Department of the Treasury
Internal Revenue Service

2007 Instructions for Schedules A & B (Form 1040)

Instructions for Schedule A, Itemized Deductions

Use Schedule A (Form 1040) to figure your itemized deductions. In most cases, your federal income tax will be less if you take the larger of your itemized deductions or your standard deduction.

If you itemize, you can deduct a part of your medical and dental expenses and unreimbursed employee business expenses, and amounts you paid for certain taxes, interest, contributions, and miscellaneous expenses. You can also deduct certain casualty and theft losses.

If you and your spouse paid expenses jointly and are filing separate returns for 2007, see Pub. 504 to figure the portion of joint expenses that you can claim as itemized deductions.

CAUTION *Do not include on Schedule A items deducted elsewhere, such as on Form 1040 or Schedule C, C-EZ, E, or F.*

Section references are to the Internal Revenue Code unless otherwise noted.

What's New

Standard mileage rates. The 2007 rate for use of your vehicle to get medical care is 20 cents a mile. The special rate for charitable use of your vehicle to provide relief related to Hurricane Katrina has expired.

State and local general sales taxes. The option to deduct state and local general sales taxes instead of state and local income taxes was extended through 2007. See the instructions for line 5 that begin on page A-2.

Mortgage insurance premiums. Mortgage insurance premiums for mortgage insurance contracts issued after December 31, 2006, may be deductible on new line 13. See the instructions for line 13 on page A-7.

New recordkeeping requirements for contributions of money. For charitable contributions made in cash, regardless of the amount, you must maintain as a record of the contribution a bank record (such as a canceled check) or a written record from the charity. The written record must include the name of the charity, date, and amount of the contribution. See *Gifts to Charity* that begins on page A-7.

Medical and Dental Expenses

You can deduct only the part of your medical and dental expenses that exceeds 7.5% of the amount on Form 1040, line 38.

Pub. 502 discusses the types of expenses that you can and cannot deduct. It also explains when you can deduct capital expenses and special care expenses for disabled persons.

CAUTION *If you received a distribution from a health savings account or a medical savings account in 2007, see Pub. 969 to figure your deduction.*

Examples of Medical and Dental Payments You Can Deduct

To the extent you were not reimbursed, you can deduct what you paid for:

- Insurance premiums for medical and dental care, including premiums for qualified long-term care contracts as defined in Pub. 502. But see *Limit on long-term care premiums you can deduct* on page A-2. Reduce the insurance premiums by any self-employed health insurance deduction you claimed on Form 1040, line 29. You cannot deduct insurance premiums paid with pretax dollars because the premiums are not included in box 1 of your Form(s) W-2. If you are a retired public safety officer, you cannot deduct any premiums you paid to the extent they were paid for with a tax-free distribution from your retirement plan.

CAUTION *If, during 2007, you were an eligible trade adjustment assistance (TAA) recipient, alternative TAA recipient, or Pension Benefit Guaranty Corporation pension recipient, you must reduce your insurance premiums by any amounts used to figure the health coverage tax credit. See the instructions for line 1 on page A-2*

- Prescription medicines or insulin.
- Acupuncturists, chiropractors, dentists, eye doctors, medical doctors, occupational therapists, osteopathic doctors, physical therapists, podiatrists, psychiatrists, psychoanalysts (medical care only), and psychologists.
- Medical examinations, X-ray and laboratory services, insulin treatment, and whirlpool baths your doctor ordered.
- Nursing help (including your share of the employment taxes paid). If you paid someone to do both nursing and housework, you can deduct only the cost of the nursing help.
- Hospital care (including meals and lodging), clinic costs, and lab fees.
- Qualified long-term care services (see Pub. 502).
- The supplemental part of Medicare insurance (Medicare B).
- The premiums you pay for Medicare Part D insurance.
- A program to stop smoking and for prescription medicines to alleviate nicotine withdrawal.
- A weight-loss program as treatment for a specific disease (including obesity) diagnosed by a doctor.
- Medical treatment at a center for drug or alcohol addiction.
- Medical aids such as eyeglasses, contact lenses, hearing aids, braces, crutches, wheelchairs, and guide dogs, including the cost of maintaining them.
- Surgery to improve defective vision, such as laser eye surgery or radial keratotomy.
- Lodging expenses (but not meals) while away from home to receive medical care in a hospital or a medical care facility related to a hospital, provided there was no significant element of personal pleasure, recreation, or vacation in the travel. Do not deduct more than $50 a night for each eligible person.
- Ambulance service and other travel costs to get medical care. If you used your own car, you can claim what you spent for

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gas and oil to go to and from the place you received the care; or you can claim 20 cents a mile. Add parking and tolls to the amount you claim under either method.

Note. Certain medical expenses paid out of a deceased taxpayer's estate can be claimed on the deceased taxpayer's final return. See Pub. 502 for details.

Limit on long-term care premiums you can deduct. The amount you can deduct for qualified long-term care contracts (as defined in Pub. 502) depends on the age, at the end of 2007, of the person for whom the premiums were paid. See the chart below for details.

IF the person was, at the end of 2007, age . . .	THEN the most you can deduct is . . .
40 or under	$ 290
41–50	$ 550
51–60	$ 1,110
61–70	$ 2,950
71 or older	$ 3,680

Examples of Medical and Dental Payments You Cannot Deduct

- The cost of diet food.
- Cosmetic surgery unless it was necessary to improve a deformity related to a congenital abnormality, an injury from an accident or trauma, or a disfiguring disease.
- Life insurance or income protection policies.
- The Medicare tax on your wages and tips or the Medicare tax paid as part of the self-employment tax or household employment taxes.

TIP *If you were age 65 or older but not entitled to social security benefits, you can deduct premiums you voluntarily paid for Medicare A coverage.*

- Nursing care for a healthy baby. But you may be able to take a credit for the amount you paid. See the instructions for Form 1040, line 47.
- Illegal operations or drugs.
- Imported drugs not approved by the U.S. Food and Drug Administration (FDA). This includes foreign-made versions of U.S.-approved drugs manufactured without FDA approval.
- Nonprescription medicines (including nicotine gum and certain nicotine patches).
- Travel your doctor told you to take for rest or a change.
- Funeral, burial, or cremation costs.

Line 1

Medical and Dental Expenses

Enter the total of your medical and dental expenses (see page A-1), after you reduce these expenses by any payments received from insurance or other sources. See *Reimbursements* below.

TIP *Do not forget to include insurance premiums you paid for medical and dental care. But if you claimed the self-employed health insurance deduction on Form 1040, line 29, reduce the premiums by the amount on line 29.*

Note. If, during 2007, you were an eligible trade adjustment assistance (TAA) recipient, alternative TAA recipient, or Pension Benefit Guaranty Corporation pension recipient, you must complete Form 8885 before completing Schedule A, line 1. When figuring the amount of insurance premiums you can deduct on Schedule A, do not include:

- Any amounts you included on Form 8885, line 4,
- Any qualified health insurance premiums you paid to "U.S. Treasury —HCTC," or
- Any health coverage tax credit advance payments shown in box 1 of Form 1099-H.

Whose medical and dental expenses can you include? You can include medical and dental bills you paid for:

- Yourself and your spouse.
- All dependents you claim on your return.
- Your child whom you do not claim as a dependent because of the rules for children of divorced or separated parents.
- Any person you could have claimed as a dependent on your return except that person received $3,400 or more of gross income or filed a joint return.
- Any person you could have claimed as a dependent except that you, or your spouse if filing jointly, can be claimed as a dependent on someone else's 2007 return.

Example. You provided over half of your mother's support but cannot claim her as a dependent because she received wages of $3,400 in 2007. You can include on line 1 any medical and dental expenses you paid in 2007 for your mother.

Reimbursements. If your insurance company paid the provider directly for part of your expenses, and you paid only the amount that remained, include on line 1 only the amount you paid. If you received a reimbursement in 2007 for medical or dental expenses you paid in 2007, reduce your 2007 expenses by this amount. If you received a reimbursement in 2007 for prior year medical or dental expenses, do not reduce your 2007 expenses by this amount. But if you deducted the expenses in the earlier year and the deduction reduced your tax, you must include the reimbursement in income on Form 1040, line 21. See Pub. 502 for details on how to figure the amount to include.

Cafeteria plans. Do not include on line 1 insurance premiums paid by an employer-sponsored health insurance plan (cafeteria plan) unless the premiums are included in box 1 of your Form(s) W-2. Also, do not include any other medical and dental expenses paid by the plan unless the amount paid is included in box 1 of your Form(s) W-2.

Taxes You Paid

Taxes You Cannot Deduct

- Federal income and excise taxes.
- Social security, Medicare, federal unemployment (FUTA), and railroad retirement (RRTA) taxes.
- Customs duties.
- Federal estate and gift taxes. But see the instructions for line 28 on page A-10.
- Certain state and local taxes, including: tax on gasoline, car inspection fees, assessments for sidewalks or other improvements to your property, tax you paid for someone else, and license fees (marriage, driver's, dog, etc.).

Line 5

CAUTION *You can elect to deduct state and local general sales taxes instead of state and local income taxes.* ***You cannot deduct both.***

State and Local Income Taxes

If you deduct state and local income taxes, check **box a** on line 5. Include on this line the state and local income taxes listed below.

- State and local income taxes withheld from your salary during 2007. Your Form(s) W-2 will show these amounts. Forms W-2G, 1099-G, 1099-R, and 1099-MISC may also show state and local income taxes withheld.
- State and local income taxes paid in 2007 for a prior year, such as taxes paid with your 2006 state or local income tax return. Do not include penalties or interest.
- State and local estimated tax payments made during 2007, including any part of a prior year refund that you chose to have credited to your 2007 state or local income taxes.
- Mandatory contributions you made to the California, New Jersey, or New York Nonoccupational Disability Benefit Fund, Rhode Island Temporary Disability Benefit Fund, or Washington State Supplemental Workmen's Compensation Fund.

• Mandatory contributions to the Alaska, New Jersey, or Pennsylvania state unemployment fund.

Do not reduce your deduction by any:

• State or local income tax refund or credit you expect to receive for 2007, or

• Refund of, or credit for, prior year state and local income taxes you actually received in 2007. Instead, see the instructions for Form 1040, line 10.

State and Local General Sales Taxes

If you elect to deduct state and local general sales taxes, you **must** check **box b** on line 5. To figure your deduction, you can use either your actual expenses or the optional sales tax tables.

Actual Expenses

Generally, you can deduct the actual state and local general sales taxes (including compensating use taxes) you paid in 2007 if the tax rate was the same as the general sales tax rate. However, sales taxes on food, clothing, medical supplies, and motor vehicles are deductible as a general sales tax even if the tax rate was less than the general sales tax rate. If you paid sales tax on a motor vehicle at a rate higher than the general sales tax rate, you can deduct only the amount of tax that you would have paid at the general sales tax rate on that vehicle. Motor vehicles include cars, motorcycles, motor homes, recreational vehicles, sport utility vehicles, trucks, vans, and off-road vehicles. Also include any state and local general sales taxes paid for a leased motor vehicle. Do not include sales taxes paid on items used in your trade or business.

CAUTION *You must keep your actual receipts showing general sales taxes paid to use this method.*

Refund of general sales taxes. If you received a refund of state or local general sales taxes in 2007 for amounts paid in 2007, reduce your **actual** 2007 state and local general sales taxes by this amount. If you received a refund of state or local general sales taxes in 2007 for prior year purchases, do not reduce your 2007 state and local general sales taxes by this amount. But if you deducted your **actual** state and local general sales taxes in the earlier year and the deduction reduced your tax, you may have to include the refund in income on Form 1040, line 21. See *Recoveries* in Pub. 525 for details.

Optional Sales Tax Tables

Instead of using your actual expenses, you can use the tables on pages A-11 through A-13 to figure your state and local general sales tax deduction. You may also be able to add the state and local general sales taxes paid on certain specified items.

To figure your state and local general sales tax deduction using the tables, complete the worksheet on page A-4 or use the 2007 Sales Tax Deduction Calculator on the IRS website. To use the 2007 Sales Tax Deduction Calculator, go to *www.irs.gov* and enter "Sales tax deduction calculator" in the search box.

