

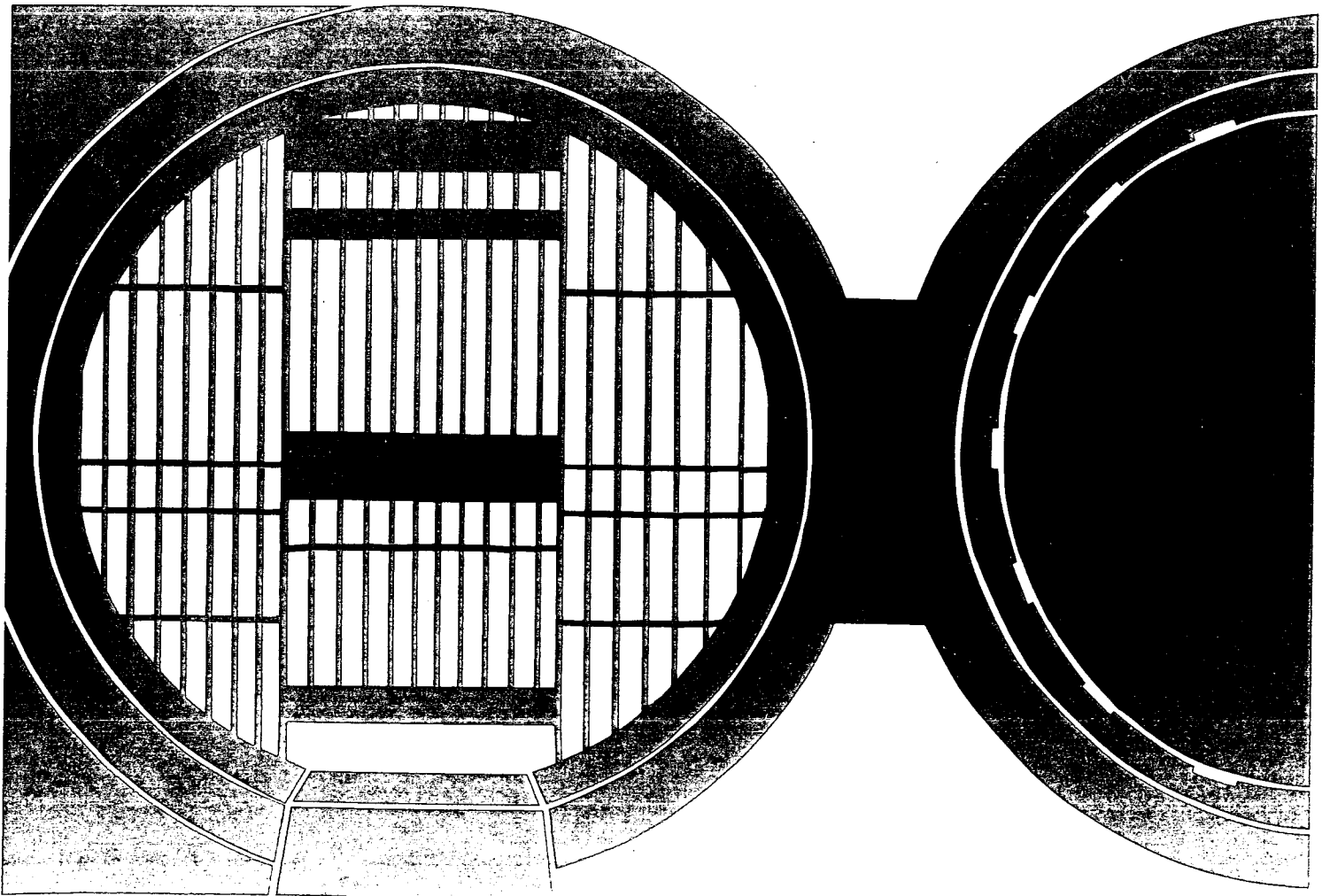
STATISTICS OF INCOME 1970

FIDUCIARY INCOME TAX RETURNS

Department of the Treasury
Internal Revenue Service



Publication 808 (9-73)



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STATISTICS 1970
OF INCOME

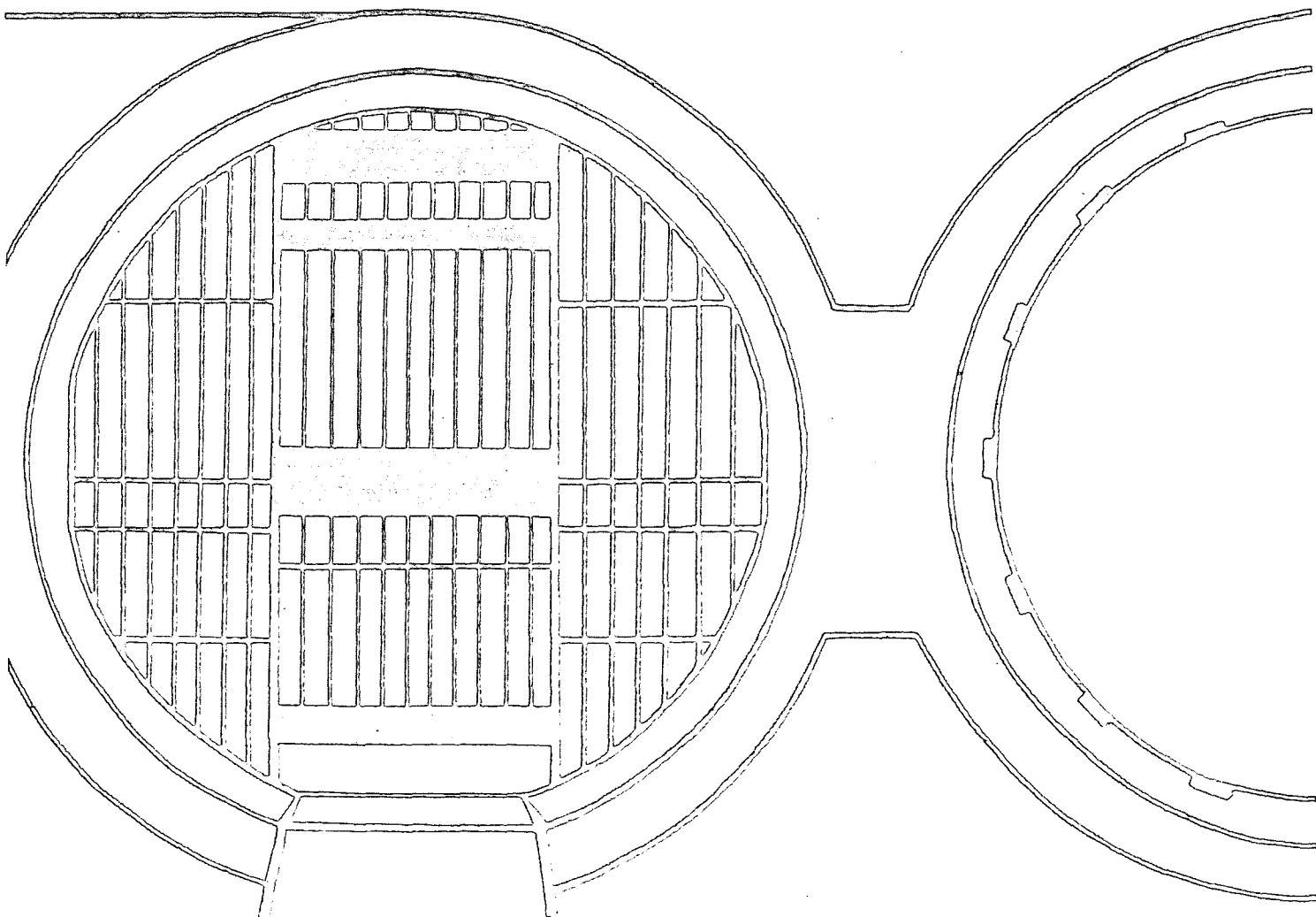
**FIDUCIARY
INCOME TAX
RETURNS**



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This report on fiduciary income tax returns was prepared by John Kozieliec under the direction of Keith Gilmour, Chief, Wealth Statistics Staff, in the Income, Finance and Wealth Branch. Other branches of the Statistics Division assisted in the development of the sample design, the preparation of processing procedures, and the post-tabulation review of the data. Statistical abstracting of the data was conducted by the Data Center in Detroit, Michigan, which also developed the computer systems design and conducted computer processing of the data.

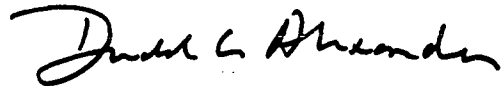


Letter of Transmittal

Treasury Department,
Office of the Commissioner of Internal Revenue,
Washington, D. C., July 17, 1973.

Dear Mr. Secretary:

Under the general requirements of section 6108 of the Internal Revenue Code, we are submitting *Statistics of Income—1970, Fiduciary Income Tax Returns*. This report, based on a sample drawn from the over one million fiduciary income tax returns filed during calendar year 1971, presents comprehensive data concerning total income and its composition, deductions, taxable income, and tax. The report features information on provisions of the Tax Reform Act of 1969, such as the additional tax for tax preferences, the revised treatment of the alternative tax computation, charitable deductions, and the allocation of accumulation distributions. Data on pooled income fund trusts and taxable income and tax by marginal tax rates are also included.



Commissioner of Internal Revenue.

Hon. George P. Shultz,
Secretary of the Treasury.

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Fiduciary

INCOME TAX RETURNS

Introduction

The statistics presented in this report are estimates derived from a sample of 55,000 unaudited fiduciary income tax returns, Forms 1041, filed in 1971. (The most recent previous study of these returns was for 1965.) This sample was drawn to represent all returns for the income year 1970.

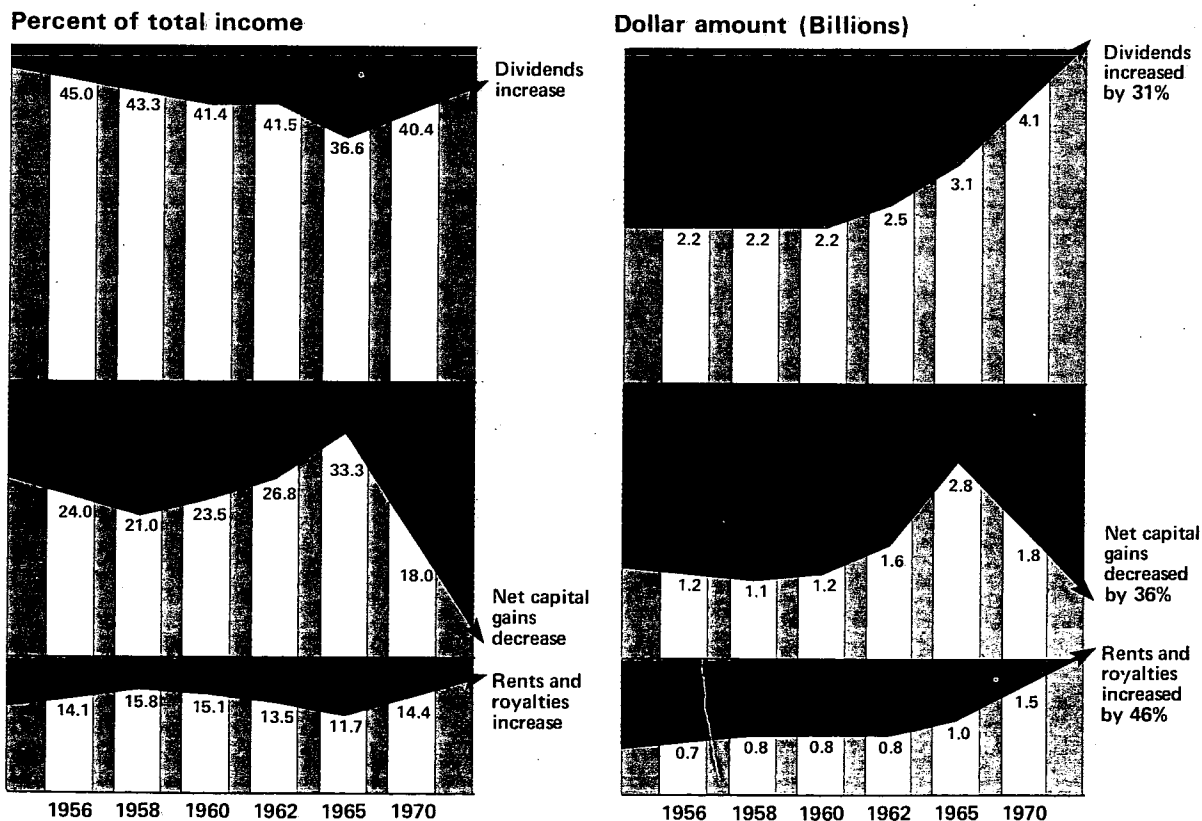
A fiduciary (an individual or legal entity serving as trustee, guardian, or executor of an estate or trust) had to file a fiduciary income tax return for a trust which had

any taxable income, or for an estate or trust which had gross income of \$600 or more regardless of taxable income, or for any estate or trust which had a nonresident alien beneficiary. Generally, since only certain small estates and trusts were excluded from filing, the returns for 1970 included most of the income for estates and trusts in the United States.

Returns were due on or before the 15th day of the fourth month following the close of the tax year. The returns had to be filed in the Internal Revenue service center for the

Chart 1

3 principal components account for over 73% of total income of all estates and trusts



region in which the fiduciary resided or had his place of business. If the fiduciary had no legal residence or place of business in the United States, the fiduciary had to file the return with the Office of International Operations in Washington, D.C.

Fiduciary income tax returns are filed to report the annual income of domestic estates and trusts. In the case of estates, the income represents that received by the executor of an estate of a deceased individual while the estate is being administered. If the individual had not died, such income would have been reported on Form 1040 (individual income tax return). In addition, after the assets of the estate are distributed, such income would generally be reported by the beneficiaries on their Forms 1040.

In the case of trusts, the income represents that received during the year by the fiduciary of a personal trust (one set up to benefit an individual or a group of individuals by a person, the grantor, who is not himself a beneficiary). Personal trusts may be created during the life of the grantor, "inter vivos", or by terms of the grantor's will, "testamentary". Since the trust is basically a conduit for distributing the income to the beneficiaries, the trust is generally taxed only on the portion of income not currently distributed. The beneficiaries report their shares of the income on their Forms 1040.

Changes in Law

The Tax Reform Act of 1969 changed numerous sections of the Internal Revenue Code of 1954 covering the taxation of income from estates and trusts. The following items were affected or introduced by the Tax Reform Act of 1969:

- (1) Accumulation distributions,
- (2) Additional tax for tax preferences ("minimum tax"),
- (3) Alternative tax computation,
- (4) Charitable contribution deduction,
- (5) Income tax surcharge, and
- (6) Investment credit.

These items, discussed only briefly in this section, are covered in detail in the "Explanation of Terms."

Accumulation Distributions

The Tax Reform Act of 1969 created, in effect, an unlimited "throwback" rule for accumulation distributions of trusts by eliminating the former "throwback" rule and all its exceptions. Data on selected items for trusts with accumulation distributions for 1970 are presented in tables 18 and 19.

