
11	$5,000 under $6,000	6,652	5,319	15,497	4,390	3,732	516	1,816	(1)	(1)	391	610	-	-	1,757	5,314	(1)	(1)	11
12	$6,000 under $7,000	5,698	4,560	14,798	3,945	4,314	437	1,706	(1)	(1)	137	78	(1)	(1)	1,430	5,813	(1)	(1)	12
13	$7,000 under $8,000	4,511	3,603	14,644	3,074	3,425	515	2,307	-	-	149	387	(1)	(1)	1,168	4,734	(1)	(1)	13
14	$8,000 under $9,000	3,872	3,186	14,499	2,807	3,046	389	2,243	(1)	(1)	115	336	-	-	904	4,223	(1)	(1)	14
15	$9,000 under $10,000	2,951	2,389	11,546	2,101	2,704	173	1,337	(1)	(1)	68	94	-	-	744	4,114	-	-	15
16	$10,000 under $15,000	11,426	9,583	64,348	8,585	12,216	945	5,809	80	150	415	960	55	26	2,687	16,614	(1)	(1)	16
17	$15,000 under $20,000	6,809	5,778	49,859	5,135	9,015	488	5,113	112	366	252	773	(1)	(1)	1,868	16,058	(1)	(1)	17
18	$20,000 under $30,000	7,482	6,557	81,674	5,780	11,193	599	7,546	(1)	(1)	302	2,285	-	-	2,263	23,190	(1)	(1)	18
19	$30,000 under $50,000	5,206	4,634	93,863	3,904	11,129	480	10,173	(1)	(1)	143	478	(1)	(1)	1,436	23,810	(1)	(1)	19
20	$50,000 under $100,000	3,326	2,990	101,062	2,625	10,723	257	7,223	35	109	146	1,528	7	54	934	26,161	16	33	20
21	$100,000 under $150,000	945	838	46,720	718	4,425	69	2,986	18	113	29	1,556	3	14	304	10,677	5	12	21
22	$150,000 under $200,000	409	365	27,425	325	2,002	26	1,395	2	21	18	195	-	-	134	8,407	4	19	22
23	$200,000 under $500,000	570	518	61,666	415	4,120	24	1,609	6	73	17	473	1	(2)	167	14,066	-	-	23
24	$500,000 under $1,000,000	153	146	32,039	108	1,240	8	631	-	-	-	-	-	-	48	6,034	1	9	24
25	$1,000,000 or more	77	74	57,433	49	897	4	535	5	25	1	-	-	-	16	10,476	-	-	25
26	Total taxable returns	127,779	97,058	744,175	84,886	105,497	9,552	59,285	571	1,430	5,256	12,040	202	172	29,289	199,456	326	351	26
	Nontaxable returns:																		
27	No total income	5,822	1,497	851	1,619	909	(1)	(1)	976	4,208	(1)	(1)	(1)	(1)	810	913	462	570	27
28	Under $600	48,553	24,663	6,096	30,624	6,083	1,582	314	161	143	1,943	360	-	-	5,448	1,525	160	32	28
29	$600 under $1,000	35,376	23,102	11,778	22,638	8,592	1,248	585	(1)	(1)	1,791	597	-	-	6,124	3,881	(1)	(1)	29
30	$1,000 under $1,500	31,822	21,837	17,604	20,428	9,950	1,328	946	(1)	(1)	1,871	1,131	(1)	(1)	6,506	5,748	-	-	30
31	$1,500 under $2,000	24,701	18,214	21,503	16,233	9,405	926	839	(1)	(1)	1,147	719	(1)	(1)	5,116	6,434	(1)	(1)	31
32	$2,000 under $2,500	18,883	14,306	21,827	12,426	8,817	768	893	(1)	(1)	665	687	-	-	3,687	5,996	-	-	32
33	$2,500 under $3,000	15,111	11,719	22,239	10,193	8,820	483	657	(1)	(1)	483	413	(1)	(1)	2,927	5,324	(1)	(1)	33
34	$3,000 under $3,500	12,365	9,562	21,913	8,412	7,194	543	1,052	-	-	563	627	(1)	(1)	2,273	4,995	-	-	34
35	$3,500 under $4,000	9,142	7,006	18,082	6,260	5,733	221	366	(1)	(1)	382	683	-	-	2,032	5,432	-	-	35
36	$4,000 under $4,500	8,978	7,433	21,908	6,380	6,515	202	359	-	-	342	397	-	-	2,232	5,587	-	-	36
37	$4,500 under $5,000	7,087	5,676	19,521	4,549	4,977	222	514	(1)	(1)	221	413	-	-	1,486	4,922	-	-	37
38	$5,000 under $6,000	11,346	9,040	34,882	8,329	10,451	263	643	(1)	(1)	302	384	-	-	2,793	9,530	(1)	(1)	38
39	$6,000 under $7,000	9,136	7,274	33,523	6,286	7,765	403	993	(1)	(1)	241	563	-	-	2,468	10,436	(1)	(1)	39
40	$7,000 under $8,000	6,832	5,376	28,513	4,411	6,645	281	1,340	(1)	(1)	221	401	-	-	1,766	8,990	(1)	(1)	40
41	$8,000 under $9,000	5,576	4,663	26,838	3,940	6,413	262	1,371	(1)	(1)	121	172	-	-	1,377	6,652	-	-	41
42	$9,000 under $10,000	4,819	3,867	22,968	3,343	6,476	161	1,064	-	-	201	322	-	-	1,404	8,614	-	-	42
43	$10,000 under $15,000	15,589	12,461	106,138	10,773	22,564	587	3,393	-	-	463	1,422	(1)	(1)	4,544	37,638	-	-	43
44	$15,000 under $20,000	8,138	6,135	71,785	5,359	14,073	384	3,600	(1)	(1)	201	701	-	-	2,863	32,702	(1)	(1)	44
45	$20,000 under $30,000	7,495	5,786	95,210	4,876	15,097	428	5,165	(1)	(1)	221	1,452	(1)	(1)	2,707	39,541	-	-	45
46	$30,000 under $50,000	6,024	4,624	121,546	3,876	16,942	256	3,426	(1)	(1)	106	480	-	-	2,114	56,506	-	-	46
47	$50,000 under $100,000	2,717	2,046	98,440	1,706	14,394	140	4,654	15	35	44	477	5	14	963	40,094	4	9	47
48	$100,000 under $150,000	751	583	46,555	436	5,432	33	1,645	3	15	7	184	2	1	254	19,866	5	45	48
49	$150,000 under $200,000	301	234	28,203	164	3,311	12	264	1	16	1	1	-	-	106	11,551	-	-	49
50	$200,000 under $500,000	402	312	61,127	222	4,845	21	1,483	1	12	4	318	-	-	160	26,807	-	-	50
51	$500,000 under $1,000,000	120	106	53,614	62	2,574	1	900	1	3	1	34	-	-	34	12,397	1	26	51
52	$1,000,000 or more	50	42	54,319	31	11,579	1	1,279	-	-	2	2,016	-	-	13	19,523	-	-	52
53	Total nontaxable returns	297,136	207,564	1,066,983	193,576	225,556	10,797	37,769	1,682	5,680	11,564	14,972	207	251	62,207	391,604	934	1,545	53
54	Grand total	424,915	304,622	1,811,158	278,462	331,053	20,349	97,054	2,253	7,110	16,820	27,012	409	423	91,496	591,060	1,260	1,896	54
55	Returns under $5,000	285,532	191,533	240,424	180,687	98,311	12,186	13,405	1,605	5,025	12,501	8,332	238	254	52,070	70,522	919	724	55
56	Returns $5,000 or more	139,383	113,089	1,570,734	97,775	232,742	8,163	83,649	648	2,085	4,319	18,680	171	169	39,426	520,538	341	1,172	56

See footnotes at end of table. See text for "Explanation of Classifications and Terms" and for "Description of Sample and Limitations of Data."

Table 2.—SOURCES OF INCOME AND LOSS, DEDUCTIONS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY TOTAL INCOME CLASSES—Continued

	Total income classes	Trade or business				Sales of capital assets				Sales of property *other* than capital assets				Other sources		Total income	
		Gross profit		Gross loss		Net gain		Net loss		Net gain		Net loss					
		Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	(Thousand dollars)	
		(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	
	Taxable returns:																
1	Under $600	91	30	-	-	1,886	191	366	76	(1)	(1)	(1)	(1)	804	46	3,270	1
2	$600 under $1,000	331	252	-	-	1,964	478	259	75	(1)	(1)	(1)	(1)	805	272	6,664	2
3	$1,000 under $1,500	479	528	(1)	(1)	3,076	1,414	447	122	56	12	(1)	(1)	1,172	430	12,352	3
4	$1,500 under $2,000	354	516	(1)	(1)	3,357	2,018	562	137	(1)	(1)	(1)	(1)	1,259	465	15,656	4
5	$2,000 under $2,500	509	893	(1)	(1)	2,988	2,189	366	96	68	39	(1)	(1)	1,227	523	15,884	5
6	$2,500 under $3,000	231	507	(1)	(1)	2,880	2,932	354	146	(1)	(1)	(1)	(1)	1,125	591	16,221	6
7	$3,000 under $3,500	259	678	(1)	(1)	2,603	2,987	248	81	(1)	(1)	(1)	(1)	823	508	17,323	7
8	$3,500 under $4,000	250	740	(1)	(1)	2,404	3,212	192	80	(1)	(1)	(1)	(1)	857	667	16,816	8
9	$4,000 under $4,500	204	753	(1)	(1)	2,272	3,500	192	55	(1)	(1)	-	-	812	421	17,886	9
10	$4,500 under $5,000	252	1,109	(1)	(1)	2,133	3,986	179	50	(1)	(1)	(1)	(1)	662	581	17,706	10
11	$5,000 under $6,000	294	1,042	(1)	(1)	4,055	7,963	251	82	(1)	(1)	(1)	(1)	1,185	572	36,387	11
12	$6,000 under $7,000	325	1,729	(1)	(1)	3,536	8,025	235	113	55	43	56	9	983	612	36,941	12
13	$7,000 under $8,000	253	1,232	(1)	(1)	2,808	6,868	250	118	(1)	(1)	(1)	(1)	790	441	33,670	13
14	$8,000 under $9,000	122	744	(1)	(1)	2,579	7,251	181	74	(1)	(1)	(1)	(1)	775	701	32,815	14
15	$9,000 under $10,000	91	376	(1)	(1)	2,027	7,058	113	72	(1)	(1)	(1)	(1)	516	684	28,015	15
16	$10,000 under $15,000	535	4,983	(1)	(1)	8,112	32,805	512	265	81	143	73	97	2,231	2,874	140,212	16
17	$15,000 under $20,000	344	4,414	(1)	(1)	5,021	32,235	387	196	80	11	(1)	(1)	1,425	1,139	117,942	17
18	$20,000 under $30,000	418	7,097	67	233	5,562	46,378	437	238	69	195	(1)	(1)	1,753	3,110	181,818	18
19	$30,000 under $50,000	333	9,616	(1)	(1)	3,820	48,443	361	234	80	110	71	50	1,163	1,671	198,485	19
20	$50,000 under $100,000	180	7,267	37	402	2,690	72,719	157	106	47	233	69	81	942	3,075	229,206	20
21	$100,000 under $150,000	63	4,570	10	107	792	42,284	39	33	10	152	10	76	268	689	113,704	21
22	$150,000 under $200,000	29	3,441	4	37	367	26,862	12	8	7	22	9	17	109	457	70,104	22
23	$200,000 under $500,000	41	5,606	8	79	510	82,321	26	22	10	18	5	2	158	394	170,097	23
24	$500,000 under $1,000,000	24	3,255	1	30	142	56,989	6	4	4	2	5	6	35	673	100,814	24
25	$1,000,000 or more	5	5,689	1	27	71	163,710	3	3	-	-	1	1	27	250	238,934	25
26	Total taxable returns	6,017	67,067	409	1,688	67,655	664,818	6,135	2,486	958	1,478	648	613	21,906	21,846	1,868,922	26
	Nontaxable returns:																
27	No total income	121	351	1,597	6,180	567	762	1,471	953	(1)	(1)	993	3,707	527	60	[3]11,765	27
28	Under $600	1,284	367	243	402	7,197	664	3,282	997	282	54	120	30	5,032	882	14,741	28
29	$600 under $1,000	1,065	718	(1)	(1)	8,391	1,500	1,770	459	280	42	240	130	3,583	861	27,738	29
30	$1,000 under $1,500	883	1,106	(1)	(1)	8,273	2,000	1,712	463	280	204	200	186	4,528	1,456	39,344	30
31	$1,500 under $2,000	804	1,246	(1)	(1)	7,616	2,243	1,647	451	140	74	180	103	3,299	1,054	42,835	31
32	$2,000 under $2,500	784	1,484	(1)	(1)	5,367	2,017	1,409	373	120	48	(1)	(1)	2,538	1,374	42,377	32
33	$2,500 under $3,000	605	1,300	-	-	4,305	1,753	985	216	102	65	100	3	2,332	1,272	41,401	33
34	$3,000 under $3,500	687	1,963	(1)	(1)	3,638	1,997	742	306	(1)	(1)	160	130	1,386	774	40,060	34
35	$3,500 under $4,000	520	1,678	(1)	(1)	2,653	1,882	681	162	(1)	(1)	(1)	(1)	1,145	462	34,186	35
36	$4,000 under $4,500	260	984	(1)	(1)	2,938	1,855	582	193	-	-	(1)	(1)	1,187	568	37,946	36
37	$4,500 under $5,000	363	1,580	-	-	2,231	1,472	440	142	(1)	(1)	(1)	(1)	945	471	33,655	37
38	$5,000 under $6,000	425	1,964	(1)	(1)	3,504	3,571	867	238	100	148	(1)	(1)	1,228	934	62,032	38
39	$6,000 under $7,000	549	2,790	(1)	(1)	3,200	3,006	540	254	100	129	120	26	885	780	59,070	39
40	$7,000 under $8,000	322	1,964	-	-	2,019	3,059	602	203	100	119	(1)	(1)	825	524	51,225	40
41	$8,000 under $9,000	347	2,171	-	-	1,903	3,138	440	128	(1)	(1)	(1)	(1)	662	681	47,301	41
42	$9,000 under $10,000	285	2,169	-	-	1,509	3,555	382	155	(1)	(1)	(1)	(1)	582	439	45,599	42
43	$10,000 under $15,000	986	7,887	(1)	(1)	4,726	10,280	1,229	582	(1)	(1)	240	111	2,302	1,533	190,154	43
44	$15,000 under $20,000	431	5,950	(1)	(1)	2,634	11,405	422	205	(1)	(1)	100	52	1,188	1,042	140,366	44
45	$20,000 under $30,000	510	10,553	(1)	(1)	2,515	15,316	408	185	(1)	(1)	(1)	(1)	1,127	1,780	183,370	45
46	$30,000 under $50,000	291	9,367	-	-	2,106	21,701	421	216	(1)	(1)	127	358	959	938	230,321	46
47	$50,000 under $100,000	170	7,865	12	115	914	18,833	173	103	34	497	43	268	474	1,948	186,658	47
48	$100,000 under $150,000	32	2,636	3	222	279	12,626	40	23	4	7	11	41	125	1,491	90,095	48
49	$150,000 under $200,000	17	1,912	4	27	99	5,463	26	18	4	294	11	87	60	299	51,150	49
50	$200,000 under $500,000	43	7,691	2	284	159	16,607	25	18	7	56	1	3	87	1,974	120,591	50
51	$500,000 under $1,000,000	8	2,711	1	13	42	8,908	6	6	3	1,221	1	160	18	59	82,210	51
52	$1,000,000 or more	4	6,285	-	-	16	15,348	3	3	1	6	5	90	7	80	110,342	52
53	Total nontaxable returns	11,796	86,692	2,277	8,331	78,801	170,961	20,305	7,052	2,024	3,817	3,098	6,229	37,031	23,736	[4]1,993,002	53
54	Grand total	17,813	153,759	2,686	10,019	146,456	835,779	26,440	9,538	2,982	5,295	3,746	6,842	58,937	45,582	[4]3,861,924	54
55	Returns under $5,000	10,336	18,783	2,288	7,102	78,739	41,052	17,886	5,633	1,804	930	2,330	4,463	36,048	13,738	[4]482,296	55
56	Returns $5,000 or more	7,477	134,976	398	2,917	67,717	794,727	8,554	3,905	1,178	4,365	1,416	2,379	22,889	31,844	3,379,628	

See footnotes at end of table. See text for "Explanation of Classifications and Terms" and for "Description of Sample and Limitations of Data."

Table 2.—SOURCES OF INCOME AND LOSS, DEDUCTIONS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY TOTAL INCOME CLASSES—Continued

	Total income classes	Deduction for— Interest paid: Number of returns	Interest paid: Amount (Thousand dollars)	Taxes: Number of returns	Taxes: Amount (Thousand dollars)	Depreciation: Number of returns	Depreciation: Amount (Thousand dollars)	Charitable deduction: Number of returns	Charitable deduction: Amount (Thousand dollars)	Dividend exclusions: Number of returns	Dividend exclusions: Amount (Thousand dollars)	Distributions to beneficiaries: Number of returns	Distributions to beneficiaries: Amount (Thousand dollars)	Long-term capital gain deduction: Number of returns	Long-term capital gain deduction: Amount (Thousand dollars)	Exemptions (Thousand dollars)	Other deductions: Number of returns	Other deductions: Amount (Thousand dollars)	Total deductions (Thousand dollars)	
		(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	
	Taxable returns:																			
1	Under $600	276	11	2,148	41	216	18	69	2	5,233	262	401	63	1,700	87	977	5,036	181	1,642	1
2	$600 under $1,000	465	36	2,299	118	514	75	100	4	4,746	237	1,032	344	1,572	184	2,500	3,629	269	3,767	2
3	$1,000 under $1,500	546	59	3,860	336	1,044	224	191	29	5,620	281	1,847	938	2,626	590	3,319	5,308	621	6,398	3
4	$1,500 under $2,000	595	103	4,109	495	1,204	306	158	29	4,842	241	2,644	2,079	2,887	876	2,746	5,404	955	7,830	4
5	$2,000 under $2,500	771	150	3,605	580	1,099	439	110	9	3,765	188	2,051	2,183	2,644	956	2,337	4,784	1,174	8,020	5
6	$2,500 under $3,000	503	95	3,076	514	954	350	101	11	3,142	157	2,177	2,798	2,549	1,297	1,970	4,020	1,036	8,229	6
7	$3,000 under $3,500	502	142	2,627	512	798	460	124	10	2,840	142	2,040	3,331	2,374	1,347	1,690	3,735	1,192	8,832	7
8	$3,500 under $4,000	456	94	2,277	512	860	483	(1)	(1)	2,359	119	2,016	3,769	2,163	1,396	1,467	3,099	1,117	8,964	8
9	$4,000 under $4,500	572	200	2,305	498	705	449	68	5	2,044	101	2,067	4,449	2,123	1,551	1,310	3,231	1,219	9,783	9
10	$4,500 under $5,000	380	115	1,972	522	584	441	101	80	1,687	83	1,703	3,988	1,881	1,719	1,193	2,672	1,190	9,332	10
11	$5,000 under $6,000	754	275	3,829	1,219	1,168	808	135	100	3,300	165	3,319	9,296	3,789	3,712	2,048	5,082	2,459	20,084	11
12	$6,000 under $7,000	638	300	3,187	1,176	1,085	926	111	33	2,871	144	3,094	10,065	3,304	3,554	1,830	4,445	2,710	20,739	12
13	$7,000 under $8,000	514	261	2,693	1,134	777	796	147	48	2,386	119	2,411	9,522	2,648	3,016	1,326	3,525	2,701	18,923	13
14	$8,000 under $9,000	569	243	2,347	926	584	566	111	67	1,939	96	2,335	10,170	2,487	3,377	1,246	3,234	2,129	18,820	14
15	$9,000 under $10,000	424	221	1,827	846	491	627	123	191	1,491	74	1,733	8,647	1,970	3,282	930	2,283	1,590	16,410	15
16	$10,000 under $15,000	1,593	969	6,883	4,226	1,747	2,580	273	170	5,731	286	7,135	46,007	7,788	15,234	3,592	9,417	10,677	83,742	16
17	$15,000 under $20,000	1,091	974	4,409	3,411	1,464	2,727	214	270	3,389	169	4,613	37,999	4,827	15,508	1,925	5,955	8,750	71,734	17
18	$20,000 under $30,000	1,309	1,506	4,878	5,239	1,540	3,609	251	681	3,961	198	5,339	65,563	5,293	21,687	2,217	6,663	15,741	116,445	18
19	$30,000 under $50,000	1,093	1,889	3,303	5,619	1,036	4,732	182	782	2,855	143	3,930	77,260	3,743	22,745	1,570	4,621	14,444	129,184	19
20	$50,000 under $100,000	727	2,083	2,265	6,027	623	4,225	123	700	1,735	87	2,613	82,800	2,605	34,025	1,013	3,033	19,627	150,590	20
21	$100,000 under $150,000	227	1,032	675	2,961	191	1,626	41	458	514	26	740	38,480	776	20,126	280	875	10,220	75,210	21
22	$150,000 under $200,000	103	561	270	1,998	98	2,031	10	243	188	9	345	24,344	364	13,125	118	393	5,278	47,708	22
23	$200,000 under $500,000	111	888	409	4,758	111	1,612	22	1,016	284	14	464	50,665	496	40,215	163	536	12,717	112,051	23
24	$500,000 under $1,000,000	31	573	118	2,183	34	1,073	14	1,687	90	5	106	26,342	136	26,769	39	144	5,958	64,630	24
25	$1,000,000 or more	18	631	57	3,554	13	2,976	4	489	40	2	55	58,251	71	80,143	19	68	6,786	152,851	25
26	Total taxable returns	14,268	13,411	65,428	49,405	18,940	34,159	2,827	7,117	67,052	3,348	56,210	579,353	62,816	316,521	37,825	91,192	130,741	1,171,918	26
	Nontaxable returns:																			
27	No total income	534	615	1,548	726	762	678	100	23	262	12	(1)	(1)	343	345	2,740	2,328	2,995	8,219	27
28	Under $600	1,798	186	11,952	951	2,105	351	803	898	7,459	372	32,499	9,079	4,114	145	17,866	30,283	3,928	33,782	28
29	$600 under $1,000	1,973	871	11,943	1,501	2,949	969	548	268	4,791	237	28,879	19,176	5,070	466	12,594	28,110	5,002	41,087	29
30	$1,000 under $1,500	1,974	479	12,661	1,818	3,246	1,086	624	665	4,689	233	27,263	28,182	5,052	528	11,077	26,449	7,868	51,938	30
31	$1,500 under $2,000	1,530	343	10,366	1,896	2,983	1,204	380	303	3,621	179	22,190	32,105	4,699	516	8,278	20,441	6,604	51,430	31
32	$2,000 under $2,500	1,288	299	7,781	1,894	2,253	1,312	440	434	2,696	135	17,028	32,054	3,059	435	6,437	15,901	6,541	49,541	32
33	$2,500 under $3,000	983	196	6,388	1,382	1,735	948	180	197	2,192	110	14,044	32,595	2,636	494	5,157	12,832	6,146	47,231	33
34	$3,000 under $3,500	903	297	5,615	1,765	1,530	788	140	276	1,849	92	11,701	31,502	2,147	428	4,154	10,263	5,324	44,628	34
35	$3,500 under $4,000	621	186	4,207	1,322	1,227	981	260	324	1,365	67	8,477	26,489	1,628	401	3,194	7,911	4,504	37,469	35
36	$4,000 under $4,500	742	582	4,076	1,289	1,220	883	121	648	1,466	73	8,535	30,453	1,468	279	2,942	8,111	4,561	41,709	36
37	$4,500 under $5,000	500	269	3,424	1,205	844	743	200	421	984	48	6,619	26,662	1,308	342	2,292	5,936	4,264	36,244	37
38	$5,000 under $6,000	968	348	5,556	2,480	1,385	1,140	301	827	1,455	73	10,860	49,673	1,892	636	3,634	9,873	7,357	66,168	38
39	$6,000 under $7,000	664	429	4,398	2,035	1,253	1,524	200	4,969	1,068	53	8,672	46,527	1,651	552	2,982	8,165	8,805	67,875	39
40	$7,000 under $8,000	502	395	3,485	1,750	1,098	1,396	222	865	663	32	6,626	41,061	992	438	2,262	5,880	5,615	53,818	40
41	$8,000 under $9,000	505	361	2,742	1,658	830	899	180	1,572	762	38	5,208	36,911	836	357	1,824	5,007	7,042	50,662	41
42	$9,000 under $10,000	443	162	2,179	1,667	1,010	1,235	140	319	443	21	4,630	36,256	763	489	1,537	4,431	5,753	47,440	42
43	$10,000 under $15,000	1,666	1,000	8,200	6,737	2,657	4,480	461	2,175	2,173	108	15,009	152,397	2,341	1,404	4,903	13,740	23,454	196,662	43
44	$15,000 under $20,000	1,171	1,576	4,284	5,364	1,759	4,374	482	2,986	1,126	56	7,718	107,673	902	596	2,733	7,097	19,400	144,758	44
45	$20,000 under $30,000	1,456	2,589	3,896	7,210	1,736	4,841	282	2,629	872	42	7,074	139,212	958	2,259	2,500	6,798	26,590	187,874	45
46	$30,000 under $50,000	904	1,989	3,129	8,683	1,252	7,321	370	6,589	792	38	5,708	177,641	928	3,333	1,872	5,324	26,870	234,336	46
47	$50,000 under $100,000	432	2,068	1,481	6,202	581	4,324	231	9,689	395	19	2,584	144,593	383	2,180	885	2,404	21,151	191,112	47
48	$100,000 under $150,000	139	943	366	2,617	149	2,416	74	5,234	93	5	707	67,929	116	1,801	239	661	10,135	91,320	48
49	$150,000 under $200,000	62	750	177	1,977	64	1,308	23	2,377	38	1	286	38,134	37	809	94	269	5,884	51,335	49
50	$200,000 under $500,000	84	1,963	204	3,844	103	5,528	54	10,461	61	3	374	84,742	69	2,159	129	363	13,785	122,614	50
51	$500,000 under $1,000,000	12	1,239	47	1,373	23	2,615	13	5,816	13	(2)	112	64,794	13	1,422	36	98	4,980	82,275	51
52	$1,000,000 or more	4	79	18	1,686	9	7,596	3	4,020	2	(2)	45	88,296	7	1,622	17	38	7,726	111,043	52
53	Total nontaxable returns	21,858	20,214	120,123	71,032	34,763	60,940	6,832	64,985	41,330	2,047	252,910	1,544,221	43,412	24,436	102,378	238,713	252,284	2,142,570	53
54	Grand total	36,126	33,625	185,551	120,437	53,703	95,099	9,659	72,102	108,382	5,395	309,120	2,123,574	106,228	340,957	140,203	329,905	383,025	3,314,488	54
55	Returns under $5,000	17,912	5,328	108,239	19,877	28,832	13,188	4,862	4,639	67,652	3,369	195,275	292,324	54,043	14,382	96,240	209,483	66,691	516,075	55
56	Returns $5,000 or more	18,214	28,297	77,312	100,560	24,871	81,911	4,797	67,463	40,730	2,026	113,845	1,831,250	52,185	326,575	43,963	120,422	316,344	2,798,413	56

See footnotes at end of table. See text for "Explanation of Classifications and Terms" and for "Description of Sample and Limitations of Data."