CAUTION *If your filing status is married filing separately, both you and your spouse elect to deduct sales taxes,* ***and*** *your spouse elects to use the optional sales tax tables, you also must use the tables to figure your state and local general sales tax deduction.*

Instructions for Line 5b Worksheet

Line 1. If you lived in the same state for all of 2007, enter the applicable amount, based on your 2007 income and exemptions, from the optional state sales tax table for your state on page A-11 or A-12. Read down the "At least–But less than" columns for your state and find the line that includes your 2007 income. If married filing separately, do not include your spouse's income. Your 2007 income is the amount shown on your Form 1040, line 38, **plus** any nontaxable items, such as the following.

• Tax-exempt interest.

• Veterans' benefits.

• Nontaxable combat pay.

• Workers' compensation.

• Nontaxable part of social security and railroad retirement benefits.

• Nontaxable part of IRA, pension, or annuity distributions. Do not include rollovers.

• Public assistance payments.

The exemptions column refers to the number of exemptions claimed on Form 1040, line 6d.

What if you lived in more than one state? If you lived in more than one state during 2007, look up the table amount for each state using the above rules. If there is no table for your state, the table amount is considered to be zero. Multiply the table amount for each state you lived in by a fraction. The numerator of the fraction is the number of days you lived in the state during 2007 and the denominator is the total number of days in the year (365). Enter the total of the prorated table amounts for each state on line 1. However, if you also lived in a locality during 2007 that imposed a local general sales tax, do not enter the total on line 1. Instead, complete a separate worksheet for each state you lived in and enter the prorated amount for that state on line 1.

Example. You lived in State A from January 1 through August 31, 2007 (243 days), and in State B from September 1 through December 31, 2007 (122 days). The table amount for State A is $500. The table amount for State B is $400. You would figure your state general sales tax as follows.

State A:	$500 x 243/365 =	$333
State B:	$400 x 122/365 =	134
Total	=	$467

If none of the localities in which you lived during 2007 imposed a local general sales tax, enter $467 on line 1 of your worksheet. Otherwise, complete a separate worksheet for State A and State B. Enter $333 on line 1 of the State A worksheet and $134 on line 1 of the State B worksheet.

Line 2. If you checked the "No" box, enter -0- on line 2, and go to line 3. If you checked the "Yes" box and lived in the same locality for all of 2007, enter the applicable amount, based on your 2007 income and exemptions, from the optional local sales tax table for your locality on page A-13. Read down the "At least–But less than" columns for your locality and find the line that includes your 2007 income. See the line 1 instructions on this page to figure your 2007 income. The exemptions column refers to the number of exemptions claimed on Form 1040, line 6d.

What if you lived in more than one locality? If you lived in more than one locality during 2007, look up the table amount for each locality using the above rules. If there is no table for your locality, the table amount is considered to be zero. Multiply the table amount for each locality you lived in by a fraction. The numerator of the fraction is the number of days you lived in the locality during 2007 and the denominator is the total number of days in the year (365). If you lived in more than one locality in the same state and the local general sales tax rate was the same for each locality, enter the total of the prorated table amounts for each locality in that state on line 2. Otherwise, complete a separate worksheet for lines 2 through 6 for each locality and enter each prorated table amount on line 2 of the applicable worksheet.

Example. You lived in Locality 1 from January 1 through August 31, 2007 (243 days), and in Locality 2 from September 1 through December 31, 2007 (122 days). The table amount for Locality 1 is $100. The table amount for Locality 2 is $150. You would figure the amount to enter on line 2 as follows. Note that this amount may not equal your local sales tax deduction, which is figured on line 6 of the worksheet.

Locality 1:	$100 x 243/365 =	$ 67
Locality 2:	$150 x 122/365 =	50
Total	=	$117

Line 3. If you lived in California, check the "No" box if your combined state and local general sales tax rate is 7.25%. Otherwise, check the "Yes" box and include on line 3 only the part of the combined rate that is more than 7.25%.

If you lived in Nevada, check the "No" box if your combined state and local general sales tax rate is 6.5%. Otherwise, check the "Yes" box and include on line 3 only the part of the combined rate that is more than 6.5%.

If you lived in Texarkana, Arkansas, check the "Yes" box and enter "4.0" on line 3. Your local general sales tax rate of 4.0% includes the additional 2.5% sales tax rate for Texarkana and the 1.5% sales tax rate for Miller County.

What if your local general sales tax rate changed during 2007? If you checked the "Yes" box and your local general sales tax rate changed during 2007, figure the rate to enter on line 3 as follows. Multiply each tax rate for the period it was in effect by a fraction. The numerator of the fraction is the number of days the rate was in effect during 2007 and the denominator is the total number of days in the year (365). Enter the total of the prorated tax rates on line 3.

Example. Locality 1 imposed a 1% local general sales tax from January 1 through September 30, 2007 (273 days). The rate increased to 1.75% for the period from October 1 through December 31, 2007 (92 days). You would enter “1.189” on line 3, figured as follows.

January 1 – September 30:	1.00 x 273/365 =	0.748
October 1 – December 31:	1.75 x 92/365 =	0.441
Total	=	1.189

What if you lived in more than one locality in the same state during 2007? Complete a separate worksheet for lines 2 through 6 for each locality in your state if you lived in more than one locality in the same state during 2007 and either of the following applies.

- Each locality did not have the same local general sales tax rate.

State and Local General Sales Tax Deduction Worksheet—Line 5b

(See the *Instructions for Line 5b Worksheet* that begin on page A-3.)

Keep for Your Records

Before you begin: See the instructions for line 1 on page A-3 if:

√ You lived in more than one state during 2007, or
√ You had any **nontaxable** income in 2007.

1. Enter your **state** general sales taxes from the applicable table on page A-11 or A-12 (see page A-3 of the instructions) . . . . . **1.** $______

Next. If, for all of 2007, you lived only in Connecticut, the District of Columbia, Hawaii, Indiana, Kentucky, Maine, Maryland, Massachusetts, Michigan, Mississippi, New Jersey, Rhode Island, Virginia, or West Virginia, skip lines 2 through 5, enter -0- on line 6, and go to line 7. Otherwise, go to line 2.

2. Did you live in Alaska, Arizona, Arkansas (Texarkana only), California (Los Angeles County only), Colorado, Georgia, Illinois, Louisiana, New York State, or North Carolina in 2007?

☐ **No.** Enter -0-
☐ **Yes.** Enter your **local** general sales taxes from the applicable table on page A-13 (see page A-3 of the instructions) . . . . . **2.** $______

3. Did your locality impose a **local** general sales tax in 2007? Residents of California, Nevada, and Texarkana, Arkansas, see page A-3 of the instructions.

☐ **No.** Skip lines 3 through 5, enter -0- on line 6, and go to line 7.
☐ **Yes.** Enter your **local** general sales tax rate, but omit the percentage sign. For example, if your local general sales tax rate was 2.5%, enter 2.5. If your local general sales tax rate changed or you lived in more than one locality in the same state during 2007, see page A-3 of the instructions. (If you do not know your local general sales tax rate, contact your local government.) . . . . . **3.** ___ . ___

4. Did you enter -0- on line 2 above?

☐ **No.** Skip lines 4 and 5 and go to line 6.
☐ **Yes.** Enter your **state** general sales tax rate (shown in the table heading for your state), but omit the percentage sign. For example, if your state general sales tax rate is 6%, enter 6.0 . . . . . **4.** ___ . ___

5. Divide line 3 by line 4. Enter the result as a decimal (rounded to at least three places) **5.** ___ . ___

6. Did you enter -0- on line 2 above?

☐ **No.** Multiply line 2 by line 3
☐ **Yes.** Multiply line 1 by line 5. If you lived in more than one locality in the same state during 2007, see the instructions above . . . . . **6.** $______

7. Enter your state and local general sales taxes paid on specified items, if any (see page A-5 of the instructions) . . . . . **7.** $______

8. **Deduction for general sales taxes.** Add lines 1, 6, and 7. Enter the result here and the total from all your state and local general sales tax deduction worksheets, if you completed more than one, on Schedule A, line 5. Be sure to check **box b** on that line . . . . . **8.** $______

- You lived in Texarkana, AR, or Los Angeles County, CA.

To figure the amount to enter on line 3 of the worksheet for each locality in which you lived (except a locality for which you used the table on page A-13 to figure your local general sales tax deduction), multiply the local general sales tax rate by a fraction. The numerator of the fraction is the number of days you lived in the locality during 2007 and the denominator is the total number of days in the year (365).

Example. You lived in Locality 1 from January 1 through August 31, 2007 (243 days), and in Locality 2 from September 1 through December 31, 2007 (122 days). The local general sales tax rate for Locality 1 is 1%. The rate for Locality 2 is 1.75%. You would enter "0.666" on line 3 for the Locality 1 worksheet and "0.585" for the Locality 2 worksheet, figured as follows.

Locality 1:	1.00 x 243/365 =	0.666
Locality 2:	1.75 x 122/365 =	0.585

Line 6. If you lived in more than one locality in the same state during 2007, you should have completed line 1 only on the first worksheet for that state and separate worksheets for lines 2 through 6 for any other locality within that state in which you lived during 2007. If you checked the "Yes" box on line 6 of any of those worksheets, multiply line 5 of that worksheet by the amount that you entered on line 1 for that state on the first worksheet.

Line 7. Enter on line 7 any state and local general sales taxes paid on the following specified items. If you are completing more than one worksheet, include the total for line 7 on only one of the worksheets.

1. A motor vehicle (including a car, motorcycle, motor home, recreational vehicle, sport utility vehicle, truck, van, and off-road vehicle). Also include any state and local general sales taxes paid for a leased motor vehicle. If the state sales tax rate on these items is higher than the general sales tax rate, only include the amount of tax you would have paid at the general sales tax rate.
2. An aircraft or boat, if the tax rate was the same as the general sales tax rate.
3. A home (including a mobile home or prefabricated home) or substantial addition to or major renovation of a home, but only if the tax rate was the same as the general sales tax rate and any of the following applies.

a. Your state or locality imposes a general sales tax directly on the sale of a home or on the cost of a substantial addition or major renovation.

b. You purchased the materials to build a home or substantial addition or to perform a major renovation and paid the sales tax directly.

c. Under your state law, your contractor is considered your agent in the construction of the home or substantial addition or the performance of a major renovation. The contract must state that the contractor is authorized to act in your name and must follow your directions on construction decisions. In this case, you will be considered to have purchased any items subject to a sales tax and to have paid the sales tax directly.

Do not include sales taxes paid on items used in your trade or business. If you received a refund of state or local general sales taxes in 2007, see *Refund of general sales taxes* on page A-3.

Line 6

Real Estate Taxes

Include taxes (state, local, or foreign) you paid on real estate you own that was not used for business, but only if the taxes are based on the assessed value of the property. Also, the assessment must be made uniformly on property throughout the community, and the proceeds must be used for general community or governmental purposes. Pub. 530 explains the deductions homeowners can take.

Do not include the following amounts on line 6.

- Itemized charges for services to specific property or persons (for example, a $20 monthly charge per house for trash collection, a $5 charge for every 1,000 gallons of water consumed, or a flat charge for mowing a lawn that had grown higher than permitted under a local ordinance).
- Charges for improvements that tend to increase the value of your property (for example, an assessment to build a new sidewalk). The cost of a property improvement is added to the basis of the property. However, a charge is deductible if it is used only to maintain an existing public facility in service (for example, a charge to repair an existing sidewalk, and any interest included in that charge).

If your mortgage payments include your real estate taxes, you can deduct only the amount the mortgage company actually paid to the taxing authority in 2007.

If you sold your home in 2007, any real estate tax charged to the buyer should be shown on your settlement statement and in box 5 of any Form 1099-S you received. This amount is considered a refund of real estate taxes. See *Refunds and rebates* below. Any real estate taxes you paid at closing should be shown on your settlement statement.

Refunds and rebates. If you received a refund or rebate in 2007 of real estate taxes you paid in 2007, reduce your deduction by the amount of the refund or rebate. If you received a refund or rebate in 2007 of real estate taxes you paid in an earlier year, do not reduce your deduction by this amount. Instead, you must include the refund or rebate in income on Form 1040, line 21, if you deducted the real estate taxes in the earlier year and the deduction reduced your tax. See *Recoveries* in Pub. 525 for details on how to figure the amount to include in income.