Additional Tax for Tax Preferences ("Minimum Tax")

The Tax Reform Act of 1969 imposed an additional tax of 10 percent on the amount by which certain tax preferences exceeded a \$30,000 exclusion plus the regular income tax. Data concerning total tax preferences and tax are shown in tables 16 and 17.

Alternative Tax Computation

The maximum tax rate on net long-term capital gains in excess of \$50,000 was increased to 29.5 percent for 1970

(reflected in the tables of this report), to 32.5 percent for 1971, and to 35 percent for 1972. The methods of computing the alternative tax are illustrated in the "Explanation of Terms" under "Income tax before credits". Also, tables 14 and 15 present data which show some characteristics of returns with the alternative tax computation.

Charitable Contributions Deduction

The provision in the law allowing trusts unlimited deductions for amounts set aside for charitable purposes and not distributed was eliminated by the Tax Reform Act of 1969. Amounts actually paid to charitable organizations could be deducted in full by trusts. Estates were not affected by the change in law. Selected data for estates and trusts with charitable deductions are presented in table 9.

Income Tax Surcharge

The Revenue and Expenditure Control Act of 1968 imposed a 10 percent surcharge on tax liabilities of estates and trusts. The 10 percent surcharge would have expired after June 30, 1969, but the Tax Reform Act of 1969 extended the surcharge through the first half of 1970 at a 5 percent rate.

Investment Credit

The Tax Reform Act of 1969 repealed the 7 percent investment credit on investments in property made after April 18, 1969. However, the credit could still be claimed for equipment purchased under binding contracts in effect prior to the repeal date.

Highlights of 1970 Fiduciary Income Tax Returns

Components of Total Income

Tables A and C and charts 1 and 2 present selected summary statistics on estates and trusts for 1970. Chart 1 shows the trend of three major sources of income—dividends, net capital gains, and rents and royalties—over the period 1956-1970. Chart 2 shows a comparison of all the major income components for 1970 as a percent of total income in various income classes.

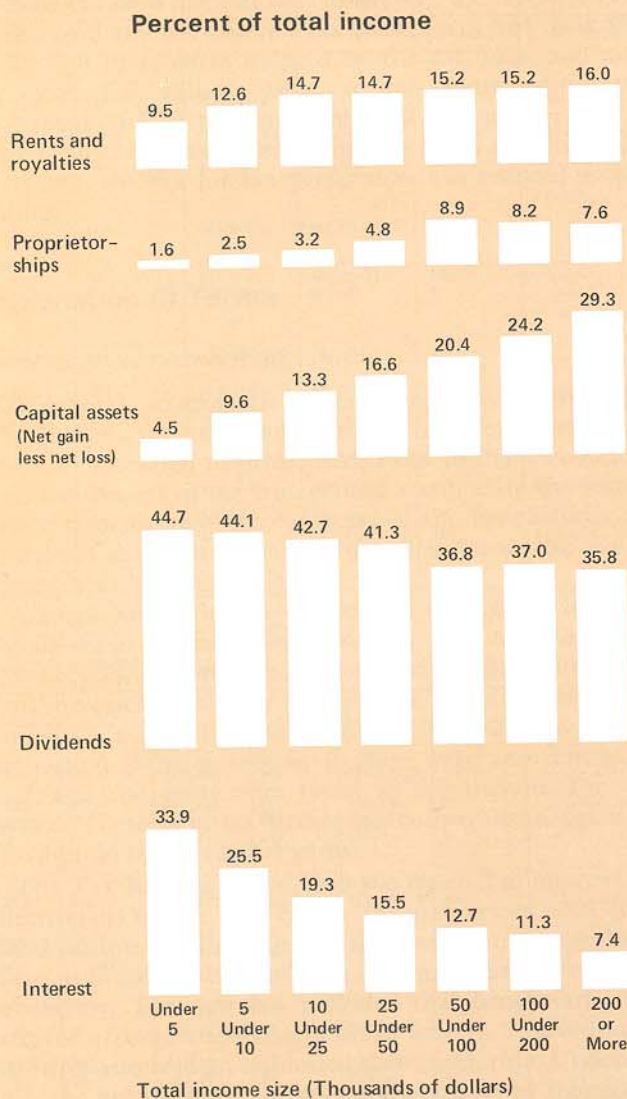
Table B presents highlights for 1970 compared to similar data for 1965, the most recent year for which detailed estimates were obtained from fiduciary returns. The most significant change was the 120 percent increase in interest income which almost offset a \$1 billion decrease (36 percent) in net capital gains.

Deductions

The total deductions for all estates and trusts increased to \$8.8 billion for 1970, or \$2.1 billion over 1965. The largest single deduction was the distributions deduction (deduction for distributions to beneficiaries) which amounted to \$4.8 billion and was claimed on over 70 percent of all trusts. On simple trusts alone, the distributions deduction was over \$3.2 billion and it reduced total income for that group by 70 percent. This deduction was much smaller on complex trust returns since, by definition, complex trusts

Chart 2

Components of income by size of total income



were not required to distribute all current income to the beneficiaries. A small number of simple trusts did not have a distributions deduction, either because there was no income to distribute or because the character of the income was such that it was not required to be currently distributed.

Business and administrative expenses—including taxes, interest, depreciation, depletion, and other ordinary and necessary administrative expenses—amounted to \$2.5 billion. These deductions comprised a much larger part of estate deductions than trust deductions, almost 50 percent compared to 22 percent.

The long-term capital gain deduction (equivalent to 50 percent of excess net long-term capital gains not taxable to beneficiaries) for 1970 amounted to only \$739 million, a decline of almost 62 percent from 1965.

The amount of charitable deductions increased nearly 2.5 times since 1962, the last year for which this deduction was

Table A.—SUMMARY STATISTICS BY TAX STATUS

[All figures are estimates based on samples—number of returns and dollar amounts are in thousands]

Item	Total	Taxable ¹	Nontaxable ¹
	(1)	(2)	(3)
Number of estates and trusts.....	1,027	380	647
Total income.....	10,123,628	4,985,751	5,137,876
Dividends before exclusion.....	4,086,041	1,619,330	2,466,711
Interest received.....	1,718,995	730,039	988,956
Partnership, estate, and trust:			
Net profit.....	417,908	252,799	165,109
Net loss.....	98,312	15,275	83,037
Gross rents and royalties.....	1,461,341	555,274	906,066
Sole proprietorships:			
Gross profit.....	557,864	315,026	242,838
Gross loss.....	20,551	1,493	19,058
Sales of capital assets:			
Net gain.....	1,877,696	1,449,291	428,405
Net loss.....	51,762	25,599	26,163
Other sources (net).....	183,129	105,302	77,827
Total deductions.....	8,784,086	3,134,518	5,649,568
Taxable income.....	1,851,540	1,851,047	493
Income tax before credits.....	597,676	597,586	90
Surcharge.....	14,998	14,996	2
Income tax after credits.....	611,056	611,056	-
Total tax.....	618,594	618,389	205

¹Taxable and nontaxable returns are determined by the presence or absence of an amount of income after credits and without reference to the taxes in footnote 3 below.

²Includes surcharge.

³Includes additional tax for tax preferences and tax from recomputing prior year investment credit.

NOTE: Detail may not add to total because of rounding.

Table B.—NUMBER OF ESTATES AND TRUSTS, INCOME, AND TAX: 1965 AND 1970

[All figures are estimates based on samples—number of returns are in thousands, dollar amounts in millions]

Item	1965	1970	Increase: 1970 over 1965	
			Number or amount	Percent
			(3)	(4)
Number of estates and trusts, total..	798	1,027	230	28.8
Taxable, total.....	344	380	36	10.6
Estates.....	96	129	33	34.1
Trusts.....	248	251	4	1.4
Nontaxable, total.....	454	647	193	42.6
Estates.....	135	146	11	7.3
Trusts.....	329	501	172	52.2
Total income.....	8,511.8	10,123.6	1,611.8	18.9
Selected sources of total income:				
Dividends before exclusion.....	3,113.3	4,086.0	972.7	31.2
Net capital gain (less loss).....	2,835.3	1,825.9	-1,009.4	-35.6
Gross rents and royalties.....	999.8	1,461.3	461.5	46.2
Interest received.....	783.2	1,719.0	935.8	119.5
Taxable income.....	1,950.8	1,851.5	-99.3	-5.1
Income tax after credits.....	658.9	611.1	-47.8	-7.3

¹Includes surcharge.

NOTE: Detail may not add to total because of rounding.

tabulated separately. Deductions totaling \$439 million were reported for 31,000 estates and trusts. Although charitable contributions comprised only 5 percent of the total deductions, for those estates and trusts which claimed the deduction, it represented over 50 percent of their total deductions.

The dividend exclusion, limited to \$100, was reported by 282,000 estates and trusts and amounted to \$23 million. The exemption (which was \$600 for each estate, \$300 for each simple trust, and \$100 for each complex trust) amounted to \$226 million and was reported on 739,000 estates and trusts. Since other deductions had already completely offset total income and thereby had made many estates and trusts nontaxable, about one out of four entities did not need to claim the exemption.

Taxable Income, Income Tax and Tax Credits

Allowable deductions reduced taxable income for 1970 to \$1.9 billion on 380,000 returns. Taxable income amounted to only 18 percent of total income reported by

Fiduciary Income Tax Returns for 1970

Table C.—TRUSTS BY TYPE—TOTAL INCOME, TOTAL DEDUCTIONS, DISTRIBUTIONS DEDUCTION, TAXABLE INCOME, AND TAX

[All figures are estimates based on samples—number of returns and dollar amounts in thousands]

Type of trust	Number of trusts	Total income (less deficit)	Total deductions	Distributions deduction	
				Number of trusts	Amount
	(1)	(2)	(3)	(4)	(5)
ALL TRUSTS					
Total.....	752	7,513,516	6,625,635	533	4,125,578
Simple.....	438	4,851,282	4,639,480	403	3,230,795
Complex.....	298	2,453,789	1,758,564	118	751,113
Simple or complex not specified.....	17	208,446	227,590	12	143,670
INTER VIVOS TRUSTS					
Total.....	372	3,470,336	2,908,489	235	1,804,123
Simple.....	185	2,024,135	1,927,428	172	1,394,800
Complex.....	185	1,423,964	955,179	62	396,116
Simple or complex not specified.....	2	22,238	25,882	1	13,207
TESTAMENTARY TRUSTS					
Total.....	279	3,113,253	2,799,466	229	1,789,638
Simple.....	195	2,272,136	2,126,638	182	1,481,806
Complex.....	81	804,085	635,451	44	283,755
Simple or complex not specified.....	3	37,033	37,377	3	24,077
INTER VIVOS OR TESTAMENTARY TRUST NOT SPECIFIED					
Total.....	101	929,927	917,679	69	531,817
Simple.....	57	555,011	585,414	49	354,189
Complex.....	31	225,741	167,934	12	71,242
Simple or complex not specified.....	12	149,175	164,331	2	106,386

Type of trust	Taxable income		Income tax after credits		Total tax	
	Number of trusts	Amount	Number of trusts	Amount	Number of trusts	Amount
	(6)	(7)	(8)	(9)	(10)	(11)
ALL TRUSTS						
Total.....	251	1,161,851	251	404,627	251	410,895
Simple.....	73	391,309	73	144,843	73	148,241
Complex.....	177	764,387	177	257,933	177	260,795
Simple or complex not specified.....	2	6,155	2	1,851	2	1,860
INTER VIVOS TRUSTS						
Total.....	146	667,724	146	232,465	146	235,927
Simple.....	27	156,003	27	59,579	27	61,090
Complex.....	118	510,281	118	172,541	118	174,492
Simple or complex not specified.....	(*)	(*)	(*)	(*)	(*)	(*)
TESTAMENTARY TRUSTS						
Total.....	75	383,285	75	136,717	75	139,146
Simple.....	36	196,151	35	72,170	36	73,805
Complex.....	39	186,610	39	64,430	39	65,224
Simple or complex not specified.....	(*)	(*)	(*)	(*)	(*)	(*)
INTER VIVOS OR TESTAMENTARY TRUST NOT SPECIFIED						
Total.....	31	110,841	31	35,445	31	35,822
Simple.....	10	39,155	10	13,094	10	13,345
Complex.....	20	67,495	20	20,962	20	21,080
Simple or complex not specified.....	1	4,191	1	1,389	1	1,397

(*) An asterisk in a cell denotes that the estimate is not shown separately because of high sampling variability. However, the data are included in the appropriate totals.
NOTE: Detail may not add to total because of rounding.

estates and trusts. This reflects the conduit nature of the estate or trust where generally only the income not currently distributed is subject to the fiduciary income tax.

For the 377,000 estates and trusts which had tax computed under the regular tax computation, the effective tax rate (tax before credits as a percent of their total income) was about 10 percent. Tax before credits for these returns amounted to \$415 million. The effective rate for the 3,000 estates and trusts which had tax computed under the alternative method was about 31 percent. The tax before credits for this group amounted to \$183 million, \$55 million being generated at regular rates and \$128 million at capital gains rates. There were slightly more than 1,000 estates and trusts

with taxable income subject to the new tax rates greater than 25 percent on net capital gains.

The tax surcharge amounted to \$15 million and increased the tax before credits to \$613 million. The surcharge was reported on 335,000 estates and trusts, or 35 percent of the total.

Over 10,000 estates and trusts reported tax credits which totaled \$1.7 million. About 82 percent of the total amount was foreign tax credits. The investment credit, amounting to \$326,000, represented the remaining 18 percent. Although the investment credit provision was repealed, 1,400 estates and trusts claimed the credit presumably since their investments in property were still eligible for the credit.

Additional tax for tax preferences, the so-called "minimum tax," was imposed on the tax preference income and special deductions listed in the "Explanation of Terms." Table 16 shows that 138,000 estates and trusts reported tax preferences of \$755 million. However, the 2,000 entities which paid any tax on their tax preferences had their \$242 million of preferences reduced by the exclusion and taxes to about \$79 million, and the tax before adjustments amounted to \$7.8 million. After adjustments, for the deferred minimum tax on net operating losses remaining as a carryover, the tax for tax preferences was reduced to \$7.4 million.

Explanation of Terms

Accumulation distribution

In general, accumulation distributions were current year distributions to the beneficiaries of complex trusts of income accumulated in prior years. Prior to the Tax Reform Act, the trustees of the trusts could accumulate the income of the trust in high income years of the beneficiaries and distribute the trust income to beneficiaries in the low income years of the beneficiaries.

A throwback rule was enacted in an attempt to retard the abuses in accumulation trust situations, but the numerous exceptions (not covered here) and the 5-year limitation on throwbacks seriously eroded the effectiveness of the throwback rule. Also, the trustee was required to allocate the capital gains to corpus, if there were any during the year, and the gains were taxed to the trust in the year earned. There were no further tax consequences upon the distribution of the capital gains.

