FOR EMPLOYEES EARNING LESS THAN $5,000

The enclosed card, Form 1040A, offers a simple way for employees receiving less than $5,000 total income to file their 1954 U. S. income tax returns.

To use this form:

1. Read instructions below. Be sure you qualify. If you don't obtain, and file a Form 1040.

2. Fill out the copy on other side for your records.

3. Transfer answers from your copy to card.

4. Sign the card and mail it, together with your withholding statements (Forms W-2), to your District Director in the envelope provided. The Internal Revenue Service will figure your tax and send you a check for any refund due you or a bill for any amount you owe.

The tax table shown below is only for your information. You do not use this table in preparing Form 1040A. The Internal Revenue Service will use the table to figure your tax. The table allows about 10% of your income as deductions.

This 10% allowance takes the place of deductions which are allowed only if you itemize your deductions on Form 1040, such as the deductions for charitable contributions, interest, taxes, losses, medical expenses, miscellaneous items, and the new deduction for care expenses. If your deductions exceed 10% of your income, it will be to your advantage to use Form 1040 and itemize them.

NOTE

GENERAL INSTRUCTIONS

Who Must File.—Every citizen or resident of the United States under 65 who had $600 ($1,200 if 65 or over) or more gross income.

Who May Use U. S. Individual Income Tax Return, Form 1040A.—If your total gross income was less than $5,000 and consisted entirely of wages reported on Withholding Statements (Forms W-2) and not more than $100 total of other wages, dividends, and interest, you may use this form. A husband and wife may file a joint return if their combined incomes do not exceed these limits. If you had income from any other sources, you may not use this form but must file your return on Form 1040. Likewise, Form 1040 must be used (1) in making a separate return of a married person domiciled in a community property State, (2) if husband or wife itemizes deductions, (3) if you claim the status of head of household or surviving widow or widower, or (4) if you wish to claim credit for dividends received or retirement income.

When to File.—On or after January 1, 1955, but not later than April 15, 1955.

Where to File.—With the District Director of Internal Revenue for your district.

Where to Get Forms.—If you need a Form 1040 you can get one from any Internal Revenue office, and from most banks and post offices. Your employer will furnish you with a Withholding Statement.

Married Couple—Advantage of Joint Return.—A husband and wife may make a joint return even though one has no income. To assure any benefits of the split-income provisions, they should file a joint return. Both husband and wife must sign a joint return. A joint return on Form 1040A never results in more tax than separate returns.

Sick Pay Exclusion.—If an employer continues to pay wages to an employee under a wage continuation plan while the employee is absent from work due to injury or sickness, such payments may be excluded from the employee's income, but only to the extent they do not exceed a weekly rate of $100. However, the exclusion does not apply to the first seven calendar days of an absence due to sickness unless the employee is hospitalized for at least one day during the period of sickness.

TAX TABLE INTERNAL REVENUE SERVICE WILL USE TO FIGURE YOUR TAX

<table>
<thead>
<tr>
<th>Your income</th>
<th>And the number of exemptions—</th>
<th>And the number of exemptions—</th>
<th>And the number of exemptions—</th>
<th>And the number of exemptions—</th>
<th>And the number of exemptions—</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,000</td>
<td>$1,225</td>
<td>$1,225</td>
<td>$1,225</td>
<td>$1,225</td>
<td>$1,225</td>
</tr>
<tr>
<td>$2,000</td>
<td>$1,500</td>
<td>$1,500</td>
<td>$1,500</td>
<td>$1,500</td>
<td>$1,500</td>
</tr>
<tr>
<td>$3,000</td>
<td>$1,750</td>
<td>$1,750</td>
<td>$1,750</td>
<td>$1,750</td>
<td>$1,750</td>
</tr>
<tr>
<td>$4,000</td>
<td>$1,950</td>
<td>$1,950</td>
<td>$1,950</td>
<td>$1,950</td>
<td>$1,950</td>
</tr>
<tr>
<td>$5,000</td>
<td>$2,100</td>
<td>$2,100</td>
<td>$2,100</td>
<td>$2,100</td>
<td>$2,100</td>
</tr>
</tbody>
</table>

Form 1040A Instructions 16-7674-3
### INSTRUCTIONS FOR FRONT OF FORM 1040A

**Item 7.** Enter your social security number and your wife’s (husband’s) social security number, if any, even though she (he) files a separate return.

**Items 8 and 9.** Enter the total amount of your wages subject to income tax and the total amount of income tax withheld as shown on your Withholding Statements, Forms W-2.

**Item 10.** Enter all other taxable income from wages, dividends, or interest. Exclude dividends received from corporations in the United States up to $50. This exclusion does not apply to dividends received from mutual savings banks or building and loan associations. If joint return and both husband and wife had dividend income, each is entitled to a $50 exclusion provided it is applied against his individual dividend income. If the sum of items 10 (a) and 10 (b) exceeds $100, you must file a Form 1040.

**Item 11.** If more than $72 of F.I.C.A. (Social Security) employee tax was withheld during 1954 because you worked for more than one employer, enter the excess, and it will be credited against your income tax. Figure separately for husband and wife.

**Item 12.** See “Sick Pay Exclusion” in general instructions. If you received such payments and your employer has not excluded them from the amount of wages shown on your withholding statement (Form W-2), enter your exclusion here. Enclose a statement showing your computation and name and address.

**Items 8(b) to 12(b).** Complete these items only if this is a joint return. The signatures of both taxpayer and his wife (or husband) are required on joint returns.

### U.S. INDIVIDUAL INCOME TAX RETURN

<table>
<thead>
<tr>
<th>1. Name</th>
<th>2. Wife’s (Husband’s) Name</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### BACK

**13. EXEMPTIONS FOR YOURSELF AND WIFE (OR HUSBAND)**

(a) For your own exemption, write the FIGURE 1

(b) If you were 65 or over at the end of 1954, write the FIGURE 1

(c) If taxpayer was blind at the end of 1954, write the FIGURE 1

(d) If your wife (or husband) had no income in 1954, or if this is a joint return, write the FIGURE 1 for her (or his) exemption

(e) If she (or he) is claimed as an exemption in (d) above and was 65 or over at the end of 1954, write the FIGURE 1

(f) If she (or he) is claimed as an exemption in (d) above and was blind at the end of 1954, write the FIGURE 1

### 14. EXEMPTIONS FOR YOUR CHILDREN AND OTHER DEPENDENTS (List below)

<table>
<thead>
<tr>
<th>Name (also give address if different from yours)</th>
<th>Relationship</th>
<th>Did dependent have gross income of $600 or more?</th>
<th>Amount YOU spent for dependent’s support if $100, write “X”</th>
<th>Amount spent by OTHERS including dependent</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</table>

15. Enter total number of exemptions listed in items 13 and 14 above.