Line 7

Personal Property Taxes

Enter the state and local personal property taxes you paid, but only if the taxes were based on value alone and were imposed on a yearly basis.

Example. You paid a yearly fee for the registration of your car. Part of the fee was based on the car's value and part was based on its weight. You can deduct only the part of the fee that was based on the car's value.

Line 8

Other Taxes

If you had any deductible tax not listed on line 5, 6, or 7, list the type and amount of tax. Enter only one total on line 8. Include on this line income tax you paid to a foreign country or U.S. possession.

TIP *You may want to take a credit for the foreign tax instead of a deduction. See the instructions for Form 1040, line 51, for details.*

Interest You Paid

Whether your interest expense is treated as investment interest, personal interest, or business interest depends on how and when you used the loan proceeds. See Pub. 535 for details.

In general, if you paid interest in 2007 that applies to any period after 2007, you can deduct only amounts that apply for 2007.

Lines 10 and 11

Home Mortgage Interest

A home mortgage is any loan that is secured by your main home or second home. It includes first and second mortgages, home equity loans, and refinanced mortgages.

A home can be a house, condominium, cooperative, mobile home, boat, or similar property. It must provide basic living accommodations including sleeping space, toilet, and cooking facilities.

Limit on home mortgage interest. If you took out any mortgages after October 13, 1987, your deduction may be limited. Any additional amounts borrowed after October 13, 1987, on a line-of-credit mortgage you had on that date are treated as a mortgage taken out after October 13, 1987. If you refinanced a mortgage you had on October 13, 1987, treat the new mortgage as taken out on or before October 13, 1987. But if you refinanced for more than the balance of the old mortgage, treat the excess as a mortgage taken out after October 13, 1987.

See Pub. 936 to figure your deduction if either (1) or (2) below applies. If you had more than one home at the same time, the dollar amounts in (1) and (2) apply to the total mortgages on both homes.

1. You took out any mortgages after October 13, 1987, and used the proceeds for purposes other than to buy, build, or improve your home, and all of these mortgages totaled over $100,000 at any time during 2007. The limit is $50,000 if married filing separately. An example of this type of mortgage is a home equity loan used to pay off credit card bills, buy a car, or pay tuition.

2. You took out any mortgages after October 13, 1987, and used the proceeds to buy, build, or improve your home, and these mortgages plus any mortgages you took out on or before October 13, 1987, totaled over $1 million at any time during 2007. The limit is $500,000 if married filing separately.

CAUTION *If the total amount of all mortgages is more than the fair market value of the home, additional limits apply. See Pub. 936.*

Line 10

Enter on line 10 mortgage interest and points reported to you on Form 1098 under your social security number (SSN). If this form shows any refund of overpaid interest, do not reduce your deduction by the refund. Instead, see the instructions for Form 1040, line 21. If you and at least one other person (other than your spouse if filing jointly) were liable for and paid interest on the mortgage, and the interest was reported on Form 1098 under the other person's SSN, report your share of the interest on line 11 (as explained in the line 11 instructions below).

If you paid more interest to the recipient than is shown on Form 1098, see Pub. 936 to find out if you can deduct the additional interest. If you can, attach a statement explaining the difference and enter "See attached" to the right of line 10.

CAUTION *If you are claiming the mortgage interest credit (for holders of qualified mortgage credit certificates issued by state or local governmental units or agencies), subtract the amount shown on Form 8396, line 3, from the total deductible interest you paid on your home mortgage. Enter the result on line 10.*

Line 11

If you did not receive a Form 1098 from the recipient, report your deductible mortgage interest on line 11.

If you bought your home from the recipient, be sure to show that recipient's name, identifying number, and address on the dotted lines next to line 11. If the recipient is an individual, the identifying number is his or her social security number (SSN). Otherwise, it is the employer identification number. You must also let the recipient know your SSN. If you do not show the required information about the recipient or let the recipient know your SSN, you may have to pay a $50 penalty.

If you and at least one other person (other than your spouse if filing jointly) were liable for and paid interest on the mortgage, and the other person received the Form 1098, attach a statement to your return showing the name and address of that person. To the right of line 11, enter "See attached."

Line 12

Points Not Reported on Form 1098

Points are shown on your settlement statement. Points you paid only to borrow money are generally deductible over the life of the loan. See Pub. 936 to figure the amount you can deduct. Points paid for other purposes, such as for a lender's services, are not deductible.

Refinancing. Generally, you must deduct points you paid to refinance a mortgage over the life of the loan. This is true even if the new mortgage is secured by your main home.

If you used part of the proceeds to improve your main home, you may be able to deduct the part of the points related to the improvement in the year paid. See Pub. 936 for details.

TIP *If you paid off a mortgage early, deduct any remaining points in the year you paid off the mortgage.*

Line 13

Qualified Mortgage Insurance Premiums

Enter the qualified mortgage insurance premiums you paid under a mortgage insurance contract issued during 2007 in connection with home acquisition debt that was secured by your first or second home. See *Prepaid mortgage insurance* below if you paid any premiums allocable to any period after 2007. Box 4 of Form 1098 may show the amount of premiums you paid in 2007. If you and at least one other person (other than your spouse if filing jointly) were liable for and paid the premiums in connection with the loan, and the premiums were reported on Form 1098 under the other person's SSN, report your share of the premiums on line 13.

Qualified mortgage insurance is mortgage insurance provided by the Department of Veterans Affairs, the Federal Housing Administration, or the Rural Housing Service, and private mortgage insurance (as defined in section 2 of the Homeowners Protection Act of 1998 as in effect on December 20, 2006).

Mortgage insurance provided by the Department of Veterans Affairs and the Rural Housing Service is commonly known as a funding fee and guarantee fee respectively. These fees can be deducted fully in 2007 if the mortgage insurance contract was issued in 2007. Contact the mortgage insurance issuer to determine the deductible amount if it is not included in box 4 of Form 1098.

Prepaid mortgage insurance. If you paid premiums for qualified mortgage insurance that are allocable to periods after 2007, such premiums are treated as paid in the year to which they are allocated. No deduction is allowed for the unamortized balance if the mortgage is satisfied before its term. The two preceding sentences do not apply to qualified mortgage insurance provided by the Department of Veterans Affairs or the Rural Housing Service.

Limit on amount you can deduct. You cannot deduct your mortgage insurance premiums if the amount on Form 1040, line 38, is more than $109,000 ($54,500 if married filing separately). If the amount on Form 1040, line 38, is more than $100,000 ($50,000 if married filing separately), your deduction is limited and you must use the worksheet below to figure your deduction.

Line 14

Investment Interest

Investment interest is interest paid on money you borrowed that is allocable to property held for investment. It does not include any interest allocable to passive activities or to securities that generate tax-exempt income.

Complete and attach Form 4952 to figure your deduction.

Exception. You do not have to file Form 4952 if all three of the following apply.

1. Your investment interest expense is not more than your investment income from interest and ordinary dividends minus any qualified dividends.
2. You have no other deductible investment expenses.
3. You have no disallowed investment interest expense from 2006.

CAUTION

Alaska Permanent Fund dividends, including those reported on Form 8814, are not investment income.

For more details, see Pub. 550.

Gifts to Charity

You can deduct contributions or gifts you gave to organizations that are religious, charitable, educational, scientific, or literary in purpose. You can also deduct what you gave to organizations that work to prevent cruelty to children or animals. Certain whaling captains may be able to deduct expenses paid in 2007 for Native Alaskan subsistence bowhead whale hunting activities. See Pub. 526 for details.

To verify an organization's charitable status, you can:

- Check with the organization to which you made the donation. The organization should be able to provide you with verification of its charitable status.
- See Pub. 78 for a list of most qualified organizations. You can access Pub. 78 on the IRS website at *www.irs.gov* under *Charities and Non-Profits.*
- Call our Tax Exempt/Government Entities Customer Account Services at 1-877-829-5500. Assistance is available Monday through Friday from 8:30 a.m. to

Qualified Mortgage Insurance Premiums Deduction Worksheet—Line 13

Keep for Your Records

Before you begin: √ See the instructions for line 13 above to see if you must use this worksheet to figure your deduction.

1. Enter the total premiums you paid in 2007 for qualified mortgage insurance for a contract issued in 2007 . . . . . **1.** ______
2. Enter the amount from Form 1040, line 38 . . . . . **2.** ______
3. Enter $100,000 ($50,000 if married filing separately) . . . . . **3.** ______
4. Is the amount on line 2 more than the amount on line 3?
   - ☐ **No.** Your deduction is not limited. Enter the amount from line 1 above on Schedule A, line 13. **Do not** complete the rest of this worksheet.
   - ☐ **Yes.** Subtract line 3 from line 2. If the result is not a multiple of $1,000 ($500 if married filing separately), increase it to the next multiple of $1,000 ($500 if married filing separately). For example, increase $425 to $1,000, increase $2,025 to $3,000; or if married filing separately, increase $425 to $500, increase $2,025 to $2,500, etc. . . . . . **4.** ______
5. Divide line 4 by $10,000 ($5,000 if married filing separately). Enter the result as a decimal. If the result is 1.0 or more, enter 1.0 . . . . . **5.** ___.___
6. Multiply line 1 by line 5 . . . . . **6.** ______
7. **Qualified mortgage insurance premiums deduction.** Subtract line 6 from line 1. Enter the result here and on Schedule A, line 13 . . . . . **7.** ______

6:30 p.m. Eastern time. These hours are subject to change.

Examples of Qualified Charitable Organizations

- Churches, mosques, synagogues, temples, etc.
- Boy Scouts, Boys and Girls Clubs of America, CARE, Girl Scouts, Goodwill Industries, Red Cross, Salvation Army, United Way, etc.
- Fraternal orders, if the gifts will be used for the purposes listed on page A-7.
- Veterans' and certain cultural groups.
- Nonprofit schools, hospitals, and organizations whose purpose is to find a cure for, or help people who have, arthritis, asthma, birth defects, cancer, cerebral palsy, cystic fibrosis, diabetes, heart disease, hemophilia, mental illness or retardation, multiple sclerosis, muscular dystrophy, tuberculosis, etc.
- Federal, state, and local governments if the gifts are solely for public purposes.

Contributions You Can Deduct

Contributions can be in cash, property, or out-of-pocket expenses you paid to do volunteer work for the kinds of organizations described earlier. If you drove to and from the volunteer work, you can take the actual cost of gas and oil or 14 cents a mile. Add parking and tolls to the amount you claim under either method. But do not deduct any amounts that were repaid to you.

Gifts from which you benefit. If you made a gift and received a benefit in return, such as food, entertainment, or merchandise, you can generally only deduct the amount that is more than the value of the benefit. But this rule does not apply to certain membership benefits provided in return for an annual payment of $75 or less. For details, see Pub. 526.

Example. You paid $70 to a charitable organization to attend a fund-raising dinner and the value of the dinner was $40. You can deduct only $30.

Gifts of $250 or more. You can deduct a gift of $250 or more only if you have a statement from the charitable organization showing the information in (1) and (2) below.

1. The amount of any money contributed and a description (but not value) of any property donated.

2. Whether the organization did or did not give you any goods or services in return for your contribution. If you did receive any goods or services, a description and estimate of the value must be included. If you received only intangible religious benefits (such as admission to a religious ceremony), the organization must state this, but it does not have to describe or value the benefit.

In figuring whether a gift is $250 or more, do not combine separate donations. For example, if you gave your church $25 each week for a total of $1,300, treat each $25 payment as a separate gift. If you made donations through payroll deductions, treat each deduction from each paycheck as a separate gift. See Pub. 526 if you made a separate gift of $250 or more through payroll deduction.

TIP *You must get the statement by the date you file your return or the due date (including extensions) for filing your return, whichever is earlier. Do not attach the statement to your return. Instead, keep it for your records.*

Limit on the amount you can deduct. See Pub. 526 to figure the amount of your deduction if any of the following applies.

1. Your cash contributions or contributions of ordinary income property are more than 30% of the amount on Form 1040, line 38.