Table 2.—SOURCES OF INCOME AND LOSS, DEDUCTIONS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY TOTAL INCOME CLASSES—Continued

	Total income classes	Taxable income of fiduciary		Number of returns with no taxable income of fiduciary	Income tax liability before credits	Fiduciary's share of tax credit for—								Income tax liability after credits	
						Foreign tax paid		Tax paid at source		Dividends received		Partially tax-exempt interest			
		Number of returns	Amount (Thousand dollars)		(Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	(Thousand dollars)	
		(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	(61)	(62)	(63)	
	Taxable returns:														
1	Under $600	9,496	1,628	-	325	56	1	(1)	(1)	3,945	14	(1)	(1)	310	1
2	$600 under $1,000	8,386	2,897	-	578	88	1	(1)	(1)	3,448	25	(1)	(1)	551	2
3	$1,000 under $1,500	10,006	5,955	-	1,190	226	5	77	(2)	4,403	51	(1)	(1)	1,133	3
4	$1,500 under $2,000	8,999	7,826	-	1,564	158	3	(1)	(1)	3,725	68	(1)	(1)	1,491	4
5	$2,000 under $2,500	7,112	7,862	-	1,573	101	5	57	(2)	2,915	63	(1)	(1)	1,502	5
6	$2,500 under $3,000	5,931	7,992	-	1,610	101	6	67	1	2,270	67	(1)	(1)	1,538	6
7	$3,000 under $3,500	5,339	8,491	-	1,762	124	2	(1)	(1)	2,153	69	55	6	1,685	7
8	$3,500 under $4,000	4,494	7,852	-	1,603	113	8	(1)	(1)	1,769	56	(1)	(1)	1,538	8
9	$4,000 under $4,500	4,210	8,103	-	1,667	56	3	(1)	(1)	1,469	64	(1)	(1)	1,598	9
10	$4,500 under $5,000	3,719	8,373	-	1,744	57	2	-	-	1,285	59	-	-	1,683	10
11	$5,000 under $6,000	6,652	16,302	-	3,466	101	12	(1)	(1)	2,540	134	(1)	(1)	3,320	11
12	$6,000 under $7,000	5,698	16,202	-	3,501	215	24	(1)	(1)	2,171	124	(1)	(1)	3,351	12
13	$7,000 under $8,000	4,511	14,748	-	3,293	112	10	55	2	1,730	123	(1)	(1)	3,158	13
14	$8,000 under $9,000	3,872	13,995	-	3,190	113	12	(1)	(1)	1,421	103	(1)	(1)	3,074	14
15	$9,000 under $10,000	2,951	11,604	-	2,689	58	14	78	(2)	1,076	76	-	-	2,601	15
16	$10,000 under $15,000	11,426	56,470	-	14,194	364	45	196	1	4,190	444	59	2	13,702	16
17	$15,000 under $20,000	6,809	46,207	-	12,615	207	65	102	(2)	2,647	325	(1)	(1)	12,223	17
18	$20,000 under $30,000	7,482	65,373	-	20,444	378	113	115	(2)	2,831	454	(1)	(1)	19,876	18
19	$30,000 under $50,000	5,206	69,301	-	25,987	238	45	121	2	2,058	502	(1)	(1)	25,435	19
20	$50,000 under $100,000	3,326	78,616	-	35,698	217	106	55	4	1,295	543	30	46	34,999	20
21	$100,000 under $150,000	945	38,494	-	19,983	69	60	17	1	418	269	4	(2)	19,651	21
22	$150,000 under $200,000	409	22,396	-	12,243	25	9	7	(2)	145	110	4	1	12,123	22
23	$200,000 under $500,000	570	58,046	-	32,471	41	66	5	(2)	211	267	10	9	32,130	23
24	$500,000 under $1,000,000	153	36,183	-	20,590	19	38	4	11	59	133	-	-	20,408	24
25	$1,000,000 or more	77	86,083	-	44,974	4	69	1	(2)	30	92	1	(2)	44,813	25
26	Total taxable returns	127,779	696,999	-	268,954	3,241	724	1,259	27	50,204	4,235	500	75	263,893	26
	Nontaxable returns:														
27	No total income	-	-	5,822	-	-	-	-	-	-	-	-	-	-	27
28	Under $600	-	-	48,553	-	-	-	-	-	-	-	-	-	-	28
29	$600 under $1,000	-	-	35,376	-	-	-	-	-	-	-	-	-	-	29
30	$1,000 under $1,500	(1)	(1)	31,782	(1)	(1)	(1)	-	-	(1)	(1)	-	-	-	30
31	$1,500 under $2,000	-	-	24,701	-	-	-	-	-	-	-	-	-	-	31
32	$2,000 under $2,500	-	-	18,883	-	-	-	-	-	-	-	-	-	-	32
33	$2,500 under $3,000	-	-	15,111	-	-	-	-	-	-	-	-	-	-	33
34	$3,000 under $3,500	-	-	12,365	-	-	-	-	-	-	-	-	-	-	34
35	$3,500 under $4,000	-	-	9,142	-	-	-	-	-	-	-	-	-	-	35
36	$4,000 under $4,500	-	-	8,978	-	-	-	-	-	-	-	-	-	-	36
37	$4,500 under $5,000	-	-	7,087	-	-	-	-	-	-	-	-	-	-	37
38	$5,000 under $6,000	(1)	(1)	11,326	(1)	-	-	-	-	(1)	(1)	-	-	-	38
39	$6,000 under $7,000	-	-	9,136	-	-	-	-	-	-	-	-	-	-	39
40	$7,000 under $8,000	-	-	6,832	-	-	-	-	-	-	-	-	-	-	40
41	$8,000 under $9,000	-	-	5,576	-	-	-	-	-	-	-	-	-	-	41
42	$9,000 under $10,000	-	-	4,819	-	-	-	-	-	-	-	-	-	-	42
43	$10,000 under $15,000	-	-	15,589	-	-	-	-	-	-	-	-	-	-	43
44	$15,000 under $20,000	-	-	8,138	-	-	-	-	-	-	-	-	-	-	44
45	$20,000 under $30,000	-	-	7,495	-	-	-	-	-	-	-	-	-	-	45
46	$30,000 under $50,000	-	-	6,024	-	-	-	-	-	-	-	-	-	-	46
47	$50,000 under $100,000	-	-	2,717	-	-	-	-	-	-	-	-	-	-	47
48	$100,000 under $150,000	-	-	751	-	-	-	-	-	-	-	-	-	-	48
49	$150,000 under $200,000	-	-	301	-	-	-	-	-	-	-	-	-	-	49
50	$200,000 under $500,000	-	-	402	-	-	-	-	-	-	-	-	-	-	50
51	$500,000 under $1,000,000	-	-	120	-	-	-	-	-	-	-	-	-	-	51
52	$1,000,000 or more	-	-	50	-	-	-	-	-	-	-	-	-	-	52
53	Total nontaxable returns	(1)	(1)	297,076	(1)	(1)	(1)	-	-	(1)	(1)	-	-	-	53
54	Grand total	127,839	697,011	297,076	268,956	3,261	726	1,259	27	50,244	4,235	500	75	263,893	54
55	Returns under $5,000	67,732	66,990	217,800	13,618	1,100	38	414	5	27,402	536	232	11	13,029	55
56	Returns $5,000 or more	60,107	630,021	79,276	255,338	2,161	688	845	22	22,842	3,699	268	64	250,864	56

See text for "Explanation of Classifications and Terms" and for "Description of Sample and Limitations of Data."
[1]Sample variability of this item is too large to warrant showing it separately. However, this value is included in the grand total.
[2]Less than $500.
[3]Deficit in total income.
[4]Total income less deficit in total income.

Table 3.—TRUSTS: SOURCES OF INCOME AND LOSS, EXEMPTIONS, TAXABLE INCOME, AND INCOME TAX, BY TOTAL INCOME CLASSES

	Total income classes	Number of returns for trusts	Dividends (before exclusions)		Interest received		Partnership				Fiduciary				Rents and royalties				Trade or business				
							Net profit		Net loss		Income		Loss		Gross		Loss		Gross profit		Gross loss		
			Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	
	Taxable returns:																						
1	Under $600	9,496	5,590	1,536	6,018	1,134	470	140	(1)	(1)	481	85	-	-	687	184	(1)	(1)	91	30	-	-	1
2	$600 under $1,000	5,168	3,632	2,029	2,771	869	333	195	(1)	(1)	229	67	-	-	719	448	-	-	56	50	-	-	2
3	$1,000 under $1,500	5,655	4,039	3,067	3,107	1,182	596	530	(1)	(1)	390	138	-	-	882	776	(1)	(1)	78	90	(1)	(1)	3
4	$1,500 under $2,000	5,743	4,322	4,580	3,621	1,460	550	756	(1)	(1)	345	267	(1)	(1)	1,028	1,108	-	-	104	128	-	-	4
5	$2,000 under $2,500	4,204	3,134	4,199	2,605	1,283	448	746	(1)	(1)	183	165	-	-	655	1,014	-	-	129	261	-	-	5
6	$2,500 under $3,000	3,590	2,859	4,463	2,272	1,238	355	671	(1)	(1)	218	207	(1)	(1)	512	839	(1)	(1)	81	141	(1)	(1)	6
7	$3,000 under $3,500	3,451	2,706	4,891	2,247	1,213	309	717	-	-	172	228	(1)	(1)	711	1,561	(1)	(1)	78	235	-	-	7
8	$3,500 under $4,000	2,809	2,268	4,576	1,865	1,631	186	348	-	-	195	247	-	-	425	976	-	-	58	175	-	-	8
9	$4,000 under $4,500	2,837	2,402	5,649	1,978	1,645	183	340	(1)	(1)	103	48	(1)	(1)	516	1,291	(1)	(1)	(1)	(1)	-	-	9
10	$4,500 under $5,000	2,490	1,928	4,704	1,721	1,437	252	862	(1)	(1)	103	149	-	-	414	1,255	-	-	57	190	-	-	10
11	$5,000 under $6,000	4,593	3,939	11,738	3,170	2,529	390	1,341	(1)	(1)	345	471	-	-	792	2,315	(1)	(1)	79	328	-	-	11
12	$6,000 under $7,000	3,806	3,260	10,751	2,704	2,846	321	1,221	(1)	(1)	126	70	(1)	(1)	695	2,979	(1)	(1)	91	476	(1)	(1)	12
13	$7,000 under $8,000	3,295	2,777	11,688	2,329	2,557	355	1,529	-	-	126	375	(1)	(1)	722	2,642	-	-	70	366	-	-	13
14	$8,000 under $9,000	2,661	2,373	10,816	2,041	2,265	309	1,910	(1)	(1)	92	218	-	-	470	1,779	(1)	(1)	(1)	(1)	-	-	14
15	$9,000 under $10,000	2,066	1,779	8,907	1,527	1,914	80	685	-	-	57	94	-	-	402	2,194	-	-	(1)	(1)	-	-	15
16	$10,000 under $15,000	8,208	7,229	49,939	6,358	8,626	633	3,706	(1)	(1)	299	683	(1)	(1)	1,528	8,921	(1)	(1)	153	1,741	-	-	16
17	$15,000 under $20,000	5,279	4,614	40,587	4,060	6,590	402	4,258	57	125	206	655	(1)	(1)	1,114	9,214	(1)	(1)	161	1,915	-	-	17
18	$20,000 under $30,000	5,861	5,181	67,840	4,541	8,923	380	5,591	(1)	(1)	266	2,125	-	-	1,535	15,963	-	-	164	3,038	(1)	(1)	18
19	$30,000 under $50,000	3,989	3,658	77,247	2,938	7,880	282	6,427	(1)	(1)	82	425	(1)	(1)	912	15,482	(1)	(1)	163	4,361	(1)	(1)	19
20	$50,000 under $100,000	2,551	2,311	80,068	1,987	7,674	170	4,971	24	23	111	1,264	3	7	622	18,925	7	30	92	3,347	24	276	20
21	$100,000 under $150,000	726	656	37,452	541	2,760	46	2,199	16	95	24	1,452	2	1	219	7,581	3	6	33	2,381	4	51	21
22	$150,000 under $200,000	331	296	22,893	256	1,516	15	586	1	21	11	188	-	-	100	6,525	2	3	21	2,621	2	27	22
23	$200,000 under $500,000	460	421	50,479	324	2,487	16	520	3	19	14	329	1	(2)	122	11,728	-	-	29	4,126	3	33	23
24	$500,000 under $1,000,000	129	125	27,100	88	773	8	631	-	-	-	-	-	-	36	4,127	1	9	20	1,969	1	30	24
25	$1,000,000 or more	72	69	56,648	44	682	3	534	5	25	-	-	-	-	15	8,427	-	-	4	5,667	1	27	25
26	Total taxable returns	89,470	71,568	603,847	61,113	73,114	7,092	41,414	345	893	4,178	9,950	152	103	15,833	128,254	190	236	1,901	33,931	153	795	26
	Nontaxable returns:																						
27	No total income	2,189	608	316	786	307	(1)	(1)	710	3,592	(1)	(1)	(1)	(1)	221	257	160	141	(1)	(1)	187	915	27
28	Under $600	33,572	17,607	4,388	22,791	4,578	1,319	252	101	120	1,742	304	-	-	1,872	454	100	27	114	22	(1)	(1)	28
29	$600 under $1,000	26,290	18,961	9,926	18,162	6,953	1,188	549	(1)	(1)	1,630	525	-	-	2,475	1,382	(1)	(1)	221	152	-	-	29
30	$1,000 under $1,500	24,628	18,532	15,506	16,983	8,436	1,227	845	(1)	(1)	1,811	1,106	(1)	(1)	2,976	2,254	-	-	180	171	-	-	30
31	$1,500 under $2,000	19,743	16,017	19,430	13,845	8,037	825	765	(1)	(1)	1,127	694	(1)	(1)	2,578	2,968	(1)	(1)	222	336	-	-	31
32	$2,000 under $2,500	14,915	12,314	19,734	10,594	7,431	726	808	(1)	(1)	645	645	-	-	1,715	2,547	-	-	301	593	(1)	(1)	32
33	$2,500 under $3,000	12,025	10,146	20,092	8,681	7,454	362	458	(1)	(1)	463	376	(1)	(1)	1,534	2,576	(1)	(1)	(1)	(1)	-	-	33
34	$3,000 under $3,500	10,014	8,359	19,830	7,129	6,154	463	820	-	-	503	584	(1)	(1)	1,369	2,850	-	-	205	588	(1)	(1)	34
35	$3,500 under $4,000	7,088	6,020	16,267	5,073	4,945	161	200	-	-	362	620	-	-	1,046	2,618	(1)	(1)	160	421	-	-	35
36	$4,000 under $4,500	7,495	6,546	20,080	5,541	5,546	182	335	-	-	322	347	-	-	1,497	3,404	-	-	(1)	(1)	(1)	(1)	36
37	$4,500 under $5,000	6,039	5,253	18,576	4,106	4,484	182	410	(1)	(1)	201	320	-	-	924	2,927	-	-	101	480	-	-	37
38	$5,000 under $6,000	9,668	8,187	32,284	7,457	9,485	221	417	(1)	(1)	282	282	-	-	2,069	7,122	(1)	(1)	180	846	-	-	38
39	$6,000 under $7,000	7,643	6,609	31,131	5,461	6,816	382	979	(1)	(1)	221	431	-	-	1,722	7,150	(1)	(1)	144	656	(1)	(1)	39
40	$7,000 under $8,000	5,549	4,659	25,813	3,815	5,984	241	1,205	(1)	(1)	181	360	-	-	1,048	5,494	(1)	(1)	121	604	-	-	40
41	$8,000 under $9,000	4,685	4,180	25,198	3,535	5,999	161	980	-	-	121	172	-	-	932	4,230	-	-	122	743	-	-	41
42	$9,000 under $10,000	4,168	3,524	21,784	3,001	5,814	121	697	-	-	201	322	-	-	1,024	6,419	-	-	180	1,346	-	-	42
43	$10,000 under $15,000	13,667	11,391	101,379	9,764	20,760	486	2,799	-	-	443	1,244	(1)	(1)	3,437	28,325	-	-	396	3,123	(1)	(1)	43
44	$15,000 under $20,000	6,869	5,498	67,548	4,712	12,508	282	2,145	(1)	(1)	201	701	-	-	2,033	23,636	(1)	(1)	181	1,871	(1)	(1)	44
45	$20,000 under $30,000	6,292	5,269	90,179	4,200	12,753	345	4,031	(1)	(1)	221	1,452	(1)	(1)	1,999	30,055	-	-	210	4,225	(1)	(1)	45
46	$30,000 under $50,000	5,415	4,278	114,571	3,485	16,078	232	3,393	(1)	(1)	103	470	-	-	1,853	49,920	(1)	(1)	133	3,149	-	-	46
47	$50,000 under $100,000	2,339	1,825	92,824	1,474	12,997	120	4,039	12	35	36	436	5	14	744	32,119	3	6	84	3,269	10	111	47
48	$100,000 under $150,000	661	524	43,680	385	5,125	24	1,256	3	15	4	180	2	1	202	16,454	5	45	19	1,704	1	2	48
49	$150,000 under $200,000	271	216	26,726	142	3,217	11	264	1	16	1	1	-	-	87	9,314	-	-	11	1,438	4	27	49
50	$200,000 under $500,000	347	273	56,688	184	3,623	16	1,258	1	12	3	316	-	-	125	22,955	-	-	26	4,285	-	-	50
51	$500,000 under $1,000,000	112	99	52,736	55	2,275	1	900	1	3	1	34	-	-	27	8,823	1	26	6	2,066	-	-	51
52	$1,000,000 or more	42	35	52,849	24	10,692	-	-	-	-	1	186	-	-	9	17,806	-	-	1	3,750	-	-	52
53	Total nontaxable returns	231,726	176,930	999,535	161,385	198,451	9,298	29,815	1,192	4,813	10,846	12,126	167	129	35,518	294,059	510	330	3,480	36,302	385	1,492	53
54	Grand total	321,196	248,498	1,603,382	222,498	271,565	16,390	71,229	1,537	5,706	15,024	22,076	319	232	51,351	422,313	700	566	5,381	70,233	538	2,287	54
55	Returns under $5,000	209,441	153,243	203,839	141,896	77,417	10,337	10,757	1,111	4,172	11,245	7,140	176	125	24,756	33,689	460	247	2,420	4,625	322	1,016	55
56	Returns $5,000 or more	111,755	95,255	1,399,543	80,602	194,148	6,053	60,472	426	1,534	3,779	14,936	143	107	26,595	388,624	240	319	2,961	65,608	216	1,271	56

See footnotes at end of table. See text for "Explanation of Classifications and Terms" and for "Description of Sample and Limitations of Data."

Table 3.—TRUSTS: SOURCES OF INCOME AND LOSS, EXEMPTIONS, TAXABLE INCOME, AND INCOME TAX, BY TOTAL INCOME CLASSES—Continued

	Total income classes	Sales of capital assets				Sales of property *other* than capital assets				Other sources		Total income	Distributions to beneficiaries		Exemptions				Taxable income of trust		Number of returns with no taxable income of trust	Income tax liability after credits	
		Net gain		Net loss		Net gain		Net loss							Returns with $300		Returns with $100						
		Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	(Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)		(Thousand dollars)	
		(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)	(42)	
	Taxable returns:																						
1	Under $600	1,886	191	366	76	(1)	(1)	(1)	(1)	804	46	3,270	401	63	135	41	9,361	936	9,496	1,628	-	310	1
2	$600 under $1,000	1,609	381	158	39	(1)	(1)	-	-	378	78	4,078	975	336	264	79	4,904	490	5,168	2,449	-	464	2
3	$1,000 under $1,500	2,309	1,114	285	66	(1)	(1)	(1)	(1)	598	137	6,954	1,721	901	712	214	4,943	494	5,655	3,954	-	752	3
4	$1,500 under $2,000	2,613	1,556	297	51	(1)	(1)	(1)	(1)	733	210	10,004	2,497	2,011	1,089	327	4,654	465	5,743	5,336	-	1,016	4
5	$2,000 under $2,500	2,147	1,525	139	29	-	-	(1)	(1)	631	220	9,383	1,893	2,059	860	258	3,344	334	4,204	4,904	-	932	5
6	$2,500 under $3,000	2,080	2,063	196	67	(1)	(1)	(1)	(1)	608	276	9,805	2,006	2,665	1,025	308	2,565	257	3,590	4,633	-	894	6
7	$3,000 under $3,500	2,006	2,279	147	43	-	-	-	-	469	141	11,204	1,881	3,094	1,056	317	2,395	240	3,451	5,138	-	1,041	7
8	$3,500 under $4,000	1,705	2,379	102	21	(1)	(1)	-	-	503	193	10,537	1,777	3,435	872	262	1,937	194	2,809	4,455	-	871	8
9	$4,000 under $4,500	1,828	2,796	125	29	(1)	(1)	-	-	506	194	12,057	1,828	4,088	1,011	303	1,826	183	2,837	4,964	-	981	9
10	$4,500 under $5,000	1,664	3,206	90	32	-	-	-	-	308	113	11,848	1,529	3,653	1,032	310	1,458	146	2,490	5,061	-	1,020	10
11	$5,000 under $6,000	3,158	6,136	194	62	(1)	(1)	(1)	(1)	817	387	25,108	3,007	8,611	1,771	531	2,822	282	4,593	10,142	-	2,062	11
12	$6,000 under $7,000	2,717	6,174	102	41	(1)	(1)	(1)	(1)	639	236	24,686	2,670	8,923	1,573	472	2,233	223	3,806	9,566	-	1,981	12
13	$7,000 under $8,000	2,214	5,265	159	66	(1)	(1)	(1)	(1)	550	194	24,591	2,148	8,738	1,332	400	1,963	196	3,295	9,845	-	2,105	13
14	$8,000 under $9,000	2,053	5,282	68	29	(1)	(1)	(1)	(1)	492	249	22,561	1,963	8,881	1,262	379	1,399	140	2,661	8,298	-	1,822	14
15	$9,000 under $10,000	1,570	5,435	68	43	(1)	(1)	(1)	(1)	287	277	19,648	1,458	7,497	962	289	1,104	110	2,066	7,237	-	1,621	15
16	$10,000 under $15,000	6,401	26,119	273	164	80	143	50	97	1,543	1,307	100,813	6,116	41,019	4,200	1,260	4,078	401	8,208	35,244	-	8,478	16
17	$15,000 under $20,000	4,178	27,445	251	112	80	11	(1)	(1)	1,116	940	91,341	4,002	33,462	2,395	719	2,814	288	5,279	33,677	-	8,875	17
18	$20,000 under $30,000	4,635	38,500	276	140	(1)	(1)	(1)	(1)	1,254	1,283	142,670	4,725	59,294	3,285	986	2,576	258	5,861	46,484	-	13,909	18
19	$30,000 under $50,000	3,095	39,604	240	146	66	76	(1)	(1)	923	1,097	152,133	3,271	65,822	2,205	662	1,784	178	3,989	49,894	-	18,221	19
20	$50,000 under $100,000	2,135	59,094	94	62	34	153	46	52	674	1,121	176,167	2,163	71,033	1,468	440	1,083	108	2,551	55,480	-	24,312	20
21	$100,000 under $150,000	620	33,444	26	23	7	19	7	48	192	425	87,489	617	33,073	381	114	345	35	726	27,958	-	14,172	21
22	$150,000 under $200,000	303	22,244	7	5	5	22	8	13	79	278	56,804	295	21,282	191	57	140	14	331	17,698	-	9,604	22
23	$200,000 under $500,000	418	68,323	12	9	6	8	3	1	123	181	138,119	402	45,123	258	77	202	20	460	44,486	-	24,001	23
24	$500,000 under $1,000,000	122	49,554	4	3	2	1	4	6	28	585	84,692	93	24,066	60	18	69	7	129	30,504	-	16,993	24
25	$1,000,000 or more	67	154,796	3	3	-	-	1	1	26	249	226,947	53	57,688	48	14	24	2	72	80,564	-	41,695	25
26	Total taxable returns	53,533	564,905	3,682	1,361	627	759	426	294	14,281	10,417	1,462,909	49,491	516,817	29,447	8,837	60,023	6,001	89,470	509,599	-	198,132	26
	Nontaxable returns:																						
27	No total income	242	139	584	421	-	-	326	1,055	160	20	[3]5,049	(1)	(1)	1,703	511	486	49	-	-	2,189	-	27
28	Under $600	5,526	376	2,022	598	(1)	(1)	(1)	(1)	3,403	552	10,161	27,964	7,847	27,595	8,279	5,977	598	-	-	33,572	-	28
29	$600 under $1,000	6,762	890	1,329	269	180	15	(1)	(1)	2,637	603	20,660	24,933	16,751	22,567	6,770	3,723	372	-	-	26,290	-	29
30	$1,000 under $1,500	6,982	1,369	1,349	271	(1)	(1)	100	52	3,520	1,154	30,480	23,618	24,962	21,490	6,447	3,138	314	(1)	(1)	24,608	-	30
31	$1,500 under $2,000	6,600	1,592	1,367	325	(1)	(1)	100	46	2,535	821	34,308	19,218	28,502	16,642	4,993	3,101	310	-	-	19,743	-	31
32	$2,000 under $2,500	4,623	1,354	1,229	310	(1)	(1)	(1)	(1)	1,932	1,019	33,520	14,470	28,283	12,823	3,847	2,092	209	-	-	14,915	-	32
33	$2,500 under $3,000	3,582	1,116	884	204	(1)	(1)	100	3	1,911	996	32,976	11,744	28,062	10,514	3,154	1,511	151	-	-	12,025	-	33
34	$3,000 under $3,500	3,043	1,429	662	253	(1)	(1)	120	103	1,111	593	32,469	9,833	27,507	8,705	2,612	1,309	131	-	-	10,014	-	34
35	$3,500 under $4,000	2,212	1,147	541	97	(1)	(1)	-	-	905	383	26,491	6,987	22,524	6,263	1,879	825	83	-	-	7,088	-	35
36	$4,000 under $4,500	2,483	1,313	541	165	-	-	(1)	(1)	1,007	544	31,669	7,336	26,911	6,509	1,953	986	99	-	-	7,495	-	36
37	$4,500 under $5,000	1,991	1,284	360	100	(1)	(1)	(1)	(1)	745	345	28,653	5,835	24,206	5,293	1,588	746	75	-	-	6,039	-	37
38	$5,000 under $6,000	2,879	1,904	806	227	100	148	(1)	(1)	1,006	673	52,800	9,465	44,132	8,299	2,490	1,369	137	-	-	9,668	-	38
39	$6,000 under $7,000	2,860	2,157	460	199	100	129	100	18	765	608	49,411	7,604	41,775	6,607	1,982	1,036	104	-	-	7,643	-	39
40	$7,000 under $8,000	1,535	1,969	542	146	(1)	(1)	(1)	(1)	685	354	41,587	5,486	34,886	4,683	1,405	866	87	-	-	5,549	-	40
41	$8,000 under $9,000	1,562	1,969	380	102	-	-	(1)	(1)	582	500	39,689	4,523	32,373	4,099	1,230	586	59	-	-	4,685	-	41
42	$9,000 under $10,000	1,249	2,633	362	135	(1)	(1)	(1)	(1)	541	424	39,462	4,068	32,164	3,642	1,093	526	53	-	-	4,168	-	42
43	$10,000 under $15,000	4,120	7,763	1,169	537	(1)	(1)	220	109	1,957	1,240	165,973	13,317	137,154	11,918	3,575	1,749	175	-	-	13,667	-	43
44	$15,000 under $20,000	2,193	8,936	341	132	(1)	(1)	(1)	(1)	967	899	118,187	6,667	95,046	6,424	1,927	445	45	-	-	6,869	-	44
45	$20,000 under $30,000	2,103	11,003	368	161	(1)	(1)	(1)	(1)	848	616	154,076	6,123	125,192	5,744	1,723	548	55	-	-	6,292	-	45
46	$30,000 under $50,000	1,873	18,461	373	190	(1)	(1)	101	333	766	871	206,431	5,227	165,264	4,819	1,446	596	60	-	-	5,415	-	46
47	$50,000 under $100,000	733	13,897	160	92	26	464	27	161	372	1,376	161,002	2,260	129,817	2,119	636	220	22	-	-	2,339	-	47
48	$100,000 under $150,000	228	9,971	38	21	3	3	10	40	96	895	79,144	623	61,026	597	179	64	6	-	-	661	-	48
49	$150,000 under $200,000	87	4,797	24	16	4	294	11	87	52	292	46,197	263	35,454	243	73	28	3	-	-	271	-	49
50	$200,000 under $500,000	127	13,542	22	15	6	39	1	3	65	1,873	104,549	332	78,490	308	92	39	4	-	-	347	-	50
51	$500,000 under $1,000,000	35	8,816	5	5	2	1,211	1	160	13	36	76,703	104	62,516	98	29	14	1	-	-	112	-	51
52	$1,000,000 or more	13	11,274	2	2	-	-	2	26	4	64	96,593	41	83,031	39	12	3	(4)	-	-	42	-	52
53	Total nontaxable returns	65,643	131,101	15,920	4,993	1,107	3,167	1,641	2,408	28,585	17,751	[4]1,708,142	218,103	1,393,960	199,743	59,925	31,983	3,202	(1)	(1)	231,706	-	53
54	Grand total	119,176	696,006	19,602	6,354	1,734	3,926	2,067	2,702	42,866	28,168	[4]3,171,051	267,594	1,910,777	229,190	68,762	92,006	9,203	89,490	509,609	231,706	198,132	54
55	Returns under $5,000	63,893	29,499	12,773	3,466	736	281	1,023	1,381	25,404	8,638	[4]365,478	168,508	257,945	148,160	44,452	61,281	6,130	45,463	42,532	163,978	8,281	55
56	Returns $5,000 or more	55,283	666,507	6,829	2,888	998	3,645	1,044	1,321	17,462	19,530	2,805,573	99,086	1,652,832	81,030	24,310	30,725	3,073	44,027	467,077	67,728	189,851	56

