### Employer's Annual Federal Unemployment Tax Return—1966

**Schedule A — Computation of Credit Against Federal Unemployment Tax**

<table>
<thead>
<tr>
<th>Name of State</th>
<th>State reporting number or employer's State contribution return</th>
<th>Taxable Payroll (As defined in State act)</th>
<th>Experience rate period</th>
<th>Experience rate</th>
<th>Contributions held (At experience rate)</th>
<th>Contributions payable at experience rate (Column 3 x Column 4)</th>
<th>Additional credit (Column 4 minus Column 3)</th>
<th>Contributions actually paid to State (Column 5)</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
<td>(4)</td>
<td>(5)</td>
<td>(6)</td>
<td>(7)</td>
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<td>(9)</td>
</tr>
<tr>
<td><strong>Totals</strong></td>
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<td>XXX</td>
</tr>
</tbody>
</table>

10. Total tentative credit (Column 8 plus column 9) ...........................................

11. Enter here 2.7% of amount of wages in Item 13 below.

12. Item 10 or 11 whichever is smaller

13. Amount, if any, of wages in Item 15 attributable to the following States:
   a. Alaska .................................. $ ........................................ 
   b. New Jersey .................................. $ .................................. 
   c. West Virginia .................................. $ ..................................
   Total (add amounts from lines a through c) ...........................................

14. Credit allowable (Item 12 less Item 13). Enter here and in Item 17

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**Employers—Do Not Use This Space—Continue Below**

<table>
<thead>
<tr>
<th>State reporting number as shown on employer's State contribution returns</th>
<th>Taxable Payroll (As defined in State act)</th>
<th>Experience rate period</th>
<th>Experience rate</th>
<th>Dates and amounts of contributions actually paid to State after January 31</th>
<th>Contributions actually paid to State before February 1</th>
</tr>
</thead>
<tbody>
<tr>
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</tr>
</tbody>
</table>

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**To The District Director of Internal Revenue:**

I hereby certify that, except as noted above, the records of this office agree with the entries made by the employer in columns (2), (3), (4), (5), and (9) of Schedule A, and that all contributions were paid before February 1.

Name of State Officer ................................................................. Name of State .................................................................

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**Unauthorized Business Postage and Fee Paid**

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**Postmaster:** If undeliverable treat in accordance with Section 369.56 of Postal Manual.

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15. Total taxable wages paid during calendar year (From Schedule B, on other side) ...........................................

16. Gross Federal tax (3.1% of wages in Item 15) ...........................................

17. Less: Credit from Item 14 of Schedule A ...........................................

18. Remainder of tax (Item 16 minus Item 17). Pay to "INTERNAL REVENUE SERVICE".

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete, and that no part of any payment made to a State unemployment fund which is claimed as a credit in Item 17 above was or is to be deducted from the remuneration of employees.

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(Signature) ................................................................. (Date) .................................................................

**Be Sure to Enclose Remittance with This Return**

**File This Form with Your District Director of Internal Revenue Not Later Than January 31, 1967**

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(Form 940)
HOW TO PREPARE SCHEDULE A—COMPUTATION OF CREDIT AGAINST FEDERAL UNEMPLOYMENT TAX

Schedule A should be completely and carefully filled in, in accordance with the numbered items below, in order that the correct amount of credit can be determined. All columns (1 to 9) of this schedule are to be used by taxpayers who have been granted an “experience rate” lower than 2.7 percent by a State for the whole, or part, of the taxable year. If you have been granted an “experience rate,” use columns 1, 2, 3, and 9 only. If you have been granted an “experience rate” higher than 2.7 percent, use columns 1, 2, 3, 4, 5, and 9 only. If a State has granted an experience rate on part of your payroll, that part to which the experience rate does not apply should be entered separately, using columns 1, 2, 3, and 9 for this purpose. If you were granted an “experience rate” for a part of the year only, or your “experience rate” was changed during the year, show in the proper column the period of the year to which each separate rate applied, the payroll, rate of contributions, and required contributions with respect to each such period.

Column 1.—Enter in column 1 the name of the State or States (including Puerto Rico) to which contributions were required to be paid.

Column 2.—Enter in column 2 your State reporting number as shown on your State contribution return. If you had employment in more than one State, enter the reporting number assigned to you by each such State.

Column 3.—Enter in column 3 the taxable payroll on which you are required to pay contributions into the unemployment fund of the State indicated in column 1 or, if you have been granted an “experience rate” of zero, the amount upon which you would have been required to make contributions had such rate not been granted.