2. Your gifts of capital gain property are more than 20% of the amount on Form 1040, line 38.

3. You gave gifts of property that increased in value or gave gifts of the use of property.

Contributions You Cannot Deduct

- Travel expenses (including meals and lodging) while away from home, unless there was no significant element of personal pleasure, recreation, or vacation in the travel.
- Political contributions.
- Dues, fees, or bills paid to country clubs, lodges, fraternal orders, or similar groups.
- Cost of raffle, bingo, or lottery tickets. But you may be able to deduct these expenses on line 28. See page A-10 for details.
- Cost of tuition. But you may be able to deduct this expense on line 21 (see page A-9), or Form 1040, line 34, or take a credit for this expense (see Form 8863).
- Value of your time or services.
- Value of blood given to a blood bank.
- The transfer of a future interest in tangible personal property (generally, until the entire interest has been transferred).
- Gifts to individuals and groups that are run for personal profit.
- Gifts to foreign organizations. But you may be able to deduct gifts to certain U.S. organizations that transfer funds to foreign charities and certain Canadian, Israeli, and Mexican charities. See Pub. 526 for details.
- Gifts to organizations engaged in certain political activities that are of direct financial interest to your trade or business. See section 170(f)(9).
- Gifts to groups whose purpose is to lobby for changes in the laws.
- Gifts to civic leagues, social and sports clubs, labor unions, and chambers of commerce.
- Value of benefits received in connection with a contribution to a charitable organization. See Pub. 526 for exceptions.

Line 16

Gifts by Cash or Check

Enter on line 16 the total gifts you made in cash or by check (including out-of-pocket expenses).

Recordkeeping. For any contribution made in cash, regardless of the amount, you must maintain as a record of the contribution a bank record (such as a canceled check) or a written record from the charity. The written record must include the name of the charity, date, and amount of the contribution. Do not attach the record to your tax return. Instead, keep it with your other tax records.

Line 17

Other Than by Cash or Check

Enter your contributions of property. If you gave used items, such as clothing or furniture, deduct their fair market value at the time you gave them. Fair market value is what a willing buyer would pay a willing seller when neither has to buy or sell and both are aware of the conditions of the sale. For more details on determining the value of donated property, see Pub. 561.

If the amount of your deduction is more than $500, you must complete and attach Form 8283. For this purpose, the "amount of your deduction" means your deduction before applying any income limits that could result in a carryover of contributions. If you deduct more than $500 for a contribution of a motor vehicle, boat, or airplane, you must also attach a statement from the charitable organization to your return. The organization may use Form 1098-C to provide the required information. If your total deduction is over $5,000, you may also have to get appraisals of the values of the donated property. This amount is $500 for certain contributions of clothing and household items (see below). See Form 8283 and its instructions for details.

Contributions of clothing and household items. A deduction for these contributions will be allowed only if the items are in good used condition or better. However, this rule does not apply to a contribution of any single item for which a deduction of more than $500 is claimed and for which you include a qualified appraisal and Form 8283 with your tax return.

Recordkeeping. If you gave property, you should keep a receipt or written statement from the organization you gave the property to, or a reliable written record, that shows the organization's name and address, the date and location of the gift, and a description of the property. For each gift of property, you should also keep reliable written records that include:

- How you figured the property's value at the time you gave it. If the value was determined by an appraisal, keep a signed copy of the appraisal.
- The cost or other basis of the property if you must reduce it by any ordinary income or capital gain that would have resulted if the property had been sold at its fair market value.
- How you figured your deduction if you chose to reduce your deduction for gifts of capital gain property.
- Any conditions attached to the gift.

CAUTION *If your total deduction for gifts of property is over $500, you gave less than your entire interest in the property, or you made a "qualified conservation contribution," your records should contain additional information. See Pub. 526 for details.*

Line 18

Carryover From Prior Year

Enter any carryover of contributions that you could not deduct in an earlier year because they exceeded your adjusted gross income limit. See Pub. 526 for details.

Casualty and Theft Losses

Line 20

Complete and attach Form 4684 to figure the amount of your loss to enter on line 20.

You may be able to deduct part or all of each loss caused by theft, vandalism, fire, storm, or similar causes, and car, boat, and other accidents. You may also be able to deduct money you had in a financial institution but lost because of the insolvency or bankruptcy of the institution.

You can deduct nonbusiness casualty or theft losses only to the extent that:

1. The amount of each separate casualty or theft loss is more than $100, and
2. The total amount of all losses during the year (reduced by the $100 limit discussed in (1) above) is more than 10% of the amount on Form 1040, line 38.

Special rules apply if you had both gains and losses from nonbusiness casualties or thefts. See Form 4684 and its instructions for details.

Use Schedule A, line 23, to deduct the costs of proving that you had a property loss. Examples of these costs are appraisal fees and photographs used to establish the amount of your loss.

For information on federal disaster area losses, see Pub. 547.

Job Expenses and Certain Miscellaneous Deductions

You can deduct only the part of these expenses that exceeds 2% of the amount on Form 1040, line 38.

Pub. 529 discusses the types of expenses that can and cannot be deducted.

Examples of Expenses You Cannot Deduct

- Political contributions.
- Legal expenses for personal matters that do not produce taxable income.
- Lost or misplaced cash or property.
- Expenses for meals during regular or extra work hours.
- The cost of entertaining friends.
- Commuting expenses. See Pub. 529 for the definition of commuting.
- Travel expenses for employment away from home if that period of employment exceeds 1 year. See Pub. 529 for an exception for certain federal employees.
- Travel as a form of education.
- Expenses of attending a seminar, convention, or similar meeting unless it is related to your employment.
- Club dues. See Pub. 529 for exceptions.
- Expenses of adopting a child. But you may be able to take a credit for adoption expenses. See Form 8839 for details.
- Fines and penalties.
- Expenses of producing tax-exempt income.

Line 21

Unreimbursed Employee Expenses

Enter the total ordinary and necessary job expenses you paid for which you were not reimbursed. (Amounts your employer included in box 1 of your Form W-2 are not considered reimbursements.)

An ordinary expense is one that is common and accepted in your field of trade, business, or profession. A necessary expense is one that is helpful and appropriate for your business. An expense does not have to be required to be considered necessary.

But you must fill in and attach Form 2106 if either (1) or (2) below applies.

1. You claim any travel, transportation, meal, or entertainment expenses for your job.
2. Your employer paid you for any of your job expenses that you would otherwise report on line 21.

TIP *If you used your own vehicle and (2) above does not apply, you may be able to file Form 2106-EZ instead.*

If you do not have to file Form 2106 or 2106-EZ, list the type and amount of each expense on the dotted line next to line 21. If you need more space, attach a statement showing the type and amount of each expense. Enter the total of all these expenses on line 21.

CAUTION *Do not include on line 21 any educator expenses you deducted on Form 1040, line 23.*

Examples of other expenses to include on line 21 are:

- Safety equipment, small tools, and supplies needed for your job.
- Uniforms required by your employer that are not suitable for ordinary wear.
- Protective clothing required in your work, such as hard hats, safety shoes, and glasses.
- Physical examinations required by your employer.
- Dues to professional organizations and chambers of commerce.
- Subscriptions to professional journals.
- Fees to employment agencies and other costs to look for a new job in your present occupation, even if you do not get a new job.
- Certain business use of part of your home. For details, including limits that apply, use TeleTax topic 509 (see page 79 of the Form 1040 instructions) or see Pub. 587.
- Certain educational expenses. For details, use TeleTax topic 513 (see page 79 of the Form 1040 instructions) or see Pub. 970. Reduce your educational expenses by any tuition and fees deduction you claimed on Form 1040, line 34.

TIP *You may be able to take a credit for your educational expenses instead of a deduction. See Form 8863 for details.*

Line 22

Tax Preparation Fees

Enter the fees you paid for preparation of your tax return, including fees paid for filing your return electronically. If you paid your tax by credit card, do not include the convenience fee you were charged.

Line 23

Other Expenses

Enter the total amount you paid to produce or collect taxable income and manage or protect property held for earning income. But do not include any personal expenses. List the type and amount of each expense on the dotted lines next to line 23. If you need more space, attach a statement showing the type and amount of each expense. Enter one total on line 23.

Examples of expenses to include on line 23 are:

- Certain legal and accounting fees.
- Clerical help and office rent.
- Custodial (for example, trust account) fees.
- Your share of the investment expenses of a regulated investment company.
- Certain losses on nonfederally insured deposits in an insolvent or bankrupt financial institution. For details, including limits that apply, see Pub. 529.
- Casualty and theft losses of property used in performing services as an employee from Form 4684, lines 32 and 38b, or Form 4797, line 18a.
- Deduction for repayment of amounts under a claim of right if $3,000 or less.

Other Miscellaneous Deductions

Line 28

Only the expenses listed next can be deducted on this line. List the type and amount of each expense on the dotted lines next to line 28. If you need more space, attach a statement showing the type and amount of each expense. Enter one total on line 28.

- Gambling losses, but only to the extent of gambling winnings reported on Form 1040, line 21.
- Casualty and theft losses of income-producing property from Form 4684, lines 32 and 38b, or Form 4797, line 18a.
- Loss from other activities from Schedule K-1 (Form 1065-B), box 2.
- Federal estate tax on income in respect of a decedent.
- Amortizable bond premium on bonds acquired before October 23, 1986.
- Deduction for repayment of amounts under a claim of right if over $3,000. See Pub. 525 for details.
- Certain unrecovered investment in a pension.
- Impairment-related work expenses of a disabled person.

For more details, see Pub. 529.

Total Itemized Deductions

Line 29

Use the worksheet below to figure the amount to enter on line 29 if the amount on Form 1040, line 38, is over $156,400 ($78,200 if married filing separately).

Line 30

If you elect to itemize for state tax or other purposes even though your itemized deductions are less than your standard deduction, check the box on line 30.

Itemized Deductions Worksheet—Line 29

Keep for Your Records

1. Enter the total of the amounts from Schedule A, lines 4, 9, 15, 19, 20, 27, and 28 . . . . . **1.** ______

2. Enter the total of the amounts from Schedule A, lines 4, 14, and 20, plus any gambling and casualty or theft losses included on line 28 . . . . . **2.** ______

CAUTION Be sure your total gambling and casualty or theft losses are clearly identified on the dotted lines next to line 28.

3. Is the amount on line 2 less than the amount on line 1?

☐ **No.** STOP Your deduction is not limited. Enter the amount from line 1 above on Schedule A, line 29.

☐ **Yes.** Subtract line 2 from line 1 . . . . . **3.** ______

4. Multiply line 3 by 80% (.80) . . . . . **4.** ______

5. Enter the amount from Form 1040, line 38 . . . . . **5.** ______

6. Enter $156,400 ($78,200 if married filing separately) . . . . . **6.** ______

7. Is the amount on line 6 less than the amount on line 5?

☐ **No.** STOP Your deduction is not limited. Enter the amount from line 1 above on Schedule A, line 29.