See text for "Explanation of Classifications and Terms" and for "Description of Sample and Limitations of Data."
[1]Sample variability of this item is too large to warrant showing it separately. However, this value is included in the grand total.
[2]Less than $500.
[3]Deficit in total income.
[4]Total income less deficit in total income.

Table 4.—ESTATES: SOURCES OF INCOME AND LOSS, EXEMPTIONS, TAXABLE INCOME, AND INCOME TAX, BY TOTAL INCOME CLASSES

	Total income classes	Number of returns for estates	Dividends (before exclusions)		Interest received		Partnership				Fiduciary				Rents and royalties				Trade or business				
							Net profit		Net loss		Income		Loss		Gross		Loss		Gross profit		Gross loss		
			Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	
	Taxable returns:																						
1	Under $600	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
2	$600 under $1,000	3,218	1,756	1,025	1,709	767	80	52	-	-	126	58	-	-	538	220	(1)	(1)	275	202	-	-	2
3	$1,000 under $1,500	4,351	2,634	2,039	2,323	1,114	183	197	(1)	(1)	115	53	(1)	(1)	1,179	1,026	(1)	(1)	401	438	(1)	(1)	3
4	$1,500 under $2,000	3,256	1,907	2,031	1,940	1,124	92	146	(1)	(1)	103	91	-	-	1,122	1,288	(1)	(1)	250	388	(1)	(1)	4
5	$2,000 under $2,500	2,908	1,737	2,021	1,668	1,107	160	225	(1)	(1)	92	148	(1)	(1)	1,067	1,460	-	-	380	632	(1)	(1)	5
6	$2,500 under $3,000	2,341	1,479	2,139	1,399	939	115	144	(1)	(1)	(1)	(1)	-	-	907	1,670	(1)	(1)	150	366	(1)	(1)	6
7	$3,000 under $3,500	1,888	1,340	2,409	1,100	854	126	356	-	-	69	121	-	-	513	872	(1)	(1)	181	443	(1)	(1)	7
8	$3,500 under $4,000	1,685	1,133	1,989	1,078	953	(1)	(1)	-	-	(1)	(1)	-	-	620	1,374	-	-	192	565	(1)	(1)	8
9	$4,000 under $4,500	1,373	870	1,906	779	704	(1)	(1)	-	-	(1)	(1)	-	-	567	1,494	-	-	182	655	(1)	(1)	9
10	$4,500 under $5,000	1,229	782	1,849	724	662	92	212	-	-	(1)	(1)	-	-	367	909	(1)	(1)	195	919	(1)	(1)	10
11	$5,000 under $6,000	2,059	1,380	3,759	1,220	1,203	126	475	(1)	(1)	(1)	(1)	-	-	965	2,999	-	-	215	714	(1)	(1)	11
12	$6,000 under $7,000	1,892	1,300	4,047	1,241	1,468	116	485	-	-	(1)	(1)	-	-	735	2,834	(1)	(1)	234	1,253	-	-	12
13	$7,000 under $8,000	1,216	826	2,956	745	868	160	778	-	-	(1)	(1)	-	-	446	2,092	(1)	(1)	183	866	(1)	(1)	13
14	$8,000 under $9,000	1,211	813	3,683	766	781	80	333	(1)	(1)	(1)	(1)	-	-	434	2,444	-	-	89	613	(1)	(1)	14
15	$9,000 under $10,000	885	610	2,639	574	790	93	652	(1)	(1)	(1)	(1)	-	-	342	1,920	-	-	57	310	(1)	(1)	15
16	$10,000 under $15,000	3,218	2,354	14,409	2,227	3,590	312	2,103	(1)	(1)	116	277	(1)	(1)	1,159	7,693	-	-	382	3,242	(1)	(1)	16
17	$15,000 under $20,000	1,530	1,164	9,272	1,075	2,425	86	855	55	241	(1)	(1)	-	-	754	6,844	(1)	(1)	183	2,499	(1)	(1)	17
18	$20,000 under $30,000	1,621	1,376	13,834	1,239	2,270	219	1,955	-	-	(1)	(1)	-	-	728	7,227	(1)	(1)	254	4,059	(1)	(1)	18
19	$30,000 under $50,000	1,217	976	16,616	966	3,249	198	3,746	(1)	(1)	61	53	(1)	(1)	524	8,328	(1)	(1)	170	5,255	(1)	(1)	19
20	$50,000 under $100,000	775	679	20,994	638	3,049	87	2,252	11	86	35	264	4	47	312	7,236	9	3	88	3,920	13	126	20
21	$100,000 under $150,000	219	182	9,268	177	1,665	23	787	2	18	5	104	1	13	85	3,096	2	6	30	2,189	6	56	21
22	$150,000 under $200,000	78	69	4,532	69	486	11	809	1	(2)	7	7	-	-	34	1,882	2	16	8	820	2	10	22
23	$200,000 under $500,000	110	97	11,187	91	1,633	8	1,089	3	54	3	144	-	-	45	2,338	-	-	12	1,480	5	46	23
24	$500,000 under $1,000,000	24	21	4,939	20	467	-	-	-	-	-	-	-	-	12	1,907	-	-	4	1,286	-	-	24
25	$1,000,000 or more	5	5	785	5	215	1	1	-	-	1	(2)	-	-	1	2,049	-	-	1	22	-	-	25
26	Total taxable returns	38,309	25,490	140,328	23,773	32,383	2,460	17,871	226	537	1,078	2,090	50	69	13,456	71,202	136	115	4,116	33,136	256	893	26
	Nontaxable returns:																						
27	No total income	3,633	889	535	833	602	(1)	(1)	266	616	-	-	(1)	(1)	589	656	302	429	120	331	1,410	5,265	27
28	Under $600	14,981	7,056	1,708	7,833	1,505	263	62	(1)	(1)	201	56	-	-	3,576	1,071	(1)	(1)	1,170	345	182	376	28
29	$600 under $1,000	9,086	4,141	1,852	4,476	1,639	(1)	(1)	(1)	(1)	161	72	-	-	3,649	2,499	(1)	(1)	844	566	92	147	29
30	$1,000 under $1,500	7,194	3,305	2,098	3,445	1,514	101	101	(1)	(1)	(1)	(1)	-	-	3,530	3,494	-	-	703	935	(1)	(1)	30
31	$1,500 under $2,000	4,958	2,197	2,073	2,388	1,368	101	74	(1)	(1)	(1)	(1)	(1)	(1)	2,538	3,466	-	-	582	910	(1)	(1)	31
32	$2,000 under $2,500	3,968	1,992	2,093	1,832	1,386	(1)	(1)	-	-	(1)	(1)	-	-	1,972	3,449	-	-	483	891	(1)	(1)	32
33	$2,500 under $3,000	3,086	1,573	2,147	1,512	1,366	121	199	(1)	(1)	(1)	(1)	-	-	1,393	2,748	-	-	524	1,155	-	-	33
34	$3,000 under $3,500	2,351	1,203	2,083	1,283	1,040	(1)	(1)	-	-	(1)	(1)	-	-	904	2,145	-	-	482	1,375	(1)	(1)	34
35	$3,500 under $4,000	2,054	986	1,815	1,187	788	(1)	(1)	(1)	(1)	(1)	(1)	-	-	986	2,814	-	-	350	1,257	(1)	(1)	35
36	$4,000 under $4,500	1,483	887	1,828	839	969	(1)	(1)	-	-	(1)	(1)	-	-	735	2,183	-	-	180	685	-	-	36
37	$4,500 under $5,000	1,048	423	945	443	493	(1)	(1)	-	-	(1)	(1)	-	-	562	1,995	-	-	262	1,100	-	-	37
38	$5,000 under $6,000	1,678	853	2,598	872	966	(1)	(1)	(1)	(1)	(1)	(1)	-	-	724	2,408	-	-	245	1,118	(1)	(1)	38
39	$6,000 under $7,000	1,493	665	2,392	825	949	(1)	(1)	(1)	(1)	(1)	(1)	-	-	746	3,286	-	-	405	2,134	(1)	(1)	39
40	$7,000 under $8,000	1,283	717	2,700	596	661	(1)	(1)	(1)	(1)	(1)	(1)	-	-	718	3,496	-	-	201	1,360	-	-	40
41	$8,000 under $9,000	891	483	1,640	405	414	101	391	(1)	(1)	-	-	-	-	445	2,422	-	-	225	1,428	-	-	41
42	$9,000 under $10,000	651	343	1,184	342	662	(1)	(1)	-	-	-	-	-	-	380	2,195	-	-	105	823	-	-	42
43	$10,000 under $15,000	1,922	1,070	4,759	1,009	1,804	101	594	-	-	(1)	(1)	-	-	1,107	9,313	-	-	590	4,764	-	-	43
44	$15,000 under $20,000	1,269	637	4,237	647	1,565	102	1,455	-	-	-	-	-	-	830	9,066	(1)	(1)	250	4,079	-	-	44
45	$20,000 under $30,000	1,203	517	5,031	676	2,344	(1)	(1)	-	-	-	-	-	-	708	9,486	-	-	300	6,328	-	-	45
46	$30,000 under $50,000	609	346	6,975	391	864	(1)	(1)	-	-	(1)	(1)	-	-	261	6,586	(1)	(1)	158	6,218	-	-	46
47	$50,000 under $100,000	378	221	5,616	232	1,397	20	615	3	(2)	8	41	-	-	219	7,975	1	3	86	4,596	2	4	47
48	$100,000 under $150,000	90	59	2,875	51	307	9	389	-	-	3	4	-	-	52	3,412	-	-	13	932	2	220	48
49	$150,000 under $200,000	30	18	1,477	22	94	1	(2)	-	-	-	-	-	-	19	2,237	-	-	6	474	-	-	49
50	$200,000 under $500,000	55	39	4,439	38	1,222	5	225	-	-	1	2	-	-	35	3,852	-	-	17	3,406	2	284	50
51	$500,000 under $1,000,000	8	7	878	7	299	-	-	-	-	-	-	-	-	7	3,574	-	-	2	645	1	13	51
52	$1,000,000 or more	8	7	1,470	7	887	1	1,279	-	-	1	1,830	-	-	4	1,717	-	-	3	2,535	-	-	52
53	Total nontaxable returns	65,410	30,634	67,448	32,191	27,105	1,499	7,954	490	867	718	2,846	(1)	(1)	26,689	97,545	424	1,215	8,316	50,390	1,892	6,839	53
54	Grand total	103,719	56,124	207,776	55,964	59,488	3,959	25,825	716	1,404	1,796	4,936	90	191	40,145	168,747	560	1,330	12,432	83,526	2,148	7,732	54
55	Returns under $5,000	76,091	38,290	36,585	38,791	20,894	1,849	2,648	494	853	1,256	1,192	62	129	27,314	36,833	459	477	7,916	14,158	1,966	6,086	55
56	Returns $5,000 or more	27,628	17,834	171,191	17,173	38,594	2,110	23,177	222	551	540	3,744	28	62	12,831	131,914	101	853	4,516	69,368	182	1,646	56

See footnotes at end of table. See text for "Explanation of Classifications and Terms" and for "Description of Sample and Limitations of Data."

Table 4.—ESTATES: SOURCES OF INCOME AND LOSS, EXEMPTIONS, TAXABLE INCOME, AND INCOME TAX, BY TOTAL INCOME CLASSES—Continued

	Total income classes	Sales of capital assets: Net gain: Number of returns	Sales of capital assets: Net gain: Amount (Thousand dollars)	Sales of capital assets: Net loss: Number of returns	Sales of capital assets: Net loss: Amount (Thousand dollars)	Sales of property other than capital assets: Net gain: Number of returns	Sales of property other than capital assets: Net gain: Amount (Thousand dollars)	Sales of property other than capital assets: Net loss: Number of returns	Sales of property other than capital assets: Net loss: Amount (Thousand dollars)	Other sources: Number of returns	Other sources: Amount (Thousand dollars)	Total income (Thousand dollars)	Distributions to beneficiaries: Number of returns	Distributions to beneficiaries: Amount (Thousand dollars)	Exemptions (Thousand dollars)	Taxable income of estate: Number of returns	Taxable income of estate: Amount (Thousand dollars)	Number of returns with no taxable income of estate	Income tax liability after credits (Thousand dollars)	
		(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	
	Taxable returns:																			
1	Under $600	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1
2	$600 under $1,000	355	97	101	36	(1)	(1)	(1)	(1)	427	194	2,586	57	8	1,931	3,218	448	-	87	2
3	$1,000 under $1,500	767	300	162	56	(1)	(1)	-	-	574	293	5,398	126	37	2,611	4,351	2,001	-	381	3
4	$1,500 under $2,000	744	462	265	86	(1)	(1)	(1)	(1)	526	256	5,652	147	68	1,954	3,256	2,490	-	475	4
5	$2,000 under $2,500	841	664	227	67	68	39	-	-	596	304	6,501	158	124	1,745	2,908	2,958	-	570	5
6	$2,500 under $3,000	800	869	158	79	(1)	(1)	(1)	(1)	517	314	6,416	171	133	1,405	2,341	3,359	-	644	6
7	$3,000 under $3,500	597	708	101	38	(1)	(1)	(1)	(1)	354	367	6,119	159	237	1,133	1,888	3,353	-	644	7
8	$3,500 under $4,000	699	833	90	59	(1)	(1)	(1)	(1)	354	477	6,279	239	334	1,011	1,685	3,397	-	667	8
9	$4,000 under $4,500	444	704	67	26	(1)	(1)	-	-	306	228	5,829	239	361	824	1,373	3,139	-	617	9
10	$4,500 under $5,000	469	780	89	18	(1)	(1)	(1)	(1)	354	469	5,858	174	335	737	1,229	3,312	-	663	10
11	$5,000 under $6,000	897	1,827	57	20	(1)	(1)	-	-	368	187	11,279	312	683	1,235	2,059	6,160	-	1,258	11
12	$6,000 under $7,000	819	1,851	133	72	(1)	(1)	(1)	(1)	344	376	12,255	424	1,142	1,135	1,892	6,636	-	1,370	12
13	$7,000 under $8,000	594	1,603	91	52	-	-	(1)	(1)	240	248	9,079	263	784	730	1,216	4,903	-	1,053	13
14	$8,000 under $9,000	526	1,969	113	45	-	-	(1)	(1)	283	452	10,254	372	1,289	727	1,211	5,697	-	1,252	14
15	$9,000 under $10,000	457	1,623	(1)	(1)	(1)	(1)	-	-	229	407	8,367	275	1,150	531	885	4,367	-	980	15
16	$10,000 under $15,000	1,711	6,686	239	101	(1)	(1)	(1)	(1)	688	1,568	39,399	1,019	4,988	1,931	3,218	21,226	-	5,224	16
17	$15,000 under $20,000	843	4,790	136	84	-	-	-	-	309	199	26,601	611	4,537	918	1,530	12,530	-	3,348	17
18	$20,000 under $30,000	927	7,878	161	98	(1)	(1)	(1)	(1)	499	1,826	39,148	614	6,269	973	1,621	18,889	-	5,967	18
19	$30,000 under $50,000	725	8,839	121	88	(1)	(1)	(1)	(1)	240	574	46,352	659	11,438	730	1,217	19,407	-	7,214	19
20	$50,000 under $100,000	555	13,625	63	44	13	80	23	29	268	1,954	53,039	450	11,768	465	775	23,136	-	10,687	20
21	$100,000 under $150,000	172	8,840	13	10	3	133	3	3	76	265	26,215	123	5,407	131	219	10,536	-	5,479	21
22	$150,000 under $200,000	64	4,618	5	3	2	(2)	1	4	30	178	13,300	50	3,062	47	78	4,698	-	2,519	22
23	$200,000 under $500,000	92	13,998	14	13	4	10	2	1	35	211	31,978	62	5,542	66	110	13,560	-	8,129	23
24	$500,000 under $1,000,000	20	7,435	2	1	2	1	1	-	7	88	16,122	13	2,276	14	24	5,679	-	3,415	24
25	$1,000,000 or more	4	8,914	-	-	-	-	-	-	1	1	11,987	2	563	3	5	5,519	-	3,118	25
26	Total taxable returns	14,122	99,913	2,453	1,125	331	719	222	319	7,625	11,436	406,013	6,719	62,535	22,987	38,309	187,400	-	65,761	26
	Nontaxable returns:																			
27	No total income	325	623	887	532	(1)	(1)	667	2,652	367	40	[3]6,716	-	-	2,180	-	-	3,633	-	27
28	Under $600	1,671	288	1,260	399	202	47	100	29	1,629	330	4,580	4,535	1,232	8,989	-	-	14,981	-	28
29	$600 under $1,000	1,629	610	441	190	100	27	200	120	946	258	7,078	3,946	2,425	5,452	-	-	9,086	-	29
30	$1,000 under $1,500	1,291	631	363	192	220	182	100	134	1,008	302	8,864	3,645	3,220	4,316	(1)	(1)	7,174	-	30
31	$1,500 under $2,000	1,016	651	280	126	(1)	(1)	(1)	(1)	764	233	8,527	2,972	3,603	2,975	-	-	4,958	-	31
32	$2,000 under $2,500	744	663	180	63	(1)	(1)	(1)	(1)	606	355	8,857	2,558	3,771	2,381	-	-	3,968	-	32
33	$2,500 under $3,000	723	637	101	12	(1)	(1)	-	-	421	276	8,425	2,300	4,533	1,852	-	-	3,086	-	33
34	$3,000 under $3,500	595	568	(1)	(1)	(1)	(1)	(1)	(1)	275	181	7,591	1,868	3,995	1,411	-	-	2,351	-	34
35	$3,500 under $4,000	441	735	140	65	(1)	(1)	(1)	(1)	240	79	7,695	1,490	3,965	1,232	-	-	2,054	-	35
36	$4,000 under $4,500	455	542	(1)	(1)	-	-	-	-	180	24	6,277	1,199	3,542	890	-	-	1,483	-	36
37	$4,500 under $5,000	240	188	(1)	(1)	-	-	-	-	200	126	5,002	784	2,456	629	-	-	1,048	-	37
38	$5,000 under $6,000	625	1,667	(1)	(1)	-	-	-	-	222	261	9,232	1,395	5,541	1,007	(1)	(1)	1,658	-	38
39	$6,000 under $7,000	340	849	(1)	(1)	-	-	(1)	(1)	120	172	9,659	1,068	4,752	896	-	-	1,493	-	39
40	$7,000 under $8,000	484	1,090	(1)	(1)	(1)	(1)	(1)	(1)	140	170	9,638	1,140	6,175	770	-	-	1,283	-	40
41	$8,000 under $9,000	341	1,169	(1)	(1)	(1)	(1)	-	-	(1)	(1)	7,612	685	4,538	535	-	-	891	-	41
42	$9,000 under $10,000	260	922	(1)	(1)	-	-	(1)	(1)	(1)	(1)	6,137	562	4,092	391	-	-	651	-	42
43	$10,000 under $15,000	606	2,517	(1)	(1)	(1)	(1)	(1)	(1)	345	293	24,181	1,692	15,243	1,153	-	-	1,922	-	43
44	$15,000 under $20,000	441	2,469	(1)	(1)	(1)	(1)	(1)	(1)	221	143	22,179	1,051	12,627	761	-	-	1,269	-	44
45	$20,000 under $30,000	412	4,313	(1)	(1)	(1)	(1)	(1)	(1)	279	1,164	29,294	951	14,020	722	-	-	1,203	-	45
46	$30,000 under $50,000	233	3,240	(1)	(1)	-	-	(1)	(1)	193	67	23,890	481	12,377	366	-	-	609	-	46
47	$50,000 under $100,000	181	4,936	13	11	8	33	16	107	102	572	25,656	324	14,776	227	-	-	378	-	47
48	$100,000 under $150,000	51	2,655	2	2	1	4	1	1	29	596	10,951	84	6,903	54	-	-	90	-	48
49	$150,000 under $200,000	12	666	2	2	-	-	-	-	8	7	4,953	23	2,680	18	-	-	30	-	49
50	$200,000 under $500,000	32	3,065	3	3	1	17	-	-	22	101	16,042	42	6,252	33	-	-	55	-	50
51	$500,000 under $1,000,000	7	92	1	1	1	10	-	-	5	23	5,507	8	2,278	5	-	-	8	-	51
52	$1,000,000 or more	3	4,074	1	1	1	6	3	64	3	16	13,749	4	5,265	5	-	-	8	-	52
53	Total nontaxable returns	13,158	39,860	4,385	2,059	917	650	1,457	3,821	8,446	5,985	[4]284,860	34,807	150,261	39,250	(1)	(1)	65,370	-	53
54	Grand total	27,280	139,773	6,838	3,184	1,248	1,369	1,679	4,140	16,071	17,421	[4]690,873	41,526	212,796	62,237	38,349	187,402	65,370	65,761	54
55	Returns under $5,000	14,846	11,553	5,113	2,167	1,068	649	1,307	3,082	10,644	5,106	[4]116,818	26,767	34,379	45,658	22,269	24,458	53,822	4,748	55
56	Returns $5,000 or more	12,434	128,220	1,725	1,017	180	720	372	1,058	5,427	12,315	574,055	14,759	178,417	16,579	16,080	162,944	11,548	61,013	56

See text for "Explanation of Classifications and Terms" and for "Description of Sample and Limitations of Data."
[1]Sample variability of this item is too large to warrant showing it separately. However, this value is included in the grand total.
[2]Less than $500.
[3]Deficit in total income.
[4]Total income less deficit in total income.

Table 5.—TAXABLE INCOME AND INCOME TAX, BY TAXABLE INCOME CLASSES

	Taxable income classes	Number of returns with taxable income of fiduciary	Taxable income of fiduciary (Thousand dollars)	Income tax liability after credits: Normal tax and surtax: Number of returns	Normal tax and surtax: Amount (Thousand dollars)	Alternative tax: Number of returns	Alternative tax: Amount (Thousand dollars)	
		(1)	(2)	(3)	(4)	(5)	(6)	
	Taxable returns:							
1	Not over $2,000	75,429	51,171	75,429	9,964	-	-	1
2	Over $2,000 not over $4,000	19,668	56,287	19,668	11,183	-	-	2
3	Over $4,000 not over $6,000	9,929	48,800	9,929	10,335	-	-	3
4	Over $6,000 not over $8,000	5,829	40,304	5,829	9,219	-	-	4
5	Over $8,000 not over $10,000	3,671	32,814	3,671	8,107	-	-	5
6	Over $10,000 not over $12,000	2,617	28,700	2,617	7,599	-	-	6
7	Over $12,000 not over $14,000	1,920	24,802	1,920	7,061	-	-	7
8	Over $14,000 not over $16,000	1,379	20,433	1,379	6,193	-	-	8
9	Over $16,000 not over $18,000	1,054	17,886	1,053	5,848	1	6	9
10	Over $18,000 not over $20,000	776	14,776	622	4,117	154	994	10
11	Over $20,000 not over $22,000	714	15,016	452	3,483	262	1,981	11
12	Over $22,000 not over $26,000	928	22,112	613	5,678	315	2,800	12
13	Over $26,000 not over $32,000	973	27,955	641	7,796	332	3,931	13
14	Over $32,000 not over $38,000	633	21,937	349	5,541	284	4,301	14
15	Over $38,000 not over $44,000	419	17,130	206	4,048	213	4,070	15
16	Over $44,000 not over $50,000	338	15,876	127	3,093	211	4,797	16
17	Over $50,000 not over $60,000	363	19,752	122	3,614	241	6,548	17
18	Over $60,000 not over $70,000	224	14,493	52	1,898	172	5,606	18
19	Over $70,000 not over $80,000	189	14,096	66	3,009	123	4,719	19
20	Over $80,000 not over $90,000	115	9,792	19	1,008	96	4,296	20
21	Over $90,000 not over $100,000	87	8,261	29	1,755	58	2,830	21
22	Over $100,000 not over $150,000	205	25,104	34	2,866	171	11,437	22
23	Over $150,000 not over $200,000	117	20,091	15	1,777	102	9,809	23
24	Over $200,000	202	129,411	20	5,839	182	64,737	24
25	Total taxable returns	127,779	696,999	124,862	131,031	2,917	132,862	25
26	Nontaxable returns	(1)	(1)	-	-	-	-	26
27	Grand total	127,839	697,011	124,862	131,031	2,917	132,862	27

See text for "Explanation of Classifications and Terms" and for "Description of Sample and Limitations of Data."
[1]Sample variability of this item is too large to warrant showing it separately. However, this value is included in the grand total.