The Tax Reform Act of 1969 was enacted to improve the effectiveness of the law. Under the Act, trusts were to be taxed on income distributions received from accumulation trusts as if the income had been currently distributed to the beneficiary. The new law provided that beneficiaries who received accumulation distributions were to be taxed under the stipulations of an unlimited throwback rule. Under this rule, the accumulated income of the trust was treated for tax purposes as if it had been received by the beneficiary in the same year it was received by the trust. The excess of accumulation distributions over distributable net income of the trust was thrown back to preceding years and taxed to the beneficiary under the shortcut method or exact method.

Under the exact method, the beneficiary would have to recompute his tax for the back years by adding the trust income to his taxable income for each year involved. The beneficiary could take a tax credit for the tax paid by the trust on the income distributed. Under the shortcut method, the tax on the distribution was averaged over the number of years in which the income was earned by the trust. Also provided in the Act was that capital gains allocated to the corpus were to be subject to an unlimited throwback rule. The General Explanation of the Tax Reform Act of 1969 prepared by the Staff of the Joint Committee on Internal Revenue Taxation explains the accumulation distribution in more detail (see pages 113-122).

The items in tables 18 and 19 concerning the allocation of accumulation distributions are briefly defined below. References in parentheses are from Schedule J, Form 1041.

Accumulation distribution in 1970 (line 1, Schedule J) — An accumulation distribution in 1970 was the excess of any amounts properly paid, credited, or required to be distributed (line 7, Schedule C, page 2 of the Form 1041) over distributable net income (line 5, Schedule C) reduced by income currently distributable (line 6, Schedule C).

Taxes on throwback, 1965 through 1969 (line 4, Schedule J) — The taxes imposed on the throwback were the taxes imposed on the undistributed net income on line 2, Schedule J, and deemed distributed to beneficiaries. These taxes were allowed as a credit on the tax liability of the beneficiaries. The amount tabulated for this publication was the sum of the taxes on line 4, Schedule J, for 1965 through 1969.

Throwback plus taxes imposed on the throwbacks for 1965-1969 (line 5, Schedule J) — The amount on line 5, Schedule J represented the sum of the throwback (line 3, Schedule J) and the taxes imposed on the throwback (line 4, Schedule J). The throwback was the accumulation distributions to beneficiaries in excess of the undistributed net income.

Taxable income, 1965-1969 (line 7, Schedule J) — Taxable income represented the sum of the throwback and taxes (line 5) less the tax exempt income included on line 5. This income was to be reported by the beneficiaries on their individual income tax return.

Capital gain distributions in 1970 (line 8, Schedule J) — Capital gain distributions were capital gains paid or credited to a beneficiary of a trust in excess of the distributable net income (reduced by income distributed currently) and in excess of undistributed net income.

Taxes imposed on the throwback (line 11, Schedule J) — These taxes on the throwback were the taxes on capital gain distributions to beneficiaries (the excess of accumulated income over undistributed capital gains).

Capital gains plus taxes imposed on throwbacks (line 12, Schedule J) — This amount represented the sum of capital gains distributions in excess of the undistributed capital gains (line 10) plus the taxes on the throwback.

Additional tax for tax preferences ("minimum tax")

In order to reduce the tax advantages of certain types of income, the 1969 Tax Reform Act imposed an additional tax for tax preferences ("minimum tax"). In general, under the provisions of Internal Revenue Code Section 56, this addition to the regular income tax was 10 percent of the excess of an estate's or trust's "tax preferences" over both the \$30,000 exclusion and the regular income tax (reduced by any foreign tax or investment credit). If a taxpayer had a net operating loss that resulted in a carryover to future years, the additional tax on an amount of the "tax preferences" equal in size to the carryover was deferred until the year the carryover was used.

The additional tax for tax preferences was effective for accounting periods ended after December 31, 1969, and applied to the following "tax preferences":

(1) *Excess investment interest.* This was the excess of investment interest over net investment income. Investment income consisted of gross income from interest, dividends, rents, royalties, net short-term capital gains from property held for investment purposes, and ordinary gains on sales of depreciable property held for investment purposes or for

rent. "Investment expenses" for purposes of determining net investment income included State and local property taxes, bad debts, depreciation under the straight-line method even if an accelerated method had been used, amortizable bond premium, cost depletion even if the higher percentage depletion had been used, and certain nonbusiness deductions if they were directly connected with the production of investment income. Investment interest expense, as distinguished from other interest expense, was interest on indebtedness incurred or continued to purchase or carry property held for investment purposes. Interest with respect to property which was subject to a "net lease" entered into after October 9, 1969, was treated as a tax reference under this provision.

(2) *Accelerated depreciation on (a) low-income rental housing; (b) other real property* (defined in Code section 1250); *(c) personal property* (defined by section 1245) *subject to a net lease.* The excess of accelerated depreciation over the amount computed under the straight-line method was considered a tax preference.

(3) *Amortization of (a) certified pollution control facilities; (b) railroad rolling stock.* The excess of these special rapid write offs over what otherwise would have been a depreciation deduction was considered a tax preference.

(4) *Stock options.* Upon exercising a stock option, an employee did not realize income when the option price was less than the fair market value of the stock. This price difference was, however, treated as a tax preference in the year the option was exercised.

(5) *Bad debt reserves.* Financial institutions were allowed deductions toward a reserve for bad debts under prescribed rules. When these deductions exceeded the amount required by actual experience, the excess was considered tax preference.

(6) *Depletion.* The excess of depletion over the adjusted basis of the property (reduced by depletion taken in prior years) was a tax preference. Thus, when the taxpayer had written off his investment, he realized a tax preference.

(7) *Capital gains.* One-half of the excess of net long-term gain over net long-term loss was excluded from income in computing the regular income tax. The excluded half was treated as a preference.

Alternative tax

The alternative tax, under prior law, was 50 percent of one-half of the net long-term capital gains remaining after subtracting long-term capital gains taxable to beneficiaries. In order to equalize the treatment of estates and trusts, the Tax Reform Act of 1969 increased effective tax rates on long-term capital gains above \$50,000 to 29.5 percent in 1970, to 32.5 percent in 1971, and to 35 percent in 1972. The Act allowed long-term capital gains under \$50,000 the advantage of the lower 25 percent effective rate. Illustrations of computing tax under the 25 percent rate (Alternative Tax Computation I) and the higher effective tax rates (Alternative Tax Computation II) are presented in the "Explanation of Terms" under Income Tax Before Credits.

Capital gain distributions

A capital gain distribution was a distribution of capital gains to beneficiaries which was greater than the distributable

net income and undistributed net income. (See the explanation in "Accumulation distribution" or Schedule J, Allocation of Accumulation Distribution.)

Charitable contributions

Charitable contributions were gifts to organizations created in the United States and operated for religious, charitable, scientific, literary, or educational purposes exclusively, or for the prevention of cruelty to children or animals, and gifts to veteran's organizations or to government agencies who used the gifts for public purposes. Prior to the Tax Reform Act of 1969, a trust or estate was allowed a full deduction for any amount of its gross income which it had paid or which it had permanently set aside for charitable purposes.

The Tax Reform Act eliminated the set-aside deduction allowed trusts. Congress concluded that it would be inconsistent to retain the deduction allowed trusts for amounts set aside for charity (rather than paid to charity) if at the same time foundations and charitable trusts were to be required to distribute all of their income currently. Not to subject these trusts generally to the same requirements and restrictions as those imposed on private foundations would present an easy means of avoiding these restrictions by setting amounts aside for charity in trusts but not distributing these amounts for extended periods of time.

In the case of estates, however, it was held not appropriate to eliminate the set-aside deduction since it was often contrary to probate law for an estate to make current distributions to charity. The set-aside deduction was also continued on the long-term income of pooled income funds. The Act provided also that the set-aside deduction would continue to be available for a trust established before October 10, 1969, which was required by the terms of its governing instruments to set aside amounts for charity, and for trusts modified at any time after October 9, 1969.

Complex trust

A complex trust either (a) distributed to the beneficiaries a portion of the trust corpus or (b) accumulated income (regardless of the fact that during the taxable year it also distributed a portion of the current income). A simple trust became a complex trust when it began to distribute its corpus. For example, a trust could not be simple in a year of partial liquidation or the year of its termination. (See also simple trusts.)

Distribution deduction (deduction for distributions to beneficiaries)

In general, a distribution deduction was the smaller of either (1) income currently paid, credited, or required to be distributed to noncharitable beneficiaries, excluding gifts and bequests of specific property and also excluding any amounts paid currently for which a distribution deduction was claimed in prior years; or (2) the income available for distribution less expenses incurred in earning such income. Not all income of an estate or trust was available for distribution; the trust instrument or local law might determine that certain kinds of income (such as capital gains) and certain expenses (such as depreciation) were allocable

to corpus. Income not included in total income (such as tax-exempt interest), income paid or permanently set aside for charitable purposes, and up to \$100 of domestic dividends were excluded in computing this limitation of the distribution deduction.

Depreciation and depletion

The deduction allowable for depreciation and depletion was the amount not allocable to the beneficiaries. Depreciation and depletion were apportioned between the trust or estate and beneficiaries on the basis of the amount of income allocable to each. Depreciation deducted as a reasonable allowance for the exhaustion, wear and tear, and obsolescence of property was allowable under Code section 167. An estate was permitted an additional first year allowance of 20 percent of the cost of tangible personal property (before adjustment for salvage value) with a useful life of 6 years or more (maximum allowance of \$2,000). A depletion deduction was allowed for exhaustion of natural deposits or timber based on cost or a fixed percentage of income, less rents and royalties, from the depletable property. Code section 613 covered the different percentage depletion rates.

Dividends before exclusion

Included in this income source was the total of domestic and foreign dividends received by the estate or trust either directly or from a sole proprietorship, partnership, or another estate or trust. Dividends before exclusion did not include capital gain distributions from regulated investment companies and real estate investment trusts or nontaxable distributions of stock or stock rights, returns of capital, or liquidation distributions. Also excluded were so-called dividends on deposits or withdrawable accounts in mutual savings banks, cooperative banks, savings and loan associations, and credit unions, and patronage dividends declared by farmers' cooperatives and other tax-exempt organizations. Dividends from Small Business Corporations electing to be taxed through shareholders were reported as "other income."

Dividend exclusion

Up to \$100 of dividends received from most domestic corporations could be deducted from gross income. Dividends not eligible for exclusion consisted of dividends from (1) foreign corporations, China Trade Act corporations, tax-exempt charitable organizations, and tax-exempt farmers' cooperatives, real estate investment trusts, and (2) corporations doing business in possessions of the United States, if 80 percent or more of their gross income was derived from U. S. possessions and 50 percent or more was derived from the active conduct of a business in U. S. possessions.

Exemption

Each estate in process of settlement was entitled to a deduction for exemption of \$600. Simple trusts were allowed to deduct \$300. Complex trusts were permitted a deduction of \$100. If final distribution of assets had been made during the year, all income of the estate or trust had to be entered as distributed to beneficiaries without reduction for the amount claimed for the exemption.

Federal estate tax deduction

For income in respect of a decedent, a deduction was allowed for an estate's share of the Federal estate tax previously paid on income which had accrued to a decedent at his death and previously reported as income on the fiduciary income tax return. Only that portion of the Federal estate tax attributable to income which was not distributed to beneficiaries could be included.

Foreign tax credit

A foreign tax credit was allowed for income or profits taxes paid to a foreign country or to a possession of the United States. The amount of credit allowed was equal to the total credit less the proportionate share allocable to beneficiaries.

Gross rents and royalties

Gross income from rents and royalties was reported and tabulated together. The combined amount represents gross rentals, received either directly or through a sole proprietorship, partnership, or another estate or trust, for the occupancy of real estate and the use of personal property, as well as gross royalties for the use of property and the exhaustion of its value. Royalties included earnings from copyrights, patents, trademarks, natural resources under lease, and the like. Expenses relating to such income were not deducted from the income, but were included among the deductions for interest, taxes, depreciation, depletion, and other deductions.

Income subject to tax

For returns with the regular tax computation, this amount was taxable income, or total income less deductions. For returns with Alternative Tax Computation I, this amount was also taxable income. However, for returns with Alternative Tax Computation II, income subject to tax was made up of taxable income (less one-half net long-term capital gain) and the amount of excess net-long term capital gain. For some returns with the latter computation, the income subject to tax was exclusively excess net long-term capital gains and these returns are labeled in table 15 "with capital gains tax only." (See also "Income tax before credits.")

Income tax after credits

The income tax after credits was the tax liability which was determined by subtracting credits for foreign taxes paid and for qualified investments in certain depreciable property (investment credit) from the total of income tax before credits and the surcharge. Taxable estates and trusts were determined by the absence or presence of an amount of income tax after credits. Income tax after credits did not include the amount of additional tax for tax preferences and tax from recomputing prior year investment credit.

Income tax before credits

The tax base for an estate or trust was taxable income, with one minor exception which is noted below. Two meth-

Fiduciary Income Tax Returns for 1970

ods of tax computation were available to the fiduciary, the choice depending on the composition of the tax base.

(1) If the estate or trust had no net long-term capital gain included in the tax base, progressive rates ranging from 14 percent to 70 percent were applied to taxable income to compute the tax. These rates were identical to those applicable to a married individual filing a separate return. Although the estate or trust may have had some net long-term capital gain included in the tax base, the progressive rates were applied to all the taxable income if the tax base was \$26,000 or less.

Example of estate or trust with regular tax only having taxable income = \$9,000

Taxable Income	Tax Rate	Tax
1st \$500	14%	\$70
Next \$500	15%	\$75
Next \$500	16%	\$80
Next \$500	17%	\$85
Next \$2,000	19%	\$380
Next \$2,000	22%	\$440
Next \$2,000	25%	\$500
Remaining \$1,000	28%	\$280
Regular tax		\$1,910

The 28 percent rate was the highest, or marginal, rate at which this estate or trust was taxed. The marginal rate is the basis for classification for this type of estate or trust in tables 12 and 13.

(2) If the tax base exceeded \$26,000 and included some net long-term capital gain, an alternative tax computation was available which allowed the estate or trust to benefit from a lower tax on the capital gain portion of the tax base. In this computation, one-half the excess net long-term capital gain (over any net short-term loss) was subtracted from taxable income. The remaining taxable income was taxed at the progressive tax rates. The "one-half excess net long-term capital gain" was taxed at 50 percent. The two computed taxes were then combined. The line numbers next to each item are in reference to Schedule D, Part III, Subpart A.—Computation of Alternative Tax.

Example of estate or trust electing Alternative Tax I computation: Taxable income = \$40,000 (one-half excess net long-term capital gain = \$6,000)

Taxable income (line 16)	\$40,000
Less: One-half excess net long-term capital gain (line 17)	6,000
Portion taxed at regular rates (line 18)	\$34,000
Tax on 1st \$32,000 (rates range from 14% to 53%) ..	\$12,210
Tax on remaining \$2,000 at 55%	1,100
Regular tax (line 19)	\$13,310
Capital gains tax, 50% of the one-half excess (line 20) ..	3,000
Alternative Tax I (line 21)	\$16,310

In table 14, returns of this type are classified by the marginal regular tax rate; for this example 55 percent.

If the fiduciary had net-long term capital gain (or an excess of net long-term capital gain over net short-term capital loss) and taxable income exceeded \$26,000 and excess net long-term capital gains exceeded \$50,000, Alternative Tax II had to be computed.