☐ **Yes.** Subtract line 6 from line 5 . . . . . **7.** ______

8. Multiply line 7 by 3% (.03) . . . . . **8.** ______

9. Enter the **smaller** of line 4 or line 8 . . . . . **9.** ______

10. Divide line 9 by 3.0 . . . . . **10.** ______

11. Subtract line 10 from line 9 . . . . . **11.** ______

12. **Total itemized deductions.** Subtract line 11 from line 1. Enter the result here and on Schedule A, line 29 . . . . . **12.** ______

2007 Optional State and Certain Local Sales Tax Tables

Exemptions: 1, 2, 3, 4, 5, Over 5

Alabama 4.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	199	249	283	311	335	368
20,000	30,000	300	374	425	466	501	550
30,000	40,000	351	436	496	543	583	641
40,000	50,000	395	490	556	609	654	717
50,000	60,000	434	538	610	668	716	786
60,000	70,000	469	581	659	721	773	848
70,000	80,000	503	622	705	771	827	906
80,000	90,000	534	660	748	818	876	960
90,000	100,000	564	696	788	862	923	1011
100,000	120,000	603	744	842	919	985	1078
120,000	140,000	657	809	915	999	1070	1170
140,000	160,000	704	866	979	1068	1144	1251
160,000	180,000	751	923	1043	1138	1217	1331
180,000	200,000	794	975	1101	1200	1284	1403
200,000 or more		1010	1236	1392	1515	1619	1766

Arizona 5.6000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	208	245	270	289	304	326
20,000	30,000	345	406	446	478	504	540
30,000	40,000	417	491	539	577	608	651
40,000	50,000	480	565	621	664	699	749
50,000	60,000	538	632	695	743	782	838
60,000	70,000	591	694	763	815	859	919
70,000	80,000	642	753	828	885	932	997
80,000	90,000	689	809	888	950	1000	1070
90,000	100,000	735	862	946	1011	1065	1140
100,000	120,000	795	932	1023	1094	1151	1232
120,000	140,000	879	1030	1130	1208	1271	1360
140,000	160,000	953	1116	1225	1309	1377	1473
160,000	180,000	1027	1203	1320	1410	1484	1587
180,000	200,000	1095	1283	1407	1502	1581	1691
200,000 or more		1443	1688	1850	1974	2077	2219

Arkansas 6.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	310	376	421	456	485	526
20,000	30,000	486	587	656	710	755	819
30,000	40,000	576	694	775	838	891	966
40,000	50,000	652	786	877	948	1008	1091
50,000	60,000	721	868	968	1046	1111	1204
60,000	70,000	783	942	1051	1135	1206	1306
70,000	80,000	842	1013	1129	1220	1295	1402
80,000	90,000	897	1078	1201	1297	1378	1491
90,000	100,000	949	1140	1270	1371	1456	1575
100,000	120,000	1017	1221	1360	1468	1558	1686
120,000	140,000	1111	1333	1483	1601	1699	1837
140,000	160,000	1193	1430	1591	1717	1822	1969
160,000	180,000	1275	1527	1699	1832	1944	2101
180,000	200,000	1349	1615	1796	1937	2054	2220
200,000 or more		1719	2053	2279	2456	2603	2811

California[1] 7.2500%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	248	292	321	344	363	389
20,000	30,000	413	486	534	572	603	645
30,000	40,000	501	588	647	692	729	780
40,000	50,000	577	678	745	797	839	899
50,000	60,000	647	760	835	892	940	1006
60,000	70,000	712	835	917	981	1033	1105
70,000	80,000	774	907	996	1065	1121	1200
80,000	90,000	831	975	1070	1144	1204	1288
90,000	100,000	887	1039	1141	1219	1283	1373
100,000	120,000	960	1125	1235	1319	1388	1485
120,000	140,000	1062	1244	1365	1458	1535	1641
140,000	160,000	1153	1350	1481	1581	1664	1779
160,000	180,000	1244	1456	1597	1705	1794	1918
180,000	200,000	1328	1553	1703	1818	1913	2045
200,000 or more		1755	2050	2246	2396	2520	2692

Colorado 2.9000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	95	113	124	134	141	152
20,000	30,000	156	185	204	219	231	248
30,000	40,000	188	223	246	264	278	299
40,000	50,000	217	256	282	302	319	343
50,000	60,000	242	286	315	338	357	383
60,000	70,000	266	314	346	371	391	419
70,000	80,000	289	340	375	402	424	454
80,000	90,000	310	365	402	431	454	487
90,000	100,000	330	389	428	459	484	519
100,000	120,000	357	420	463	496	522	560
120,000	140,000	394	464	511	547	576	618
140,000	160,000	428	503	553	592	624	669
160,000	180,000	461	542	596	638	672	720
180,000	200,000	491	578	635	679	716	767
200,000 or more		648	760	834	892	939	1005

Connecticut 6.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	210	241	261	277	290	307
20,000	30,000	348	399	433	458	479	508
30,000	40,000	421	482	522	553	578	612
40,000	50,000	484	554	600	635	664	703
50,000	60,000	541	619	671	710	741	785
60,000	70,000	594	679	735	778	813	861
70,000	80,000	644	736	797	843	880	933
80,000	90,000	690	789	854	903	944	999
90,000	100,000	735	840	909	961	1004	1063
100,000	120,000	793	907	981	1037	1083	1147
120,000	140,000	875	999	1081	1143	1193	1263
140,000	160,000	946	1081	1168	1235	1290	1365
160,000	180,000	1018	1162	1256	1328	1387	1467
180,000	200,000	1083	1236	1336	1412	1474	1560
200,000 or more		1412	1610	1739	1837	1917	2028

District of Columbia 5.7500%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	176	204	223	238	250	266
20,000	30,000	292	339	370	393	413	440
30,000	40,000	354	410	447	475	498	531
40,000	50,000	408	472	514	546	573	610
50,000	60,000	456	528	575	611	641	682
60,000	70,000	501	580	631	671	703	748
70,000	80,000	544	629	685	728	763	811
80,000	90,000	585	675	735	781	818	870
90,000	100,000	623	719	783	832	871	927
100,000	120,000	674	778	847	899	942	1001
120,000	140,000	744	859	935	992	1039	1105
140,000	160,000	807	931	1012	1074	1125	1196
160,000	180,000	870	1003	1090	1157	1212	1288
180,000	200,000	927	1068	1161	1232	1291	1371
200,000 or more		1219	1403	1523	1616	1691	1796

Florida 6.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	217	261	290	314	333	360
20,000	30,000	355	426	474	511	542	585
30,000	40,000	428	512	570	614	651	703
40,000	50,000	491	588	653	703	746	805
50,000	60,000	549	656	728	785	831	897
60,000	70,000	602	719	798	859	911	982
70,000	80,000	653	779	864	931	986	1063
80,000	90,000	700	835	926	997	1056	1139
90,000	100,000	745	888	985	1061	1123	1211
100,000	120,000	805	959	1064	1145	1212	1306
120,000	140,000	888	1058	1172	1261	1335	1438
140,000	160,000	962	1145	1268	1364	1444	1555
160,000	180,000	1036	1232	1365	1468	1553	1672
180,000	200,000	1104	1312	1453	1562	1652	1779
200,000 or more		1449	1719	1901	2042	2158	2322

Georgia 4.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	143	168	184	197	207	221
20,000	30,000	235	274	301	321	338	361
30,000	40,000	283	330	362	386	406	434
40,000	50,000	324	379	415	443	466	497
50,000	60,000	363	423	463	494	520	555
60,000	70,000	398	464	508	542	569	608
70,000	80,000	431	503	550	587	617	658
80,000	90,000	462	539	590	629	661	706
90,000	100,000	492	574	628	669	703	751
100,000	120,000	532	620	678	723	759	810
120,000	140,000	587	684	748	797	837	893
140,000	160,000	636	740	810	863	906	967
160,000	180,000	685	797	872	928	975	1040
180,000	200,000	730	849	928	988	1038	1107
200,000 or more		958	1114	1216	1295	1359	1449

Hawaii 4.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	232	284	320	348	371	405
20,000	30,000	359	438	493	536	572	622
30,000	40,000	424	516	580	630	672	731
40,000	50,000	478	582	654	710	757	823
50,000	60,000	528	641	720	781	833	906
60,000	70,000	572	695	780	846	902	980
70,000	80,000	614	746	836	907	966	1051
80,000	90,000	653	792	888	963	1026	1115
90,000	100,000	690	837	937	1017	1083	1177
100,000	120,000	738	895	1002	1087	1157	1257
120,000	140,000	805	974	1091	1182	1259	1367
140,000	160,000	863	1044	1168	1266	1347	1463
160,000	180,000	920	1113	1245	1349	1435	1558
180,000	200,000	972	1175	1314	1423	1515	1644
200,000 or more		1232	1485	1658	1794	1908	2069

Idaho 6.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	300	373	423	464	498	546
20,000	30,000	457	566	642	702	753	825
30,000	40,000	537	663	752	821	880	964
40,000	50,000	605	747	845	923	989	1082
50,000	60,000	666	821	929	1014	1086	1188
60,000	70,000	721	889	1005	1097	1174	1284
70,000	80,000	774	953	1077	1175	1257	1374
80,000	90,000	823	1012	1143	1247	1334	1458
90,000	100,000	869	1068	1206	1315	1407	1537
100,000	120,000	931	1143	1290	1406	1503	1642
120,000	140,000	1015	1245	1404	1529	1635	1785
140,000	160,000	1089	1334	1504	1638	1750	1910
160,000	180,000	1163	1424	1604	1746	1865	2035
180,000	200,000	1231	1505	1694	1844	1969	2147
200,000 or more		1570	1912	2149	2335	2491	2712

Illinois 6.2500%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	246	292	323	346	366	394
20,000	30,000	400	474	523	561	592	636
30,000	40,000	480	568	627	672	710	762
40,000	50,000	550	650	717	769	812	872
50,000	60,000	613	725	799	857	905	971
60,000	70,000	671	793	875	938	989	1062
70,000	80,000	727	858	946	1014	1070	1149
80,000	90,000	779	919	1013	1086	1146	1229
90,000	100,000	828	977	1077	1154	1218	1306
100,000	120,000	894	1054	1162	1245	1313	1408
120,000	140,000	985	1161	1279	1370	1445	1550
140,000	160,000	1065	1255	1382	1480	1561	1674
160,000	180,000	1146	1350	1486	1591	1678	1799
180,000	200,000	1219	1436	1581	1692	1784	1913
200,000 or more		1595	1875	2063	2207	2326	2492

Indiana 6.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	230	272	301	322	340	365
20,000	30,000	373	440	485	519	548	588
30,000	40,000	447	527	580	621	655	702
40,000	50,000	511	602	662	709	748	802
50,000	60,000	569	670	737	789	831	891
60,000	70,000	622	732	805	862	908	973
70,000	80,000	673	791	870	931	981	1051
80,000	90,000	720	846	930	995	1049	1123
90,000	100,000	765	899	988	1056	1113	1192
100,000	120,000	824	968	1064	1137	1198	1283
120,000	140,000	906	1064	1169	1249	1316	1409
140,000	160,000	979	1148	1261	1348	1419	1519
160,000	180,000	1051	1232	1353	1446	1523	1630
180,000	200,000	1117	1309	1437	1536	1617	1730
200,000 or more		1450	1697	1861	1987	2091	2236

Iowa 5.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	208	245	269	288	304	325
20,000	30,000	340	399	438	468	493	528
30,000	40,000	408	478	525	561	591	632
40,000	50,000	467	547	601	642	675	723
50,000	60,000	520	609	669	714	752	804
60,000	70,000	569	666	731	781	821	878
70,000	80,000	616	720	790	843	888	949
80,000	90,000	659	771	845	902	949	1015
90,000	100,000	700	818	897	958	1008	1077
100,000	120,000	754	882	966	1031	1085	1160
120,000	140,000	829	969	1062	1133	1191	1273
140,000	160,000	895	1045	1145	1222	1285	1373
160,000	180,000	961	1122	1229	1311	1379	1473
180,000	200,000	1021	1191	1305	1392	1463	1563
200,000 or more		1323	1541	1686	1798	1889	2017

Kansas 5.3000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	287	352	398	434	464	507
20,000	30,000	443	543	612	666	711	776
30,000	40,000	522	638	719	782	835	910
40,000	50,000	589	720	810	881	940	1025
50,000	60,000	650	793	891	969	1034	1127
60,000	70,000	705	859	965	1049	1119	1219
70,000	80,000	756	921	1035	1124	1199	1306
80,000	90,000	804	979	1099	1194	1273	1386
90,000	100,000	849	1033	1160	1259	1343	1462
100,000	120,000	909	1105	1240	1346	1435	1561
120,000	140,000	991	1203	1349	1464	1560	1697
140,000	160,000	1062	1288	1444	1567	1670	1816
160,000	180,000	1133	1374	1539	1670	1779	1933
180,000	200,000	1197	1450	1625	1762	1877	2039
200,000 or more		1517	1833	2050	2220	2363	2565

Kentucky 6.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	218	257	283	303	320	343
20,000	30,000	352	415	456	488	514	551
30,000	40,000	422	497	546	584	616	659
40,000	50,000	483	568	624	668	703	753
50,000	60,000	539	633	695	743	783	838
60,000	70,000	590	692	760	813	856	916
70,000	80,000	638	749	822	879	925	990
80,000	90,000	684	802	880	941	990	1060
90,000	100,000	727	852	935	999	1052	1126
100,000	120,000	784	919	1009	1078	1134	1213
120,000	140,000	864	1012	1110	1186	1248	1334
140,000	160,000	934	1094	1200	1281	1348	1441
160,000	180,000	1005	1176	1290	1377	1449	1549
180,000	200,000	1070	1251	1372	1464	1540	1647
200,000 or more		1399	1634	1790	1909	2007	2144