Table 6.—TOTAL INCOME, TAXABLE INCOME, INCOME TAX, AVERAGE TAX, AND EFFECTIVE TAX RATE, BY TYPES OF TAX AND BY TOTAL INCOME CLASSES

	Total income classes	Number of returns	Total income (Thousand dollars)	Taxable income of fiduciary (Thousand dollars)	Income tax liability after credits (Thousand dollars)	Average income tax (Dollars)	Effective tax rate—income tax liability as percent of taxable income	
		(1)	(2)	(3)	(4)	(5)	(6)	
	ALL TAXABLE RETURNS							
1	Under $600	9,496	3,270	1,628	310	33	19.0	1
2	$600 under $1,000	8,386	6,664	2,897	551	66	19.0	2
3	$1,000 under $1,500	10,006	12,352	5,955	1,133	113	19.0	3
4	$1,500 under $2,000	8,999	15,656	7,826	1,491	166	19.0	4
5	$2,000 under $2,500	7,112	15,884	7,862	1,502	211	19.1	5
6	$2,500 under $3,000	5,931	16,221	7,992	1,538	259	19.2	6
7	$3,000 under $3,500	5,339	17,323	8,491	1,685	315	19.8	7
8	$3,500 under $4,000	4,494	16,816	7,852	1,538	342	19.6	8
9	$4,000 under $4,500	4,210	17,886	8,103	1,598	380	19.7	9
10	$4,500 under $5,000	3,719	17,706	8,373	1,683	453	20.1	10
11	$5,000 under $6,000	6,652	36,387	16,302	3,320	499	20.4	11
12	$6,000 under $7,000	5,698	36,941	16,202	3,351	588	20.7	12
13	$7,000 under $8,000	4,511	33,670	14,748	3,158	700	21.4	13
14	$8,000 under $9,000	3,872	32,815	13,995	3,074	794	22.0	14
15	$9,000 under $10,000	2,951	28,015	11,604	2,601	881	22.4	15
16	$10,000 under $15,000	11,426	140,212	56,470	13,702	1,199	24.3	16
17	$15,000 under $20,000	6,809	117,942	46,207	12,223	1,795	26.5	17
18	$20,000 under $30,000	7,482	181,818	65,373	19,876	2,656	30.4	18
19	$30,000 under $50,000	5,206	198,485	69,301	25,435	4,886	36.7	19
20	$50,000 under $100,000	3,326	229,206	78,616	34,999	10,523	44.5	20
21	$100,000 under $150,000	945	113,704	38,494	19,651	20,795	51.1	21
22	$150,000 under $200,000	409	70,104	22,396	12,123	29,640	54.1	22
23	$200,000 under $500,000	570	170,097	58,046	32,130	56,368	55.4	23
24	$500,000 under $1,000,000	153	100,814	36,183	20,408	133,387	56.4	24
25	$1,000,000 or more	77	238,934	86,083	44,813	581,987	52.1	25
26	Total	127,779	1,868,922	696,999	263,893	2,065	37.9	26
	RETURNS WITH NORMAL TAX AND SURTAX							
27	Under $600	9,496	3,270	1,628	310	33	19.0	27
28	$600 under $1,000	8,386	6,664	2,897	551	66	19.0	28
29	$1,000 under $1,500	10,006	12,352	5,955	1,133	113	19.0	29
30	$1,500 under $2,000	8,999	15,656	7,826	1,491	166	19.0	30
31	$2,000 under $2,500	7,112	15,884	7,862	1,502	211	19.1	31
32	$2,500 under $3,000	5,931	16,221	7,992	1,538	259	19.2	32
33	$3,000 under $3,500	5,339	17,323	8,491	1,685	315	19.8	33
34	$3,500 under $4,000	4,494	16,816	7,852	1,538	342	19.6	34
35	$4,000 under $4,500	4,210	17,886	8,103	1,598	380	19.7	35
36	$4,500 under $5,000	3,719	17,706	8,373	1,683	453	20.1	36
37	$5,000 under $6,000	6,652	36,387	16,302	3,320	499	20.4	37
38	$6,000 under $7,000	5,698	36,941	16,202	3,351	588	20.7	38
39	$7,000 under $8,000	4,511	33,670	14,748	3,158	700	21.4	39
40	$8,000 under $9,000	3,872	32,815	13,995	3,074	794	22.0	40
41	$9,000 under $10,000	2,951	28,015	11,604	2,601	881	22.4	41
42	$10,000 under $15,000	11,426	140,212	56,470	13,702	1,199	24.3	42
43	$15,000 under $20,000	6,786	117,502	45,779	12,076	1,779	26.4	43
44	$20,000 under $30,000	7,047	170,734	55,876	16,482	2,339	29.5	44
45	$30,000 under $50,000	4,616	175,739	51,968	18,181	3,939	35.0	45
46	$50,000 under $100,000	2,654	182,052	50,293	21,580	8,131	42.9	46
47	$100,000 under $150,000	556	66,124	15,640	7,942	14,284	50.8	47
48	$150,000 under $200,000	178	30,538	5,166	2,756	15,480	53.3	48
49	$200,000 under $500,000	179	51,007	8,955	5,870	32,792	65.5	49
50	$500,000 under $1,000,000	29	18,686	3,047	2,240	77,246	73.5	50
51	$1,000,000 or more	15	27,182	2,265	1,669	111,298	73.7	51
52	Total	124,862	1,287,382	435,289	131,031	1,049	30.1	52
	RETURNS WITH ALTERNATIVE TAX							
53	Under $15,000	-	-	-	-	-	-	53
54	$15,000 under $20,000	(1)	(1)	(1)	(1)	(1)	(1)	54
55	$20,000 under $30,000	435	11,084	9,496	3,394	7,801	35.7	55
56	$30,000 under $50,000	590	22,746	17,333	7,254	12,295	41.9	56
57	$50,000 under $100,000	672	47,154	28,323	13,419	19,969	47.4	57
58	$100,000 under $150,000	389	47,580	22,854	11,709	30,101	51.2	58
59	$150,000 under $200,000	231	39,566	17,229	9,367	40,551	54.4	59
60	$200,000 under $500,000	391	119,090	49,091	26,260	67,161	53.5	60
61	$500,000 under $1,000,000	124	82,128	33,136	18,168	146,516	54.8	61
62	$1,000,000 or more	62	211,752	83,818	43,144	695,863	51.5	62
63	Total returns with alternative tax	2,917	581,540	261,708	132,862	45,547	50.8	63
64	Returns under $5,000	67,692	139,778	66,979	13,029	192	19.5	64
65	Returns $5,000 or more	60,087	1,729,144	630,020	250,864	4,175	39.8	65

See text for "Explanation of Classifications and Terms" and for "Description of *Sample* and Limitations of Data."
[1]Sample variability of this item is too large to warrant showing it separately. However, this value is included in each total.

Table 7.—CAPITAL GAINS AND LOSSES, SHORT- AND LONG-TERM, AND CAPITAL LOSS CARRYOVER, BY TOTAL INCOME CLASSES

	Total income classes	Total number of returns with gain or loss from sales of capital assets	Returns with net loss from sales of capital assets								Returns with net gain from sales of capital assets							
						Short-term (after carryover)		Long-term			Total							
			Number of returns	Net loss from sales of capital assets after statutory limitation (deducted from gross income (Thousand dollars)	Net loss from sales of capital assets before statutory limitation (Thousand dollars)	Net short-term capital gain (Thousand dollars)	Net short-term capital loss (Thousand dollars)	Net long-term capital gain (100%) (Thousand dollars)	Net long-term capital loss (100%) (Thousand dollars)	Capital loss carryover from 1949-53 (Thousand dollars)	Number of returns	Net gain from sales of capital assets in total income (Thousand dollars)	Net short-term capital gain (Thousand dollars)	Net short-term capital loss (Thousand dollars)	Net long-term capital gain (100%) (Thousand dollars)	Net long-term capital loss (100%) (Thousand dollars)	Capital loss carryover from 1949-53 (Thousand dollars)	
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
	Taxable returns:																	
1	Under $600	2,252	366	76	76	(1)	27	(1)	49	11	1,886	191	8	1	185	(1)	(1)	1
2	$600 under $1,000	2,223	259	75	175	-	73	22	123	50	1,964	478	76	27	430	2	24	2
3	$1,000 under $1,500	3,523	447	122	162	16	69	27	135	52	3,076	1,414	177	36	1,274	2	71	3
4	$1,500 under $2,000	3,919	562	137	216	5	98	1	124	34	3,357	2,018	235	23	1,809	3	13	4
5	$2,000 under $2,500	3,354	366	96	122	(1)	55	6	73	46	2,988	2,189	177	117	2,134	4	49	5
6	$2,500 under $3,000	3,234	354	146	273	3	174	30	132	129	2,880	2,932	229	76	2,778	(1)	77	6
7	$3,000 under $3,500	2,851	248	81	524	-	458	1	67	454	2,603	2,987	148	74	2,914	-	106	7
8	$3,500 under $4,000	2,596	192	80	172	4	57	4	123	36	2,404	3,212	335	44	2,921	-	41	8
9	$4,000 under $4,500	2,464	192	55	79	1	11	-	69	-	2,272	3,500	327	36	3,216	7	34	9
10	$4,500 under $5,000	2,312	179	50	67	2	35	4	37	32	2,133	3,986	319	39	3,707	2	32	10
11	$5,000 under $6,000	4,306	251	82	610	13	427	9	205	422	4,055	7,963	460	114	7,654	38	74	11
12	$6,000 under $7,000	3,771	235	113	217	3	14	6	213	-	3,536	8,025	583	161	7,605	2	143	12
13	$7,000 under $8,000	3,058	250	118	204	1	45	5	165	42	2,808	6,868	469	134	6,536	4	69	13
14	$8,000 under $9,000	2,760	181	74	100	-	6	(1)	94	5	2,579	7,251	394	166	7,030	7	118	14
15	$9,000 under $10,000	2,140	113	72	245	(1)	147	25	124	146	2,027	7,058	268	169	6,959	-	166	15
16	$10,000 under $15,000	8,624	512	265	1,025	(1)	149	32	908	131	8,112	32,805	1,275	511	32,050	8	444	16
17	$15,000 under $20,000	5,408	387	196	903	3	844	106	168	730	5,021	32,235	763	683	32,159	4	695	17
18	$20,000 under $30,000	5,999	437	238	962	(1)	871	95	187	733	5,562	46,378	2,083	1,137	45,432	-	930	18
19	$30,000 under $50,000	4,181	361	234	1,448	(1)	1,327	672	794	835	3,820	48,443	1,926	901	47,422	4	698	19
20	$50,000 under $100,000	2,847	157	106	1,778	1	446	34	1,367	350	2,690	72,719	3,002	1,113	70,868	39	785	20
21	$100,000 under $150,000	831	39	33	381	(1)	339	105	147	273	792	42,284	928	435	41,791	(1)	285	21
22	$150,000 under $200,000	379	12	8	127	-	135	16	9	134	367	26,862	299	191	26,754	-	175	22
23	$200,000 under $500,000	536	26	22	439	-	988	573	24	855	510	82,321	1,067	695	81,949	-	401	23
24	$500,000 under $1,000,000	148	6	4	26	1	150	127	4	149	142	56,989	296	220	56,913	-	153	24
25	$1,000,000 or more	74	3	3	67	-	47	-	21	47	71	163,710	34	728	164,404	-	256	25
26	Total taxable returns	73,790	6,135	2,486	10,398	53	6,992	1,900	5,362	5,696	67,655	664,818	15,878	7,831	656,894	126	5,839	26
	Nontaxable returns:																	
27	No total income	2,038	1,471	953	2,777	2	1,426	3	1,356	1,165	567	762	60	108	810	-	-	27
28	Under $600	10,479	3,282	997	3,347	4	752	83	2,683	680	7,197	664	135	8	539	1	6	28
29	$600 under $1,000	10,161	1,770	459	724	10	113	(1)	622	133	8,391	1,500	140	47	1,408	(1)	22	29
30	$1,000 under $1,500	9,985	1,712	463	837	14	562	65	353	550	8,273	2,000	113	133	2,028	7	73	30
31	$1,500 under $2,000	9,263	1,647	451	825	8	219	11	626	132	7,616	2,243	147	57	2,154	1	59	31
32	$2,000 under $2,500	6,776	1,409	373	823	(1)	673	132	281	629	5,367	2,017	119	84	1,989	8	69	32
33	$2,500 under $3,000	5,290	985	216	658	7	506	30	189	410	4,305	1,753	101	12	1,666	1	11	33
34	$3,000 under $3,500	4,380	742	306	454	1	224	69	301	220	3,638	1,997	174	43	1,874	9	39	34
35	$3,500 under $4,000	3,334	681	162	258	10	60	6	215	63	2,653	1,882	102	24	1,804	-	23	35
36	$4,000 under $4,500	3,520	582	193	437	(1)	110	23	350	108	2,938	1,855	14	60	1,904	3	36	36
37	$4,500 under $5,000	2,671	440	142	325	-	253	85	157	258	2,231	1,472	104	78	1,448	2	58	37
38	$5,000 under $6,000	4,371	867	238	431	-	159	20	292	144	3,504	3,571	157	109	3,532	9	103	38
39	$6,000 under $7,000	3,740	540	254	312	-	130	21	203	80	3,200	3,006	34	143	3,118	2	98	39
40	$7,000 under $8,000	2,621	602	203	333	1	165	76	244	176	2,019	3,059	150	49	2,958	-	48	40
41	$8,000 under $9,000	2,343	440	128	660	-	566	230	324	555	1,903	3,138	44	164	3,259	-	161	41
42	$9,000 under $10,000	1,891	382	155	318	(1)	138	89	269	138	1,509	3,555	85	136	3,606	-	125	42
43	$10,000 under $15,000	5,955	1,229	582	3,330	90	1,420	203	2,203	1,340	4,726	10,280	208	92	10,164	(1)	78	43
44	$15,000 under $20,000	3,056	422	205	1,146	1	858	13	303	869	2,634	11,405	105	498	11,799	-	674	44
45	$20,000 under $30,000	2,923	408	185	276	1	92	64	249	89	2,515	15,316	839	121	14,598	-	112	45
46	$30,000 under $50,000	2,527	421	216	1,266	-	905	5	366	686	2,106	21,701	309	293	21,691	7	284	46
47	$50,000 under $100,000	1,087	173	103	2,545	7	2,671	392	273	2,602	914	18,833	560	127	18,413	11	95	47
48	$100,000 under $150,000	319	40	23	1,593	(1)	1,641	133	84	1,585	279	12,626	247	39	12,419	-	36	48
49	$150,000 under $200,000	125	26	18	568	-	990	451	29	669	99	5,463	118	38	5,382	-	29	49
50	$200,000 under $500,000	184	25	18	336	1	70	10	277	71	159	16,607	150	67	16,524	-	44	50
51	$500,000 under $1,000,000	48	6	6	16	1	7	-	10	7	42	8,908	21	11	8,899	-	-	51
52	$1,000,000 or more	19	3	3	53	-	(1)	-	52	-	16	15,348	170	45	15,224	-	36	52
53	Total nontaxable returns	99,106	20,305	7,052	24,648	158	14,710	2,214	12,311	13,359	78,801	170,961	4,406	2,586	169,210	61	2,319	53
54	Grand total	172,896	26,440	9,538	35,046	211	21,702	4,114	17,673	19,055	146,456	835,779	20,284	10,417	826,104	187	8,158	54
55	Returns under $5,000	96,625	17,886	5,633	13,331	87	5,955	602	8,065	5,192	78,739	41,052	3,240	1,127	38,992	52	843	55
56	Returns $5,000 or more	76,271	8,554	3,905	21,715	124	15,747	3,512	9,608	13,863	67,717	794,727	17,044	9,290	787,112	135	7,315	56

See footnotes at end of table. See text for "Explanation of Classifications and Terms" and for "Description of Sample and Limitations of Data."

Table 7.—CAPITAL GAINS AND LOSSES, SHORT- AND LONG-TERM, AND CAPITAL LOSS CARRYOVER, BY TOTAL INCOME CLASSES—Continued

	Total income classes	Returns with net gain from sales of capital assets—Continued													
		Returns with normal tax and surtax							Returns with alternative tax						
		Number of returns	Net gain from sales of capital assets in total income (Thousand dollars)	Short-term (after carryover): Net short-term capital gain (Thousand dollars)	Short-term (after carryover): Net short-term capital loss (Thousand dollars)	Long-term: Net long-term capital gain (100%) (Thousand dollars)	Long-term: Net long-term capital loss (100%) (Thousand dollars)	Capital loss carryover from 1949-53 (Thousand dollars)	Number of returns	Net gain from sales of capital assets in total income (Thousand dollars)	Short-term (after carryover): Net short-term capital gain (Thousand dollars)	Short-term (after carryover): Net short-term capital loss (Thousand dollars)	Net long-term capital gain (100%) (Thousand dollars)	Capital loss carryover from 1949-53 (Thousand dollars)	
		(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	
	Taxable returns:														
1	Under $600	1,886	191	8	1	185	(1)	(1)							1
2	$600 under $1,000	1,964	478	76	27	430	2	24							2
3	$1,000 under $1,500	3,076	1,414	177	36	1,274	2	71							3
4	$1,500 under $2,000	3,357	2,018	235	23	1,809	3	13							4
5	$2,000 under $2,500	2,988	2,189	177	117	2,134	4	49							5
6	$2,500 under $3,000	2,880	2,932	229	76	2,778	(1)	77							6
7	$3,000 under $3,500	2,603	2,987	148	74	2,914	-	106							7
8	$3,500 under $4,000	2,404	3,212	335	44	2,921	-	41							8
9	$4,000 under $4,500	2,272	3,500	327	36	3,216	7	34		(Alternative tax not applicable)					9
10	$4,500 under $5,000	2,133	3,986	319	39	3,707	2	32							10
11	$5,000 under $6,000	4,055	7,963	460	114	7,654	38	74							11
12	$6,000 under $7,000	3,536	8,025	583	161	7,605	2	143							12
13	$7,000 under $8,000	2,808	6,868	469	134	6,536	4	69							13
14	$8,000 under $9,000	2,579	7,251	394	166	7,030	7	118							14
15	$9,000 under $10,000	2,027	7,058	268	169	6,959	-	166							15
16	$10,000 under $15,000	8,112	32,805	1,275	511	32,050	8	444							16
17	$15,000 under $20,000	4,998	32,228	763	683	32,152	4	695	(2)	(2)	(2)	(2)	(2)	-	17
18	$20,000 under $30,000	5,127	44,593	1,638	1,135	44,090	-	930	435	1,785	445	2	1,342	-	18
19	$30,000 under $50,000	3,230	42,995	951	823	42,871	4	649	590	5,448	975	78	4,551	49	19
20	$50,000 under $100,000	2,018	54,586	1,816	979	53,788	39	709	672	18,132	1,186	134	17,080	76	20
21	$100,000 under $150,000	403	16,329	467	194	16,056	(1)	123	389	25,955	461	241	25,735	162	21
22	$150,000 under $200,000	136	5,211	150	65	5,126	-	58	231	21,651	149	126	21,628	117	22
23	$200,000 under $500,000	119	5,328	434	81	4,975	-	59	391	76,993	633	614	76,974	342	23
24	$500,000 under $1,000,000	18	2,476	4	1	2,473	-	1	124	54,513	292	219	54,440	152	24
25	$1,000,000 or more	10	1,172	-	2	1,174	-	(1)	62	162,538	34	726	163,230	256	25
26	Total taxable returns	64,739	297,795	11,703	5,691	291,907	126	4,685	2,917	367,022	4,175	2,140	364,987	1,154	26
27	Returns under $5,000	25,563	22,907	2,031	473	21,368	20	447	-	-	-	-	-	-	27
28	Returns $5,000 or more	39,176	274,888	9,672	5,218	270,539	106	4,238	2,917	367,022	4,175	2,140	364,987	1,154	28

See text for "Explanation of Classifications and Terms" and for "Description of Sample and Limitations of Data."

[1] Less than $500.

[2] Sample variability of this item is too large to warrant showing it separately. However, this value is included in each total.

Table 8.—SELECTED SOURCES OF INCOME AND INCOME TAX, BY STATES AND TERRITORIES

(Returns with total income)

	States and Territories	Number of returns, taxable and nontaxable	Dividends (before exclusions)		Interest received		Total income	Taxable income of fiduciary		Number of returns with no taxable income of fiduciary	Income tax liability after credits	
			Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	(Thousand dollars)	Number of returns	Amount (Thousand dollars)		Number of returns	Amount (Thousand dollars)
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
1	Alabama	2,880	1,681	9,621	1,621	2,177	25,756	911	4,979	1,969	911	1,681
2	Arizona	1,175	637	2,040	771	908	7,816	420	2,008	755	420	676
3	Arkansas	1,288	740	3,568	616	883	17,037	431	3,715	857	431	1,609
4	California	32,502	22,034	85,657	22,093	18,804	236,893	9,811	48,716	22,691	9,811	17,120
5	Colorado	3,630	2,342	12,329	2,324	2,670	28,729	1,341	5,640	2,289	1,341	1,922
6	Connecticut	11,957	10,046	47,986	8,746	5,440	86,307	3,759	16,577	8,198	3,759	5,877
7	Delaware	3,534	2,835	81,741	1,762	2,237	95,353	957	16,022	2,577	938	8,780
8	District of Columbia	3,801	3,019	11,800	2,801	4,978	31,720	1,092	4,924	2,709	1,092	1,815
9	Florida	5,532	3,350	19,335	3,501	4,316	50,777	1,530	7,288	4,002	1,530	2,789
10	Georgia	4,422	3,024	12,507	2,601	2,003	32,995	1,634	6,541	2,788	1,634	2,297
11	Hawaii	1,221	998	6,414	809	793	12,618	402	1,753	819	402	587
12	Idaho	507	210	1,946	248	755	5,094	207	1,742	300	207	612
13	Illinois	27,355	18,845	144,014	17,797	21,894	314,692	3,483	31,508	23,872	3,483	13,918
14	Indiana	6,095	3,680	19,417	3,584	3,289	40,513	2,241	7,145	3,854	2,220	2,200
15	Iowa	6,741	3,113	8,693	3,667	3,349	32,692	1,935	6,517	4,806	1,935	1,917
16	Kansas	4,240	1,507	2,705	1,834	1,563	21,724	1,570	4,637	2,670	1,570	1,297
17	Kentucky	4,337	3,161	12,289	2,625	1,776	24,960	986	3,953	3,351	986	1,204
18	Louisiana	1,418	727	2,687	683	668	12,489	614	3,738	804	614	1,238
19	Maine	2,173	1,832	6,274	1,713	1,884	13,055	685	2,022	1,488	684	565
20	Maryland	8,430	7,308	36,537	6,484	7,349	60,939	2,157	8,639	6,273	2,157	2,887
21	Massachusetts	29,334	24,558	140,797	19,522	19,659	247,678	8,121	37,856	21,213	8,101	13,105
22	Michigan	10,242	7,148	55,082	6,184	6,246	114,875	3,831	26,863	6,411	3,831	11,027
23	Minnesota	7,751	5,889	32,620	5,091	6,614	64,910	2,907	14,371	4,844	2,907	5,024
24	Mississippi	1,076	596	1,911	609	999	7,738	474	1,843	602	474	480
25	Missouri	9,563	7,224	48,358	6,015	5,892	92,344	3,524	17,154	6,039	3,524	6,307
26	Montana	947	382	1,175	328	332	4,981	398	1,268	549	398	346
27	Nebraska	2,850	1,322	5,203	1,514	1,172	14,087	976	3,405	1,874	976	963
28	Nevada	334	151	2,316	182	978	8,245	151	1,680	183	151	695
29	New Hampshire	1,605	1,265	4,623	1,222	831	9,554	604	2,248	1,001	604	673
30	New Jersey	15,175	11,791	60,444	11,030	12,362	133,957	4,937	36,752	10,238	4,936	14,929
31	New Mexico	586	270	1,001	277	357	4,563	274	1,110	312	274	307
32	New York	75,124	59,411	441,861	56,184	95,835	909,478	22,310	169,067	52,814	22,308	67,238
33	North Carolina	5,303	3,846	18,734	2,665	2,523	38,722	1,923	6,699	3,380	1,923	2,076
34	North Dakota	897	288	431	502	255	3,285	366	683	531	366	152
35	Ohio	19,428	14,490	100,765	12,388	11,944	179,095	6,512	35,061	12,916	6,493	14,419
36	Oklahoma	3,398	1,381	5,106	1,568	1,991	58,853	1,682	19,765	1,716	1,682	8,359
37	Oregon	4,013	2,056	7,675	2,819	2,843	26,688	1,212	4,435	2,801	1,212	1,368
38	Pennsylvania	45,504	34,987	191,907	30,215	38,740	339,882	12,405	38,421	33,099	12,385	13,061
39	Rhode Island	3,750	3,313	19,140	3,010	3,650	33,077	1,318	6,097	2,432	1,318	2,285
40	South Carolina	1,810	1,107	3,310	898	1,061	11,061	604	2,158	1,206	604	764
41	South Dakota	982	336	857	362	639	4,245	306	546	676	306	148
42	Tennessee	3,679	2,543	9,529	2,355	1,662	28,284	981	6,100	2,698	981	2,332
43	Texas	14,942	6,999	28,614	7,304	7,855	194,886	7,416	46,323	7,526	7,395	18,578
44	Utah	1,382	999	3,144	839	597	6,517	420	1,224	962	420	328
45	Vermont	1,189	740	1,531	907	476	5,102	318	630	871	318	176
46	Virginia	6,166	4,164	14,490	3,948	3,745	36,878	1,746	5,836	4,420	1,746	1,882
47	Washington[1]	4,964	3,223	12,836	3,538	4,222	51,747	1,849	12,717	3,115	1,843	5,026
48	West Virginia	2,885	2,076	10,905	1,754	2,121	20,991	865	4,588	2,020	865	1,744
49	Wisconsin	10,243	6,623	27,095	6,187	5,303	52,153	3,211	11,658	7,032	3,211	3,507
50	Wyoming	381	103	753	134	223	2,930	3	139	378	3	73
51	Total	418,741	300,370	1,779,773	275,831	328,863	3,858,965	127,810	704,761	290,931	127,680	268,367

See text for "Explanation of Classifications and Terms" and for "Description of Sample and Limitations of Data."

