

**SCHEDULE J  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Income Averaging for  
Farmers and Fishermen**

▶ **Attach to Form 1040 or Form 1040NR.**  
▶ **See Instructions for Schedule J (Form 1040).**

OMB No. 1545-0074

**2006**  
Attachment  
Sequence No. **20**

Name(s) shown on return	Social security number (SSN)
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<b>1</b> Enter the taxable income from your <b>2006</b> Form 1040, line 43, or Form 1040NR, line 40 . . . . .	<b>1</b>	
<b>2</b> Enter your <b>elected farm income</b> (see page J-1). <b>Do not</b> enter more than the amount on line 1	<b>2</b>	
<b>3</b> Subtract line 2 from line 1 . . . . .	<b>3</b>	
<b>4</b> Figure the tax on the amount on line 3 using the <b>2006</b> tax rates (see page J-2) . . . . .	<b>4</b>	
<b>5</b> If you used Schedule J to figure your tax for:		
• 2005, enter the amount from your 2005 Schedule J, line 11.	} <b>5</b>	
• 2004 but not 2005, enter the amount from your 2004 Schedule J, line 15.		
• 2003 but not 2004 nor 2005, enter the amount from your 2003 Schedule J, line 3.		
Otherwise, enter the taxable income from your <b>2003</b> Form 1040, line 40; Form 1040A, line 27; Form 1040EZ, line 6; or Form 1040NR, line 38. If zero or less, see page J-2.	<b>6</b>	
<b>6</b> Divide the amount on <b>line 2</b> by 3.0 . . . . .	<b>7</b>	
<b>7</b> Combine lines 5 and 6. If zero or less, enter -0-		
<b>8</b> Figure the tax on the amount on line 7 using the <b>2003</b> tax rates (see page J-3) . . . . .	<b>8</b>	
<b>9</b> If you used Schedule J to figure your tax for:		
• 2005, enter the amount from your 2005 Schedule J, line 15.	} <b>9</b>	
• 2004 but not 2005, enter the amount from your 2004 Schedule J, line 3.		
Otherwise, enter the taxable income from your <b>2004</b> Form 1040, line 42; Form 1040A, line 27; Form 1040EZ, line 6; or Form 1040NR, line 39. If zero or less, see page J-5.		
<b>10</b> Enter the amount from line 6 . . . . .	<b>10</b>	
<b>11</b> Combine lines 9 and 10. If less than zero, enter as a negative amount	<b>11</b>	
<b>12</b> Figure the tax on the amount on line 11 using the <b>2004</b> tax rates (see page J-6) . . . . .	<b>12</b>	
<b>13</b> If you used Schedule J to figure your tax for 2005, enter the amount from your 2005 Schedule J, line 3. Otherwise, enter the taxable income from your <b>2005</b> Form 1040, line 43; Form 1040A, line 27; Form 1040EZ, line 6; or Form 1040NR, line 40. If zero or less, see page J-8 . . . . .	<b>13</b>	
<b>14</b> Enter the amount from line 6 . . . . .	<b>14</b>	
<b>15</b> Combine lines 13 and 14. If less than zero, enter as a negative amount	<b>15</b>	
<b>16</b> Figure the tax on the amount on line 15 using the <b>2005</b> tax rates (see page J-8) . . . . .	<b>16</b>	
<b>17</b> Add lines 4, 8, 12, and 16 . . . . .	<b>17</b>	
<b>18</b> If you used Schedule J to figure your tax for:		
• 2005, enter the amount from your 2005 Schedule J, line 12.	} <b>18</b>	
• 2004 but not 2005, enter the amount from your 2004 Schedule J, line 16.		
• 2003 but not 2004 nor 2005, enter the amount from your 2003 Schedule J, line 4.		
Otherwise, enter the tax from your <b>2003</b> Form 1040, line 41;* Form 1040A, line 28;* Form 1040EZ, line 10; or Form 1040NR, line 39.*		
<b>19</b> If you used Schedule J to figure your tax for:		
• 2005, enter the amount from your 2005 Schedule J, line 16.	} <b>19</b>	
• 2004 but not 2005, enter the amount from your 2004 Schedule J, line 4.		
Otherwise, enter the tax from your <b>2004</b> Form 1040, line 43;* Form 1040A, line 28;* Form 1040EZ, line 10; or Form 1040NR, line 40.*		
<b>20</b> If you used Schedule J to figure your tax for 2005, enter the amount from your 2005 Schedule J, line 4. Otherwise, enter the tax from your <b>2005</b> Form 1040, line 44;* Form 1040A, line 28;* Form 1040EZ, line 10; or Form 1040NR, line 41*	<b>20</b>	
<b>21</b> Add lines 18 through 20 . . . . .	<b>21</b>	
<b>22</b> <b>Tax.</b> Subtract line 21 from line 17. Also include this amount on Form 1040, line 44 or Form 1040NR, line 41 <b>Caution.</b> Your tax may be less if you figure it using the 2006 Tax Table, Tax Computation Worksheet, Qualified Dividends and Capital Gain Tax Worksheet, Schedule D Tax Worksheet, or Foreign Earned Income Tax Worksheet. Attach Schedule J only if you are using it to figure your tax.	<b>22</b>	