Louisiana 4.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	160	186	203	217	227	243
20,000	30,000	263	306	334	356	373	398
30,000	40,000	317	368	402	428	449	479
40,000	50,000	364	423	461	491	515	549
50,000	60,000	407	472	515	548	575	613
60,000	70,000	446	517	564	600	630	671
70,000	80,000	483	561	611	650	682	726
80,000	90,000	518	601	655	697	731	778
90,000	100,000	551	639	697	741	777	827
100,000	120,000	596	690	752	800	839	893
120,000	140,000	656	760	828	880	923	983
140,000	160,000	710	822	895	952	998	1062
160,000	180,000	764	884	963	1023	1073	1142
180,000	200,000	813	940	1024	1088	1141	1214
200,000 or more		1061	1226	1334	1417	1485	1579

Maine 5.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	145	171	188	202	213	228
20,000	30,000	241	284	312	334	352	377
30,000	40,000	292	343	377	403	425	455
40,000	50,000	337	395	434	464	489	523
50,000	60,000	378	443	487	520	548	586
60,000	70,000	416	487	535	571	602	644
70,000	80,000	452	529	581	621	653	699
80,000	90,000	486	569	624	667	702	750
90,000	100,000	518	607	665	711	748	800
100,000	120,000	561	657	720	769	809	865
120,000	140,000	621	727	797	851	895	957
140,000	160,000	675	789	865	923	971	1038
160,000	180,000	729	852	933	996	1047	1119
180,000	200,000	778	909	996	1062	1117	1194
200,000 or more		1032	1203	1317	1404	1476	1576

Maryland 5.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	186	218	239	256	269	288
20,000	30,000	308	361	396	423	445	475
30,000	40,000	372	436	478	510	537	574
40,000	50,000	428	501	549	586	617	659
50,000	60,000	479	560	614	656	690	737
60,000	70,000	526	615	674	719	756	808
70,000	80,000	571	667	731	780	820	876
80,000	90,000	612	716	784	836	880	940
90,000	100,000	652	762	835	890	936	1000
100,000	120,000	705	823	902	962	1012	1081
120,000	140,000	778	908	995	1061	1116	1192
140,000	160,000	842	984	1077	1149	1208	1290
160,000	180,000	907	1059	1160	1237	1300	1388
180,000	200,000	966	1128	1235	1317	1384	1478
200,000 or more		1267	1477	1616	1723	1811	1932

Massachusetts 5.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	161	187	204	217	228	242
20,000	30,000	266	308	336	358	375	399
30,000	40,000	322	372	406	431	452	481
40,000	50,000	370	428	467	496	520	553
50,000	60,000	415	479	522	555	581	619
60,000	70,000	455	527	573	609	638	679
70,000	80,000	494	571	622	661	692	736
80,000	90,000	531	613	668	709	743	790
90,000	100,000	566	654	711	755	791	841
100,000	120,000	612	707	769	816	855	909
120,000	140,000	677	781	849	901	944	1003
140,000	160,000	734	846	920	977	1023	1087
160,000	180,000	792	912	992	1052	1102	1171
180,000	200,000	844	973	1057	1121	1174	1247
200,000 or more		1113	1280	1390	1474	1543	1638

Michigan 6.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	224	261	286	305	320	341
20,000	30,000	373	434	474	505	531	566
30,000	40,000	452	525	574	611	641	683
40,000	50,000	520	605	660	703	738	786
50,000	60,000	583	677	739	787	826	880
60,000	70,000	640	744	812	864	907	966
70,000	80,000	695	807	881	938	984	1049
80,000	90,000	747	867	946	1007	1057	1126
90,000	100,000	796	924	1008	1073	1126	1199
100,000	120,000	861	1000	1091	1160	1218	1297
120,000	140,000	952	1105	1205	1282	1345	1432
140,000	160,000	1032	1198	1306	1389	1457	1552
160,000	180,000	1113	1291	1408	1498	1571	1672
180,000	200,000	1187	1376	1501	1596	1674	1782
200,000 or more		1565	1812	1975	2099	2201	2343

Minnesota 6.5000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	209	241	262	278	292	310
20,000	30,000	354	408	443	469	491	522
30,000	40,000	431	496	538	570	597	633
40,000	50,000	498	573	621	658	689	731
50,000	60,000	560	643	697	739	773	820
60,000	70,000	616	707	767	813	850	902
70,000	80,000	670	769	834	883	924	980
80,000	90,000	721	827	896	949	993	1053
90,000	100,000	769	882	956	1012	1059	1122
100,000	120,000	833	955	1035	1096	1146	1215
120,000	140,000	922	1057	1145	1212	1267	1343
140,000	160,000	1000	1146	1242	1314	1374	1456
160,000	180,000	1079	1236	1339	1417	1481	1570
180,000	200,000	1151	1318	1428	1511	1579	1673
200,000 or more		1518	1736	1878	1987	2076	2198

Mississippi 7.0000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	387	473	533	579	619	674
20,000	30,000	598	729	819	890	950	1034
30,000	40,000	704	857	963	1045	1115	1213
40,000	50,000	795	967	1085	1178	1255	1365
50,000	60,000	877	1065	1194	1296	1381	1501
60,000	70,000	950	1154	1293	1403	1495	1624
70,000	80,000	1020	1237	1386	1503	1601	1740
80,000	90,000	1085	1315	1472	1597	1700	1847
90,000	100,000	1146	1388	1554	1685	1794	1948
100,000	120,000	1226	1484	1661	1800	1916	2081
120,000	140,000	1336	1616	1808	1958	2084	2262
140,000	160,000	1432	1731	1935	2096	2230	2420
160,000	180,000	1528	1845	2062	2233	2376	2577
180,000	200,000	1614	1948	2177	2356	2506	2719
200,000 or more		2045	2461	2746	2970	3156	3420

Missouri 4.2250%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	160	194	218	236	252	274
20,000	30,000	255	309	346	375	399	433
30,000	40,000	304	368	412	446	474	514
40,000	50,000	347	419	469	507	540	585
50,000	60,000	386	466	520	563	598	649
60,000	70,000	421	508	568	614	652	707
70,000	80,000	455	549	612	662	704	762
80,000	90,000	487	586	654	707	751	814
90,000	100,000	517	622	694	750	797	863
100,000	120,000	557	670	747	807	857	927
120,000	140,000	612	736	820	885	940	1017
140,000	160,000	661	794	884	955	1013	1096
160,000	180,000	710	852	949	1024	1087	1175
180,000	200,000	755	905	1007	1087	1153	1247
200,000 or more		983	1175	1305	1407	1491	1610

Nebraska 5.5000%

Income: At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	230	266	290	307	322	342
20,000	30,000	381	439	478	507	531	564
30,000	40,000	459	530	576	611	640	680
40,000	50,000	527	608	661	701	734	780
50,000	60,000	589	679	738	783	820	870
60,000	70,000	646	744	809	858	898	954
70,000	80,000	700	806	876	929	972	1033
80,000	90,000	750	864	938	995	1042	1106
90,000	100,000	798	919	998	1058	1108	1176
100,000	120,000	861	992	1077	1142	1195	1269
120,000	140,000	949	1092	1186	1257	1316	1397
140,000	160,000	1026	1180	1281	1359	1422	1509
160,000	180,000	1103	1269	1377	1460	1528	1621
180,000	200,000	1173	1349	1464	1552	1624	1723
200,000 or more		1527	1755	1904	2017	2110	2238

(Continued on next page)

2007 Optional State and Certain Local Sales Tax Tables *(Continued)*

Nevada[2] 6.5000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	242	281	307	327	343	366
20,000	30,000	398	462	504	536	563	600
30,000	40,000	479	557	607	646	678	722
40,000	50,000	551	639	697	742	778	829
50,000	60,000	616	714	779	829	870	926
60,000	70,000	676	784	855	909	953	1015
70,000	80,000	733	850	927	985	1033	1100
80,000	90,000	786	911	994	1057	1108	1180
90,000	100,000	837	970	1058	1125	1180	1256
100,000	120,000	905	1049	1143	1215	1274	1356
120,000	140,000	999	1157	1261	1341	1406	1496
140,000	160,000	1082	1253	1366	1452	1522	1619
160,000	180,000	1166	1350	1471	1563	1639	1743
180,000	200,000	1243	1438	1566	1665	1745	1856
200,000 or more		1633	1888	2055	2183	2288	2433

New Jersey[4] 7.0000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	252	290	315	334	350	371
20,000	30,000	416	478	518	549	575	610
30,000	40,000	501	576	624	662	692	734
40,000	50,000	576	661	716	759	793	842
50,000	60,000	643	737	799	847	885	939
60,000	70,000	705	808	876	927	969	1028
70,000	80,000	763	875	948	1004	1049	1112
80,000	90,000	818	937	1015	1075	1124	1191
90,000	100,000	870	997	1080	1143	1194	1266
100,000	120,000	939	1075	1164	1232	1288	1365
120,000	140,000	1034	1184	1282	1356	1417	1501
140,000	160,000	1118	1279	1385	1465	1531	1621
160,000	180,000	1202	1375	1488	1574	1644	1742
180,000	200,000	1278	1461	1581	1672	1747	1850
200,000 or more		1663	1899	2053	2170	2266	2399

New Mexico 5.0000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	223	259	282	300	315	335
20,000	30,000	367	425	463	493	517	550
30,000	40,000	442	512	558	593	622	662
40,000	50,000	507	587	639	680	713	758
50,000	60,000	566	655	713	758	795	845
60,000	70,000	620	717	781	830	870	926
70,000	80,000	671	776	846	898	942	1001
80,000	90,000	719	832	905	962	1008	1072
90,000	100,000	765	884	962	1022	1071	1139
100,000	120,000	825	954	1038	1102	1155	1228
120,000	140,000	908	1049	1142	1213	1271	1351
140,000	160,000	981	1133	1233	1310	1372	1459
160,000	180,000	1055	1218	1325	1407	1474	1567
180,000	200,000	1121	1294	1408	1495	1566	1665
200,000 or more		1456	1680	1826	1938	2030	2157

New York 4.0000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	144	166	180	191	200	212
20,000	30,000	238	274	297	315	329	349
30,000	40,000	287	330	358	379	397	421
40,000	50,000	330	379	411	435	455	482
50,000	60,000	369	423	459	486	508	538
60,000	70,000	404	464	502	532	556	590
70,000	80,000	438	502	544	576	602	638
80,000	90,000	470	538	583	617	645	684
90,000	100,000	500	572	620	656	686	727
100,000	120,000	539	618	669	708	740	784
120,000	140,000	594	680	736	779	814	862
140,000	160,000	643	735	796	842	879	932
160,000	180,000	691	790	855	904	945	1001
180,000	200,000	735	840	909	961	1004	1064
200,000 or more		956	1092	1181	1248	1304	1380

North Carolina 4.2500%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	171	202	223	239	252	271
20,000	30,000	278	328	362	388	409	439
30,000	40,000	334	394	434	465	490	526
40,000	50,000	383	451	496	531	560	601
50,000	60,000	427	502	553	592	624	669
60,000	70,000	467	549	605	647	682	731
70,000	80,000	505	594	654	700	737	790
80,000	90,000	541	636	699	748	789	845
90,000	100,000	575	676	743	795	838	898
100,000	120,000	620	728	801	857	903	967
120,000	140,000	682	801	880	942	992	1062
140,000	160,000	737	865	951	1016	1071	1146
160,000	180,000	792	929	1021	1091	1149	1231
180,000	200,000	842	987	1084	1159	1221	1307
200,000 or more		1094	1282	1407	1503	1582	1692

North Dakota 5.0000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	183	218	242	260	275	296
20,000	30,000	302	358	396	425	449	483
30,000	40,000	364	431	476	511	540	581
40,000	50,000	418	495	547	587	620	666
50,000	60,000	468	553	611	655	692	743
60,000	70,000	513	607	670	718	758	814
70,000	80,000	557	658	726	778	822	882
80,000	90,000	598	706	778	834	881	945
90,000	100,000	637	752	829	888	937	1006
100,000	120,000	689	812	895	959	1012	1086
120,000	140,000	761	897	988	1058	1116	1197
140,000	160,000	825	972	1070	1145	1208	1295
160,000	180,000	890	1047	1152	1233	1300	1394
180,000	200,000	948	1115	1227	1313	1385	1484
200,000 or more		1250	1467	1611	1723	1815	1944