[1] Includes Alaska.

HISTORICAL TABLES
FIDUCIARY RETURNS, 1945-1954

	Page
9. Number of returns, total income, and tax, by total income classes	32
10. Sources of income and deductions by type	33

Table 9.—TAXABLE RETURNS—NUMBER OF RETURNS, TOTAL INCOME, AND TAX, BY TOTAL INCOME CLASSES, 1945-1954

Total income classes	1954	1952	1951	1950	1949	1948	1947	1946	1945
NUMBER OF RETURNS									
Under $500	-	-	-	-	-	6,879	7,074	7,199	7,309
$500 under $1,000	-	-	-	-	-	12,441	15,978	17,170	17,649
Under $600	9,496	10,653	8,659	8,530	8,657	-	-	-	-
$600 under $1,000	8,386	13,588	11,493	11,574	11,020	-	-	-	-
$1,000 under $1,500	10,006	13,024	11,715	11,556	10,753	10,682	11,836	13,283	13,109
$1,500 under $2,000	8,999	10,472	8,899	8,925	8,053	8,461	9,261	10,125	9,805
$2,000 under $2,500	7,112	8,548	7,505	7,283	6,660	6,674	7,256	8,197	7,652
$2,500 under $3,000	5,931	7,411	6,019	6,192	5,437	5,419	5,924	6,500	6,292
$3,000 under $4,000	9,833	10,879	9,524	9,437	8,088	8,385	9,038	9,972	9,341
$4,000 under $5,000	7,929	8,289	7,147	7,000	5,871	6,135	6,494	7,256	6,777
$5,000 under $10,000	23,684	22,310	19,555	18,996	15,537	15,887	16,725	19,098	16,934
$10,000 under $15,000	11,426	9,694	8,556	8,584	6,533	6,753	7,044	8,029	6,786
$15,000 under $20,000	6,809	4,936	4,746	4,589	3,681	3,756	3,704	4,295	3,618
$20,000 under $30,000	7,482	5,332	4,953	4,867	3,834	3,840	3,985	4,344	3,526
$30,000 under $50,000	5,206	3,975	3,775	3,811	2,746	3,026	2,970	3,223	2,573
$50,000 under $100,000	3,326	2,521	2,354	2,537	1,735	1,923	1,762	1,977	1,511
$100,000 under $150,000	945	892	670	632	473	495	440	560	314
$150,000 under $200,000	409		243	270	183	172	188	191	140
$200,000 under $500,000	570	299	309	368	243	277	241	225	176
$500,000 under $1,000,000	153	65	61	69	48	50	56	56	36
$1,000,000 or more	77	39	27	31	25	28	21	25	12
Total	127,779	132,927	116,210	115,252	99,577	101,283	109,997	121,725	113,560
	(Thousand dollars)								
TOTAL INCOME									
Under $500	-	-	-	-	-	1,973	2,024	2,136	2,134
$500 under $1,000	-	-	-	-	-	9,536	11,887	12,709	13,051
Under $600	3,270	3,508	2,888	2,816	2,906	-	-	-	-
$600 under $1,000	6,664	10,752	9,125	9,224	8,769	-	-	-	-
$1,000 under $1,500	12,352	16,186	14,495	14,309	13,267	13,185	14,636	16,424	16,214
$1,500 under $2,000	15,656	18,121	15,489	15,513	13,984	14,708	16,083	17,580	16,996
$2,000 under $2,500	16,884	19,130	16,789	16,301	14,866	14,933	16,244	18,334	17,186
$2,500 under $3,000	16,221	20,251	16,501	16,960	14,950	14,855	16,285	17,792	17,248
$3,000 under $4,000	34,139	37,918	33,035	32,743	28,024	29,047	31,312	34,467	32,379
$4,000 under $5,000	35,592	37,020	31,976	31,340	26,322	27,479	29,008	32,414	30,326
$5,000 under $10,000	167,828	157,916	138,983	134,843	110,021	112,485	118,570	134,465	119,488
$10,000 under $15,000	140,212	118,141	104,522	104,638	79,458	82,301	86,122	97,715	82,581
$15,000 under $20,000	117,942	84,936	82,055	79,446	63,514	64,751	64,053	73,892	62,561
$20,000 under $30,000	181,818	130,016	120,641	118,679	93,322	93,895	96,872	105,748	85,727
$30,000 under $50,000	198,485	150,769	143,942	145,313	105,067	115,294	113,339	123,070	97,682
$50,000 under $100,000	229,206	173,197	160,424	173,932	118,323	130,853	119,054	132,788	102,160
$100,000 under $150,000	113,704	119,161	81,673	76,821	57,421	59,690	52,875	67,801	37,417
$150,000 under $200,000	70,104		42,130	46,444	31,542	29,637	32,462	32,772	24,030
$200,000 under $500,000	170,097	85,896	90,108	106,384	69,932	79,411	70,060	62,591	50,556
$500,000 under $1,000,000	100,814	44,089	42,796	48,946	33,175	34,995	38,921	40,955	25,039
$1,000,000 or more	238,934	80,684	54,804	59,406	41,864	57,975	43,778	42,111	23,819
Total	1,868,922	1,307,721	1,202,376	1,233,957	926,824	986,806	973,583	1,065,765	856,594
INCOME TAX LIABILITY AFTER CREDITS									
Under $500	-	-	-	-	-	175	201	197	241
$500 under $1,000	-	-	-	-	-	648	921	936	1,118
Under $600	310	433	331	271	274	-	-	-	-
$600 under $1,000	551	976	736	621	570	-	-	-	-
$1,000 under $1,500	1,133	1,786	1,466	1,228	1,110	1,091	1,440	1,549	1,796
$1,500 under $2,000	1,491	2,157	1,696	1,452	1,278	1,345	1,683	1,757	1,955
$2,000 under $2,500	1,502	2,303	1,877	1,552	1,398	1,426	1,754	1,898	2,013
$2,500 under $3,000	1,538	2,449	1,864	1,660	1,409	1,452	1,748	1,863	2,052
$3,000 under $4,000	3,223	4,951	3,798	3,244	2,737	2,870	3,383	3,636	3,916
$4,000 under $5,000	3,281	4,534	3,698	3,141	2,636	2,788	3,209	3,469	3,760
$5,000 under $10,000	15,504	20,675	17,280	14,232	11,798	12,714	14,175	15,690	15,956
$10,000 under $15,000	13,702	16,413	14,265	12,701	9,402	10,451	11,397	13,211	12,752
$15,000 under $20,000	12,223	13,392	12,299	10,580	8,332	8,859	9,442	11,341	10,654
$20,000 under $30,000	19,876	21,931	19,615	18,008	13,935	15,357	16,551	18,577	16,764
$30,000 under $50,000	25,435	30,131	27,972	26,158	18,212	22,086	22,779	26,687	23,474
$50,000 under $100,000	34,999	37,893	33,888	36,501	22,220	27,651	27,785	33,371	27,599
$100,000 under $150,000	19,651	27,682	20,137	17,815	12,398	14,803	13,047	18,640	10,452
$150,000 under $200,000	12,123		10,637	11,122	7,570	6,497	7,179	9,508	7,391
$200,000 under $500,000	32,130	20,077	21,856	25,496	15,382	17,979	18,078	17,254	16,664
$500,000 under $1,000,000	20,408	10,757	10,390	12,822	7,709	7,565	9,795	13,108	8,110
$1,000,000 or more	44,813	16,393	6,960	10,152	5,658	20,552	8,507	12,767	8,938
Total	263,893	234,933	210,765	208,756	144,030	176,309	173,071	205,457	175,605

Table 10.—TAXABLE RETURNS—SOURCES OF INCOME AND DEDUCTIONS BY TYPE, 1945-1954

Income and deductions	1954	1952	1951	1950	1949	1948	1947	1946	1945
	(Thousand dollars)								
Source of income:									
Positive income:									
Business profit	67,067	37,073	41,725	43,019	33,969	45,506	51,017	50,952	39,034
Partnership profit	59,285	58,836	45,074	46,973	41,004	48,948	55,724	67,682	61,706
Net gain from sales of capital assets	664,818	221,674	212,407	213,237	108,968	144,583	146,535	254,718	199,793
Net gain from sales of property *other* than capital assets	1,478	1,912	1,886	3,045	1,372	1,741	2,118	1,961	1,214
Rents and royalties income	199,456	130,487	109,041	105,891	102,559	117,635	102,628	89,590	79,206
Income from other fiduciaries	12,040	24,530	25,375	20,570	16,260	14,609	11,962	14,220	10,777
Dividends	744,175	723,436	665,377	693,180	529,760	518,021	497,187	466,816	453,555
Interest received	105,497	102,481	91,524	95,895	84,264	84,703	94,733	108,179	
Other sources	21,846	20,098	18,465	21,636	16,745	19,300	19,993	18,598	17,038
Total	1,875,662	1,320,527	1,210,874	1,243,446	934,901	995,046	981,897	1,072,716	862,323
Losses:									
Business loss	1,688	4,716	2,540	2,942	1,832	1,886	1,508	1,592	1,358
Partnership loss	1,430	1,371	966	1,705	715	632	562	529	308
Net loss from sales of capital assets	2,486	3,431	2,392	2,433	3,457	3,658	3,632	2,312	1,754
Net loss from sales of property *other* than capital assets	613	946	686	824	625	587	901	827	789
Rents and royalties loss	351	2,348	1,911	1,592	1,448	1,477	1,710	1,690	1,520
Loss from other fiduciaries	172	-	-	-	-	-	-	-	-
Total	6,740	12,812	8,495	9,496	8,077	8,240	8,313	6,950	5,729
Total income	1,868,922	1,307,721	1,202,376	1,233,957	926,824	986,806	973,583	1,065,765	856,594
Deductions:									
Interest paid	13,411	12,176	10,683	12,142	9,119	10,403	9,687	9,676	8,363
Taxes	49,405	30,595	27,982	24,501	23,050	21,492	22,547	22,045	19,441
Depreciation	34,159	-	-	-	-	-	-	-	-
Dividend exclusion	3,348	-	-	-	-	-	-	-	-
Charitable deduction	7,117	567,276	511,353	522,580	384,923	377,021	384,096	394,551	313,624
Distributions to beneficiaries	579,353								
Long-term capital gain deduction	316,521	-	-	-	-	-	-	-	-
Exemptions	37,825	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Other deductions	130,741	70,921	61,516	59,115	46,958	47,530	48,009	44,569	36,671
Total	1,171,918	680,968	611,534	618,338	464,050	456,446	464,339	470,841	378,099
Taxable income	696,999	-	-	-	-	-	-	-	-
Net income taxable to fiduciary[2]	-	626,760	590,847	615,614	462,775	530,360	509,244	594,924	478,495
Exemptions	-	36,122	32,821	33,075	29,718	30,799	29,399	30,745	28,156

[1]Exemption was allowed as a credit against net income taxable to fiduciary. See last item.
[2]Net income before exemption.

Synopsis of Income Tax Law for Fiduciary Income

FIDUCIARY INCOME TAX LAW TABLES

	Page
A. Requirement for filing return and exemption under the fiduciary income tax law, 1945-54	37
B. Minimum and maximum income tax rates under fiduciary income tax law, 1945-54	37

Table A.—REQUIREMENT FOR FILING RETURN AND EXEMPTION UNDER THE FIDUCIARY INCOME TAX LAW, 1945-54 [1]

Federal income tax law (*date of enactment*)	Income year[2]	Requirement for filing return[3]			Exemption[4]		
		Estates, gross income[5]	Trusts		Estates	Trusts	
			Gross income[5]	Net income[6]		Simple	Complex
		Dollars	*Dollars*	*Dollars*	*Dollars*	*Dollars*	*Dollars*
Internal Revenue Code of 1954 (Aug. 16, 1954).....	1954.....	600	600	([7])	600	300	100
Internal Revenue Code of 1939 amended by—							
Revenue Act of 1951 (Oct. 20, 1951).....	1948-53.....	600	600	100	600	100	
Revenue Act of 1950 (Sept. 23, 1950).....							
Revenue Act of 1948 (Apr. 2, 1948).....							
Revenue Act of 1945 (Nov. 8, 1945).....	1945-47.....	500	500	100	500	100	
Individual Income Tax Act of 1944 (May 29, 1944)..							

[1]This table relates only to fiduciaries in the United States. Fiduciary returns are filed for the income of estates under administration and for the income from property held in trust. For income years prior to 1945, see *Statistics of Income for 1950, Part 1*, pages 308-309.

[2]Returns are permitted for fiscal years also. Fiduciary returns with tax year beginning in 1953 and part year returns with accounting period ending before Aug. 17, 1954 were subject to the 1939 Code.

[3]In addition to the requirement stated in the table, every fiduciary, or one of joint fiduciaries, must file a return, Form 1041, regardless of the amount of gross or net income, for every estate or trust for which he acts if any beneficiary is a nonresident alien.

[4]Exemption was allowed as a credit against net income for both normal tax and surtax, prior to 1954, and under the 1954 Code, exemption is allowed as a deduction in computing taxable income of the fiduciary.

[5]Gross income includes all gains, profits, and income derived from whatever source except income that is specifically exempt from income tax.

[6]Net income, or taxable income under the 1954 Code, is the amount of income remaining in the hands of the fiduciary after allowable deductions and distributions to beneficiaries.

[7]A return is required for the income of a trust if there is any amount of taxable income, as defined in note 6.

Table B.—MINIMUM AND MAXIMUM INCOME TAX RATES UNDER FIDUCIARY INCOME TAX LAW, 1945-54[1]

Federal income tax law (*date of enactment*)	Income year[2]	Tax rate[3]					Maximum rate limitation[7]
		Normal tax rate[4]	Surtax rate[5] for—		Combined normal tax and surtax rates[6] at—		
			Lowest bracket of surtax income, not over $2,000	Highest bracket of surtax income, over $200,000	Lowest bracket of surtax income	Highest bracket of surtax income	
		Percent	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
Internal Revenue Code of 1954 (Aug. 16, 1954).	Calendar year 1954.....	-	-	-	20.0	91.0	87.0
Internal Revenue Code of 1939 amended by—							
Revenue Act of 1951 (Oct. 20, 1951).....	Calendar years 1952-1953....	3.0	19.2	89.0	22.2	92.0	88.0
	Fiscal years beginning after Oct. 31, 1951 and ending before Jan. 1, 1954.						
	Calendar year 1951.....	3.0	17.4	88.0	20.4	91.0	87.2
Revenue Act of 1950 (Sept. 23, 1950)....	Fiscal years beginning after Sept. 30, 1950 and ending before Nov. 1, 1951.	3.0	17.0	88.0	20.0	91.0	87.0
	Calendar year 1950.....	3.0	17.0	88.0	17.4	84.4	80.0
	Fiscal years ending after Dec. 31, 1949 and before Oct. 1, 1950.	3.0	17.0	88.0	16.6	82.1	77.0
Revenue Act of 1948 (Apr. 2, 1948).....	Calendar years 1948-1949....						
Revenue Act of 1945 (Nov. 8, 1945).....	Calendar years 1946-1947....	3.0	17.0	88.0	19.0	86.5	85.5
Individual Income Tax Act of 1944 (May 29, 1944).	Calendar year 1945.....	3.0	20.0	91.0	23.0	94.0	90.0

[1]This table relates only to rates for fiduciaries in the United States. Fiduciary returns are filed for the income of estates under administration and for the income from property held in trust. For tax rates prior to 1945, see *Statistics of Income for 1950, Part 1*, pages 308-309 and 318-321.

[2]In case of a change in tax rates during a fiscal year other than those listed, the total tax is prorated according to the portion of time in the tax year under each rate.

[3]For 1946 through calendar year 1950, the normal tax and surtax rates produced a tentative tax which was subject to reduction as described in note 6.

[4]The normal tax rate applies to normal tax net income which is net income less the credit for partially tax-exempt interest and the exemption allowed for normal tax.

[5]Surtax rates apply to surtax net income which is net income less the exemptions allowed for surtax.

[6]For 1946 through calendar year 1950, the combined rates shown are after tax reductions and the rates so computed are rounded. For 1946 and 1947 the tentative normal tax and surtax are reduced by 5 percent thereof. For tax years beginning after Dec. 31, 1947 and ending before Oct. 1, 1950, the combined tentative normal tax and surtax is reduced by 17 percent of the first $400, plus 12 percent of the next $99,600, plus 9.75 percent of the excess over $100,000. For calendar year 1950, the tentative normal tax and surtax are reduced by 13 percent of the first $400, plus 9 percent of the next $99,600, plus 7.3 percent of the excess over $100,000.

[7]The combined normal tax and surtax shall not exceed the indicated percent of net income for 1945-53, or taxable income for 1954.

Facsimile of Fiduciary Income Tax Return Form 1041

FORM 1041

U. S. Treasury Department
Internal Revenue Service

U. S. FIDUCIARY INCOME TAX RETURN

(For Estates and Trusts)

FOR CALENDAR YEAR 1954
or other taxable year beginning _____, 1954,
and ending _____, 195__

PLEASE TYPE OR PRINT PLAINLY

Check (✓) whether ☐ Estate or ☐ Trust and give name

Name and Address of Fiduciary

1954

Do not write in space below

Serial No.

Line and Instruction No.	INCOME		
1.	Dividends (Enter full amount before exclusion)	$	
2.	Interest on bank deposits, notes, corporation bonds, etc.		
3.	Interest on tax-free covenant bonds upon which a Federal income tax was paid at source.		
4.	Interest on Government obligations, etc.		
5.	Income from partnerships and other fiduciaries from Schedule L **(See Instruction 5)**		
6.	Gross rents and royalties		
7.	Gross profit (or loss) from trade or business		
8.	(a) Net gain (or loss) from sale or exchange of property other than capital assets (from line 2, Separate Schedule D)		
	(b) Net gain (or loss) from sale or exchange of capital assets (from Schedule D)		
9.	Other income **(State nature of income)**		
10.	Total income (line 1 to line 9, inclusive)		$
	DEDUCTIONS AND DIVIDEND EXCLUSION		
11.	Interest **(Explain in Schedule N)**	$	
12.	Taxes **(Explain in Schedule N)**		
13.	Fiduciary's portion of depreciation (Schedule M) or depletion. Explain depletion		
14.	Charitable deduction (line 8, Schedule E)		
15.	Other deductions authorized by law **(Explain in Schedule N)**		
16.	Total (line 11 to line 15, inclusive)		$
17.	Line 10 minus line 16. (Enter as line 1 in Schedule G and complete Schedules F, G, and H)		$
18.	Dividend exclusion (not to exceed $50)		$
19.	Deduction for distributions to beneficiaries (line 11, Schedule J)		
20.	Long-term capital gain deduction. Enter 50% of line 1 (e), Schedule K		
21.	Exemptions ($600 for an estate; for trusts see instructions)		
22.	Total (line 18 to line 21, inclusive)		$
23.	Taxable income of fiduciary (line 17 minus line 22)		$

COMPUTATION OF TAX

24.	Tax on amount on line 23 **(See Tax Rate Schedule in Instruction 24)**		$
25.	If alternative tax is applicable, enter the tax from line 7, Schedule K		$
26.	Fiduciary's share of foreign tax credit **(Attach Form 1116)**	$	
27.	Fiduciary's share of tax paid at source on tax-free covenant bond interest		
28.	Fiduciary's share of dividends received credit (line 9, Schedule O)		
29.	Fiduciary's share of credit for partially tax-exempt interest		
30.	Total of lines 26 to 29, inclusive		$
31.	Balance of tax (subtract line 30 from line 24 or line 25, whichever is applicable)		$

SIGNATURE AND VERIFICATION (See Instruction F)

I declare under the penalties of perjury that this return (including any accompanying schedules and statements) has been examined by me, and to the best of my knowledge and belief, is a true, correct, and complete return.

(Signature of fiduciary or officer representing fiduciary) (Address of fiduciary or officer) (Date)

I declare under the penalties of perjury that I prepared this return for the fiduciary named herein; and that this return (including any accompanying schedules and statements) is, to the best of my knowledge and belief, a true, correct, and complete return based on all the information relating to the matters required to be reported in this return of which I have any knowledge.

(Individual or firm signature) (Address) (Date)

16—71227-1

Page 2

Schedule D.—CAPITAL GAINS AND LOSSES (See Instruction 32)

	1. Beneficiaries	2. Fiduciary	3. Total
1. Short-term gain or loss (line 6, Separate Schedule D)	$	$	$
2. Long-term gain or loss (line 9, Separate Schedule D)			
3. Total gain or loss	$	$	$

Enter net gain in line 3, column 3, above as line 8 (b), page 1. If net loss in line 3, column 3, above, enter as loss in line 8 (b), page 1, whichever of the following is the smallest amount; (i) the amount of the loss; (ii) taxable income computed without regard to capital gains and losses and the deduction for personal exemption; or (iii) $1,000.

Schedule E.—COMPUTATION OF CHARITABLE DEDUCTION (See Instruction 33)
(Submit statement giving name and address of charitable organization)

1. Amounts paid or permanently set aside for charitable purposes from current year's income			$
2. Tax-exempt interest and foreign income of a foreign trust allocable to charitable distribution. **(Complete lines 3 and 4 below only if gain in line 2, column 2, Schedule D, exceeds loss in line 1, column 2, Schedule D)**		$	
3. (a) Long-term capital gain included in line 1	$		
(b) Enter gain in line 2, column 2, Schedule D minus loss in line 1, column 2, Schedule D	$		
(c) Enter gain in line 2, column 3, Schedule D minus loss in line 1, column 3, Schedule D	$		
4. Enter 50% of line 3 (a), line 3 (b), or line 3 (c), whichever is smallest			
5. Enter sum of line 2 and line 4			
6. Balance (line 1 minus line 5)			$
7. Amounts paid or permanently set aside for charitable purposes other than income of the current year			
8. Total (line 6 plus line 7). Enter here and as line 14, page 1			$

Schedule F.—COMPUTATION OF CAPITAL GAINS IN DISTRIBUTABLE NET INCOME (See Instruction 34)

1. Net gain shown in line 3, column 1, Schedule D. If net loss enter zero	$
2. Line 3 (a), Schedule E	
3. Short-term capital gain included in line 1, Schedule E	
4. Total (line 1 to line 3, inclusive). Enter here and as line 2 (c), Schedule G	$

Schedule G.—COMPUTATION OF DISTRIBUTABLE NET INCOME (See Instruction 35)

1. Enter line 17, page 1		$
2. Add: (a) Tax-exempt interest (as adjusted)		
(b) Foreign income of a foreign trust (as adjusted)		
(c) Line 4, Schedule F		
(d) If amount in line 8 (b), page 1, is a loss, enter amount here		
3. Total (line 1 through line 2 (d))		$
4. Deduct: (a) If amount in line 8 (b), page 1, is a gain, enter amount here	$	
(b) Certain extraordinary and taxable stock dividends of a simple trust		
(c) Total (line 4 (a) and 4 (b))		
5. Distributable net income (line 3 minus line 4)		$

Schedule H.—BENEFICIARIES' SHARES OF INCOME AND CREDITS (See Instruction 36)

1. Name of each beneficiary (Designate nonresident aliens if any)	2. Address
(a)	
(b)	
(c)	
(d)	
(e)	

Continuation of Schedule H

	3. Amount of income required to be distributed currently	4. Other amounts paid, credited, or otherwise required to be distributed	5. Income taxable to beneficiaries less portion reportable in cols. 6 through 10	6. Domestic dividends qualifying for credit	
				A. Before 8/1/54	B. After 7/31/54
(a)	$	$	$	$	$
(b)					
(c)					
(d)					
(e)					
Total	$	$	$	$	$

Continuation of Schedule H

	7. Partially tax-exempt interest included in line 4, page 1	8. Net short-term capital gain	9. Net long-term capital gain 100%	10. Tax-exempt income, and foreign income of a foreign trust (enter total only)	11. Federal income tax paid at source (2% of line 3, page 1, less line 27, page 1)	12. Income and profits taxes paid to a foreign country or United States possession
(a)	$	$	$		$	$
(b)						
(c)						
(d)						
(e)						
Total	$	$	$	$	$	$

Schedule J.—COMPUTATION OF DISTRIBUTIONS DEDUCTION (See Instruction 37)

1. Total of column 3, Schedule H		$
2. Total of column 4, Schedule H		
3. Total (line 1 plus line 2) (Fiduciaries required by the governing instrument to distribute all of the income determined under that instrument who have not paid or credited and are not required to pay or credit other amounts to any beneficiary during the taxable year and have not claimed a charitable deduction need not complete line 4).		$
4. (a) Enter the total of column 10, Schedule H	$	
(b) Portion of total in columns 6A and 6B, Schedule H, attributable to dividends excluded in line 18, page 1 (not to exceed $50.00)		
(c) Total (line 4 (a) plus line 4 (b))		
5. Balance (line 3 minus line 4 (c))		$
6. Enter distributable net income (line 5, Schedule G)		$
7. Enter the total of lines 2 (a) and 2 (b) of Schedule G	$	
8. Dividends excluded (line 18, page 1)		
9. Total (line 7 plus line 8 above)		
10. Balance (line 6 minus line 9)		$
11. Distributions deduction. (Enter here and as line 19, page 1, the lesser of line 5 or line 10 above)		$

Schedule K.—CAPITAL GAINS DEDUCTION AND ALTERNATIVE TAX (See Instruction 38)

COMPUTATION OF FIDUCIARY'S CAPITAL GAINS DEDUCTION

1. (a) Long-term capital gain shown in line 2, column 3, Schedule D	$
(b) Short-term capital loss shown in line 1, column 3, Schedule D	
(c) Excess of line 1 (a) over line 1 (b), above	$
(d) Long-term capital gains taxable to beneficiary. (Total column 9, Schedule H)	
(e) Balance (line 1 (c) minus line 1 (d)). (Enter 50% of this amount as line 20, page 1)	$

COMPUTATION OF ALTERNATIVE TAX

Use only if you had a net long-term capital gain or an excess of net long-term capital gain over net short-term capital loss, and line 23, page 1, exceeds $18,000

2. Income from line 23, page 1	$
3. 50% of amount on line 1 (e), above	
4. Balance (line 2 minus line 3)	$
5. Tax on amount on line 4 **(See Tax Rate Schedule in Instruction 24)**	$
6. 50% of amount on line 3, above	
7. Alternative tax (line 5 plus line 6); if less than line 24, page 1, enter this amount as line 25, page 1	$

ADDITIONAL INFORMATION REQUIRED

1. Was an income tax return filed for the preceding year? (Answer "Yes" or "No") _____
If answer is "Yes," to which District Director's office was it sent? _____

2. Date estate or trust was created _____

3. If copy of will or trust instrument and statement required under General Instruction I have been previously furnished, state when and where filed.