Column 4.—Enter in column 4 the period or periods of the year to which the “experience rate” or rates apply.

Column 5.—Enter in column 5 the “experience rate” or rates granted to you by the State or States for the period or periods shown in column 4.

Column 6.—Section 3302(b) of the Federal Unemployment Tax Act requires a determination of the amount of contributions an employer with an “experience rate” would have been required to pay if throughout the taxable year he had been subject to the highest rate applied by the State in the taxable year to any person having individuals in his employ or to a rate of 2.7 percent, whichever rate is lower. For the purpose of this return, the taxpayer should assume that the highest rate applied under the State law in the taxable year was not lower than 2.7 percent and use that rate in computing the amount shown in column 6. If it is determined that the highest rate applied by the State was lower than 2.7 percent, the amount of additional credit computed with respect to such State will be reduced accordingly.

Column 7.—Multiply the payroll in column 3 by the “experience rate” in column 5 and enter the result in column 7.

Column 8.—Subtract the amount in column 7 from the amount in column 6 and enter the difference in column 8.

Column 9.—Enter in column 9 the amount of contributions actually paid into the State funds.

Item 10.—Enter the sum of the totals appearing in columns 8 and 9. Also include the amount of any special credit as explained after Item 13 below.

HOW TO PREPARE SCHEDULE B—COMPUTATION OF TAXABLE WAGES

Line 1.—Total remuneration (including exempt remuneration) PAID during the calendar year for services of employees. Enter in line 1 of Schedule B the total amount of remuneration for services paid to employees during the calendar year, regardless of whether such remuneration is taxable. Such remuneration should include salaries, wages, commissions, fees, bonuses, vacation allowances, salaries and wages paid to temporary or part-time employees, the value of goods, lodging, food and clothing, and all amounts deducted from employees' wages as employee tax or as deductions for other reasons. The basis upon which the remuneration is paid is immaterial in determining whether the remuneration constitutes wages. Thus, it may be paid on the basis of piecework, or a percentage of profits; and it may be paid hourly, daily, weekly, monthly, or annually.

The medium in which the remuneration is paid is also immaterial. It may be paid in cash or in something other than cash, as for example, goods, lodging, food, or clothing. Remuneration paid in other than cash should be computed on the basis of the fair value of such items at the time of payment.

Exempt remuneration.—The terms "wages" and "employment" as defined for Federal unemployment tax purposes do not include every payment of remuneration and every kind of service which an employee may perform. In general, any remuneration which is excluded from "wages" and any remuneration for services which are excluded from "employment," are not included in the total wages subject to the tax. These remuneration payments may be deducted from the total remuneration paid only if they are identified in Schedule B.

Line 2.—Enter in line 2 the approximate number of employees who received more than $10,000 from you during the year and the aggregate amount of the excess above $10,000 paid to all such employees. For example, assume that you had 10 employees, and that you paid each of them $15,000 in wages for the year. $5,000 should be included in line 1 and $20,000 in line 2.

Line 3.—Enter in line 3 such items as (1) Agricultural labor, (2) benefit payments for sickness or injury under a workmen’s compensation law, insurance plan and certain employer plans, (3) domestic service, (4) family employment, (5) certain service activities, and (6) any other exempt payments or services. For more definite information with respect to these exemptions, see Circular E, Employer’s Tax Guide.

Schedule B—COMPUTATION OF TAXABLE WAGES

1. Total remuneration (including exempt remuneration) PAID during the calendar year for services of employees. $----------------------

Exempt remuneration:

<table>
<thead>
<tr>
<th>LIST each TYPE of EXEMPTION</th>
</tr>
</thead>
</table>

2. Remuneration in excess of $5,000. (Enter only the excess over the first $5,000 paid to individual employees) $----------------------

3. All other exemptions (Explain each exemption shown, attaching additional sheet if necessary): $----------------------

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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<tbody>
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</tbody>
</table>

4. Total exempt remuneration $x x x x x x x x x x

5. Total taxable wages (line 1 minus line 4). Enter this amount in Item 15 on other side $----------------------

(For General Instructions, see back of copy for employer)
## EMPLOYER'S ANNUAL FEDERAL UNEMPLOYMENT TAX RETURN—1966