Example of estate or trust with Alternative Tax II computation with tax generated at both regular and capital gains rates:

Taxable income = \$200,000 (one-half excess net long-term capital gains = \$100,000). The line numbers next to each item below are in reference to Schedule D, Part III, Subpart A.—Computation of Alternative Tax.

Taxable income (line 16)	\$200,000
Less: One-half excess net long-term capital gain (line 17)	100,000
Portion taxed at regular tax rates (line 18)	100,000
Regular tax (line 19)	55,490

Since long-term capital gains exceeded \$50,000, Part III, Subpart B, Schedule D had to be completed. The line numbers next to each item refer to Subpart B.

Regular tax (line 22)	55,490
Capital gains taxable at 25% (line 28) ..	\$50,000
Tax on capital gains at 25% (line 29)	12,500
Excess net long-term capital gains	\$200,000
Less: Capital gains taxable at 25%	50,000
Balance (line 39)	150,000
Tax on capital gains at 29½% (line 40)	44,250
Alternative Tax II (total of lines 22, 29, and 41) ..	112,240

Example of estate or trust with Alternative Tax II computation with tax generated at capital gains rates only:

Taxable income = \$120,000 and one-half excess net long-term capital = \$130,000. The line numbers next to each item below are in reference to Schedule D, Part III, Subpart A.—Computation of Alternative Tax.

Taxable income (line 16)	\$120,000
Less: One-half excess net long-term capital gain (line 17)	130,000
Portion taxed at regular tax rates (line 18)	0
Regular tax (line 19)	0

Subpart A was completed to determine normal tax and surtax. Even though regular tax was zero, Subpart B had to be completed to determine capital gains tax.

Regular tax (line 22)	\$ 0
Capital gains taxable at 25% (line 28) ..	\$50,000
Tax on capital gains at 25% (line 29)	12,500
Excess net long-term capital gains	\$260,000
Less: Capital gains taxable at 25%	50,000
Balance (line 39)	210,000
Tax on capital gains at 29½% (line 40)	61,950
Alternative Tax II (total of lines 22, 29, and 41) ..	74,450

Interest received

Interest received included interest from all sources except wholly tax-exempt government obligations. Also included were so-called dividends, received or credited, on deposits and savings accounts in certain banking organizations such as savings and loan associations. Interest was received either directly or from a sole proprietorship, partnership, or another estate or trust.

Interest paid

Interest expenses were amounts deducted for nonbusiness items of interest paid or accrued on personal debts, mortgages, bank loans, and installment purchases of property and delinquent taxes. Interest on indebtedness incurred which yielded tax-exempt interest was not deductible. Interest on business indebtedness was included in other deductions.

Inter vivos trusts

Inter vivos trusts were trusts created while the grantor was living. Compare with testamentary trusts.

Investment credit

Prior to the Tax Reform Act of 1969, the law provided a 7-percent tax credit (3 percent for public utility property) with respect to qualified investment. In general terms, the investment credit was available with respect to tangible personal and other tangible property (not including buildings and structural components) which was an integral part of manufacturing, production, etc., or which constituted a research or storage facility; and elevators and escalators. In addition the property had to be depreciable property with a useful life of 4 years or more. New property fully qualified for the credit, but in the case of used property only an amount up to \$50,000 could be taken into account in any year. Property with a useful life of from 4-6 years qualified for the credit to the extent of one-third of its cost. For property with a useful life of 6 to 8 years, two-thirds of the investment qualified, and for property with an estimated useful life of 8 years or more, the full amount qualified. The amount of investment credit taken in any year could not exceed the first \$25,000 of tax liability plus 50 percent of the tax liability in excess of \$25,000. Investment credits which because of this limitation could not be used in the current year could be carried back to the 3 prior years and used in those years; then to the extent of any amount still remaining, carried forward and used in the succeeding 7 taxable years.

The Act repealed the investment credit with respect to property on which physical construction, reconstruction, or erection began after April 18, 1969, or which was acquired by the taxpayer after that date. Certain exceptions were provided for property constructed or acquired under a binding contract entered into before April 19, 1969. The new law also provided a limitation of 20 percent on unused credits which could be claimed as a carryover to any year after 1968.

Long-term capital gain deduction

The amount of long-term capital gain deduction was equal to one-half of the amount retained by the estate or trust of the excess of net long-term capital gain over the net capital loss (including loss carryover) and less long-term capital gains taxable to the beneficiaries.

Marginal tax rate

The marginal tax rate was the highest regular tax rate applicable to a portion of a taxpayer's tax base.

Multiple trust returns

A grantor may create one or more trusts and the fiduciary could report the income separately from each. Each trust was allowed the \$100 or \$300 exemption and in all other respects was treated as a separate entity for tax purposes.

Net gain or loss from sales of capital assets

The net gains or losses from sales of capital assets, whether long-term or short-term, were from sales or exchanges of capital assets especially stocks, bonds, and non-business real estate sales. Net gain or loss was determined by including with the current-year transactions of the estate or trust: (1) any short- or long-term capital loss carryover from previous year; (2) net short- and long-term gains or losses received from sole proprietorships and partnerships, and from another estate or trust; (3) capital gain "dividends" and undistributed capital gains from regulated investment companies; and (4) the excess net long-term gain over net short-term loss distributed to estates by Small Business Corporations electing to be taxed through shareholders.

If the amount determined was a gain, it was all included in total income (but see "Long-term capital gain deduction"). If the amount determined was a loss, the loss includible in total income was the smallest of (1) the amount of the loss, (2) taxable income computed without regard to such loss and the exemption, or (3) \$1,000.

Net long-term capital gain in excess of net short-term capital loss

This was the amount computed by doubling the long-term capital gain deduction. The equivalent amount on the return would be equal to the excess of net long-term capital gains or losses over net short-term capital gains or losses less long-term capital gains taxable to beneficiaries.

Nontaxable returns

These were the returns with no amount of income tax remaining after deduction of tax credits, but they can include returns whose only tax was additional tax for tax preferences or tax from recomputing prior-year investment credit.

Other deductions

Other deductions included all business deductions other than depreciation and depletion; all nonbusiness deductions not specifically covered on the return; the fiduciary's commissions and other ordinary and necessary administration expenses; amortizable bond premiums; net operating loss deduction; and any nonbusiness loss from a casualty or theft in excess of \$100.

Other income

Other income included the net gains or losses from sales, exchanges, and other dispositions of real and depreciable property held not more than six months. Gains and losses from involuntary conversions arising from casualty or theft of property used in a trade or business and capital assets held more than six months were included if losses exceeded gains. Also included was all other taxable income not reported elsewhere, including dividends from Small Business Corporations electing to be taxed through shareholders and income in respect of a decedent.

Overpayment of tax

An overpayment of tax occurred when the tax prepayments and credits exceeded total tax.

Partnership, estate, and trust net profit or net loss

The income or loss from partnerships and from other estates or trusts included the estate's or trust's share of income from syndicates, pools, joint ventures, or associations electing to be taxed through shareholders. The estate's or trust's share was reported without deductions for contributions or for net operating loss. Dividends, interest on tax-free covenant bonds, and capital gains and losses from partnerships were excluded and were combined with dividends, etc., elsewhere on the return for the estate or trust.

Pooled income fund

A pooled income fund was a special type of trust formed to pay income to one or more noncharitable beneficiaries and the remainder to charity.

Regular tax

Regular tax was the tax computed on taxable income at the rates from the tax table on the "Instructions For Form 1041" in the rear of the publication. The rates ranged from 14 percent of the first \$500 of taxable income to 70 percent of taxable income over \$100,000.

Simple trust

A simple trust was a trust which distributed its entire current income to the beneficiaries in accordance with either the governing instrument or local law, and did not make charitable contributions (except for a few trusts permitted under local law). A small number of trusts did not have income to distribute or the character of the income was such that it was not required to be currently distributed. A trust could have been a simple trust in one year and a complex trust the next year. (See also "Complex trust").

Sole proprietorship gross profit or gross loss

Sole proprietorship gross profits or losses were equivalent to the receipts of sole proprietors from sales or services less the cost of sales and operations. Expenses relating to such income, other than costs of sales and operations, were included in "Other deductions" except depreciation and depletion and charitable contributions. The income items other than the gross profits were included in their appropriate categories.

Surcharge

In addition to the regular tax liability, the tax surcharge was continued at a 5 percent rate for the period January 1, 1970 through June 30, 1970. The surcharge was applied to the income tax before credits based on the tax rate schedule or alternative tax computation. Figured on an annual basis, the surcharge was 2½ percent. Special computations were required to determine the tax surcharge for noncalendar year returns.

Tax due

Tax due was reported on returns where the tax withheld and the tax prepayments and credits of the estates and trusts were insufficient to cover the total of income tax after credits, tax from recomputing prior-year investment credit, and additional tax for tax preferences (minimum tax). Fiduciaries were permitted to pay the tax in equal installments for estate tax due, but for trusts, the tax due had to be paid in full with the return.

Tax from recomputing prior year investment credit

The investment credit provisions of the law included a "recapture rule" which required taxpayers to pay back all or a portion of any investment credit taken on property disposed of before the end of the useful life claimed in computing the credit. The law specified that if property qualifying for credit was disposed of before the end of its estimated useful life, the tax for the year of disposal was increased by the difference between the credit originally allowed and the credit that would have been allowed if the computation had been based on a shorter useful life.

Taxable income

Taxable income was the amount to which tax rates were usually applied in arriving at income tax before credits. It was determined by subtracting from total income the total deductions. (See also "Income tax before credits" and "Income subject to tax.")

Taxes paid deduction

The taxes paid deduction included deductions for taxes paid on real estate, taxes related to rents and royalties, taxes paid to foreign countries unless a credit was claimed, taxes paid on income to State and local agencies, and sales taxes paid and most other non-Federal taxes.

Tax payments and credits

For this report the following were combined in this category: (1) the fiduciaries' share of credit for tax paid at source on tax free covenant bond interest, (2) credit for tax on special fuels, nonhighway Federal gasoline or lubricating oil tax, (3) credit for tax paid equivalent to the estate's or trust's share of the undistributed capital gains of a regulated investment company, (4) credit for tax paid with an application for extension of time to file and (5) for an estate, credit for taxes withheld from the wages of a decedent.

Tax preferences

Tax preferences are covered in the section of the "Explanation of Terms" under "Additional tax for tax preferences."

Taxable returns

Taxable returns were returns with an amount of income tax after credits. Additional tax for tax preferences and tax from recomputing prior year investment credit were not taken into account in our definition of taxable returns.

Testamentary trusts

Testamentary trusts were trusts created by the terms of the grantor's will after the grantor's death.

Total deductions

Total deductions was the sum of all allowable deductions: interest paid, taxes, depreciation and depletion, charitable deductions, other deductions, deduction for distribution to beneficiaries, dividend exclusion, Federal estate tax, long-term capital gain deduction, and the exemption.

Total income

Total income was derived by adding the income of the estate or trust from all sources including dividends before exclusion, interest received, gross profit or loss from partnerships and other fiduciaries, gross rents and royalties, gross profit from sole proprietorships, net gains or losses from sales of capital assets, and other income or losses.

Total tax

Total tax was derived by adding to income tax after credits the tax from recomputing prior year's investment credit and the additional tax for tax preference items.

Description of the Sample and Limitations of the Data

The Sample and the Population

As mentioned before, income tax data for estates and trusts are estimates based on a stratified systematic sample of unaudited fiduciary income tax returns, Form 1041, filed during 1971, representing income year 1970. Sampling rates ranged from 2 percent to 100 percent depending on the size of total income reported on the return.

The returns were computer selected after being separated into 32 strata as noted in table D based on a cross-classification of (a) total income (deficit) and (b) type of fiduciary return. Four sampling rates based on size of total income (deficit) were used; however, counts were maintained by type of return. This was done in order to obtain accurate population and sample count totals, thereby making it un-

necessary to estimate totals for these return types from the sample. The use of multiple strata contributed to a reduction of the coefficient of variation for the table based on these separations, thereby providing better estimates of various segments of the population.

There were 1,175,405 fiduciary income tax returns processed in 1971. To that figure there were added 32,587 returns to adjust for the difference due to the computer inventory of returns unprocessed at the end of calendar year 1971 over those unprocessed at the end of 1970. The adjusted number of returns processed, as shown in table D, was 1,207,992. This latter number is 181,063 returns greater than the 1,026,929 returns upon which the estate and trust data in this report are based. The difference resulted from the exclusion from the sample of 134,215 grantor trust returns, 46,335 blank and "no reason for filing" returns, and 513 amended returns. Furthermore, the difference between the number of estates and trusts (1,027,283) and the number of fiduciary income tax returns (1,026,929) upon which the estate and trust data are based was caused by the inclusion of an estimated 514 multiple trusts reported on 152 multiple trust returns.

Estimation

A weighting factor was calculated for each sample stratum by dividing the number of returns processed by the number of sample returns and rounding the result to two decimal places. Each item reported on a sample return was then multiplied by the weighting factor for the returns's stratum to produce weighted items for that return.

For calculating the estimates, sample data were weighted by integer weighting factors, derived from the actual weights. For example, the weight for the stratum "estates with total income under \$10,000" was 52.55 so 55 percent of the sample returns in that stratum were given a weight of 53 and 45 percent a weight of 52. This system of integer weighting permits all frequencies shown in tables throughout the report to consistently add to the appropriate totals. However, since weighted amounts for each return were rounded to thousands of dollars at a later stage of statisti-

Table D. - FIDUCIARY INCOME TAX RETURNS PROCESSED IN 1971: SUMMARY OF SAMPLING RATES¹

Stratum	Returns processed in 1971	Returns in sample	Prescribed sampling rate	Average sampling rate
	(1)	(2)	(3)	(4)
Number of returns, total.....	1,207,992	54,667	-	-
Size of total income:				
Under \$10,000 ²	1,012,082	19,494	0.0200	0.0193
\$10,000 under \$50,000.....	167,159	15,864	0.1000	0.0949
\$50,000 under \$100,000.....	17,975	8,533	0.5000	0.4747
\$100,000 or more.....	10,776	10,776	1.0000	1.0000

¹This table is a summary of the 32 strata in which returns were classified prior to selection. Returns were actually separated into eight groups, and within each group they were further stratified into the four income classes shown. The eight groups were based on the type of fiduciary return (estate, and trusts classified as being simple or complex and testamentary or inter vivos). The four prescribed rates were the same for each group.

²Includes returns with no total income.