_____

_____

4. If return is for a trust, state name and address of grantor:

_____

_____

5. If return is for an estate, has a United States Estate Tax Return been filed? (Answer "Yes" or "No") _____
If answer is "No," will such a return be filed? (Check which)
☐ Yes ☐ No ☐ Uncertain

6. Did you pay anyone for assistance in the preparation of your return? (Answer "Yes" or "No") _____
If "Yes," enter his name and address.

_____

_____

Schedule L.—INCOME (OR LOSS) FROM PARTNERSHIPS, INCOME FROM OTHER FIDUCIARIES (See Instruction 39)

Name and address of partnership, joint venture, etc.		$
Name and address of fiduciary		
Total. Enter here and on the appropriate lines on page 1 according to specific instruction 5		$

Schedule M.—EXPLANATION OF DEDUCTION FOR DEPRECIATION (See Instruction 40)

1. Kind of property (if buildings, state material of which constructed). Exclude land and other nondepreciable property.	2. Date acquired	3. Cost or other basis	4. Depreciation allowed (or allowable in prior years)	5. Method	6. Rate (%) or life	7. Depreciation allowed this year	
						A. Total	B. Fiduciary's portion
1.		$	$			$	$
2. Total depreciation						$	
3. Total fiduciary's portion. Enter here and include in line 13, page 1							$

Schedule N.—EXPLANATION OF DEDUCTIONS CLAIMED IN LINES 11, 12, and 15, PAGE 1 (See Instruction 41)

1. Line No.	2. Explanation	3. Amount	1. Line No. (con.)	2. Explanation (continued)	3. Amount (continued)
		$			$

Schedule O.—FIDUCIARY'S SHARE OF DIVIDEND CREDIT (See Instruction 42)

1. Total domestic corporation dividends received after July 31, 1954 qualifying under section 34		$
2. Enter $50 or line 1, whichever is less	$	
3. Enter lesser of $50 or dividends received before August 1, 1954 qualifying under section 116		
4. Balance (line 2 less line 3). (If line 3 is equal to or greater than line 2, enter zero)		
5. Enter total of column 6B, Schedule H		
6. Enter the sum of line 4 and line 5		
7. Balance (line 1 minus line 6)		$
8. Enter: (a) 4% of line 7	$	
(b) Tax shown in line 24 or 25, page 1, less amount in line 26, page 1		
(c) 2% of line 23, page 1, or if alternative tax is applicable, 2% of line 4, Schedule K (use 4% in either case if taxable year ends after December 31, 1954)		
9. Enter here and as line 28, page 1, the smallest of the amounts in lines 8 (a), 8 (b) and 8 (c) above		$

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1954 **1954**

Instructions For Form 1041

U.S. FIDUCIARY INCOME TAX RETURN

GENERAL INSTRUCTIONS

(References are to the Internal Revenue Code of 1954, unless otherwise noted)

A. Who must use Form 1041.—Every fiduciary (except a receiver appointed by authority of law in possession of only a part of the property of an individual), or at least one of joint fiduciaries, must make an income tax return on Form 1041 for:

(1) Every estate for which he acts, if (*a*) the gross income of such estate for the taxable year is $600 or over, or (*b*) any beneficiary is a nonresident alien;

(2) Every trust for which he acts, if (*a*) the trust has any taxable income for the taxable year, or (*b*) the gross income is $600 or over, regardless of the amount of taxable income, or (*c*) any beneficiary is a nonresident alien.

B. Fiduciary returns on Form 1040 or Form 1040A.—(1) *Returns for decedents.*—An executor or administrator must make a return on Form 1040 or Form 1040A for the taxable year of the decedent, if the gross income of the decedent to the date of his death was $600 or more ($1,200 or more if the decedent was over 65 years of age and his last taxable year began after 1953 and ended after August 16, 1954).

(2) *Medical expenses of decedents.*—Expenses for medical care of the decedent, paid out of his estate within one year from the date of his death, shall be treated as paid by the decedent at the time the expenses were incurred for purposes of determining the decedent's income tax liability. Such a deduction is not permitted if the amount so paid is also allowable in computing the net estate of the decedent for estate tax purposes under section 2053 unless the statement and waiver referred to in specific instruction 15 for estate tax deduction is filed.

(3) *Other returns.*—A fiduciary, including the guardian of a minor and the guardian or committee of an insane person, who has charge of the income of an individual (except a receiver appointed by authority of law in possession of only a part of the property of an individual), must make a return of income on Form 1040 or Form 1040A if a return is required for such individual.

C. Returns for nonresident alien beneficiaries.—(1) *United States business.*—A citizen or resident fiduciary who pays, credits, or is required to distribute any amount taxable to a beneficiary who is a nonresident alien engaged in trade or business within the United States at any time within the taxable year, shall make a return on Form 1040B for such nonresident alien and pay the tax due.

(2) *No United States business.*—A citizen or resident fiduciary who pays, credits, or is required to distribute any amount taxable to any beneficiary who is a nonresident alien not engaged in trade or business within the United States at any time within the taxable year shall make a return on Form 1040NB, and pay the tax due, if (*a*) such beneficiary has, for the taxable year, not more than $15,400 gross income described in section 871 (a) and if (*b*) the entire amount of the tax on such income has not been withheld at the source. Such fiduciary shall make a return on Form 1040NB-a for any such beneficiary who has, for the taxable year, more than $15,400 gross income described in section 871 (b), and pay the tax due.

(3) *Duty of filing returns.*—If the beneficiary appoints a person in the United States to act as his agent for the purpose of rendering income-tax returns, the fiduciary shall be relieved from the necessity of filing Form 1040B, Form 1040NB, or Form 1040NB-a, as the case may be. In such a case the fiduciary shall make a return on Form 1041 and attach thereto a copy of the notice of appointment of such agent. The fiduciary shall make a return on Form 1042 of the tax on the entire amount of income payable to the beneficiary.

D. Period to be covered by return.—Returns shall be filed for the calendar year 1954 or other taxable years beginning in 1954. If the taxable year of the estate or trust began in 1953, or ended before August 17, 1954, the Internal Revenue Code of 1939 applies to such a taxable year and the return must be made on Form 1041 for 1953, not on Form 1041 for 1954.

For the procedure to follow in changing an established accounting period, see the District Director of Internal Revenue.

E. When and where the return must be filed.—Returns must be filed on or before the 15th day of the 4th month following the close of the taxable year of the estate or trust with the District Director of Internal Revenue for the district in which the fiduciary resides or has his principal place of business. If the fiduciary has no legal residence or place of business in the United States, the return should be filed with the District Director of Internal Revenue, Baltimore 2, Md.

F. Signature and verification.—The return must be signed by the individual fiduciary, or by the authorized officer of the organization receiving or having custody or control and management of the income of the estate or trust. If two or more individuals act jointly as fiduciaries, the return may be signed by any one of them.

The statement at the bottom of page 1 of the Form 1041 is required to be signed by any person or in the name of any firm, or corporation preparing the fiduciary's return.

G. When and to whom the tax must be paid.—The tax of a trust must be paid in full when the return is filed. The tax of an estate must be paid in full when the return is filed or in four equal installments on or before the 15th day of the 4th, 7th, 10th, and 13th month following the close of the taxable year. If any installment is not paid on or before the date fixed for payment, the whole amount of tax unpaid shall be paid upon notice and demand by the district director.

The tax may be paid in cash or by check or money order drawn to the order of "District Director, I. R. S."

H. Penalties.—Severe penalties are provided by law for failure to file a required return, for filing late, and for filing a false or fraudulent return.

I. Copy of governing instrument and fiduciary's declaration.—If the gross income of the estate or trust is $5,000 or over, a copy of the will or trust instrument sworn to by the fiduciary as a true and complete copy must be filed with the return of the estate or trust.

Together with the return, the fiduciary shall also file a statement of his opinion (indicating the relevant provisions of the governing instrument upon which he relies) of the extent to which the income of the estate or trust is taxable to the estate or trust, to the beneficiaries, or to the grantor or a person other than the grantor. In making such determination, the fiduciary shall give particular attention to sections 671 through 678 which relate (*a*) to taxation of the income of a trust to the grantor because of his retention or possession of (i) a reversionary interest, (ii) a power to revoke or to control beneficial enjoyment, (iii) administrative powers, or (iv) the right to income, and (*b*) which relates to the taxation of the income of a trust to a person other than the grantor because of the possession of such power over the trust as would constitute such a person the substantial owner of all or a portion of the trust.

If a copy of the will or trust instrument, or opinion relating to the provisions of the will or trust instrument, has once been filed with an income-tax return, neither one need be filed again if the return contains a statement showing when and where such copy or opinion was filed.

If the trust instrument is amended in any way after a copy has been filed, a copy of the amendment must be filed together with the return for the taxable year in which the amendment is made. A statement must also be filed by the fiduciary setting forth his opinion of the effect of the amendment upon whether the trust income is taxable to the trust, to the beneficiaries, or to the grantor or a person other than the grantor.

J. Accounting methods.—Taxable income shall be computed in accordance with the method of accounting used in computing income from books and records. In all cases the method adopted should clearly reflect taxable income. The basic methods of accounting are the "cash receipts and disbursements method" and the "accrual method," but section 446 permits the use of other methods in accordance with regulations. It is permissible to use a different method of accounting for each trade or business, if a taxpayer is engaged in more than one trade or business. In most cases, consent of the Commissioner must be obtained before changing the method of accounting used in computing taxable income. For information, consult regulations or the District Director of Internal Revenue.

Prepaid income and reserves for estimated expenses.—Under the new law a taxpayer using the accrual method of accounting in a trade or business may elect to take prepaid income into account in the year of receipt, and subsequent taxable years (not to exceed five except with the consent of the Commissioner),

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PAGE 2

and may elect to deduct for the taxable year additions to reserves for estimated expenses. Prepaid income is income received in a transaction in which the taxpayer undertakes to render services, furnish goods or other property, or allow the use of property beyond the end of the taxable year. Estimated expenses are expenses part or all of which would, under section 461, be taken into account in subsequent taxable years but which will, when incurred, be attributable to income of the current taxable year and which can, in the opinion of the Commissioner, be estimated with reasonable accuracy. The election to take estimated expenses into account does not apply to expenses attributable to income which the taxpayer elects to treat as prepaid income nor does it apply to additions to reserves for bad debts.

For information concerning the requirements applicable to elections with respect to prepaid income and estimated expenses and the detailed statements which must be submitted when making such election, consult your District Director of Internal Revenue.

K. Income in respect of decedents.—Amounts of gross income in respect of a decedent, not includible in his gross income, shall be included when received in the gross income of his estate, legatee, or other person entitled to receive such amounts upon his death.

Deductions specified in sections 162, 163, 164, or 212 (relating to deductions for business expenses, interest, taxes, and expenses for the production of income) or the foreign tax credit provided by section 33, in respect of the decedent which is not properly allowable to the decedent in respect of the taxable period in which falls the date of his death or a prior period, may be taken by the decedent's estate or the person receiving the property of the decedent subject to the obligation for which the deduction (or credit) is allowed. Deductions for percentage depletion specified in section 611, not allowable to the decedent for any taxable period, may be taken by the person receiving the income in respect of the decedent to which such deduction relates.

The recipients of payments of installment obligations or the proceeds derived from their sales or satisfaction at other than face value will be taxed in accordance with the provisions of section 691 (a) (4). In cases involving successive decedents, see section 691.

L. Items exempt from tax.—Certain items of income are exempt from tax. Some of these are as follows:

(1) *Interest on governmental obligations:*

(*a*) *Entirely exempt.*—The interest on (1) obligations of a State, Territory, or a possession of the United States, or any political subdivision of the foregoing, or of the District of Columbia; (2) obligations of the United States issued on or before September 1, 1917; (3) all postal savings bonds; (4) interest on any aggregate not exceeding $5,000 principal amount of Treasury bonds issued prior to March 1, 1941.

(*b*) *Partially exempt.*—On certain United States securities issued prior to March 1, 1941, the interest was exempt from the normal tax by the acts authorizing their issuance. A tax credit in an equivalent amount is now allowed. See specific instruction 29.

(2) *Proceeds of insurance policies.*—In general, a lump sum payable at the death of the insured under a life insurance policy is excludable from the gross income of the recipient. When, however, the beneficiary of a life insurance contract leaves a sum on deposit with the insurer, and receives interest on it under an agreement with the insurer, the interest is includible in its entirety in such beneficiary's gross income. If the beneficiary receives, through an option or otherwise, installment payments after the death of the insured, there may be excluded from income a part or all of the amounts so received. See sections 72 and 101.

(3) *Miscellaneous items wholly exempt from tax:*

(*a*) Gifts (not received as a consideration for service rendered) and money or property acquired by bequest, devise, or inheritance (but the income derived therefrom is taxable);

(*b*) Income, other than rent, derived by a lessor of real property upon the termination of a lease, representing the value of such property attributable to buildings erected or other improvements made by the lessee;

(*c*) Income attributable to the recovery during the taxable year of a bad debt, prior tax, or delinquency amount, to the extent that such bad debt, tax, or delinquency amount did not operate to reduce the income tax liability of the taxpayer for any prior year with respect to such debt, tax, or amount; and

(*d*) Certain death benefits received from a decedent's employer. (See section 101 (b).)

(4) *Certain dividends.*—See specific instruction 18.

M. Depreciation and depletion, and amortization of emergency facilities.—For instructions with respect to depreciation and depletion, see specific instruction 40. For instructions with respect to amortization deductions, see specific instruction 15.

N. Information at source.—Every estate or trust engaged in a trade or business and making payment in the course of such trade or business to another person of rent, salaries, wages, premiums, annuities, compensations, remunerations, emoluments or other fixed or determinable gains, profits and income of $600 or more in any taxable year must make a return on Forms 1096 and 1099. If a portion of such salary or wage payments was reported on a Withholding Statement (Form W-2, Copy A) only the remainder must be reported on Form 1099. Distributions to beneficiaries of an estate or trust shall be reported on Form 1041 and not on Form 1099.

O. Separate shares in a single trust.—If (1) the governing instrument provides substantially separate and independent shares for beneficiaries of a single trust, (2) the trust is administered by the fiduciary as if such shares were independent trusts, and (3) the Regulations permit, then the separate shares may be treated as separate trusts solely for the purpose of determining distributable net income. (See section 663 (c).) Distributable net income is described in specific instruction 35.

The treatment of separate shares in a single trust as separate trusts does not permit the fiduciary to claim more than one deduction in lieu of the deduction for personal exemption or to split the taxable income of the trust into separate shares in order to determine the tax liability of the trust.

If separate shares in a single trust are treated as separate trusts under this paragraph, a Form 1041 for each separate share must be completed (except for lines 18 through 31, page 1), identified as an attachment to the Form 1041 upon which the tax liability of the fiduciary is computed, and filed with that form.

P. Unused loss carryovers and excess deductions on termination.—A deduction shall be allowed to the beneficiaries succeeding to the property of the estate or trust, if upon termination the estate or trust has (1) a net operating loss carryover under section 172 or a capital loss carryover under section 1212, or (2) for its last taxable year deductions (other than the personal exemption or charitable deduction) in excess of gross income for such year.

Q. Income taxable to the grantor or substantial owner.—If any part of the income of the trust is taxable to the grantor under section 673, 674, 675, 676, or 677, or is taxable to another person under section 678, such part should not be reported on Form 1041, but such income and the amount of deductions and credits applicable thereto should be shown in a separate statement to be attached to Form 1041.

R. Simple and complex trusts.—If the terms of the governing instrument of a trust require that all of its income (determined under the governing instrument and local law) be distributed currently and do not provide that any amounts are to be paid, permanently set aside, or used for the charitable purposes specified in section 642 (c), such a trust may qualify as a "simple" trust under section 651 (a). Such a trust is qualified under section 651 (a) only in those taxable years of the trust in which it does not distribute to a beneficiary amounts other than amounts of income (determined under the governing instrument and local law) required to be distributed currently. An estate may not qualify under section 651 (a).

Any trust which does not qualify for the taxable year under section 651 (a) is treated as a "complex" trust under section 661 (a). All estates are treated under section 661 (a) in the same manner as "complex" trusts.

The rules for computing the taxable income of a "simple" trust and the amounts to be included in the gross income of the beneficiaries of a "simple" trust are basically the same as those which apply to a "complex" trust or to an estate. (See specific instruction 36.) The general instructions above and the specific instructions below apply to all trusts and estates except where there is a specific distinction made between "simple" trusts on the one hand and estates or "complex" trusts on the other.

SPECIFIC INSTRUCTIONS

The following instructions are numbered to correspond with line numbers on the first page of the return and supporting schedules

1. Dividends.—Enter in line 1 the total of all taxable dividends without regard to the dividend exclusion (except so-called "dividends" described in (d) of specific instruction 18 which are to be reported as interest on line 2, page 1).

For computation of the dividends received credit, see specific instruction 42.

4. Interest on Government obligations, etc.—Enter interest on Government obligations, etc., except interest fully exempt from tax. See general instruction L.

A taxpayer on the cash basis may elect, as to all non-interest-bearing obligations issued at a discount and redeemable for fixed amounts increasing at stated intervals (for example,

United States Savings bonds), to include the increase in redemption price applicable to the current year. For the year of election, the total increase in redemption price of such obligations occurring between the date of acquisition and the end of the year must be included. A taxpayer so electing shall report such income as interest in line 2, 3, or 4 (whichever is applicable), page 1, and attach a statement listing the obligations owned and the computation of accrued income. An election exercised in the current year or in a prior year is binding for all subsequent years.

5. Income from partnerships and other fiduciaries.—Except as directed below, enter the estate's or trust's share of the income (whether received or not) or of the losses of a partnership (including a syndicate, pool, etc., not taxable as a corporation) and income received by the estate or trust from another fiduciary. Schedule K of the Partnership return (Form 1065) shows the partner's share of income and credits. The estate's or trust's distributive share of partnership capital gains or losses and income received by the estate or trust from another fiduciary which is in the nature of capital gains should be reported in separate Schedule D, and should not be included in line 5. See specific instruction 32. The estate's or trust's share of partnership dividend income or income received by the estate or trust from another fiduciary which is in the nature of dividend income should be included only in line 1, page 1, according to specific instruction 1. The estate's or trust's distributive share of partnership tax-exempt interest or income received by the estate or trust from another fiduciary in the nature of tax-exempt interest, should be taken into account in computing line 2, Schedule E, and line 2 (a), Schedule G, according to specific instructions 33 and 35, respectively. The estate's or trust's share of interest from obligations of the United States owned by a partnership or income received by the estate or trust from another fiduciary which is in the nature of interest on obligations of the United States should be included in line 4, page 1.

The estate's or trust's share of credits for income and profits taxes paid to a foreign country or U. S. possession, Federal income taxes paid at source on tax-free covenant bond interest, dividends received and partially tax-exempt interest which are attributable to income received from partnerships or other fiduciaries will be included in lines 26, 27, 28, and 29, page 1, according to the specific instructions for those lines.

If the estate or trust as the beneficiary of another trust or an estate is to receive the benefit of any portion of the depreciation or depletion deduction allowed to the other trust or estate that amount must be included in Schedule M and treated according to specific instruction 40. No deduction (other than depreciation or depletion) of another trust or estate may be claimed by the taxpayer, except those which fall within general instruction P.

If the taxable year on the basis of which the estate's or trust's return is filed does not coincide with the annual accounting period of the partnership or other fiduciary, include in the return of the estate or trust its portion of the above items for the accounting period of the partnership or other fiduciary ending within the estate's or trust's taxable year.

6. Rents and royalties.—Enter the gross amount received or accrued as rents or royalties. Any deductions claimed for interest, taxes, depreciation or depletion and repairs, should be included in lines 11, 12, 13, and 15, respectively.

7. Profit (or loss) from trade or business.—If the estate or trust was engaged in a trade or business during the taxable year, there shall be attached to the return a statement showing the nature of the trade or business and the net business income as follows:

Gross sales or receipts	$XXXXX
Less: Cost of goods sold	XXXXX
Gross profit (or loss)	XXXXX
Add: Other income, if any	XXXXX
Total income (or loss)	XXXXX
Less: Deductible expenses	XXXXX
Net business income (or loss)	XXXXX

In the cost of goods sold, show cost of merchandise purchased for manufacture or sale, inventories of merchandise on hand at the beginning and end of the taxable year (indicate method of valuing inventories), other items entering into cost of goods sold. Enter in line 7, page 1, the gross profit (or loss) from the attached statement. The items of other income on the attached statement shall be included in the appropriate line on the form according to the character of such income. Show on the statement the amount of each type of deductible expense (such as salaries and wages of employees, interest, taxes, losses, bad debts directly attributable to the trade or business, depreciation, obsolescence, and depletion of property used in the trade or business, rent, and repairs) not included in cost of goods sold. The total deductible expenses, other than depreciation, depletion, and charitable contributions shall be included in line 15, page 1. See specific instructions 33 and 40 with respect to deductions for charitable contributions, depreciation, and depletion.

Inventories.—If the trust or estate engages in a trade or business in which the production, manufacture, purchase, or sale of merchandise is an income-producing factor, inventories of merchandise and materials on hand should be taken at the beginning and end of the taxable year. The usual methods of valuing inventory are (*a*) cost, or (*b*) cost or market, whichever is lower. The method properly adopted for the first year in which inventory is taken must be continued unless permission to change is secured from the Commissioner. Application for permission to change the method of valuing inventories shall be made in writing and filed with the Commissioner within 90 days after the beginning of the taxable year in which it is desired to make the change. If the estate or trust elects to use the last-in, first-out inventory method provided in section 472, there should be filed an election on Form 970.

Bad debts.—Bad debts may be deducted either (*a*) when they become wholly or partially worthless, or (*b*) by a reasonable addition to a reserve. No change of method may be made without permission of the Commissioner.

Installment sales.—If the installment method is used, attach to the return a schedule showing separately for the years 1951, 1952, 1953, and 1954 the following: (*a*) gross sales; (*b*) cost of goods sold; (*c*) gross profits; (*d*) percentage of gross profits to gross sales; (*e*) amount collected; and (*f*) gross profit on amount collected. Under certain conditions casual sales of personalty may be reported on the installment method. See section 453.

8. Sales and exchanges of property.—Gains and losses from the sale or exchange of property other than capital assets must be reported on separate Schedule D, and the amount from line 2, separate Schedule D must be carried to line 8 (a), page 1. For capital transactions, see specific instruction 32.

9. Other income.—If the estate or trust had any taxable income, space for reporting which is not provided elsewhere on page 1, enter it in line 9, page 1, and show the nature of such income, attaching a separate sheet if necessary for that purpose.

11. Interest.—Enter all interest paid or accrued, other than on business indebtedness (which should be treated according to specific instruction 7). Do not include interest on indebtedness incurred or continued to purchase or carry obligations which yield interest wholly exempt from taxation (except obligations of the United States issued after September 24, 1917, and originally subscribed for by the taxpayer). Do not include any other amounts of interest attributable to or allocable to tax-exempt interest (see line 2 (a), Schedule G, and specific instruction 35). Deductions on account of interest should be explained and itemized in Schedule N. As to disallowances of unpaid interest due related persons, see section 267.

12. Taxes.—Enter on page 1 and explain in Schedule N deductible taxes paid or accrued during the taxable year by the estate or trust. In general, non-Federal taxes are deductible; Federal import duties, and Federal excise and stamp taxes are deductible only if paid or incurred in carrying on a trade or business or in the production or collection of income or in the management, conservation or maintenance of property held for the production of income. Taxes on property used in the trade or business of the estate or trust are to be treated in accordance with specific instruction 7. The following taxes are not deductible: (i) generally, taxes assessed against local benefits of a kind tending to increase the value of the property assessed; (ii) Federal import duties and Federal excise and stamp taxes other than those mentioned above; (iii) Federal income taxes, estate, except as indicated in the next paragraph, inheritance, succession or gift taxes; (iv) taxes imposed upon the interests of the estate or trust as a shareholder of a corporation which are paid by the corporation without reimbursement from the estate or trust; and (v) any portion of income, war profits or excess profits taxes paid or accrued to a foreign country or United States possession if any credit is claimed in line 26, page 1.

Section 691 provides that a taxpayer required to include in gross income any amount in respect of a decedent may deduct that portion of the estate tax on the decedent's estate which is attributable to the inclusion in the decedent's estate of the right to receive such amount. If an estate or trust receives income in respect of a decedent which is paid, credited, or required to be distributed to a beneficiary see section 691 (c) (1) (B).

13. Fiduciary's portion of depreciation and depletion.—See specific instruction 40.

14. Charitable deduction.—See specific instruction 33.

PAGE 4

15. Other deductions authorized by law.—Enter the total of any authorized deductions for which no other space is provided on page 1, and explain in Schedule N. Examples of such deductions are:

Nontrade or nonbusiness expenses.—Include nontrade or nonbusiness expense incurred either (*a*) for the production or collection of taxable income, (*b*) for the management, conservation, or maintenance of property held for the production of taxable income, or (*c*) in connection with the determination, collection, or refund of any tax. Worthless bonds and similar obligations and nonbusiness bad debts should be included in separate Schedule D as losses on capital assets.

Estate tax deductions.—Items allowable under sections 2053 relating to expenses, indebtedness and taxes, and 2054 relating to losses (or the corresponding provisions of prior Federal estate tax laws) as deductions in computing the taxable estate of a decedent are not allowed as deductions in computing the taxable income of the estate unless there is filed for association with the return in which the items are claimed as deductions, a statement to the effect that the items have not been allowed as deductions from the gross estate of the decedent under the applicable Federal estate tax law and a waiver of any and all right to have such items allowed at any time as deductions under the applicable Federal estate tax law. This paragraph shall not apply with respect to deductions allowed under section 691, relating to income in respect of a decedent. Clearly identify any such items in the statement and waiver and in Schedule N.