Ohio 5.5000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	222	256	279	296	310	330
20,000	30,000	367	423	460	489	512	544
30,000	40,000	442	511	555	589	617	656
40,000	50,000	509	587	638	677	709	753
50,000	60,000	569	656	713	756	792	841
60,000	70,000	624	719	781	829	868	922
70,000	80,000	676	779	847	898	940	999
80,000	90,000	725	836	908	963	1008	1071
90,000	100,000	772	889	966	1025	1073	1139
100,000	120,000	834	960	1043	1106	1158	1229
120,000	140,000	920	1059	1150	1219	1276	1355
140,000	160,000	996	1146	1244	1319	1380	1465
160,000	180,000	1072	1233	1338	1419	1484	1575
180,000	200,000	1141	1312	1424	1509	1579	1676
200,000 or more		1491	1713	1858	1969	2059	2185

Oklahoma 4.5000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	222	271	305	332	355	386
20,000	30,000	349	426	479	520	555	604
30,000	40,000	414	505	567	616	656	714
40,000	50,000	471	573	643	698	744	809
50,000	60,000	521	634	711	772	822	894
60,000	70,000	568	690	773	839	894	972
70,000	80,000	612	743	833	903	962	1045
80,000	90,000	653	792	888	962	1025	1113
90,000	100,000	692	839	940	1019	1085	1178
100,000	120,000	744	901	1009	1093	1164	1264
120,000	140,000	816	987	1104	1196	1273	1381
140,000	160,000	879	1062	1188	1286	1369	1485
160,000	180,000	942	1138	1272	1377	1464	1588
180,000	200,000	999	1206	1348	1459	1551	1682
200,000 or more		1291	1553	1732	1872	1989	2154

Pennsylvania 6.0000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	199	229	248	263	275	292
20,000	30,000	335	384	416	441	461	489
30,000	40,000	406	466	505	535	559	593
40,000	50,000	469	538	583	617	645	684
50,000	60,000	526	603	653	692	723	766
60,000	70,000	579	663	718	760	795	842
70,000	80,000	629	721	780	826	863	914
80,000	90,000	676	774	838	887	927	982
90,000	100,000	721	825	893	945	988	1046
100,000	120,000	781	893	967	1023	1068	1132
120,000	140,000	863	987	1068	1130	1180	1250
140,000	160,000	936	1070	1158	1225	1279	1354
160,000	180,000	1010	1154	1248	1320	1378	1459
180,000	200,000	1077	1230	1330	1406	1468	1554
200,000 or more		1417	1616	1747	1846	1927	2038

Rhode Island 7.0000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	243	277	298	314	327	346
20,000	30,000	406	460	495	522	544	574
30,000	40,000	491	556	599	631	657	693
40,000	50,000	565	640	689	726	756	797
50,000	60,000	633	717	771	812	846	892
60,000	70,000	695	787	846	891	928	978
70,000	80,000	754	854	918	967	1006	1061
80,000	90,000	809	916	985	1037	1080	1138
90,000	100,000	862	976	1049	1104	1150	1212
100,000	120,000	932	1054	1134	1193	1242	1309
120,000	140,000	1029	1164	1251	1317	1370	1444
140,000	160,000	1114	1260	1354	1425	1483	1563
160,000	180,000	1200	1357	1458	1534	1596	1682
180,000	200,000	1278	1444	1552	1633	1699	1790
200,000 or more		1674	1890	2030	2136	2221	2339

South Carolina[3] 5.5863%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	243	291	323	348	369	399
20,000	30,000	393	469	521	560	594	640
30,000	40,000	471	561	622	670	709	764
40,000	50,000	538	640	710	764	808	871
50,000	60,000	598	712	789	849	898	968
60,000	70,000	654	778	862	927	980	1056
70,000	80,000	706	840	930	1000	1058	1140
80,000	90,000	755	898	994	1069	1131	1217
90,000	100,000	802	953	1055	1134	1200	1291
100,000	120,000	864	1026	1135	1220	1291	1389
120,000	140,000	949	1127	1246	1339	1416	1524
140,000	160,000	1024	1215	1344	1443	1526	1642
160,000	180,000	1099	1304	1441	1548	1636	1760
180,000	200,000	1167	1384	1529	1642	1736	1867
200,000 or more		1511	1788	1974	2119	2238	2405

South Dakota 4.0000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	222	271	306	333	356	388
20,000	30,000	343	419	471	512	547	595
30,000	40,000	405	493	554	602	642	699
40,000	50,000	457	556	625	678	723	787
50,000	60,000	504	613	688	747	796	866
60,000	70,000	547	664	745	809	862	937
70,000	80,000	587	712	799	867	924	1004
80,000	90,000	624	757	849	921	981	1066
90,000	100,000	659	799	896	972	1035	1125
100,000	120,000	705	855	958	1038	1106	1202
120,000	140,000	769	931	1043	1130	1203	1307
140,000	160,000	824	998	1116	1210	1288	1398
160,000	180,000	880	1064	1190	1289	1372	1489
180,000	200,000	930	1123	1256	1360	1448	1571
200,000 or more		1178	1420	1586	1716	1824	1978

Tennessee 7.0000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	358	438	493	537	573	625
20,000	30,000	557	679	763	829	884	962
30,000	40,000	658	801	899	976	1040	1132
40,000	50,000	745	905	1015	1101	1174	1276
50,000	60,000	822	998	1119	1213	1293	1405
60,000	70,000	893	1083	1213	1315	1401	1522
70,000	80,000	959	1163	1302	1412	1503	1633
80,000	90,000	1021	1237	1385	1501	1598	1735
90,000	100,000	1080	1307	1463	1585	1687	1832
100,000	120,000	1157	1400	1566	1696	1805	1959
120,000	140,000	1264	1527	1707	1848	1966	2134
140,000	160,000	1357	1638	1830	1981	2107	2286
160,000	180,000	1450	1749	1953	2114	2248	2437
180,000	200,000	1534	1849	2064	2233	2375	2574
200,000 or more		1956	2351	2620	2831	3007	3256

Texas 6.2500%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	252	298	328	352	371	398
20,000	30,000	414	487	537	575	606	650
30,000	40,000	498	586	645	691	728	781
40,000	50,000	571	672	739	791	834	894
50,000	60,000	637	749	824	881	929	995
60,000	70,000	698	820	901	964	1016	1089
70,000	80,000	755	887	975	1043	1099	1178
80,000	90,000	809	950	1044	1116	1176	1260
90,000	100,000	860	1009	1109	1186	1250	1338
100,000	120,000	927	1088	1196	1278	1347	1442
120,000	140,000	1021	1197	1315	1406	1480	1585
140,000	160,000	1103	1293	1420	1517	1598	1710
160,000	180,000	1185	1389	1524	1629	1716	1836
180,000	200,000	1260	1476	1620	1731	1822	1950
200,000 or more		1636	1914	2099	2241	2359	2523

Utah 4.7500%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	226	270	300	323	342	368
20,000	30,000	362	431	477	513	543	585
30,000	40,000	432	513	568	611	646	696
40,000	50,000	492	584	647	695	735	791
50,000	60,000	546	648	717	770	815	876
60,000	70,000	596	707	781	839	887	955
70,000	80,000	643	762	842	905	956	1028
80,000	90,000	687	814	899	965	1020	1097
90,000	100,000	728	862	953	1023	1081	1162
100,000	120,000	783	927	1024	1099	1161	1248
120,000	140,000	859	1016	1122	1203	1271	1366
140,000	160,000	925	1094	1207	1295	1368	1469
160,000	180,000	992	1172	1293	1387	1464	1573
180,000	200,000	1052	1242	1370	1469	1551	1666
200,000 or more		1355	1598	1760	1886	1990	2135

Vermont 6.0000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	158	176	186	195	201	210
20,000	30,000	269	298	316	330	341	356
30,000	40,000	327	363	385	402	415	433
40,000	50,000	379	420	445	465	480	501
50,000	60,000	426	472	501	522	540	563
60,000	70,000	470	520	552	575	595	621
70,000	80,000	511	566	600	626	647	675
80,000	90,000	550	609	646	674	696	727
90,000	100,000	587	650	690	719	743	776
100,000	120,000	637	705	748	780	806	841
120,000	140,000	705	780	828	864	892	931
140,000	160,000	766	848	899	938	969	1011
160,000	180,000	827	915	971	1013	1046	1092
180,000	200,000	883	977	1036	1081	1117	1165
200,000 or more		1169	1292	1371	1429	1476	1540

Virginia[5] 5.0000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	198	239	267	289	307	332
20,000	30,000	315	380	423	457	486	526
30,000	40,000	376	452	504	544	578	625
40,000	50,000	429	515	573	619	657	710
50,000	60,000	476	572	636	687	729	788
60,000	70,000	520	624	694	749	794	858
70,000	80,000	562	673	749	808	857	925
80,000	90,000	600	719	800	862	915	988
90,000	100,000	637	763	848	915	970	1047
100,000	120,000	686	821	913	984	1043	1126
120,000	140,000	754	902	1001	1079	1144	1234
140,000	160,000	814	973	1080	1163	1232	1330
160,000	180,000	874	1044	1158	1247	1321	1425
180,000	200,000	929	1108	1230	1324	1402	1512
200,000 or more		1208	1437	1592	1712	1812	1952

Washington 6.5000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	269	313	342	364	383	408
20,000	30,000	445	517	564	601	631	672
30,000	40,000	536	623	680	724	760	809
40,000	50,000	616	715	780	830	872	929
50,000	60,000	688	799	871	927	973	1036
60,000	70,000	755	875	955	1016	1066	1135
70,000	80,000	818	948	1034	1100	1154	1229
80,000	90,000	876	1016	1108	1178	1236	1316
90,000	100,000	932	1081	1178	1253	1315	1400
100,000	120,000	1006	1166	1271	1352	1418	1510
120,000	140,000	1109	1284	1400	1488	1561	1662
140,000	160,000	1199	1388	1513	1608	1687	1795
160,000	180,000	1289	1492	1626	1729	1813	1929
180,000	200,000	1371	1587	1729	1838	1927	2050
200,000 or more		1785	2064	2247	2388	2503	2662

West Virginia 6.0000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	307	368	410	442	469	507
20,000	30,000	485	579	644	694	735	794
30,000	40,000	575	687	762	821	870	939
40,000	50,000	653	779	864	931	986	1063
50,000	60,000	723	862	956	1029	1090	1175
60,000	70,000	787	937	1039	1119	1184	1277
70,000	80,000	847	1009	1118	1203	1274	1373
80,000	90,000	903	1075	1191	1281	1356	1462
90,000	100,000	956	1138	1261	1356	1435	1546
100,000	120,000	1027	1221	1352	1454	1538	1657
120,000	140,000	1123	1335	1478	1588	1680	1809
140,000	160,000	1208	1435	1587	1706	1805	1943
160,000	180,000	1293	1534	1697	1824	1929	2076
180,000	200,000	1369	1624	1796	1930	2040	2196
200,000 or more		1754	2077	2294	2462	2601	2797

Wisconsin 5.0000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	207	240	261	278	291	310
20,000	30,000	342	395	430	456	478	508
30,000	40,000	412	476	517	549	575	612
40,000	50,000	473	546	593	630	660	701
50,000	60,000	528	609	662	703	736	782
60,000	70,000	578	667	725	770	806	856
70,000	80,000	626	722	785	833	872	927
80,000	90,000	671	774	841	892	934	992
90,000	100,000	714	823	894	948	993	1055
100,000	120,000	770	887	964	1023	1071	1137
120,000	140,000	848	977	1061	1126	1178	1251
140,000	160,000	916	1055	1147	1216	1273	1352
160,000	180,000	985	1134	1232	1306	1367	1452
180,000	200,000	1047	1206	1309	1388	1453	1543
200,000 or more		1362	1566	1700	1802	1886	2001

Wyoming 4.0000%

At least	But less than	1	2	3	4	5	Over 5
$0	$20,000	156	183	201	214	226	242
20,000	30,000	256	300	329	351	370	396
30,000	40,000	309	361	396	423	445	476
40,000	50,000	354	414	454	485	510	545
50,000	60,000	396	463	507	541	569	608
60,000	70,000	434	507	555	593	623	666
70,000	80,000	470	549	601	642	675	721
80,000	90,000	504	588	644	687	723	772
90,000	100,000	536	626	685	731	768	820
100,000	120,000	579	675	739	788	829	885
120,000	140,000	638	744	814	868	912	974
140,000	160,000	690	804	880	938	986	1052
160,000	180,000	743	865	946	1008	1060	1131
180,000	200,000	790	920	1006	1072	1127	1202
200,000 or more		1032	1199	1310	1395	1465	1563

Note. Alaska does not have a state sales tax. Alaska residents should follow the instructions on the next page to determine their local sales tax amount.