Table E. - FIDUCIARY INCOME TAX RETURNS PROCESSED IN 1971: COEFFICIENT OF VARIATION OF THE ESTIMATED NUMBER OF ESTATES AND TRUSTS

Estimated number of estates and trusts	Data by size of total income				Data not shown by size of total income
	Under \$10,000	\$10,000 under \$50,000	\$50,000 under \$100,000	\$100,000 or more	
	(1)	(2)	(3)	(4)	(5)
	(Percent)				
200.....	(1)	21.2	7.1		(1)
300.....	(1)	17.3	5.8		(1)
500.....	(1)	13.4	4.5		(1)
700.....	26.5	11.3	3.8		26.5
900.....	23.3	10.0	3.3		23.3
1,200.....	20.2	8.7	2.9		20.2
1,500.....	18.1	7.7	2.6		18.1
2,000.....	15.7	6.7	2.2		15.7
3,000.....	12.8	5.5	1.8		12.8
5,000.....	9.9	4.2	1.4		9.9
10,000.....	7.0	3.0	1.0		7.0
25,000.....	4.4	1.9	(2)		4.4
50,000.....	3.1	1.3	(2)		3.1
75,000.....	2.6	1.1	(2)		2.6
100,000.....	2.2	0.9	(2)		2.2
200,000.....	1.6	(2)	(2)		1.6
500,000.....	1.0	(2)	(2)		1.0

¹Coefficient of variation is too high to warrant showing estimate separately.

²Insufficient number of estates and trusts in the population to require the calculation of the estimate of the coefficient of variation.

Fiduciary Income Tax Returns for 1970

Table F.—SAMPLING VARIABILITY TABLE.—RELATIVE SAMPLING VARIABILITY AT THE ONE STANDARD DEVIATION LEVEL FOR SELECTED ESTIMATES BY SIZE OF TOTAL INCOME

Size of total income	Relative sampling variability (Percent)						
	Number	Total income	Charitable deduction	Distributions deduction	Taxable income	Income tax after credits	Additional tax for tax preferences
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
ALL ESTATES AND TRUSTS							
Total.....	0.21	0.35	1.92	0.42	0.65	0.58	0.97
No total income.....	4.66	15.25	3.68	17.50	-	-	-
Under \$1,000.....	1.18	1.48	13.70	2.55	3.07	3.10	-
\$1,000 under \$2,000.....	1.60	1.64	24.30	2.33	3.20	3.23	-
\$2,000 under \$3,000.....	2.05	2.06	18.03	3.39	4.04	4.11	-
\$3,000 under \$4,000.....	2.43	2.44	21.39	3.14	4.77	4.85	-
\$4,000 under \$5,000.....	2.84	2.84	24.15	4.16	5.48	5.59	-
\$5,000 under \$7,000.....	2.38	2.40	18.43	3.10	4.62	4.76	-
\$7,000 under \$10,000.....	2.55	2.57	18.85	3.23	4.78	4.97	-
\$10,000 under \$15,000.....	1.08	1.09	10.01	1.31	2.06	2.18	-
\$15,000 under \$25,000.....	1.17	1.19	7.97	1.45	2.15	2.36	(*)
\$25,000 under \$50,000.....	1.40	1.44	17.55	1.81	2.52	2.86	(*)
\$50,000 under \$100,000.....	1.23	1.27	4.00	1.12	1.77	1.93	15.46
\$100,000 under \$200,000.....	1.66	1.61	0.45	1.72	0.52	0.47	1.91
\$200,000 under \$500,000.....	0.93	0.99	0.02	0.19	0.30	0.25	-
\$500,000 under \$1,000,000.....	0.31	0.36	-	0.06	0.02	0.01	-
\$1,000,000 or more.....	0.52	0.39	-	0.04	0.08	0.07	-
ESTATES							
Total.....	0.37	0.88	5.04	1.70	1.15	1.08	0.94
No total income.....	7.19	10.85	0.44	(*)	-	-	-
Under \$1,000.....	2.71	3.20	30.66	8.38	9.63	9.73	-
\$1,000 under \$2,000.....	2.98	3.05	(*)	7.15	5.22	5.27	-
\$2,000 under \$3,000.....	3.82	3.84	30.13	17.56	5.85	5.92	-
\$3,000 under \$4,000.....	4.57	4.58	(*)	8.76	7.11	7.20	-
\$4,000 under \$5,000.....	5.37	5.38	(*)	16.53	7.95	8.06	-
\$5,000 under \$7,000.....	4.58	4.60	(*)	8.66	6.69	6.83	-
\$7,000 under \$10,000.....	5.06	5.09	34.03	9.37	7.01	7.20	-
\$10,000 under \$15,000.....	2.43	2.43	16.34	4.19	3.31	3.41	-
\$15,000 under \$25,000.....	2.59	2.64	15.39	4.12	3.43	3.67	-
\$25,000 under \$50,000.....	2.87	2.95	(*)	4.81	4.01	4.48	-
\$50,000 under \$100,000.....	3.16	3.31	9.20	2.28	2.30	2.53	26.77
\$100,000 under \$200,000.....	5.59	5.58	1.02	9.05	1.59	1.42	7.52
\$200,000 under \$500,000.....	2.81	2.28	0.01	0.42	0.87	0.72	-
\$500,000 under \$1,000,000.....	1.39	1.15	-	0.23	0.11	0.05	-
\$1,000,000 or more.....	2.67	1.36	-	0.26	0.48	0.42	-
TRUSTS							
Total.....	0.26	0.36	1.50	0.41	0.78	0.69	1.15
No total income.....	6.10	22.41	(*)	20.08	-	-	-
Under \$1,000.....	1.31	1.66	15.23	2.67	3.24	3.27	-
\$1,000 under \$2,000.....	1.90	1.95	15.55	2.47	4.02	4.06	-
\$2,000 under \$3,000.....	2.43	2.45	22.40	2.90	5.59	5.69	-
\$3,000 under \$4,000.....	2.88	2.89	25.67	3.37	6.43	6.57	-
\$4,000 under \$5,000.....	3.34	3.35	27.99	3.85	7.56	7.75	-
\$5,000 under \$7,000.....	2.80	2.81	20.36	3.32	6.37	6.60	-
\$7,000 under \$10,000.....	2.95	2.97	22.33	3.44	6.48	6.83	-
\$10,000 under \$15,000.....	1.19	1.20	12.07	1.37	2.58	2.79	(*)
\$15,000 under \$25,000.....	1.28	1.31	9.32	1.55	2.75	3.06	(*)
\$25,000 under \$50,000.....	1.60	1.64	10.04	1.95	3.24	3.72	(*)
\$50,000 under \$100,000.....	1.22	1.23	4.45	1.27	2.41	2.63	18.18
\$100,000 under \$200,000.....	1.09	0.94	0.43	1.06	0.34	0.35	-
\$200,000 under \$500,000.....	0.95	1.10	0.03	0.21	0.30	0.25	-
\$500,000 under \$1,000,000.....	0.20	0.33	-	0.06	-	-	-
\$1,000,000 or more.....	0.33	0.32	-	0.04	-	-	-

(*) An asterisk in a cell denotes that the corresponding estimate has sampling variability greater than 35 percent.

cal processing, amount detail may not necessarily add to total. To correct any discrepancies between table totals, control totals were established and carried to all tables. The information on the total number of returns processed was based on actual computer counts of Form 1041 returns, and the result was checked against a manual tabulation of the total number of returns filed.

Sampling variability

The relative sampling variability at the one standard deviation level (Coefficient of Variation) represents a range in percent which would not be exceeded in 2 out of 3 estimates based on similar sampling systems. It is derived by

expressing the standard error of the estimate as a percentage of the estimate.

Table E provides estimates of the coefficient of variation for frequency estimates where the underlying sampling distribution by sample stratum is not known. The use of this table will generally give a conservative (that is, a high) estimate of the coefficient of variation and some users have extended this coefficient of variation to associated money amount estimates.

Table F provides estimates of the coefficient of variation for selected estimates of both frequency and money fields.

Frequencies and amounts considered subject to excessive sampling variability are not shown in the tables although they are reflected in the appropriate totals. Where sampling

variability was judged to be excessive, data in particular cells have been deleted or have been combined for a group of cells. The data were combined in such a manner that the combined sampling variability was not excessive. Where deletions were made in a table the applicable cells are noted with an asterisk (*). Where combinations of data were made, the combined totals are presented beside the bracketed cells to which they relate.

Non-Sampling Controls

In processing returns for collection purposes and in processing the sample of returns for statistical purposes, several steps were taken to reduce taxpayer reporting errors and errors introduced in data processing operations. All the fiduciary returns filed during 1971 were mathematically verified before they were made available for sample selection. However, corrections resulting from mathematical verification of the taxpayer's entries during revenue processing were not always available for the statistics.

In editing, transcribing, and tabulating the information

from the sampled returns, additional checks were imposed to improve the quality of the resulting estimates. Returns that showed data in accompanying schedules but not on the appropriate lines of the return forms and returns with obvious errors were edited and properly adjusted.

Prior to tabulation at the Internal Revenue Service Data Center, numerous tests for internal consistency were designated by the Statistics Division and were applied to the data using electronic computers. This assured that proper balance and relationships among the return items and statistical classifications were maintained. Finally, prior to publication, all statistics were reviewed for accuracy and reasonableness, in light of provisions of tax law, taxpayer reporting variations and limitations, and statistical techniques used in data processing.

However, the controls maintained over the selection of the sample returns, the processing of the source data, and the review of the statistics did not completely eliminate the possibility of error. In addition, practical operating considerations necessitated allowance of reasonable tolerances in the statistical processing of the data.

Table 3.--ALL TRUSTS--SOURCES OF INCOME AND LOSS, DEDUCTIONS, TAXABLE INCOME, AND TAX ITEMS, BY SIZE OF TOTAL INCOME--Continued

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Size of total income	Income tax before credits	Surcharge		Tax credits						Income tax after credits	Tax from recomputing prior year investment credit		Additional tax for tax preferences		Total tax		Tax payments and credits		Tax due at time of filing		Overpayment			
		Number of trusts	Amount	Total		Foreign tax credit		Investment credit			Number of trusts	Amount	Number of trusts	Amount	Number of trusts	Amount	Number of trusts	Amount	Number of trusts	Amount	Number of trusts	Amount	Number of trusts	Amount
				Number of trusts	Amount	Number of trusts	Amount	Number of trusts	Amount															
(41)	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)	(52)	(53)	(54)	(55)	(56)	(57)	(58)	(59)	(60)	(61)	(62)			
ALL TRUSTS																								
Total.....	395,505	225,540	10,232	7,686	1,152	6,500	897	1,207	255	404,627	340	63	1,419	6,204	251,259	410,895	3,883	9,573	250,200	402,268	1,333	947		
No total income.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(*)	(*)	-	-	(*)	(*)		
Under \$1,000.....	2,416	52,818	64	694	7	499	5	-	-	2,465	-	-	-	-	65,374	2,465	-	-	65,126	2,446	-	-		
\$1,000 under \$2,000.....	4,418	29,059	98	1,174	16	1,077	16	-	-	4,506	-	-	-	-	33,570	4,506	-	-	33,422	4,478	-	-		
\$2,000 under \$3,000.....	4,144	19,089	104	638	12	538	11	-	-	4,242	-	-	-	-	20,663	4,244	-	-	20,511	4,228	-	-		
\$3,000 under \$4,000.....	4,847	15,335	123	728	29	728	29	-	-	4,944	-	-	-	-	16,539	4,945	1,933	335	16,539	4,940	593	105		
\$4,000 under \$5,000.....	4,251	11,807	104	(*)	(*)	(*)	(*)	860	185	4,307	238	19	-	-	12,369	4,307	-	-	12,369	4,307	-	-		
\$5,000 under \$7,000.....	7,799	17,171	193	(*)	(*)	(*)	(*)	-	-	7,947	-	-	-	-	17,941	7,947	-	-	17,892	7,890	-	-		
\$7,000 under \$10,000.....	11,592	18,146	284	539	69	490	68	-	-	11,813	-	-	-	-	19,160	11,813	-	-	19,160	11,709	-	-		
\$10,000 under \$15,000.....	18,476	19,180	487	824	73	675	51	-	-	18,896	-	-	-	-	20,474	19,052	385	223	20,379	18,896	125	67		
\$15,000 under \$25,000.....	31,107	17,865	807	692	88	618	68	-	-	31,832	-	-	-	-	18,873	31,854	423	343	18,790	31,592	156	80		
\$25,000 under \$50,000.....	51,145	13,894	1,292	981	259	883	136	-	-	52,183	-	171	185	14,581	52,205	430	742	14,476	51,678	149	216			
\$50,000 under \$100,000.....	59,521	7,090	1,572	577	98	299	77	291	21	60,997	53	15	74	97	7,359	61,109	456	1,672	7,135	59,759	232	321		
\$100,000 under \$200,000.....	52,668	2,552	1,326	132	55	106	26	33	29	53,941	30	9	366	369	2,725	54,320	120	802	2,698	53,562	44	44		
\$200,000 under \$500,000.....	58,418	1,173	1,469	76	96	60	86	17	10	59,792	15	13	563	1,304	1,240	61,110	92	2,645	1,227	58,497	17	33		
\$500,000 under \$1,000,000.....	29,970	225	783	21	207	20	206	1	1	30,547	3	8	154	1,214	234	31,768	15	1,259	232	30,514	3	4		
\$1,000,000 or more.....	54,733	136	1,525	16	42	11	34	5	7	56,216	1	(*)	91	3,035	147	59,251	20	1,551	144	57,774	5	74		
TAXABLE TRUSTS																								
Total.....	395,419	225,390	10,230	7,494	1,065	6,384	836	1,131	229	404,627	280	51	1,389	6,113	251,157	410,792	3,380	9,320	250,098	402,166	883	694		
Under \$1,000.....	2,414	52,769	64	645	5	499	5	-	-	2,465	-	-	-	-	65,374	2,465	-	-	65,126	2,446	-	-		
\$1,000 under \$2,000.....	4,418	29,059	98	1,174	16	1,077	16	-	-	4,506	-	-	-	-	33,570	4,506	-	-	33,422	4,478	-	-		
\$2,000 under \$3,000.....	4,144	19,089	104	638	12	538	11	-	-	4,242	-	-	-	-	20,611	4,242	-	-	20,559	4,228	-	-		
\$3,000 under \$4,000.....	4,847	15,335	123	728	29	728	29	490	19	4,944	186	16	-	-	16,539	4,945	1,635	234	16,539	4,940	525	124		
\$4,000 under \$5,000.....	4,251	11,807	104	(*)	(*)	(*)	(*)	-	-	4,307	-	-	-	-	12,369	4,307	-	-	12,369	4,307	-	-		
\$5,000 under \$7,000.....	7,762	17,171	193	(*)	(*)	(*)	(*)	-	-	7,947	-	-	-	-	17,941	7,947	-	-	17,892	7,890	-	-		
\$7,000 under \$10,000.....	11,592	18,146	284	539	69	490	68	-	-	11,813	-	-	-	-	19,160	11,813	-	-	19,160	11,709	-	-		
\$10,000 under \$15,000.....	18,476	19,149	487	803	70	654	48	149	22	18,896	149	22	-	-	20,474	19,052	355	215	20,369	18,896	105	111		
\$15,000 under \$25,000.....	31,105	17,854	807	681	86	618	68	150	118	31,832	118	118	171	185	18,873	31,854	350	322	18,790	31,592	105	111		
\$25,000 under \$50,000.....	51,107	13,841	1,291	928	219	841	119	-	-	52,183	-	-	-	-	14,581	52,205	386	637	14,476	51,678	105	111		
\$50,000 under \$100,000.....	59,521	7,090	1,572	575	98	299	77	289	21	60,997	53	15	72	95	7,355	61,108	435	1,671	7,131	59,757	211	321		
\$100,000 under \$200,000.....	52,667	2,549	1,326	129	54	105	25	31	29	53,941	25	9	357	336	2,711	54,286	101	797	2,684	53,528	25	39		
\$200,000 under \$500,000.....	58,416	1,171	1,469	73	94	58	84	16	10	59,792	12	4	548	1,269	1,222	61,065	86	2,635	1,209	58,453	12	23		
\$500,000 under \$1,000,000.....	29,970	224	783	20	206	19	205	1	1	30,547	3	8	153	1,200	233	31,755	14	1,259	231	30,500	2	4		
\$1,000,000 or more.....	54,733	136	1,525	16	42	11	34	5	7	56,216	1	(*)	88	3,028	144	59,244	18	1,550	141	57,766	3	73		
NONTAXABLE TRUSTS																								
Total.....	86	150	2	192	87	116	61	76	27	-	60	13	30	91	102	104	503	254	102	103	450	253		
No total income.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(*)	(*)	-	-	(*)	(*)	
Under \$1,000.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
\$1,000 under \$2,000.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
\$2,000 under \$3,000.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
\$3,000 under \$4,000.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
\$4,000 under \$5,000.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
\$5,000 under \$7,000.....	82	144	(*)	185	84	(*)	(*)	(*)	(*)	-	(*)	(*)	-	-	(*)	(*)	466	235	(*)	(*)	414	234		
\$7,000 under \$10,000.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
\$10,000 under \$15,000.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
\$15,000 under \$25,000.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
\$25,000 under \$50,000.....	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
\$50,000 under \$100,000.....	-	-	-	-	-	-	-	-	-	-	-	-	(*)	(*)	-	-	-	-	-	-	-	-	-	
\$100,000 under \$200,000.....	1	3	(1)	3	1	1	(1)	2	(1)	-	5	1	9	33	14	34	19	6	14	34	19	6		
\$200,000 under \$500,000.....	2	2	(1)	3	2	2	(1)	1	(1)	-	3	9	15	35	18	44	6	10	18	44	5	10		
\$500,000 under \$1,000,000.....	1	1	(1)	1	1	1	1	1	(1)	-	-	-	1	13	1	13	1	(1)	1	13	1	(*)		
\$1,000,000 or more.....	-	-	-	-	-	-	-	-	-	-	-	-	3	8	3	8	2	1	3	8	2	1		