Bond premium.—Section 171 provides for amortization of bond premium. The term "bond" means any bond, debenture, note, certificate, or other evidence of indebtedness, issued by any corporation and bearing interest (including any like obligations issued by a government or a political subdivision thereof), but does not include any such obligation which constitutes stock in trade of the taxpayer or any such obligation of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year, or any such obligation held by the taxpayer primarily for sale to customers in the ordinary course of its trade or business.

In the case of fully taxable bonds, and partially tax-exempt bonds the interest on which is the basis of a credit (see specific instruction 29), the amortization of bond premium is elective, and the election may be made with respect to either class held by the taxpayer, or both. The premium on fully taxable bonds may be amortized to maturity, or to the date on which the bond is first callable. But, in the case of such bonds issued after January 22, 1951, and acquired after January 22, 1954, if the earliest call date is not more than 3 years from the date of issuance of the bond, the bond premium must be amortized to the maturity date of the bond rather than to the earliest call date.

The election to amortize bond premium shall be made by the taxpayer by taking a deduction for the bond premium on the return for the first taxable year to which the taxpayer desires the election to apply. Attach a statement showing the computation of the deduction. The election shall apply to all bonds of the class (or classes) with respect to which it was made which were owned by the taxpayer at the beginning of the first taxable year to which the election applies and also to all bonds of such class (or classes) thereafter acquired. The election shall be binding for all subsequent taxable years, unless, upon application by the taxpayer, the Commissioner permits the taxpayer to revoke the election. In case of bonds held by an estate or trust the election shall be made only by the fiduciary.

In the case of a fully taxable bond, the amortizable premium is both an adjustment to the basis of the bond and an allowable deduction. In the case of a partially tax-exempt bond, the amortizable premium for the taxable year is: (1) an adjustment to the basis of the bond; (2) a deduction; and (3) a reduction of the total interest upon which the credit against tax allowed by section 35 is computed.

Amortization of bond premium is mandatory with respect to fully tax-exempt bonds. In the case of a fully tax-exempt bond, the amortizable bond premium for the taxable year is an adjustment to the basis of the bond but not an allowable deduction.

Losses.—Line 15 should include losses of property not connected with the trade or business of the estate or trust sustained during the year, if arising from fire, storm, shipwreck, or other casualty, or from theft, and if not compensated for by insurance or otherwise. Explain and itemize such losses in Schedule N, setting forth a description of the property, date acquired, cost, subsequent improvements, depreciation allowable since acquisition, insurance, salvage value, and deductible loss. The allowable deduction is (i) the excess of the fair market value of the property immediately before the loss over the fair market value of the property immediately after the loss, or (ii) the adjusted basis of the property, whichever is lesser, reduced by any insurance or compensation received for such loss.

Net operating loss deduction.—There shall also be included in line 15 the net operating loss allowed by section 172. Every taxpayer claiming a net operating loss deduction under section 172 shall file with the return a detailed statement setting forth the amount of the net operating loss deduction claimed and all pertinent facts relative thereto, including a detailed schedule showing the computation of the net operating loss deduction.

Amortization of emergency facilities.—If the taxpayer elects the deduction with respect to the accelerated amortization of the adjusted basis of (*a*) any emergency facility with respect to which the Government has issued a certificate of necessity, or (*b*) a grain storage facility, such deduction should be included in line 15, page 1, and a statement of the pertinent facts should be filed with the election. See sections 168 and 169.

Unallowable deductions.—No deductions shall be allowed (*a*) for expenses which are allocable to one or more classes of income, etc., under section 212 (other than interest income), wholly exempt from tax or (*b*) for any amount relating to expenses for production of income which is allocable to interest income wholly exempt from tax. For the treatment of interest expense attributable to tax-exempt income, see specific instruction 11. For the determination of the amount of expense attributable to tax-exempt income, see line 2 (a), Schedule G, and specific instruction 35.

As to disallowance of unpaid expenses due related persons, see section 267.

18. Dividend exclusion.—If the taxable year of the estate or trust ends after July 31, 1954, there may be entered as an exclusion the first $50 of dividends received from domestic corporations during the taxable year. See section 116.

This exclusion does not apply to dividends received from:

(*a*) Life insurance companies, and mutual insurance companies (other than mutual marine companies, or mutual fire insurance companies issuing perpetual policies);

(*b*) China Trade Act corporations;

(*c*) So-called exempt organizations (charitable, fraternal, etc.) and farmers' cooperative organizations;

(*d*) Mutual savings banks, cooperative banks, domestic building and loan associations, domestic savings and loan associations, and Federal savings and loan associations, on deposits or withdrawable accounts.

(*e*) Regulated investment companies, except to the extent that such dividends are designated by the company as dividends for these purposes; or

(*f*) Corporations to which section 931 (relating to income from sources within possessions of the United States) applies.

19. Deductions for distributions to beneficiaries.—See specific instruction 37.

21. Deduction for personal exemption.—An estate is allowed a deduction of $600. A trust which, under its governing instrument, is required to distribute all of its income currently, is allowed a deduction of $300; all other trusts are allowed a dededuction of $100.

24. Tax rate schedule.—The amount of the tax shall be determined in accordance with the following schedule:

If line 23, page 1, is: Enter as line 24, page 1:

Not over $2,000 — 20% of the amount in line 23

Over—	*But not over—*
$2,000	$4,000—$400, plus 22% of excess over $2,000
$4,000	$6,000—$840, plus 26% of excess over $4,000
$6,000	$8,000—$1,360, plus 30% of excess over $6,000
$8,000	$10,000—$1,960, plus 34% of excess over $8,000
$10,000	$12,000—$2,640, plus 38% of excess over $10,000
$12,000	$14,000—$3,400, plus 43% of excess over $12,000
$14,000	$16,000—$4,260, plus 47% of excess over $14,000
$16,000	$18,000—$5,200, plus 50% of excess over $16,000
$18,000	$20,000—$6,200, plus 53% of excess over $18,000
$20,000	$22,000—$7,260, plus 56% of excess over $20,000
$22,000	$26,000—$8,380, plus 59% of excess over $22,000
$26,000	$32,000—$10,740, plus 62% of excess over $26,000
$32,000	$38,000—$14,460, plus 65% of excess over $32,000
$38,000	$44,000—$18,360, plus 69% of excess over $38,000
$44,000	$50,000—$22,500, plus 72% of excess over $44,000
$50,000	$60,000—$26,820, plus 75% of excess over $50,000
$60,000	$70,000—$34,320, plus 78% of excess over $60,000
$70,000	$80,000—$42,120, plus 81% of excess over $70,000
$80,000	$90,000—$50,220, plus 84% of excess over $80,000
$90,000	$100,000—$58,620, plus 87% of excess over $90,000
$100,000	$150,000—$67,320, plus 89% of excess over $100,000
$150,000	$200,000—$111,820, plus 90% of excess over $150,000
$200,000	—$156,820, plus 91% of excess over $200,000

26. Income and profits taxes paid to a foreign country or United States possession.—If, in accordance with section 901, a credit is claimed for income, war profits, or excess profits taxes paid to a foreign country or to a possession of the United States, submit Form 1116 with the return, together with the receipts

for such payments. If credit is sought for accrued taxes, the form must have attached to it a certified copy of the return on which the tax was based. The Commissioner may require a bond on Form 1117 for the payment of any tax found due if the tax when paid differs from the credit claimed. The allowable credit is equal to the total credit shown on Form 1116 minus the proportionate share of the credit allocable to the beneficiaries (total, column 12, Schedule H).

28. Dividends received credit.—See specific instruction 42.

29. Fiduciary's credit for partially tax-exempt interest.—An estate or trust is allowed a credit against tax for partially tax-exempt interest. The following are examples of securities which yield partially tax-exempt interest: (i) Treasury bonds in excess of $5,000 principal amount issued before March 1, 1941, and (ii) dividends on shares of Federal Savings and Loan Associations if the shares were issued before March 28, 1942.

The credit allowed to the estate or trust is equal to 3 percent of the total of the interest received from securities described above reduced by (i) the total partially tax-exempt interest includible in the gross income of beneficiaries (total of column 7, Schedule H), and (ii) the amortized bond premium with respect to the bonds producing the interest described above which is claimed as a deduction (see specific instruction 15). However, the credit allowed to the fiduciary may not exceed whichever of the following is the smallest: (i) the amount of the tax on line 24 or line 25, reduced by the sum of the credits allowed for foreign taxes (line 26) and for dividends received (line 28); or (ii) 3 percent of the taxable income for the taxable year (line 23); or (iii) if the alternative tax is applicable, 3 percent of line 4, schedule K.

32. Schedule D—Capital gains and losses.—Capital gains and losses generally are taken into account in computing taxable income just as if the estate or trust were an individual. As to disallowance of losses between related persons, see section 267. With respect to capital gains and losses, the gross income of the estate or trust is computed without regard to the distinction between gains and losses allocable to income account and those allocable to corpus account.

The separate Schedule D should first be completed if the estate or trust had any capital gains or losses during the year whether such gains or losses are allocable to the fiduciary or the beneficiary. The following references and instructions refer to Schedule D of Form 1041.

Allocation of capital gains and losses.—On line 1, enter in column 1 the amount of short-term gain or loss allocable to the beneficiary or beneficiaries. This includes (a) any amount which is a short-term capital gain under the Internal Revenue Code but which is an item of trust income under the terms of the governing instrument and local law; and (b) any amount which is a short-term capital gain under the Internal Revenue Code and which is allocable to corpus under the terms of the governing instrument and local law, but which is, nevertheless, paid, credited, or required to be distributed to any beneficiary.

Include in line 1, column 1, only those short-term capital losses which are taken into account in determining the amount of gain from the sale or exchange of capital assets which is paid, credited, or required to be distributed to any beneficiary during the taxable year. Enter in line 1, column 2, the amount of the short-term gain or loss allocable to the fiduciary. Enter in line 1, column 3, the sum of line 1 of columns 1 and 2. The amount in line 1, column 3, should be the same as the amount shown on line 6, separate Schedule D.

The long-term gain or loss is treated in line 2 just as short-term gain or loss is treated in line 1. The gains and losses allocable to the beneficiary are entered in column 1, and those not allocable to the beneficiary are entered in column 2. The total long-term gains or losses are entered in column 3. The total shown in column 3 should be the same as the amount shown in line 9, separate Schedule D.

Basis.—Generally the basis of property acquired by inheritance is the fair market value of the property at the time of acquisition which usually is the date of death. However, for special rules with respect to the basis of property acquired from a decedent, see section 1014 (b) (9). For basis in case of property acquired by gift and transfers in trust, see section 1015 and instructions under separate Schedule D.

Redemption of stock to pay death taxes.—Section 303 deals with redemption of stock included in an estate. List and identify such stock in the appropriate section on separate schedule D, and state the name of the decedent and the District Director's office in which the estate tax return was filed.

33. Schedule E—Computation of charitable deduction.—An estate or trust shall be allowed a deduction for any amount of gross income which pursuant to the terms of the governing instrument is, during the taxable year, paid or permanently set aside for a purpose specified in section 170 (c), or is to be used exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, or for the establishment, acquisition, maintenance or operation of a public cemetery not operated for profit. This deduction is not subject to the percentage limitation imposed by section 170 on the charitable deduction of an individual, but is subject to the limitations described below. For further special limitations in the case of improper accumulations, prohibited transactions, and so forth, see section 681 (b) and (c). A trust claiming a charitable, etc., deduction under section 642 (c) for the taxable year shall file the information return required under section 6034. Obtain copy of Form 1041A from the District Director of Internal Revenue.

Current income.—Enter in line 1 the full amount paid or permanently set aside for the purposes described above out of the current year's income.

Line 2 provides for an adjustment of the charitable contribution attributable to income of the current year (line 1), so that the charitable deductions will not include contributions attributable to tax-exempt interest or foreign income of a foreign trust. In the absence of specific provisions in the governing instrument, enter in line 2 the amount shown in line 1 multiplied by the total of all tax-exempt interest and foreign income of a foreign trust included in income of the current year (under the governing instrument and local law) and divided by the total of all the gross income items included in income of the current year (under the governing instrument and local law). In computing the total of all items of gross income under applicable local law, do not reduce gross income by any losses (such as losses from the sale or exchange of property).

Lines 3 and 4 provide for adjustment of a charitable contribution which is deemed to include long-term capital gains in order to prevent a double deduction on account of such gains. Line 3 (a) is the total amount of long-term gain contained in line 1. This is computed by multiplying the amount shown in line 1 by the total of long-term capital gains allocated to income (under the governing instrument and local law) and dividing the result by the total of all the gross income items included in income of the current year (under the governing instrument and local law). For purposes of this adjustment, long-term capital gain of the current year allocable to corpus and paid or permanently set aside for a charitable purpose is not included in the distribution made to charity out of the current year's income. Such amounts shall be taken into account in line 7, after a similar adjustment is made.

Contributions not attributable to current income.—Enter in line 7 the total of deductible amounts paid or permanently set aside for the purpose specified in section 170 (c) (relating to definition of charitable contribution) or to be used for the charitable, etc., purposes specified in section 642 (c) to the extent that such amounts are not attributable to income (under the governing instrument and local law) of the current year. Attach a statement showing the details.

34. Schedule F—Computation of capital gains in distributable net income.—The capital gains to be included in distributable net income are, in general, those distributed to beneficiaries or to charity. (See specific instruction 35 for further details concerning distributable net income and specific instruction 33 for charitable contributions.) The capital gains to be included in distributable net income on account of allocations to beneficiaries has already been determined in line 3, column 1, of Schedule D. (If line 3, column 1 of Schedule D, shows a net loss, the net loss is not taken into account in computing distributable net income and line 1 should be completed by entering zero.)

The long-term capital gains contained in charitable contributions have already been computed according to the directions in specific instruction 33 for lines 3 (a) and 7, Schedule E. Distributable net income also includes short-term capital gains to the extent that such gains are included in charitable contributions. The amount of short-term capital gains to be so included is computed in the same manner as the amount of long-term capital gains, that is, according to the directions in specific instruction 33 for lines 3 (a) and 7, Schedule E, except that the appropriate amounts of short-term capital gain are to be substituted for the amounts of long-term capital gain.

35. Schedule G—Computation of distributable net income.—Distributable net income is an amount which limits the amount deductible by the estate or trust on account of distributions and (except in the case of a current income beneficiary of an estate or trust which claims a charitable deduction) the amount taxable to the beneficiary. It is also used to determine the character of the distributions to the beneficiaries.

Distributable net income—General.—Distributable net income is the taxable income of the estate or trust (generally computed in the same manner as in the case of an individual) with the modifications set forth in section 643 (a).

The items of gross income in distributable net income are the items of gross income shown in lines 1 through 9, page 1, with the modifications described below.

PAGE 6

(*a*) *Dividends.*—The dividends in distributable net income are those shown in line 1, page 1, without reduction by the amount shown in line 18, page 1. However, dividends in distributable net income must be reduced by the amount shown in line 4 (b) of this schedule.

(*b*) *Capital gains.*—The capital gains or losses shown in line 8 (b), page 1, are not included in distributable net income. There can in no event be a net capital loss in distributable net income, and the gross amount of net capital gain to be included in distributable net income is the amount shown in line 4, Schedule F.

(*c*) *Tax-exempt interest.*—In addition to the items of income included in lines 1 through 9, page 1, distributable net income includes interest and foreign income of a foreign trust after adjustment according to the specific instructions for lines 2 (a) and 2 (b) below.

The items of deduction entering into distributable net income are those allowed to the estate or trust in computing its taxable income except the capital gains deduction under section 1202 (line 20, page 1), the special deductions for distributions under sections 651 and 661 (line 19, page 1), and the deduction in lieu of the deduction for personal exemptions under section 642 (b), line 21, page 1. There are special rules provided in section 643 (a) (3) with respect to the allowance of deductions on account of capital losses. See the detailed directions below for completing lines 2 (c), 2 (d), and 4 (a) of this schedule and specific instruction 34. In addition, certain disbursements, expenses, losses, etc., of the estate or trust which, under the provisions of section 265, are not allowable as deductions are treated as deductions in determining distributable net income in the manner described in the preceding paragraph.

Detailed directions for completing the lines in Schedule G.—

Line 1: Enter the amount shown in line 17, page 1. This is the taxable income of the estate or trust without taking into account the deduction for long-term capital gains, the deduction for distributions to beneficiaries, and the deduction in lieu of the personal exemption and the dividend exclusion.

Line 2 (a): Enter the amount of tax-exempt interest received, less: (i) the amount of tax-exempt interest shown in line 2 of Schedule E; and (ii) any amounts which, but for the provisions of section 265, would be deductible in respect of disbursements, expenses, losses, etc., of the trust or estate directly attributable or indirectly allocable to such interest. The amount of the disbursements, etc., indirectly allocable to tax-exempt interest is that amount which bears the same ratio to the total disbursements, etc., of the trust or estate not directly attributable to other items of income as the total tax-exempt interest received bears to the total of all the items of gross income (including tax-exempt interest and foreign income of a foreign trust) entering into distributable net income.

Line 2 (b): Enter the amount of foreign income of a foreign trust adjusted in the same manner as tax-exempt interest.

Lines 2 (c), 2 (d), and 4 (a) show the adjustments to be made in computing distributable net income on account of capital gains and losses. If line 8 (b), page 1, shows a net capital gain in taxable income, the amount is to be entered in line 4 (a) of this schedule, but if line 8 (b), page 1, shows a net capital loss, the amount is to be entered in line 2 (d) of this schedule. This has the effect of removing all of the fiduciary's share of capital items from distributable net income, but to complete the adjustment there must be entered in line 2 (c) the amount shown in line 4, Schedule F.

Line 4 (b): Enter those items of gross income constituting extraordinary dividends or taxable stock dividends which the trustee of a "simple" trust acting in good faith, does not pay or credit to any beneficiary by reason of his determination that such dividends are allocable to corpus under the terms of the governing instrument and local law. This rule does not apply to an estate or to a "complex" trust, and, in the case of an estate or a "complex" trust, no amount is to be entered in line 4 (b). For the definition of "simple" and "complex" trusts, see general instruction R.

36. Schedule H—Beneficiaries' shares of income and credits.—Schedule H indicates distributions to the beneficiaries and also indicates their allocable share of credits for tax paid at the source on tax-free covenant bond interest and for taxes paid to a foreign country or U. S. possession. Enter in columns 1 and 2 the name and address of each beneficiary to whom any amount is paid, credited, or required to be distributed in the taxable year of the estate or trust.

Distributions (Columns 3 and 4)

Amounts to be included.—In column 3 enter the amounts of income of the estate or trust required to be distributed currently to each beneficiary, whether distributed or not. For the purpose of determining what amounts are to be included in column 3, the question of what are items of income and the question of whether an amount is required to be distributed currently are to be determined under the governing instrument and applicable local law. If the governing instrument requires that stated amounts must be paid to a beneficiary and further provides that such amounts may be paid either out of income or out of corpus, such amounts are to be included in column 3 to the extent they are actually paid out of income of the current year.

Enter in column 4 any other amounts actually paid, credited, or required to be distributed to each beneficiary in the taxable year, whether such amounts are from income (current or accumulated) or from corpus.

Amounts not included.—Do not include, either in column 3 or column 4, any amount which, under the terms of the governing instrument, is properly paid or credited as a gift or bequest of a specific sum of money or of specific property. To qualify as a gift or bequest excluded from columns 3 and 4, a sum must be paid all at once or in not more than three installments. Furthermore, an amount which can be paid or credited only from the income of the estate or trust is not considered a gift or bequest of a specific sum of money. See section 663 (a) (1). Do not include in column 3 or column 4 any amount paid or permanently set aside for the purposes described in section 642 (c) or otherwise qualifying for the charitable deduction. See section 663 (a) (2).

If a trust or estate (during the first 65 days of the first taxable year of the trust or estate to which the Internal Revenue Code of 1954 applies) paid, credited, or was required to distribute amounts which (under the Internal Revenue Code of 1939) would be treated as if paid, credited, or to be distributed on the last day of the preceding taxable year, such amounts are to be omitted from both columns 3 and 4. Such amounts are to be treated as if paid, credited, or to be distributed in the preceding taxable year. See section 683 (b).

Elective 65-day rule.—The fiduciaries of certain trusts may elect to continue to treat distributions within the first 65 days of the taxable year of the trust as amounts which were paid or credited on the last day of the preceding taxable year. The election is only available if the trust was created prior to January 1, 1954, and if the terms of the trust instrument provide that the trust may not distribute, in any taxable year, amounts in excess of the trust income for the immediately preceding taxable year. The election must be made not later than the time prescribed by law (including extensions thereof) for filing the return for the first taxable year to which Part I of Subchapter J of the Internal Revenue Code of 1954 applies. It shall apply with respect to all subsequent taxable years.

Character of Distributions (Columns 5 through 10)

In general.—The entries in columns 5 through 9 will show both the amount and the character of the income of the estate or trust which the beneficiaries must include in their gross income. Those inclusions in the gross income of beneficiaries which are on account of amounts of ordinary income not subject to special treatment are to be reflected in column 5. Those which are on account of domestic dividends qualifying for credit are to be reflected in column 6, but must be divided between inclusions on account of such dividends received before August 1, 1954, and those received after July 31, 1954, by the fiduciary. Those on account of partially tax-exempt interest are to be reflected in column 7. Inclusions in the gross income of beneficiaries on account of amounts of capital gains are to be reflected in columns 8 and 9. The result of the computations in Schedule F is to apply capital losses (to the extent allowable in computing distributable net income) against capital gains. Thus, the inclusions in gross income in columns 8 and 9 (computed according to the instructions below) take such losses into account. Column 10 reflects that portion of the distributions to beneficiaries which is deemed made from tax-exempt interest and foreign income of a foreign trust.

Because the beneficiary of an estate or trust cannot, except in the cases described in General Instruction P and specific instruction 40, claim losses or deductions of the estate or trust, no negative amounts may appear in columns 5 through 10.

In the ordinary case, the beneficiaries must include in gross income the total distributions (the totals of columns 3 and 4) or the distributable net income of the estate or trust, whichever is less. See, however, the directions below with respect to current income beneficiaries of an estate or trust claiming a charitable deduction.

Determining the share of each beneficiary.—The computations below will produce the amounts to be shown as the totals of each of the columns 5 through 10, Schedule H. Each such total except that in column 10 must be apportioned among the several beneficiaries of the estate or trust.

(i) That part of the total in each column which represents amounts shown in column 3 (income required to be distributed currently) must be apportioned among the same beneficiaries

to whom are assigned the amounts in column 3. Such portion of the total of each column must be apportioned to each such beneficiary in the same proportion as the amount assigned to him in column 3 is of the total of column 3.

(ii) That part of the total in each column which represents amounts shown in column 4 (other amounts paid, credited, or required to be distributed) must be apportioned among the same beneficiaries to whom are assigned the amounts in column 4. Such part of the total must be apportioned to each such beneficiary in the same proportion as the amount assigned to him in column 4 is of the total of column 4.

However, if the terms of the governing instrument provide that the various classes of income in columns 5 through 10 are to be distributed among beneficiaries in a manner other than that described above, the total in each of columns 5 through 10 is to be distributed (in that column) among the beneficiaries according to the terms of the governing instrument.

For purposes of the computation above, the totals shown in columns 5 through 10 are deemed first to be proportionate distributions on account of the total amount in column 3. If the totals in columns 5 through 10 are in excess of the total in column 3, then such excess is deemed to be proportionately on account of the total amount in column 4.

If column 10 includes foreign income of a foreign trust, attach to the return a separate statement showing the amount of such income allocable to each beneficiary.

Determining totals of columns 5 through 10.—Under the law, the method for determining the totals of columns 5 through 10 in the case of certain estates or trusts claiming a charitable deduction (line 14, page 1) is different from the method applicable to all other estates and trusts. Accordingly, the two methods are stated separately below.

Estates and trusts not claiming charitable deductions.—If the estate or trust does not claim a charitable deduction for the taxable year, the totals to be shown in columns 5 through 10 shall be determined according to the following directions.

● ***Step one***—*Determining the aggregate amount.*—The aggregate amount which is to be allocated to columns 5 through 10 is the lesser of:

(i) the distributable net income of the trust (line 5, Schedule G), or

(ii) the sum of the totals of columns 3 and 4 of this schedule.

● ***Step two***—*Determining gross amounts.*—This step accomplishes two things. It determines the items of gross income entering into the computation of distributable net income and groups such items according to the headings of columns 5 through 10. Segregate the gross income of the estate or trust (lines 1 through 9, page 1) according to the headings of columns 5 through 7. However, for this purpose:

(i) disregard the amount shown on line 8 (b), relating to capital gains and losses;

(ii) disregard any negative amount (loss) shown on lines 1 through 8 (a), and line 9, of page 1 (such amounts shall be treated under step three as deductions);

(iii) treat the income shown on line 18, page 1 (excluded dividends) as gross dividend income; and

(iv) exclude from gross income the amount shown on line 4 (b) of Schedule G (certain extraordinary and taxable stock dividends).

The gross amount for column 8 is the amount of the beneficiaries' share of short-term capital gain as shown in line 1, column 1, Schedule D (reduced, but not below zero, by any loss shown in line 2, column 1, Schedule D) plus the amount of short-term capital gain included in amounts paid or permanently set aside for charity (line 3, Schedule F).

The gross amount for column 9 is the beneficiaries' share of long-term capital gain as shown in line 2, column 1, Schedule D (reduced, but not below zero, by any loss shown on line 1, column 1, Schedule D) plus the amount of long-term capital gain included in amounts paid or permanently set aside for charity (line 2, Schedule F).

The gross amount of column 10 of this schedule is the total of the amounts shown in lines 2 (a) and 2 (b) of Schedule G (tax-exempt interest, as adjusted, and foreign income of a foreign trust, as adjusted). This is an adjusted amount (see specific instruction 35), and is not to be adjusted for deductions under step three.

● ***Step three***—*Adjusting gross amounts by deductions.*—The gross amounts for each of columns 5 through 9 as determined under step two shall be reduced by allocating to such amounts the deductions shown on page 1 (line 16, page 1, and any negative amounts shown on lines 1 through 8 (a), and line 9, page 1).

(i) There shall first be allocated to each such gross amount those items of deduction shown on page 1 which are directly attributable to the items of gross income in the gross amount;

(ii) The deductions which have not been allocated under (i) above shall be allocated to the gross amounts for columns 5 through 9. These deductions may first be allocated to the gross amount for any column. However, the amount assigned to any one column shall in no event exceed the gross amount for such column determined under step two above reduced by the deductions allocated to such gross amount according to (i) above.

(iii) Each of the gross amounts for columns 5 through 9 shall then be reduced by the deductions allocated to it according to (i) and (ii) above.

If the computation in (iii) above produces a negative amount for any column, such negative amount shall be allocated to the gross amount for each of the other columns (5 through 10) according to the rule stated in (ii) above.

The sum of all the adjusted gross amounts for columns 5 through 10, determined according to this step, will equal the amount of the distributable net income (line 5, Schedule G).