1 The California table includes the 1% uniform local sales tax rate in additon to the 6.25% state sales tax rate.
2 The Nevada table includes the 2.25% uniform local sales tax rate in addition to the 4.25% state sales tax rate.
3 The rate for South Carolina increased during 2007, so the rate given is averaged over the year.
4 Residents of Salem County should deduct only half of the amount in the state table.
5 The state and local general sales taxes are combined in the Virginia table.

Which Optional Local Sales Tax Table Should I Use?

IF you live in the state of...	AND you live in...	THEN use Local Table...
Alaska	Any locality	C
Arizona	Any locality	C
Arkansas	Texarkana	B
California	Los Angeles County	B
Colorado	City of Denver	B
	Arvada, Aurora, City of Boulder, Centennial, Colorado Springs, Fort Collins, Greeley, Jefferson County, Lakewood, Longmont, City of Pueblo, Thornton, or Westminster	C
	Boulder County, Denver County, Pueblo County, or any other locality	A
Georgia	DeKalb County, Rockdale County, Taliaferro County, or Webster	B
	Any other locality	C
Illinois	Any locality	C
Louisiana	Any locality	C
New York	New York City, or one of the following counties: Albany, Allegany, Cattaraugus, Cayuga, Chemung, Clinton, Cortland, Erie, Essex, Franklin, Fulton, Genesee, Herkimer, Jefferson, Lewis, Livingston, Madison, Monroe, Montgomery, Nassau, Niagara, Oneida, Onondaga, Ontario, Orange, Orleans, Oswego, Otsego, Putnam, Rensselaer, Rockland, St. Lawrence, Saratoga, Schenectady, Schoharie, Seneca, Steuben, Suffolk, Sullivan, Tompkins, Ulster, Warren, Washington, Westchester, Wyoming, or Yates	B
	Any other locality	D
North Carolina	Any locality	C

2007 Optional Local Sales Tax Tables for Certain Local Jurisdictions

(Based on a local sales tax rate of 1 percent)

Income: At least	Income: But less than	Local Table A: Exemptions 1	2	3	4	5	Over 5	Local Table B: Exemptions 1	2	3	4	5	Over 5
$0	$20,000	33	39	43	46	49	52	40	48	53	57	61	66
20,000	30,000	54	64	70	75	80	86	65	77	86	93	98	106
30,000	40,000	65	77	85	91	96	103	78	93	103	111	117	126
40,000	50,000	75	88	97	104	110	118	89	106	117	126	134	144
50,000	60,000	84	99	109	117	123	132	99	118	130	140	148	160
60,000	70,000	92	108	119	128	135	145	108	129	143	153	162	175
70,000	80,000	100	117	129	139	146	157	117	139	154	165	175	188
80,000	90,000	107	126	139	149	157	168	125	149	165	177	187	201
90,000	100,000	114	134	148	158	167	179	133	158	175	188	199	214
100,000	120,000	123	145	160	171	180	193	143	170	188	202	214	230
120,000	140,000	136	160	176	189	199	213	158	187	207	222	235	252
140,000	160,000	147	173	191	204	215	231	170	202	223	239	253	272
160,000	180,000	159	187	206	220	232	248	183	217	239	257	271	292
180,000	200,000	169	199	219	234	247	264	194	230	254	273	288	310
200,000 or more		223	262	288	308	324	347	252	298	329	352	372	400

Income: At least	Income: But less than	Local Table C: Exemptions 1	2	3	4	5	Over 5	Local Table D: Exemptions 1	2	3	4	5	Over 5
$0	$20,000	53	65	74	80	86	93	36	42	45	48	50	53
20,000	30,000	82	100	112	122	131	142	60	69	74	79	82	87
30,000	40,000	96	117	132	143	153	167	72	83	90	95	99	105
40,000	50,000	108	132	149	161	172	188	83	95	103	109	114	121
50,000	60,000	119	145	163	178	189	206	92	106	115	122	127	135
60,000	70,000	129	157	177	192	205	223	101	116	126	133	139	148
70,000	80,000	139	169	190	206	220	239	110	126	136	144	151	160
80,000	90,000	147	179	201	219	233	254	118	135	146	154	161	171
90,000	100,000	156	189	213	231	246	267	125	143	155	164	172	182
100,000	120,000	167	203	227	247	263	286	135	155	167	177	185	196
120,000	140,000	182	221	247	268	286	311	149	170	184	195	204	216
140,000	160,000	195	237	265	287	306	332	161	184	199	211	220	233
160,000	180,000	208	252	283	306	326	354	173	198	214	226	236	250
180,000	200,000	220	267	298	323	344	374	184	210	227	240	251	266
200,000 or more		280	338	378	409	435	472	239	273	295	312	326	345

Instructions for Schedule B, Interest and Ordinary Dividends

Use Schedule B (Form 1040) if any of the following applies.

- You had over $1,500 of taxable interest.
- Any of the *Special Rules* listed in the instructions for line 1 apply to you.
- You are claiming the exclusion of interest from series EE or I U.S. savings bonds issued after 1989.
- You had over $1,500 of ordinary dividends.
- You received ordinary dividends as a nominee.
- You had a foreign account or you received a distribution from, or were a grantor of, or transferor to, a foreign trust. Part III of the schedule has questions about foreign accounts and trusts.

TIP *You can list more than one payer on each entry space for lines 1 and 5, but be sure to clearly show the amount paid next to the payer's name. Add the separate amounts paid by the payers listed on an entry space and enter the total in the "Amount" column. If you still need more space, attach separate statements that are the same size as the printed schedule. Use the same format as lines 1 and 5, but show your totals on Schedule B. Be sure to put your name and social security number (SSN) on the statements and attach them at the end of your return.*

Part I. Interest

Line 1

Interest

Report on line 1 all of your taxable interest. Interest should be shown on your Forms 1099-INT, Forms 1099-OID, or substitute statements. Include interest from series EE and I U.S. savings bonds. List each payer's name and show the amount.

Special Rules

Seller-Financed Mortgages

If you sold your home or other property and the buyer used the property as a personal residence, list first any interest the buyer paid you on a mortgage or other form of seller financing. Be sure to show the buyer's name, address, and SSN. You must also let the buyer know your SSN. If you do not show the buyer's name, address, and SSN, or let the buyer know your SSN, you may have to pay a $50 penalty.

Nominees

If you received a Form 1099-INT that includes interest you received as a nominee (that is, in your name, but the interest actually belongs to someone else), report the total on line 1. Do this even if you later distributed some or all of this income to others. Under your last entry on line 1, put a subtotal of all interest listed on line 1. Below this subtotal, enter "Nominee Distribution" and show the total interest you received as a nominee. Subtract this amount from the subtotal and enter the result on line 2.

TIP *If you received interest as a nominee, you must give the actual owner a Form 1099-INT unless the owner is your spouse. You must also file a Form 1096 and a Form 1099-INT with the IRS. For more details, see the* General Instructions for Forms 1099, 1098, 5498, and W-2G *and the* Instructions for Forms 1099-INT and 1099-OID.

Accrued Interest

When you buy bonds between interest payment dates and pay accrued interest to the seller, this interest is taxable to the seller. If you received a Form 1099 for interest as a purchaser of a bond with accrued interest, follow the rules earlier under *Nominees* to see how to report the accrued interest on Schedule B. But identify the amount to be subtracted as "Accrued Interest."

Original Issue Discount (OID)

If you are reporting OID in an amount less than the amount shown on Form 1099-OID, follow the rules earlier under *Nominees* to see how to report the OID on Schedule B. But identify the amount to be subtracted as "OID Adjustment."

Amortizable Bond Premium

If you are reducing your interest income on a bond by the amount of amortizable bond premium, follow the rules earlier under *Nominees* to see how to report the interest on Schedule B. But identify the amount to be subtracted as "ABP Adjustment."

Line 3

Excludable Interest on Series EE and I U.S. Savings Bonds Issued After 1989

If, during 2007, you cashed series EE or I U.S. savings bonds issued after 1989 and you paid qualified higher education expenses for yourself, your spouse, or your dependents, you may be able to exclude part or all of the interest on those bonds. See Form 8815 for details.

Part II. Ordinary Dividends

TIP *You may have to file Form 5471 if, in 2007, you were an officer or director of a foreign corporation. You may also have to file Form 5471 if, in 2007, you owned 10% or more of the total (a) value of a foreign corporation's stock, or (b) combined voting power of all classes of a foreign corporation's stock with voting rights. For details, see Form 5471 and its instructions.*

Line 5

Ordinary Dividends

Report on line 5 all of your ordinary dividends. This amount should be shown in box 1a of your Forms 1099-DIV or substitute statements. List each payer's name and show the amount.

Nominees

If you received a Form 1099-DIV that includes ordinary dividends you received as a nominee (that is, in your name, but the ordinary dividends actually belong to someone else), report the total on line 5. Do this even if you later distributed some or all of this income to others. Under your last entry on line 5, put a subtotal of all ordinary dividends listed on line 5. Below this subtotal, enter "Nominee Distribution" and show the total ordinary dividends you received as a nominee. Subtract this amount from the subtotal and enter the result on line 6.

TIP *If you received dividends as a nominee, you must give the actual owner a Form 1099-DIV unless the owner is your spouse. You must also file a Form 1096 and a Form 1099-DIV with the IRS. For more details, see the* General Instructions for Forms 1099, 1098, 5498, and W-2G *and the* Instructions for Form 1099-DIV.

Part III. Foreign Accounts and Trusts

Lines 7a and 7b

Foreign Accounts

Line 7a

Check the "Yes" box on line 7a if either (1) or (2) below applies.

1. You own more than 50% of the stock in any corporation that owns one or more foreign bank accounts.

2. At any time during 2007 you had an interest in or signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account).

TIP *For line 7a, item (2) does not apply to foreign securities held in a U.S. securities account.*

Exceptions. Check the "No" box if any of the following applies to you.

- The combined value of the accounts was $10,000 or less during the whole year.
- The accounts were with a U.S. military banking facility operated by a U.S. financial institution.
- You were an officer or employee of a commercial bank that is supervised by the Comptroller of the Currency, the Board of Governors of the Federal Reserve System, or the Federal Deposit Insurance Corporation; the account was in your employer's name; and you did not have a personal financial interest in the account.
- You were an officer or employee of a domestic corporation with securities listed on national securities exchanges or with assets of more than $10 million and 500 or more shareholders of record; the account was in your employer's name; you did not have a personal financial interest in the account; and the corporation's chief financial officer has given you written notice that the corporation has filed a current report that includes the account.

See Form TD F 90-22.1 to find out if you are considered to have an interest in or signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account). You can get Form TD F 90-22.1 by visiting the IRS website at *www.irs.gov/pub/irs-pdf/f90221.pdf.*

If you checked the "Yes" box on line 7a, file Form TD F 90-22.1 by June 30, 2008, with the Department of the Treasury at the address shown on that form. Do not attach it to Form 1040.

CAUTION *If you are required to file Form TD F 90-22.1 but do not do so, you may have to pay a penalty of up to $10,000 (more in some cases).*

Line 7b

If you checked the "Yes" box on line 7a, enter the name of the foreign country or countries in the space provided on line 7b. Attach a separate statement if you need more space.

Line 8

Foreign Trusts

If you received a distribution from a foreign trust, you must provide additional information. For this purpose, a loan of cash or marketable securities generally is considered to be a distribution. See Form 3520 for details.

If you were the grantor of, or transferor to, a foreign trust that existed during 2007, you may have to file Form 3520.

If you were treated as the owner of a foreign trust under the grantor trust rules, you are also responsible for ensuring that the foreign trust files Form 3520-A. Form 3520-A is due on March 17, 2008, for a calendar year trust. See the instructions for Form 3520-A for more details.