(*) An asterisk in a cell denotes that the estimate is not shown separately because of high sampling variability. However, the data are included in the appropriate totals. Less than \$500.

Fiduciary Income Tax Returns for 1970

Table 4.—SIMPLE TRUSTS—SOURCES OF INCOME AND LOSS, DEDUCTIONS, TAXABLE INCOME, AND TAX ITEMS, BY SIZE OF TOTAL INCOME

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total income	Number of simple trusts	Total income	Sources of income and loss							
			Dividends before exclusion		Interest received		Partnership, estate, and trust		Rents and royalties	
			Number of simple trusts	Amount	Number of simple trusts	Amount	Number of simple trusts	Net profit (less loss)	Number of simple trusts	Gross receipts
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Total.....	437,523	4,851,282	360,342	2,421,047	326,146	681,826	50,798	107,541	50,742	594,744
No total income.....	4,975	-21,067	3,505	4,807	3,090	4,411	2,842	-24,760	(*)	(*)
Under \$1,000.....	76,316	37,819	54,590	19,501	53,701	15,870	6,552	910	1,968	835
\$1,000 under \$2,000.....	68,426	100,371	55,398	50,695	49,653	34,947	6,131	3,507	5,024	5,458
\$2,000 under \$3,000.....	47,507	117,174	39,413	60,911	34,993	36,487	5,828	5,470	4,357	7,308
\$3,000 under \$4,000.....	38,404	133,398	32,536	70,826	28,939	36,228	5,105	7,196	4,153	8,924
\$4,000 under \$5,000.....	28,607	128,408	24,661	71,560	21,801	32,750	3,628	4,349	3,114	9,137
\$5,000 under \$7,000.....	41,057	241,369	34,906	126,616	31,470	58,150	5,139	10,042	6,181	23,539
\$7,000 under \$10,000.....	35,170	291,631	31,044	158,085	27,327	60,296	4,884	15,058	4,686	23,741
\$10,000 under \$15,000.....	34,472	420,926	29,915	221,664	27,182	76,417	3,775	11,643	6,547	47,432
\$15,000 under \$25,000.....	28,174	541,388	24,617	281,593	21,579	81,253	2,983	16,124	5,995	66,939
\$25,000 under \$50,000.....	20,231	703,043	17,703	364,352	15,691	83,058	2,371	21,538	4,587	92,142
\$50,000 under \$100,000.....	8,936	608,903	7,668	289,474	6,867	59,693	951	16,359	2,337	83,008
\$100,000 under \$200,000.....	3,251	441,714	2,747	206,376	2,424	38,489	374	7,860	900	62,444
\$200,000 under \$500,000.....	1,492	444,506	1,229	190,743	1,100	32,527	193	9,656	463	70,370
\$500,000 under \$1,000,000.....	3,409	211,374	246	87,023	202	15,845	27	2,335	95	35,702
\$1,000,000 or more.....	196	450,325	164	216,823	127	15,406	15	254	59	56,211

Size of total income	Sources of income and loss (Continued)									Type of deductions		
	Sole proprietorship			Sales of capital assets			Other sources			Total deductions	Interest paid	
	Number of simple trusts	Gross profit (less loss)	Net gain		Net loss		Number of simple trusts	Net gain (less loss)	Number of simple trusts		Amount	
			Number of simple trusts	Amount	Number of simple trusts	Amount						
(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)		
Total.....	6,377	100,599	146,387	893,878	19,974	10,255	25,093	60,144	4,639,480	25,382	80,886	
No total income.....	(*)	(*)	(*)	(*)	2,604	1,833	(*)	(*)	9,021	650	1,308	
Under \$1,000.....	1,876	2,237	13,709	1,621	3,697	1,195	2,180	221	50,830	1,616	379	
\$1,000 under \$2,000.....			18,181	5,433	2,445	1,011	2,802	1,099	161,455	2,333	881	
\$2,000 under \$3,000.....			13,693	6,441	1,919	834	2,120	761	122,752	2,226	677	
\$3,000 under \$4,000.....			12,798	9,069	1,871	1,007	1,817	1,286	133,814	1,661	595	
\$4,000 under \$5,000.....			9,699	8,880	736	332	1,453	1,538	129,209	1,452	634	
\$5,000 under \$7,000.....	572	904	15,279	20,725	1,505	908	3,427	1,979	243,175	2,027	1,264	
\$7,000 under \$10,000.....	634	2,723	14,387	29,960	1,917	1,084	2,701	2,834	284,100	2,443	1,965	
\$10,000 under \$15,000.....	790	6,051	15,908	54,510	1,161	610	2,464	3,601	404,165	2,992	3,258	
\$15,000 under \$25,000.....	760	7,299	13,885	82,999	817	529	2,270	5,429	508,272	2,729	5,862	
\$25,000 under \$50,000.....	612	11,317	10,670	124,759	848	562	1,771	5,896	648,952	2,785	8,807	
\$50,000 under \$100,000.....	459	19,285	5,041	135,653	297	222	999	5,495	555,708	1,505	10,903	
\$100,000 under \$200,000.....	156	12,183	1,885	110,883	94	78	439	3,454	398,295	549	8,961	
\$200,000 under \$500,000.....	88	14,785	841	122,305	39	29	195	3,935	398,047	303	15,583	
\$500,000 under \$1,000,000.....	12	3,985	163	62,788	14	12	52	3,707	187,415	74	11,400	
\$1,000,000 or more.....	11	22,744	106	117,086	10	9	31	21,809	404,271	37	8,409	

Size of total income	Type of deduction (Continued)											
	Taxes		Depreciation and depletion		Charitable deduction		Deduction for distributions to beneficiaries		Dividend exclusion			
	Number of simple trusts	Amount	Number of simple trusts	Amount	Number of simple trusts	Amount	Number of simple trusts	Amount	Number of simple trusts	Amount		
(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)			
Total.....	155,592	164,328	26,285	75,667	7,076	86,945	403,260	3,230,795	43,223	2,362		
No total income.....	1,194	700	(*)	(*)	(*)	(*)	1,000	3,683	(*)	(*)		
Under \$1,000.....	13,713	937	569	477	2,973	3,271	63,570	28,102	6,663	485		
\$1,000 under \$2,000.....	19,214	2,579	2,229	829			64,013	78,334	5,459	366		
\$2,000 under \$3,000.....	16,685	3,236	1,509	840			44,600	91,891	3,597	218		
\$3,000 under \$4,000.....	12,877	3,281	1,918	1,086			36,176	102,427	3,052	193		
\$4,000 under \$5,000.....	10,167	3,011	1,558	1,058			27,414	98,756	2,749	133		
\$5,000 under \$7,000.....	17,437	6,215	3,018	2,833	934	3,163	39,492	190,936	3,544	176		
\$7,000 under \$10,000.....	15,222	7,371	3,013	3,598			34,078	221,192	3,264	129		
\$10,000 under \$15,000.....	16,303	14,734	3,670	6,302			921	4,400	33,071	299,931	5,042	240
\$15,000 under \$25,000.....	13,779	18,058	3,358	8,213			632	5,574	26,912	376,167	3,964	183
\$25,000 under \$50,000.....	10,996	25,467	2,888	10,634			476	6,823	19,550	475,663	3,225	130
\$50,000 under \$100,000.....	5,062	22,840	1,484	11,071	474	13,211	8,473	374,419	1,578	62		
\$100,000 under \$200,000.....	1,865	16,121	531	7,574	197	12,311	3,072	268,570	612	22		
\$200,000 under \$500,000.....	835	13,337	274	8,011	103	15,886	1,385	246,221	249	8		
\$500,000 under \$1,000,000.....	144	9,993	50	2,706	22	7,203	279	113,847	63	2		
\$1,000,000 or more.....	99	17,347	36	10,184	20	14,978	175	260,655	31	1		

Fiduciary Income Tax Returns for 1970

Table 4.—SIMPLE TRUSTS—SOURCES OF INCOME AND LOSS, DEDUCTIONS, TAXABLE INCOME, AND TAX ITEMS, BY SIZE OF TOTAL INCOME—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total income	Type of deductions—Continued							Taxable income		Income tax before credits
	Federal estate tax		Long-term capital gain deduction		Exemption		Other deductions	Number of simple trusts	Amount	
	Number of simple trusts	Amount	Number of simple trusts	Amount	Number of simple trusts	Amount				
	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	(41)
Total	2,157	3,677	116,680	359,198	292,820	85,025	550,464	72,829	391,309	141,267
No total income	-	-	(*)	(*)	1,277	366	2,549	-	-	-
Under \$1,000	567	103	9,764	542	45,659	12,706	6,805	4,488	1,347	189
\$1,000 under \$2,000			14,328	2,114	42,910	12,437	63,027	4,611	2,465	355
\$2,000 under \$3,000			10,515	2,264	31,251	9,060	14,017	4,735	3,283	493
\$3,000 under \$4,000			9,781	3,374	26,921	7,799	13,886	5,925	6,639	1,052
\$4,000 under \$5,000	-	-	8,250	3,594	20,251	5,972	15,625	4,623	4,501	695
\$5,000 under \$7,000	934	686	11,949	7,070	28,263	8,278	25,138	6,748	8,263	1,313
\$7,000 under \$10,000			11,788	11,901	24,095	7,125	28,351	8,357	12,549	2,028
\$10,000 under \$15,000			13,366	22,580	25,380	7,493	45,067	9,972	25,543	4,550
\$15,000 under \$25,000			11,391	33,506	20,914	6,158	34,045	9,420	39,625	7,877
\$25,000 under \$50,000	240	493	11,391	33,506	20,914	6,158	34,045	9,420	39,625	7,877
\$50,000 under \$100,000	287	809	8,751	50,063	15,287	4,502	66,042	7,751	59,195	14,867
\$100,000 under \$200,000	95	519	4,243	56,454	6,721	1,977	64,247	3,875	59,657	19,522
\$200,000 under \$500,000	27	592	1,545	43,846	2,452	723	39,574	1,452	45,037	19,474
\$500,000 under \$1,000,000	7	476	671	48,915	1,071	319	49,290	655	49,117	26,229
\$1,000,000 or more	-	-	138	25,544	234	70	17,550	131	26,232	15,128
	-	-	82	47,407	134	40	45,249	86	47,856	27,494

Size of total income	Surcharge		Tax credits						Income tax after credits	
	Number of simple trusts	Amount	Total		Foreign tax credit		Investment credit		Number of simple trusts	Amount
			Number of simple trusts	Amount	Number of simple trusts	Amount	Number of simple trusts	Amount		
	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)
Total	66,105	3,645	542	94	523	72	24	22	72,788	144,843
No total income	-	-	-	-	-	-	-	-	-	-
Under \$1,000	3,482	5	300	13	300	13	-	-	4,488	193
\$1,000 under \$2,000	3,474	9							4,611	364
\$2,000 under \$3,000	4,112	13							4,735	508
\$3,000 under \$4,000	5,356	26							5,925	1,079
\$4,000 under \$5,000	4,311	18	-	-	-	-	-	4,623	714	
\$5,000 under \$7,000	6,282	34	157	32	146	10	-	-	6,748	1,348
\$7,000 under \$10,000	7,831	47							8,357	2,077
\$10,000 under \$15,000	9,171	121							9,982	4,670
\$15,000 under \$25,000	8,793	209							9,420	8,083
\$25,000 under \$50,000	7,325	369	-	-	-	-	-	7,709	15,207	
\$50,000 under \$100,000	3,751	518	50	30	45	30	24	22	3,873	20,012
\$100,000 under \$200,000	1,383	505	17	6	14	5	-	-	1,448	19,974
\$200,000 under \$500,000	626	647	15	6	15	6	-	-	653	26,871
\$500,000 under \$1,000,000	125	370	3	7	3	7	-	-	130	15,490
\$1,000,000 or more	83	761	-	-	-	-	-	-	86	28,255

Size of total income	Tax from recomputing prior year investment credit		Additional tax for tax preferences		Total tax		Tax payments and credits		Tax due at time of filing		Overpayment	
	Number of simple trusts	Amount	Number of simple trusts	Amount	Number of simple trusts	Amount	Number of simple trusts	Amount	Number of simple trusts	Amount	Number of simple trusts	Amount
Total	74	11	745	3,386	72,860	148,241	829	3,318	72,612	145,236	308	314
No total income	-	-	-	-	-	-	-	-	-	-	-	-
Under \$1,000	74	11	-	-	4,488	193	278	20	4,436	189	217	212
\$1,000 under \$2,000			-	-	4,611	364						
\$2,000 under \$3,000			-	-	4,787	509						
\$3,000 under \$4,000			-	-	5,925	1,079						
\$4,000 under \$5,000	-	-	-	-	4,623	714	-	-	4,623	714		
\$5,000 under \$7,000	-	-	-	-	6,748	1,348	-	-	6,748	1,348		
\$7,000 under \$10,000	-	-	-	-	8,357	2,077	-	-	8,357	2,077		
\$10,000 under \$15,000	-	-	-	-	9,982	4,670	-	-	9,972	4,666		
\$15,000 under \$25,000	-	-	-	-	9,420	8,084	187	114	9,410	7,995		
\$25,000 under \$50,000	-	-	-	-	7,709	15,207	157	306	7,636	15,083		
\$50,000 under \$100,000	-	-	25	12	3,875	20,024	99	386	3,848	19,663	44	25
\$100,000 under \$200,000	-	-	223	207	1,458	20,182	65	462	1,443	19,756	33	36
\$200,000 under \$500,000	-	-	345	829	659	27,700	30	1,167	653	26,562	9	29
\$500,000 under \$1,000,000	-	-	93	703	131	16,199	5	222	130	15,978	2	1
\$1,000,000 or more	-	-	59	1,636	87	29,891	8	642	85	29,260	3	11

(*) An asterisk in a cell denotes that the estimate is not shown separately because of high sampling variability. However, the data are included in the appropriate totals.