● ***Step four***—*Amount to be entered as total of each column.*—If the aggregate amount, determined under step one, is the distributable net income (line 5, Schedule G), enter as the total of each of columns 5 through 10 the adjusted gross amount (as determined in steps two and three) for such column. If the aggregate amount, determined under step one, is the sum of the distributions, enter as the total of each column an amount which is the same proportion of the sum of the distributions as the adjusted gross amount for such column (as determined by steps two and three) is of the sum of all such adjusted gross amounts for columns 5 through 10.

Estates and trusts claiming charitable deductions.—If an estate or trust claims a charitable deduction, the determination of the totals of columns 5 through 10 requires the same type of computation as if no charitable deduction were claimed. However, after the allocation of specific deductions (part (i) of step 3) and before the allocation of other deductions (part (ii) of step 3) the charitable deduction must be allocated among the gross amounts for columns 5 through 9. In the absence of specific provisions in the governing instrument, the part of the charitable deduction to be allocated to the gross amount for each of the columns 5 through 9 is the amount which bears the same proportion to the total charitable deduction as the gross amount for such column bears to the total of all the gross amounts for columns 5 through 9. If the amount so allocated to the gross amount for any one column exceeds the gross amount for such column reduced by the deductions allocated to it under part (i) of step 3, the excess must be allocated proportionately to the gross amounts for each of the remaining columns in the same manner. Further, in completing part (ii) of step 3, the amount of deductions assigned to the gross amount for any one column shall in no event exceed the gross amount for such column reduced by the sum of the deductions allocated to such gross amounts according to part (i) of step 3 and that part of the charitable deduction allocated to such gross amount according to the directions immediately above.

The estate or trust shall determine the totals of columns 5 through 10 according to the directions above for an estate or trust not claiming such deduction, if, and only if, both of the following conditions are present:

(i) the distributable net income (line 5, Schedule G) is equal to or exceeds the total of the amount of income required to be distributed currently (the total of column 3); and

(ii) the charitable deduction claimed includes no amounts paid or permanently set aside from sources other than income of the current year (that is, if the amount in line 7, Schedule E, is zero).

(a) *Estates and trusts with charitable deductions attributable to current year's income.*—If the charitable deduction claimed includes no amounts paid or permanently set aside from sources other than income of the current year, but the distributable net income is less than the amount of income required to be distributed currently (total of column 3), then the estate or trust shall determine the totals of columns 5 through 10 according to the steps described immediately below.

● ***Step one***—*Determining the aggregate amount.*—The aggregate amount which is to be allocated to columns 5 through 10 is whichever is the lesser of the following:

(i) The distributable net income (line 5, Schedule G) plus the charitable deduction (line 14, page 1), plus the amounts shown in line 2 of Schedule E, or

(ii) The total of column 3 of this schedule.

● ***Step two***—*Determining gross amounts.*—The determination of the gross amount for each of columns 5 through 10 shall be made in the same manner as set forth in step two of the instructions for an estate or trust which has no charitable deduction.

● ***Step three***—*Adjusting gross amounts by deductions.*—The adjustment of gross amounts by deductions shall be made in the same manner as set forth in step three of the instructions for estates and trusts having no charitable deduction. However,

PAGE 8

it should be noted that (in the absence of specific provisions in the governing instrument) the charitable deduction (line 14, page 1) is to be allocated among the gross amounts for columns 5 through 9 according to the directions in the paragraph above immediately following the caption "Estates & trusts claiming charitable deductions."

The sum of all the adjusted gross amounts for columns 5 through 10, determined according to this step, will equal the amount of the distributable net income (line 5, Schedule G).

● ***Step four**—Amount to be entered as total of each column.*—Enter as the total of each of columns 5 through 10 an amount which is the same proportion of the aggregate amount determined under step one as the adjusted gross amount for such column (as determined by steps two and three) is of the sum of all such adjusted gross amounts for columns 5 through 10.

(b) *Estates and trusts with charitable deductions attributable to other than current year's income.*—In the case of estates and trusts which claim a charitable deduction under section 642 (c) (see specific instruction 33) any portion of which is not attributable to income of the current year (line 7, Schedule E), see section 662 (b).

Credits (Columns 11 and 12)

Enter in columns 11 and 12, respectively, the amounts of Federal income tax paid at source and of income and profits taxes paid to a foreign country or United States possession which are allocable to each beneficiary. The amount allocable to each beneficiary is that part of the total of each item which is proportional to the amount of the corresponding income item included in the gross income of the beneficiary.

37. Schedule J—Computation of distributions deduction.—This schedule provides for the computation of the deduction allowable to the fiduciary for amounts paid, credited, or required to be distributed to the beneficiaries of the estate or trust. The deduction is equal to the amounts paid, credited, or required to be distributed or the distributable net income—whichever is less, adjusted in either case so as to exclude items of tax-exempt income entering into distributable net income.

38. Schedule K—Fiduciary's capital gains deduction.—Section 1202 provides a special rule for the deduction for long-term capital gains of an estate or trust. The deduction is computed by excluding that portion of the gains from sales or exchanges of capital assets which is includible in the income of the beneficiaries. Lines 1 (a) through 1 (e) provide for the computation of long-term capital gains allocable to the fiduciary for the purpose of computing this deduction.

39. Schedule L—Income (or loss) from partnerships, income from other fiduciaries.—Enter the total amounts of income or loss from partnerships in which the estate or trust is a partner and income paid, credited, or required to be distributed to the estate or trust by other fiduciaries. The items entering into the income are to be carried to the appropriate lines on page 1, according to specific instruction 5.

40. Schedule M—Deduction for depreciation.—This schedule relates to the deduction for depreciation under section 167. If a deduction for depletion is claimed (see sections 611 through 614), attach a statement showing details.

Computing the depreciation deduction—Straight-line method.—The most common method of computing depreciation is the "straight-line method." It allows for the deduction of cost in equal annual amounts over the useful life of the property, with only salvage value remaining at the end of its useful life. To compute the deduction, add the cost of improvements to the cost (or other basis) of the asset and deduct both the estimated salvage value and the total depreciation allowed or allowable in past years. Divide the result by the number of years of useful life remaining to the asset—this result is the depreciation deduction.

Special rules for new assets acquired after December 31, 1953.—New assets acquired by the taxpayer after 1953 and the portion of the basis of property attributable to construction or reconstruction by the taxpayer after 1953 may be depreciated under methods proper in the past or under additional methods provided in the new law. These new methods (which may be employed only with respect to tangible assets having a useful life of 3 years or more) are

(*a*) *"Declining balance method."*—The deduction is computed by applying a uniform rate to the cost or other basis of the asset reduced by depreciation previously allowed or allowable. This rate cannot exceed twice the straight line rate computed without regard to salvage value.

(*b*) *"Sum of the years-digits method."*—The deduction is the cost or other basis of the asset (reduced by estimated salvage value) multiplied by the number of years of useful life remaining to it (including the year of the deduction) divided by the sum of all the digits corresponding to the years of the asset's estimated useful life (in the case of a 3-year life such sum would be 6, that is 1+2+3).

(*c*) *"Other methods."*—Other methods may be employed subject to special limitations; for details consult the District Director of Internal Revenue.

Beneficiaries' and fiduciary's share of depreciation and depletion deductions.—An estate or trust is allowed the deductions for depreciation and depletion only to the extent that these deductions are not allocable to beneficiaries. Under sections 167 (g) and 611 (b) (3), the allowable deductions for depreciation and depletion are apportioned between the income beneficiaries of a trust and the trustee in accordance with the provisions of the governing instrument or, in the absence of such provisions, on the basis of the income (determined under the governing instrument and applicable local law) allocable to each. Under sections 167 (g) and 611 (b) (4), the allowable deductions for depreciation and depletion are apportioned between an estate and its heirs, legatees, or devisees on the basis of the income (determined under the governing instrument and applicable local law) of the estate allocable to each. Enter the fiduciary's share of each depreciation allowance claimed in column 7B Schedule M. Enter the total of the fiduciary's share in line 3, Schedule M, and include this amount in line 13, page 1.

41. Schedule N—Explanation of deductions.—Itemize the deductions for interest (line 11, page 1), taxes (line 12, page 1), and other deductions (line 15, page 1) in Schedule N. The number of the line on page 1 in which the deduction is included, a brief explanation of the deduction, and the amount thereof should be indicated. If the space provided on the form is insufficient, attach a separate schedule.

42. Schedule O—Fiduciary's share of dividend received credit.—For taxable years ending after July 31, 1954, an estate or trust is allowed a credit against tax for dividends received from domestic corporations (except those listed in (a) through (f) of specific instruction 18) which are included in gross income, but only in respect of so much of such dividends as is not included in the gross income of any beneficiary under section 652 or 662. (See line 5.)

Lines 2 through 4 reflect the adjustment of the dividends received after July 31, 1954, for that part of such dividends which have been excluded under section 116. (See specific instruction 18.)

SCHEDULE D
For use with Forms 1040, 1041, and 1065

U. S. Treasury Department—Internal Revenue Service

GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY

USE WITH INDIVIDUAL, FIDUCIARY, OR PARTNERSHIP RETURNS

1954

For Calendar Year 1954, or other taxable year beginning , 1954, and ending , 195

Name and Address

Check type of return filed: ☐ Form 1040 ☐ Form 1041 ☐ Form 1065

(I) PROPERTY OTHER THAN CAPITAL ASSETS

a. Kind of property (if necessary, attach statement of descriptive details not shown below)	b. Date acquired (mo., day, yr.)	c. Date sold (mo., day, yr.)	d. Gross sales price (contract price)	e. Depreciation allowed (or allowable) since acquisition or March 1, 1913 (attach schedule)	f. Cost or other basis and cost of subsequent improvements (if not purchased, attach explanation)	g. Expense of sale	h. Gain or loss (column d plus column e less sum of columns f and g)
1.			$	$	$	$	$

2. Net gain (or loss). Enter here and on line 1, Schedule D, Form 1040, or as item 8 (a), page 1, Form 1041, or as item 11, page 1, Form 1065 ..... $

(II) CAPITAL ASSETS

Short-Term Capital Gains and Losses—Assets Held Not More Than 6 Months

3.			$	$	$	$	$

4. Enter your share of net short-term gain (or loss) from partnerships and fiduciaries .....
5. Enter unused capital loss carryover from 5 preceding taxable years (**Attach statement**) .....
6. Net short-term gain (or loss) from lines 3, 4, and 5. Enter here and in Schedule D, Form 1041, or as item 26, page 1, Form 1065 ..... $

Long-Term Capital Gains and Losses—Assets Held More Than 6 Months

7.			$	$	$	$	$

8. Enter the full amount of your share of net long-term gain (or loss) from partnerships and fiduciaries .....
9. Net long-term gain (or loss) from lines 7 and 8. Enter here and in Schedule D, Form 1041, or as item 27, page 1, Form 1065 ..... $

● LINES 10 THROUGH 25 NOT APPLICABLE TO FIDUCIARIES AND PARTNERSHIPS

Gain or Loss To Be Taken Into Account	a. Gain	b. Loss
10. Enter net short-term gain (or loss) from line 6	$	$
11. Enter net long-term gain (or loss) from line 9	$	$
Use lines 12 through 15 only if gains exceed losses in lines 10 and 11.		
12. Enter short-term gain (line 10, col. a) reduced by any long-term loss (line 11, col. b)	$	
13. Enter long-term gain (line 11, col. a) reduced by any short-term loss (line 10, col. b)	$	
14. Enter 50 percent of line 13	$	
15. Enter here and on line 2, Schedule D, Form 1040, the sum of lines 12 and 14	$	
Use lines 16 and 17 only if losses exceed gains in lines 10 and 11.		
16. Enter the excess of losses over gains on lines 10 and 11		$
17. Enter here and on line 2, Schedule D, Form 1040, the **smallest** of the following: (a) the amount on line 16; (b) taxable income computed without regard to capital gains and losses and the deduction for exemptions; or (c) $1,000 ..		$

COMPUTATION OF ALTERNATIVE TAX FOR INDIVIDUALS (Form 1040)

(See instructions on other side as to when the alternative tax applies)

18. Enter from page 3, Form 1040, the income from line 5 if separate return or line 7 (a) if joint return ..... $
19. Enter amount from line 14, column a, above, if separate return, or half of such amount if joint return .....
20. Balance (line 18 less line 19) ..... $
21. Enter tax on amount on line 20 (Use applicable Tax Rate Schedule in Form 1040 Instructions) ..... $
22. If joint return, multiply amount on line 21 by two ..... $
23. Enter 50 percent of line 19 ..... $
24. If joint return, multiply amount on line 23 by two ..... $
25. Alternative tax (line 21 plus line 23 if separate return; line 22 plus line 24 if joint return). If smaller than amount on line 6 or line 7(c), page 3, Form 1040, enter this alternative tax on line 8, page 3, Form 1040 ..... $

NOTE.—In lines 18 to 25 the treatment in the case of a joint return is also applicable to a return of a surviving widow or widower.

16—76996-1

INSTRUCTIONS—(References are to the Internal Revenue Code of 1954)

GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY.—Report details in schedule on other side.

"Capital assets" defined.—The term "capital assets" means property held by the taxpayer (whether or not connected with his trade or business) but does NOT include—

(a) stock in trade or other property of a kind properly includible in his inventory if on hand at the close of the taxable year;
(b) property held by the taxpayer primarily for sale to customers in the ordinary course of his trade or business;
(c) property used in the trade or business of a character which is subject to the allowance for depreciation provided in section 167;
(d) real property used in the trade or business of the taxpayer;
(e) certain government obligations issued on or after March 1, 1941, at a discount, payable without interest and maturing at a fixed date not exceeding one year from date of issue;
(f) certain copyrights, literary, musical, or artistic compositions, etc.; or
(g) accounts and notes receivable acquired in the ordinary course of trade or business for services rendered or from the sale of property referred to in (a) or (b) above.

In connection with (b) above, the law allows dealers in securities capital gain or loss treatment with respect to certain securities which were clearly identified as being held for investment. Also, in the case of a taxpayer other than a corporation, certain real property subdivided for sale may be treated as capital assets. Sections 1236 and 1237.

If the total distribution to which an employee is entitled under an employees' pension, bonus, or profit-sharing trust plan exempt from tax under section 501(a), is received by the employee in one taxable year, on account of the employee's separation from the service, the aggregate amount of such distribution, to the extent it exceeds the amounts contributed by the employee, shall be treated as a long-term capital gain. See section 402.

A capital gain dividend, as defined in section 852 (relating to tax on regulated investment companies), shall be treated by the shareholder as a long-term capital gain.

Gain on sale of depreciable property between husband and wife or between a shareholder and a "controlled corporation" shall be treated as ordinary gain. Section 1239.

A transfer (other than by gift, inheritance, or devise) by an individual "holder" of all substantial rights evidenced by a patent, or an undivided interest therein, shall be considered the sale or exchange of a capital asset held for more than 6 months.

Gains and losses from transactions described in section 1231 (see below) shall be treated as gains and losses from the sale or exchange of capital assets held for more than 6 months if the total of these gains exceeds the total of these losses. If the total of these gains does not exceed the total of these losses, such gains and losses shall not be treated as gains and losses from the sale or exchange of capital assets. Thus, in the event of a net gain, all these transactions should be entered in the "long-term capital gains and losses" portion of Schedule D. In the event of a net loss, all these transactions should be entered in the "property other than capital assets" portion of Schedule D, or in other applicable schedules on Forms 1040, 1041, or 1065.

Section 1231 deals with gains and losses arising from—

(a) sale, exchange, or involuntary conversion, of land (including in certain cases unharvested crops sold with the land) and depreciable property if they are used in the trade or business and held for more than 6 months,
(b) sale, exchange, or involuntary conversion of livestock held for draft, breeding, or dairy purposes (but not including poultry) and held for 1 year or more,
(c) the cutting of timber or the disposal of timber or coal to which section 631 applies, and
(d) the involuntary conversion of capital assets held more than 6 months.

See sections 1231 and 631 for specific conditions applicable.

Description of property listed.—State following facts: (a) For real estate (including owner-occupied residences), location and description of land and improvements; (b) for bonds or other evidences of indebtedness, name of issuing corporation, particular issue, denomination, and amount; and (c) for stocks, name of corporation, class of stock, number of shares, and capital changes affecting basis (including nontaxable distributions).

Basis.—In determining gain or loss in case of property acquired after February 28, 1913, use cost, except as specially provided. The basis of property acquired by gift after December 31, 1920, is the cost or other basis to the donor in the event of gain, but, in the event of loss, it is the lower of either such donor's basis or the fair market value on date of gift. Generally the basis of property acquired by inheritance is the fair market value at time of acquisition which usually is the date of death. For special cases involving property acquired from a decedent, see section 1014. In the case of sales and exchanges of automobiles and other property not used in your trade or business, or not used for the production of income, the basis for determining gain is the original cost plus the cost of permanent improvements thereto. No losses are recognized for income tax purposes on the sale and exchange of such properties. In determining GAIN in case of property acquired before March 1, 1913, use the cost or the fair market value as of March 1, 1913, as adjusted, whichever is greater, but in determining LOSS use cost as adjusted.

Sale of a personal residence.—See Form 1040 instructions for special rules applicable to sale or exchange of your residence.

Losses on securities becoming worthless.—If (a) shares of stock become worthless during the year or (b) corporate securities with interest coupons or in registered form become worthless during the year, and are capital assets, the loss therefrom shall be considered as from the sale or exchange of capital assets as of the last day of such taxable year.

Nonbusiness debts.—If a debt, such as a personal loan, becomes totally worthless within the taxable year, the loss resulting therefrom shall be considered a loss from the sale or exchange, during the taxable year, of a capital asset held for not more than 6 months. Enter such loss in column (h) and describe in column (a) in the schedule of short-term capital gains and losses on other side. This does not apply to (a) a debt evidenced by a corporate security with interest coupons or in registered form and (b) a debt acquired in your trade or business.

Classification of capital gains and losses.—The phrase "short-term" applies to gains and losses from the sale or exchange of capital assets held for 6 months or less; the phrase "long-term" applies to capital assets held for more than 6 months.

Treatment of capital gains and losses.—Short-term capital gains and losses will be merged to obtain the net short-term capital gain or loss. Long-term capital gains and losses (taken into account at 100 percent) will be merged to obtain the net long-term capital gain or loss. If the net short-term capital gain exceeds the net long-term capital loss, 100 percent of such excess shall be included in income. If the net long-term capital gain exceeds the net short-term capital loss, 50 percent of such excess shall be included in income. In the case of a fiduciary, see section 1202.

Limitation on allowable capital losses.—If the sum of all the capital losses exceeds the sum of all the capital gains (all such gains and losses to be taken into account at 100 percent), then such capital losses shall be allowed as a deduction only to the extent of (1) current year capital gains plus (2) the smaller of either the taxable income of the current year (or adjusted gross income if tax table is used) or $1,000. For this purpose taxable income is computed without regard to capital gains or losses or the deduction for exemptions. The excess of such allowable losses over the sum of items (1) and (2) above is called "capital loss carryover" (not applicable to partnerships). It may be carried forward and treated as a short-term capital loss in succeeding years. However, the capital loss carryover of each year should be kept separate, since the law limits the use of such carryover to the five succeeding years. In offsetting your capital gain and income of 1954 by prior year loss carryovers, use any capital loss carryover from 1949 before using any such carryover from 1950 or subsequent years. Any 1949 carryover which cannot be used in 1954 must be excluded in determining total loss carryover to 1955 and subsequent years.

Collapsible corporations.—Gain from the sale or exchange of stock in a collapsible corporation is not a capital gain. Section 341.

"Wash sales" losses.—Losses from the sale or other disposition of stocks or securities are not deductible (unless sustained in connection with the taxpayer's trade or business) if, within 30 days before or after the date of sale or other disposition, the taxpayer has acquired (by purchase or by an exchange upon which the entire amount of gain or loss was recognized by law) or has entered into a contract or option to acquire, substantially identical stock or securities.

Losses in transactions between certain persons.—No deduction is allowable for losses from sales or exchanges of property directly or indirectly between (a) members of a family, (b) a corporation and an individual (or a fiduciary) owning more than 50 percent of the corporation's stock (liquidations excepted), (c) a grantor and fiduciary of any trust, (d) a fiduciary and a beneficiary of the same trust, (e) a fiduciary and a fiduciary or beneficiary of another trust created by the same grantor, or (f) an individual and a tax-exempt organization controlled by the individual or his family.

ALTERNATIVE TAX.—If the net long-term capital gain exceeds the net short-term capital loss, or in the case of only a long-term capital gain, individual taxpayers (a) filing separate returns with taxable income exceeding $18,000, or (b) filing joint returns or as surviving widows or widowers with taxable income exceeding $36,000, or (c) filing as head of household with taxable income exceeding $24,000, will usually find it to their advantage to compute the alternative tax on the other side. The alternative tax, if less than the tax computed on page 3 of Form 1040, shall be the tax liability.

GPO 16—70996-1

INDEX

A — Page

Aggregated and simple distributions of number of returns, total income, and tax liability after credits..... 17
Alternative tax..... 5, 11, 14, 26, 27, 29
Amended returns..... 7
Amount distributable to beneficiaries..... 7, 8, 13, 20, 23, 25
Average income tax..... 27
Audit revisions not tabulated..... 7

B

Beneficiaries, amount distributable to.... 7, 8, 13, 20, 23, 25
Business or trade, gross profit or loss.... 6-8, 12, 19, 22, 24

C

Capital gains and losses:
- Capital loss carryover 1949-1953..... 12, 28-29
- Description..... 12
- Long-term..... 12, 28-29
- Long-term capital gain deduction..... 7, 8, 13, 20
- Net gain from sales of capital assets.... 8, 12, 19, 23, 25, 28-29
- Net long-term capital gain..... 12, 28-29
- Net long-term capital loss..... 12, 28-29
- Net loss from sale of capital assets..... 8, 12, 19, 23, 25, 28
- Net short-term capital gain..... 12, 28, 29
- Net short-term capital loss..... 12, 28, 29
- Returns with alternative tax..... 29
- Returns with net gain from sale of capital assets..... 28-29
- Returns with net loss from sale of capital assets..... 28
- Returns with normal tax and surtax..... 29
- Short-term (after carryover)..... 12, 28-29
- Taxation of..... 14, 16, 29

Characteristics of the year..... 5-6
Charitable contributions..... 7, 8, 13, 20
Chart, composition of total income..... 6
Classification of returns, explanation..... 11
Comparison of 1954 and 1952 data..... 5
Complex trusts..... 6
Composition of total income..... 6

D

Deductions..... 7, 8, 12-13, 20
Deficit in total income..... 5, 11, 13, 17, 19, 23, 25
Deletion of certain entries in tables..... 10-11
Depreciation..... 7-8, 13, 20
Depletion..... 13
Description of sample and limitations of data... 10-11
Distributions to beneficiaries..... 7, 8, 13, 20, 23, 25
Dividend exclusions..... 7-8, 13, 20
Dividends received (before exclusions).. 5-6, 8, 11, 18, 22, 24, 30
Dividends received, tax credit for..... 6, 8, 14, 21

E — Page

Effective tax rate..... 27
Estates, returns for..... 5, 8-9, 11, 24-25
Exemptions, deduction for..... 7-8, 13, 20, 23, 25
Explanation of classifications and terms..... 11-14

F

Federal tax laws, synopsis of..... 35-37
Filing requirements..... 5, 37
Fiscal year returns..... 7
Foreign tax paid, tax credit for..... 8, 14, 21
Form 1041, facsimile of returns..... 39-54

G

Geographic division, States and Territories..... 11, 30

H

Historical tables, taxable returns, 1945-1954... 31-33

I

Income distributable to beneficiaries..... 7-8, 13, 20, 23, 25
Income from other fiduciaries..... 8, 12, 18, 22, 24
Income retained by fiduciary..... 5, 13-14
Income tax before credits..... 8, 14, 21
Income tax liability after credits.... 5, 8, 14, 17, 21, 23, 25-27, 30
Interest paid..... 7-8, 13, 20
Interest received..... 6, 8, 11, 18, 22, 24, 30
Internal Revenue Code:
- 1954..... 6-7
- 1931..... 7, 9

L

Limitations of data..... 11

M

Measures of fiduciary income..... 13-14

N

Net capital gain or loss. (*See* Capital gains and losses.)
Net gain or loss from sales of property *other* than capital assets..... 8, 12, 19, 23, 25
Nontaxable returns..... 5, 7, 8, 18-26, 28
Normal tax and surtax..... 5, 11, 14, 26, 27, 29
Number of returns. (*See* specific classifications, such as total income classes.)

O

Other deductions..... 7, 13, 20
Other income..... 6, 8, 19, 23, 25
Other "Statistics of Income" publications..... IV

P

Page

Partially tax-exempt interest, tax credit for. 8, 14, 21
Partnership net profit or loss.. 6, 8, 11-12, 18, 22, 24
Part year returns..... 7
Percentage distributions of number of returns, total income, and tax liability after credits. 17

R

Rents and royalties, gross income or loss... 6-8, 12, 18, 22, 24
Returns from which data were tabulated..... 7
Returns subject to provisions of Internal Revenue Code of—
1954..... 6-7
1939..... 7, 9

S

Sales of capital assets. (*See* Capital gains and losses.)
Sales of property *other* than capital assets. (*See* Net gain or loss from sales of property *other* than capital assets.)
Sample, description of, and limitations, of the data..... 10-11
Sampling variability..... 10-11
Simple and aggregated distributions of number of returns, total income, and tax liability after credits..... 17
Simple trusts..... 6
Sources of income comprising total income: Pag
Explanation..... 11-1
Items..... 8, 11-13, 18-19, 22-25, 3
States and Territories..... 11, 3
Synopsis of tax law for fiduciary income..... 35-3

T

Tabulated data, description..... 9-1
Tax before credits..... 8, 14, 2
Tax credits..... 6, 8, 14, 2
Tax items, explanation..... 1
Tax liability after credits..... 5, 8, 14, 17, 21 23, 25-27, 3
Tax paid at source, tax credit for..... 8, 14, 2
Tax rates..... 6, 3
Taxable and nontaxable returns, classification.. 7, 1
Taxable and nontaxable returns, combined... 8, 11, 17, 3
Taxable income classes..... 11, 2
Taxable income of fiduciary..... 5, 7-8, 13-14, 17 21, 23, 25-27, 3
Taxable returns..... 5, 7-8, 18-2
Taxes paid..... 5, 8, 13, 2
Tentative returns.....
Total deductions.....
Total deficit..... 5, 1
Total income..... 5-6, 8, 13, 17, 19, 23, 25, 27, 1
Total income classes..... 11, 17-25, 27, 2
Trade or business, gross profit or loss.... 6-8, 12, 19 22, 2
Trusts, returns for..... 5, 8-9, 11, 22-
Types of tax liability.....

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