### U.S. Treasury Department — Internal Revenue Service

#### Schedule A — COMPUTATION OF CREDIT AGAINST FEDERAL UNEMPLOYMENT TAX

<table>
<thead>
<tr>
<th>Name of State</th>
<th>State reporting number as given on employer's State contribution returns</th>
<th>Taxable Payroll</th>
<th>Experience rate period</th>
<th>Exemptions</th>
<th>Contributions paid rate</th>
<th>Contributions paid rate base</th>
<th>Contributions payable at experience rate (col. 5 x col. 6)</th>
<th>Additional credit (col. 5 minus col. 7)</th>
<th>Credibility actually paid to State or (3)</th>
</tr>
</thead>
<tbody>
<tr>
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<td>(7)</td>
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<td>(9)</td>
</tr>
</tbody>
</table>

### TOTALS...

- XXX: XXX
- XXX: XXX
- XXX: XXX
- XXX: XXX
- XXX: XXX

10. Total tentative credit (Column 8 plus column 9) .................................................................

11. Enter here 2.75% of amount of wages in Item 15 below .................................................................

12. Item 10 or 11 whichever is smaller .........................................................................................

13. Amount, if any, of wages in Item 15 attributable to the following States:

   a. Alaska .............................................. $ × .0015 $ .................................................................
   b. New Jersey ...................................... $ × .003 ................................................................
   c. West Virginia ..................................... $ × .003 ................................................................

   Total (add amounts from lines a through c) ........................................................................

14. Credit allowable (Item 12 less Item 15). Enter here and in Item 17 ................................................

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### THIS COPY MUST BE KEPT BY EMPLOYER

This copy, and each related schedule or statement which the employer is required to keep, must be carefully preserved by the employer, for a period of 4 years after the date the tax is due, or the date the tax is paid, whichever is the later. Such copies should at all times during this period be available for inspection by officers of the Internal Revenue Service.

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### YOUR COPY

Calendar Year
1966
Identification No.

If no longer in business write "Died out."  

15. Total taxable wages paid during calendar year (From Schedule B, on other side) .............................

16. Gross Federal tax (3.1% of wages in Item 15) ........................................................................

17. Less: Credit from Item 14 of Schedule A ........................................................................

18. Remainder of tax (Item 16 minus Item 17). Pay to "INTERNAL REVENUE SERVICE"  

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IMPORTANT.—Before filing the return be sure to enter on this copy your name, address, and identification number.

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36—79319-1
### U.S. Government Manual Print

**Section 6: COMPUTATION OF TAXABLE WAGES**

#### Schedule A—Computation of Taxable Wages

<table>
<thead>
<tr>
<th>Employee's Name</th>
<th>State or Local Authority Occupation</th>
<th>Number of Employees</th>
<th>Total Remuneration (Including Credits for Federal Unemployment Tax Act)</th>
<th>Social Security Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>John Doe</td>
<td>Company X</td>
<td>50</td>
<td>$50,000</td>
<td>123-45-6789</td>
</tr>
</tbody>
</table>

#### Remuneration and Exclusions

- **Remuneration:** Includes all wages paid to an employee, including tips, bonuses, and commissions. It does not include employer contributions to retirement plans or health insurance premiums.

- **Exclusions:** Certain amounts are excluded from the remuneration, such as de minimis fringe benefits and certain types of compensation.

#### Taxable Wages

- The taxable amount is calculated by subtracting the exclusion amounts from the remuneration.

- The employer must report the taxable wages paid to each employee to the Social Security Administration and the Internal Revenue Service.

- The employer is subject to federal unemployment tax (FUTA) on the taxable wages paid to each employee.

#### Example

- **Employee:** John Doe
- **Employment:** Company X
- **Number of Employees:** 50
- **Total Remuneration:** $50,000
- **Social Security Number:** 123-45-6789

#### Calculation

- **Social Security Number:** 123-45-6789

**Footnote:**

- For more information, refer to the U.S. Government Manual Print or contact the Social Security Administration.

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**Further Reading:**

- U.S. Government Manual Print
- Federal Unemployment Tax Act
- Social Security Administration

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**Notes:**

- The instructions below are for preparing and filing Form 940, Federal Unemployment Tax Return, and are intended for employers who are required to file the return.

- Employers should refer to Circular E for information on the employment tax.

- Credit for contributions paid into State unemployment funds can also be claimed on Form 940, but only if certain conditions are met.

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**Contact:**

- Social Security Administration
- Internal Revenue Service

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**Additional Information:**

- Federal Unemployment Tax Act
- Social Security Administration
- Internal Revenue Service

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**Disclaimer:**

- The information provided is for general guidance only and should not be construed as legal or tax advice.

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