Fiduciary Income Tax Returns for 1970

Table 5.—COMPLEX TRUSTS—SOURCES OF INCOME AND LOSS, DEDUCTIONS, TAXABLE INCOME, AND TAX ITEMS, BY SIZE OF TOTAL INCOME

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total income	Number of complex trusts	Total income	Sources of income and loss							Rents and royalties	
			Dividends before exclusion		Interest received		Partnership, estate, and trust		Number of complex trusts	Gross receipts	
			Number of complex trusts	Amount	Number of complex trusts	Amount	Number of complex trusts	Net profit (less loss)			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)		
Total.....	297,582	2,453,789	224,358	922,043	231,852	373,148	47,535	138,714	38,773	323,831	
No total income.....	6,331	-15,134	3,024	1,785	2,289	1,197	2,693	-13,441	457	656	
Under \$1,000.....	114,124	46,896	80,519	25,077	89,697	19,874	12,024	2,786	6,580	2,348	
\$1,000 under \$2,000.....	43,759	62,974	32,555	29,559	33,745	20,635	8,112	5,867	4,181	4,787	
\$2,000 under \$3,000.....	26,149	64,670	20,865	29,165	20,208	18,968	4,487	6,375	3,329	4,649	
\$3,000 under \$4,000.....	15,725	54,752	13,073	26,445	11,865	13,231	2,397	3,866	2,541	5,382	
\$4,000 under \$5,000.....	12,061	53,758	9,951	25,492	9,370	12,646	2,057	4,358	1,529	4,004	
\$5,000 under \$7,000.....	16,160	94,390	12,142	35,976	12,462	24,217	2,302	5,551	3,434	14,304	
\$7,000 under \$10,000.....	16,733	141,343	13,828	60,257	13,743	28,536	2,789	7,101	3,980	20,528	
\$10,000 under \$15,000.....	15,534	188,741	12,732	76,785	12,722	37,116	3,204	14,789	3,760	26,681	
\$15,000 under \$25,000.....	13,425	256,196	11,134	98,727	11,244	42,152	3,337	28,025	3,668	37,824	
\$25,000 under \$50,000.....	9,970	341,055	8,157	131,460	8,113	50,294	2,202	30,579	2,707	48,261	
\$50,000 under \$100,000.....	4,655	319,161	3,889	110,690	3,882	39,610	1,277	20,876	1,552	50,554	
\$100,000 under \$200,000.....	1,836	249,289	1,530	83,744	1,568	25,144	433	8,209	645	38,555	
\$200,000 under \$500,000.....	844	248,256	705	76,773	714	23,126	168	3,875	324	35,850	
\$500,000 under \$1,000,000.....	182	126,013	168	42,384	146	8,700	35	804	57	14,525	
\$1,000,000 or more.....	94	221,430	86	67,725	84	7,702	18	9,094	29	14,922	

Size of total income	Sources of income and loss--Continued								Type of deductions		
	Sole proprietorship		Sales of capital assets				Other sources		Total deductions	Interest paid	
	Number of complex trusts	Gross profit (less loss)	Net gain		Net loss		Number of complex trusts	Net gain (less loss)		Number of complex trusts	Amount
(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	
Total.....	6,302	110,909	91,151	574,518	53,621	23,840	17,218	34,361	1,758,564	25,716	63,801
No total income.....	(*)	(*)	132	1,245	2,209	1,299	502	-2,953	10,866	948	341
Under \$1,000.....	543	156	24,396	2,930	23,665	6,446	2,639	142	37,824	2,642	725
\$1,000 under \$2,000.....	458	315	12,149	4,426	7,178	3,160	1,722	529	37,760	2,983	629
\$2,000 under \$3,000.....	542	560	8,361	6,485	4,528	2,046	1,273	505	44,004	2,448	1,049
\$3,000 under \$4,000.....	780	776	5,382	5,555	2,206	1,037	1,269	526	33,475	832	675
\$4,000 under \$5,000.....	(*)	(*)	4,515	5,570	1,824	1,257	1,038	1,659	34,283	1,172	770
\$5,000 under \$7,000.....	(*)	(*)	6,098	13,526	2,440	1,270	1,319	859	59,794	2,063	1,070
\$7,000 under \$10,000.....	691	2,153	7,790	23,261	2,413	1,887	1,618	1,386	92,699	2,609	2,774
\$10,000 under \$15,000.....	387	2,106	7,133	29,355	2,314	1,650	1,674	3,551	125,260	2,554	4,565
\$15,000 under \$25,000.....	614	5,390	6,043	43,912	2,120	1,628	1,409	1,787	165,575	2,785	6,625
\$25,000 under \$50,000.....	549	12,299	4,817	63,387	1,768	1,360	1,517	6,129	233,870	2,449	14,024
\$50,000 under \$100,000.....	529	22,165	2,481	73,397	615	508	664	2,373	229,097	1,322	10,359
\$100,000 under \$200,000.....	223	17,281	1,102	73,199	243	208	304	3,365	188,148	570	6,202
\$200,000 under \$500,000.....	124	20,612	566	83,777	74	61	206	4,304	191,042	271	7,137
\$500,000 under \$1,000,000.....	15	4,249	131	53,080	15	15	35	2,286	100,559	37	2,005
\$1,000,000 or more.....	20	22,670	55	91,413	9	9	29	7,913	174,307	31	4,851

Size of total assets	Type of deductions--Continued									
	Taxes		Depreciation and depletion		Charitable deduction		Deduction for distributions to beneficiaries		Dividend exclusion	
	Number of complex trusts	Amount	Number of complex trusts	Amount	Number of complex trusts	Amount	Number of complex trusts	Amount	Number of complex trusts	Amount
(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	
Total.....	122,080	91,659	28,778	80,035	13,885	197,377	117,632	751,113	144,554	12,284
No total income.....	946	523	(*)	(*)	(*)	(*)	564	1,576	1,338	73
Under \$1,000.....	32,161	1,418	3,545	589	1,860	598	25,293	9,555	57,575	5,005
\$1,000 under \$2,000.....	16,686	1,388	2,989	976	1,809	1,988	16,793	17,863	21,260	1,945
\$2,000 under \$3,000.....	11,954	3,152	1,913	960	1,177	2,197	13,359	23,691	12,616	1,072
\$3,000 under \$4,000.....	7,052	1,254	1,758	967	587	1,283	8,191	18,613	8,058	665
\$4,000 under \$5,000.....	5,790	1,196	1,625	1,111	834	1,793	6,880	19,926	5,380	473
\$5,000 under \$7,000.....	9,090	3,777	2,551	1,971	1,222	4,202	8,122	28,572	7,518	617
\$7,000 under \$10,000.....	9,473	5,164	3,292	3,837	1,336	4,502	10,114	51,771	8,089	624
\$10,000 under \$15,000.....	9,140	7,283	2,959	5,430	1,056	6,321	9,323	66,845	7,556	611
\$15,000 under \$25,000.....	8,564	10,029	3,122	8,150	1,368	10,072	8,048	84,134	6,623	530
\$25,000 under \$50,000.....	6,371	15,231	2,497	12,558	1,136	18,642	6,064	108,322	4,837	385
\$50,000 under \$100,000.....	3,034	12,804	1,514	15,239	834	27,221	2,915	92,915	2,363	185
\$100,000 under \$200,000.....	1,173	9,396	581	9,184	340	26,808	1,211	74,406	819	61
\$200,000 under \$500,000.....	554	9,950	292	10,309	179	30,577	566	65,538	401	29
\$500,000 under \$1,000,000.....	110	4,573	43	2,524	50	19,763	125	38,832	79	5
\$1,000,000 or more.....	52	4,522	26	5,844	33	41,259	64	48,552	42	3

Fiduciary Income Tax Returns for 1970

Table 5.—COMPLEX TRUSTS—SOURCES OF INCOME AND LOSS, DEDUCTIONS, TAXABLE INCOME, AND TAX ITEMS, BY SIZE OF TOTAL INCOME—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total assets	Type of deductions--Continued						Other deductions	Taxable income		Income tax before credit	
	Federal estate tax		Long-term capital gain deduction		Exemptions			Number of complex trusts	Amount		
	Number of complex trusts	Amount	Number of complex trusts	Amount	Number of complex trusts	Amount					
	(32)	(33)	(34)	(35)	(36)	(37)		(38)	(39)		(40)
Total.....	1,280	2,130	78,665	243,630	256,643	28,269	288,201	176,994	764,387	252,452	
No total income.....	-	-	(*)	(*)	3,614	508	7,098				
Under \$1,000.....	637	139	21,137	1,258	100,496	10,715	7,949	60,482	15,852	2,211	
\$1,000 under \$2,000.....			10,989	1,879	37,357	4,111	6,976	28,738	27,612	4,042	
\$2,000 under \$3,000.....			7,040	2,537	21,293	2,335	6,990	15,661	23,331	3,600	
\$3,000 under \$4,000.....			4,794	2,272	13,525	1,471	6,240	10,562	23,163	3,776	
\$4,000 under \$5,000.....			3,532	2,226	10,388	1,210	5,574	7,479	20,302	3,401	
\$5,000 under \$7,000.....			5,610	6,397	14,499	1,607	11,537	11,193	36,839	6,444	
\$7,000 under \$10,000.....			6,321	9,020	14,821	1,731	13,217	10,744	49,642	9,488	
\$10,000 under \$15,000.....			183	242	6,168	12,685	13,553	1,538	10,482	66,038	13,873
\$15,000 under \$25,000.....			209	462	5,155	18,825	11,804	1,322	25,420	9,431	93,075
\$25,000 under \$50,000.....			137	291	4,132	26,251	8,611	952	37,210	6,861	113,124
\$50,000 under \$100,000.....	82	465	2,188	32,514	4,120	472	36,920	3,374	96,285		
\$100,000 under \$200,000.....	20	182	904	30,397	1,602	185	31,325	1,257	67,158		
\$200,000 under \$500,000.....	9	137	496	35,087	729	85	32,194	569	58,409		
\$500,000 under \$1,000,000.....	2	16	102	20,781	151	17	12,042	103	26,031		
\$1,000,000 or more.....	1	195	45	41,292	80	10	27,777	58	47,524		

Size of total assets	Surcharge		Tax credits						Income tax after credits	
	Number of complex trusts	Amount	Total		Foreign tax credit		Investment credit		Number of complex trusts	Amount
			Number of complex trusts	Amount	Number of complex trusts	Amount	Number of complex trusts	Amount		
	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)
Total.....	158,111	6,513	7,142	1,058	5,975	825	1,181	233	176,832	257,933
No total income.....	-	-	-	-	-	-	-	-	-	-
Under \$1,000.....	48,932	59	694	7	499	5	490	20	60,433	2,254
\$1,000 under \$2,000.....	25,416	88	1,122	16	1,025	15			28,738	4,122
\$2,000 under \$3,000.....	14,821	90	638	12	538	11			15,661	3,667
\$3,000 under \$4,000.....	9,927	96	728	29	728	29			10,562	3,846
\$4,000 under \$5,000.....	7,282	83	(*)	(*)	(*)	(*)			7,479	3,436
\$5,000 under \$7,000.....	10,840	158	(*)	(*)	(*)	(*)			11,144	6,556
\$7,000 under \$10,000.....	10,256	235	487	69	833	118			10,744	9,658
\$10,000 under \$15,000.....	9,968	365	761	68	612	47			10,451	14,173
\$15,000 under \$25,000.....	9,039	595	611	82	537	62			9,420	23,690
\$25,000 under \$50,000.....	6,537	922	824	227	737	126			6,840	36,915
\$50,000 under \$100,000.....	3,231	1,007	525	68	252	47	282	21	3,374	
\$100,000 under \$200,000.....	1,163	818	115	49	92	20	27	29	1,257	
\$200,000 under \$500,000.....	546	821	61	90	45	80	17	10	568	
\$500,000 under \$1,000,000.....	100	414	18	199	17	198	1	1	103	
\$1,000,000 or more.....	53	764	16	42	11	34	5	7	58	

Size of total assets	Tax from recomputing prior year investment credit		Additional tax for tax preferences		Total tax		Tax payments and credits		Tax due at time of filing		Overpayment	
	Number of complex trusts	Amount	Number of complex trusts	Amount	Number of complex trusts	Amount	Number of complex trusts	Amount	Number of complex trusts	Amount	Number of complex trusts	Amount
	Total.....	266	53	671	2,809	176,861	260,795	3,054	6,255	176,050	255,173	1,025
No total income.....	-	-	-	-	-	-	(*)	(*)	-	-	(*)	(*)
Under \$1,000.....	176	15	-	-	60,433	2,254	1,725	324	60,237	2,240	806	256
\$1,000 under \$2,000.....			-	-	28,738	4,122			28,590	4,093		
\$2,000 under \$3,000.....			-	-	15,661	3,683			15,661	3,667		
\$3,000 under \$4,000.....			-	-	10,562	3,846			10,562	3,846		
\$4,000 under \$5,000.....			-	-	7,479	3,436			7,479	3,436		
\$5,000 under \$7,000.....			-	-	11,144	6,556			11,095	6,499		
\$7,000 under \$10,000.....			-	-	10,744	9,658			10,744	9,554		
\$10,000 under \$15,000.....			-	-	10,461	14,328			10,366	14,177		
\$15,000 under \$25,000.....			-	-	9,420	23,712			9,347	23,538		
\$25,000 under \$50,000.....			-	-	6,840	36,937			6,808	36,534		
\$50,000 under \$100,000.....	51	15	49	85	3,376	39,981	357	1,286	3,179	38,991	188	296
\$100,000 under \$200,000.....	24	9	142	161	1,261	34,008	55	340	1,249	33,676	11	8
\$200,000 under \$500,000.....	12	13	216	467	579	33,346	62	1,478	572	31,871	8	4
\$500,000 under \$1,000,000.....	2	2	61	511	103	15,570	10	1,037	102	14,536	1	4
\$1,000,000 or more.....	1	(1)	32	1,399	60	29,360	12	909	59	28,514	2	63

An asterisk in a cell denotes that the estimate is not shown separately because of high sampling variability. However, the data are included in the appropriate totals. Less than \$500.

Fiduciary Income Tax Returns for 1970

Table 6.—INTER VIVOS TRUSTS—SOURCES OF INCOME AND LOSS, DEDUCTIONS, TAXABLE INCOME, AND TAX ITEMS, BY SIZE OF TOTAL INCOME

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total income	Number of inter vivos trusts	Total income	Sources of income and loss							
			Dividends before exclusion		Interest received		Partnership, estate, and trust		Rents and royalties	
			Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount	Number of inter vivos trusts	Net profit (less loss)	Number of inter vivos trusts	Gross receipts
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Total.....	372,259	3,470,336	294,651	1,591,359	269,109	472,827	49,164	116,549	37,423	411,980
No total income.....	7,456	-23,970	3,821	4,084	3,264	3,718	3,894	-24,636	481	1,261
Under \$1,000.....	108,987	47,728	80,432	27,949	78,100	17,275	10,410	2,109	5,648	2,244
\$1,000 under \$2,000.....	61,074	88,600	49,196	48,560	43,368	26,728	7,395	4,788	3,834	4,535
\$2,000 under \$3,000.....	36,016	88,618	29,208	44,432	26,237	25,134	4,935	6,045	3,344	5,325
\$3,000 under \$4,000.....	25,580	88,694	21,098	47,657	18,300	21,496	3,139	5,346	2,506	5,813
\$4,000 under \$5,000.....	18,567	82,807	15,343	45,935	13,376	18,189	3,148	4,871	1,563	4,935
\$5,000 under \$7,000.....	26,938	157,092	21,933	73,693	20,525	38,124	3,128	8,787	3,550	14,522
\$7,000 under \$10,000.....	24,034	200,181	20,605	99,726	17,571	38,129	3,579	10,783	3,457	20,998
\$10,000 under \$15,000.....	21,711	265,086	18,043	122,155	16,699	48,236	3,107	12,036	4,019	32,923
\$15,000 under \$25,000.....	18,465	354,680	15,418	159,646	14,011	53,090	3,020	25,484	3,739	44,348
\$25,000 under \$50,000.....	13,365	459,472	11,271	218,722	10,208	60,161	1,832	23,467	2,665	54,084
\$50,000 under \$100,000.....	6,069	414,944	5,012	182,597	4,534	41,814	1,002	19,478	1,533	59,917
\$100,000 under \$200,000.....	2,401	328,667	1,955	137,771	1,778	30,327	356	5,395	616	44,356
\$200,000 under \$500,000.....	1,167	346,552	958	140,120	865	24,988	178	5,629	356	57,069
\$500,000 under \$1,000,000.....	259	181,919	209	72,901	162	11,575	23	-35	70	27,661
\$1,000,000 or more.....	170	389,268	149	165,411	111	13,843	18	7,005	42	31,989

Size of total income	Sources of income and loss--Continued										
	Sole proprietorship		Sales of capital assets				Other sources		Total deductions	Type of deductions	
	Number of inter vivos trusts	Gross profit (less loss)	Net gain		Net loss		Number of inter vivos trusts	Net gain (less loss)		Number of inter vivos trusts	Amount
			Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount					
(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	
Total.....	5,602	85,937	117,236	773,495	41,225	18,156	18,686	35,657	2,908,489	27,852	93,833
No total income.....	(*)	(*)	(*)	(*)	2,710	1,714	572	-3,290	14,553	1,369	1,235
Under \$1,000.....	(*)	(*)	21,451	2,698	16,609	4,790	2,278	127	45,362	2,594	723
\$1,000 under \$2,000.....	556	190	16,764	5,830	6,107	2,511	1,661	459	74,681	2,977	739
\$2,000 under \$3,000.....	654	873	11,083	7,731	2,878	1,265	1,056	331	75,146	3,042	1,251
\$3,000 under \$4,000.....	789	587	8,149	7,901	2,048	899	1,457	782	72,497	1,170	763
\$4,000 under \$5,000.....	(*)	(*)	6,545	7,292	1,260	872	1,212	1,208	68,750	1,348	772
\$5,000 under \$7,000.....	(*)	(*)	10,791	19,706	2,326	1,007	2,639	1,691	131,022	2,316	1,083
\$7,000 under \$10,000.....	593	1,672	10,625	28,790	2,151	1,464	1,877	1,336	160,104	2,408	2,660
\$10,000 under \$15,000.....	407	3,111	10,324	44,396	1,817	1,207	1,711	3,427	221,203	2,757	5,291
\$15,000 under \$25,000.....	525	6,514	8,956	63,396	1,327	878	1,672	3,070	283,785	3,042	6,465
\$25,000 under \$50,000.....	311	5,879	6,843	92,281	1,268	952	1,336	5,823	372,706	2,452	12,774
\$50,000 under \$100,000.....	333	12,108	3,287	95,251	472	383	686	4,005	338,350	1,403	13,476
\$100,000 under \$200,000.....	155	11,508	1,368	97,159	171	144	288	2,193	271,952	572	9,431
\$200,000 under \$500,000.....	94	14,251	678	101,113	60	52	177	3,434	292,647	311	16,345
\$500,000 under \$1,000,000.....	13	5,159	150	62,894	11	9	36	1,773	154,484	55	10,812
\$1,000,000 or more.....	14	25,832	94	136,107	10	9	28	9,089	331,245	36	10,013

Size of total income	Type of deductions--Continued									
	Taxes		Depreciation and depletion		Charitable deduction		Deduction for distributions to beneficiaries		Dividend exclusion	
	Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount
(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	
Total.....	131,466	107,390	24,822	76,264	8,761	133,523	235,468	1,804,123	116,309	9,423
No total income.....	1,151	687	(*)	(*)	(*)	(*)	618	3,200	965	53
Under \$1,000.....	26,548	948	2,840	858	1,456	401	45,145	18,905	42,447	3,730
\$1,000 under \$2,000.....	18,791	1,628	2,413	659	1,205	1,296	40,318	48,894	18,613	1,617
\$2,000 under \$3,000.....	14,364	3,650	1,742	921	641	950	26,332	52,240	9,787	796
\$3,000 under \$4,000.....	9,196	1,662	1,750	892	888	2,421	19,681	53,844	6,697	530
\$4,000 under \$5,000.....	6,605	1,547	1,402	1,042	888	2,421	14,390	48,976	4,366	339
\$5,000 under \$7,000.....	12,024	4,345	2,257	1,874	488	1,569	20,415	94,982	6,976	517
\$7,000 under \$10,000.....	10,783	5,115	2,795	4,049	802	3,684	18,335	111,739	6,821	494
\$10,000 under \$15,000.....	10,517	10,310	2,624	5,523	750	5,239	17,218	146,815	6,643	470
\$15,000 under \$25,000.....	9,159	10,926	2,736	7,340	860	5,296	14,423	194,113	5,710	394
\$25,000 under \$50,000.....	6,898	14,560	2,220	11,599	627	10,482	10,497	245,765	4,089	278
\$50,000 under \$100,000.....	3,327	15,040	1,194	10,694	419	13,289	4,859	205,804	1,967	128
\$100,000 under \$200,000.....	1,291	10,684	447	8,327	214	16,525	1,941	159,659	736	46
\$200,000 under \$500,000.....	623	10,667	254	10,257	128	22,408	953	160,616	363	21
\$500,000 under \$1,000,000.....	114	7,164	35	2,802	28	10,329	206	85,660	83	5
\$1,000,000 or more.....	75	8,457	24	8,825	33	39,483	137	172,911	46	2

Fiduciary Income Tax Returns for 1970

Table 6.—INTER VIVOS TRUSTS—SOURCES OF INCOME AND LOSS, DEDUCTIONS, TAXABLE INCOME, AND TAX ITEMS, BY SIZE OF TOTAL INCOME—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total income	Type of deductions—Continued							Taxable income		Income tax before credits
	Federal estate tax		Long-term capital gain deduction		Exemption		Other deductions	Number of inter vivos trusts	Amount	
	Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount				
	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)	(40)	
Total.....	801	1,623	93,039	311,768	280,960	51,649	318,811	145,604	667,724	227,223
No total income.....	-	-	(*)	(*)	3,354	560	7,851	-	-	-
Under \$1,000.....	486	394	17,117	1,127	84,448	12,116	6,542	42,545	11,308	1,578
\$1,000 under \$2,000.....			13,236	2,213	44,860	8,425	9,202	22,120	20,633	3,019
\$2,000 under \$3,000.....			8,596	2,908	26,056	5,028	7,392	13,112	17,843	2,746
\$3,000 under \$4,000.....			6,238	2,920	19,300	4,097	6,780	9,339	18,927	3,079
\$4,000 under \$5,000.....			5,380	2,990	14,808	3,167	8,493	6,757	16,928	2,826
\$5,000 under \$7,000.....	119	227	8,623	7,531	20,421	4,335	14,729	10,314	30,106	5,236
\$7,000 under \$10,000.....			8,629	11,558	18,299	3,738	16,870	10,256	42,220	7,957
\$10,000 under \$15,000.....			8,349	18,511	16,692	3,474	25,410	10,081	52,352	10,653
\$15,000 under \$25,000.....			6,810	24,358	14,341	2,934	31,724	8,931	74,573	18,078
\$25,000 under \$50,000.....			116	221	5,477	35,648	10,579	2,162	39,210	6,801
\$50,000 under \$100,000.....	58	218	2,680	39,845	4,737	978	38,875	3,279	83,613	
\$100,000 under \$200,000.....	15	148	1,109	38,753	1,869	384	27,995	1,266	61,462	
\$200,000 under \$500,000.....	5	205	542	40,738	875	182	31,208	605	55,354	
\$500,000 under \$1,000,000.....	1	16	127	26,423	201	43	11,231	125	29,559	
\$1,000,000 or more.....	1	195	71	56,031	120	28	35,299	73	59,641	

Size of total income	Surcharge		Tax credits						Income tax after credits	
	Number of inter vivos trusts	Amount	Total		Foreign tax credit		Investment credit		Number of inter vivos trusts	Amount
			Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount		
	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)
Total.....	131,653	5,828	4,858	622	4,202	439	660	183	145,529	232,465
No total income.....	-	-	-	-	-	-	-	-	-	-
Under \$1,000.....	34,489	42	2,927	181	2,586	160	341	21	42,496	1,610
\$1,000 under \$2,000.....	19,765	66							22,120	3,076
\$2,000 under \$3,000.....	12,206	69							13,112	2,810
\$3,000 under \$4,000.....	6,699	76							9,339	3,124
\$4,000 under \$5,000.....	6,656	70							6,757	2,847
\$5,000 under \$7,000.....	10,057	132	452	34	376	32	184	117	10,314	5,359
\$7,000 under \$10,000.....	9,803	198							10,256	8,099
\$10,000 under \$15,000.....	9,538	284							10,080	10,905
\$15,000 under \$25,000.....	8,684	460							8,931	18,473
\$25,000 under \$50,000.....	6,590	740							6,780	29,126
\$50,000 under \$100,000.....	3,164	862	311	52	205	48	108	4	3,277	33,571
\$100,000 under \$200,000.....	1,222	751	77	41	63	17	16	24	1,266	30,141
\$200,000 under \$500,000.....	593	759	48	29	42	21	6	8	604	30,894
\$500,000 under \$1,000,000.....	120	443	15	9	15	9	-	-	124	17,316
\$1,000,000 or more.....	67	878	11	22	6	14	5	7	73	35,110

Size of total income	Tax from recomputing prior year investment credit		Additional tax for tax preferences		Total tax		Tax payments and credits		Tax due at time of filing		Overpayment			
	Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount	Number of inter vivos trusts	Amount		
													(52)	(53)
	Total.....	228	36	708	3,427	145,547	235,927	1,731	4,414	145,076	232,029	596	515	
No total income.....	-	-	-	-	-	-	(*)	(*)	-	-	(*)	(*)		
Under \$1,000.....	155	14	-	-	42,496	1,610	836	211	42,447	1,609	529	388		
\$1,000 under \$2,000.....													22,120	3,076
\$2,000 under \$3,000.....													13,112	2,810
\$3,000 under \$4,000.....													9,339	3,129
\$4,000 under \$5,000.....													6,757	2,847
\$5,000 under \$7,000.....	10,314	5,359	201	104	10,265	5,323								
\$7,000 under \$10,000.....	10,256	8,099												
\$10,000 under \$15,000.....	10,080	10,905												
\$15,000 under \$25,000.....	8,931	18,487												
\$25,000 under \$50,000.....	6,780	29,128												
\$50,000 under \$100,000.....	42	13	65	60	3,279	33,641	165	802	3,233	32,928	37	88		
\$100,000 under \$200,000.....	20	6	217	192	1,269	30,339	41	303	1,257	30,063	12	27		
\$200,000 under \$500,000.....	10	2	284	591	614	31,487	36	1,049	609	30,447	6	9		
\$500,000 under \$1,000,000.....	-	-	89	665	124	17,980	6	510	124	17,471	1	(1)		
\$1,000,000 or more.....	1	(1)	53	1,920	76	37,030	10	673	76	36,358	2	1		

(*) An asterisk in a cell denotes that the estimate is not shown separately because of high sampling variability. However, the data are included in the appropriate totals. Less than \$500.

Fiduciary Income Tax Returns for 1970

Table 7.—TESTAMENTARY TRUSTS—SOURCES OF INCOME AND LOSS, DEDUCTIONS, TAXABLE INCOME, AND TAX ITEMS, BY SIZE OF TOTAL INCOME

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total income	Number of testam-entary trusts	Total Income	Sources of income and loss							
			Dividends before exclusion		Interest received		Partnership, estate, and trust		Rents and royalties	
			Number of testam-entary trusts	Amount	Number of testam-entary trusts	Amount	Number of testam-entary trusts	Net profit (less loss)	Number of testam-entary trusts	Gross receipts
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	
Total.....	279,305	3,113,253	233,878	1,484,752	228,110	475,977	40,465	107,935	37,187	360,550
No total income.....	3,039	-7,284	2,220	2,012	1,818	1,451	1,246	-8,078	(*)	(*)
Under \$1,000.....	57,067	26,124	39,647	11,489	46,785	13,490	6,512	1,248	1,873	539
\$1,000 under \$2,000.....	38,190	55,633	30,703	24,139	31,129	22,832	5,096	2,955	3,314	3,050
\$2,000 under \$3,000.....	28,572	71,318	24,366	34,439	22,690	24,086	4,415	4,733	3,360	4,825
\$3,000 under \$4,000.....	22,652	79,103	20,244	40,744	18,246	22,510	3,673	4,733	2,855	4,984
\$4,000 under \$5,000.....	18,281	82,163	16,724	44,269	14,629	22,091	2,552	4,403	2,106	4,691
\$5,000 under \$7,000.....	23,604	139,813	20,538	74,130	18,855	35,037	3,600	5,301	4,239	14,260
\$7,000 under \$10,000.....	22,438	187,767	20,439	101,469	19,195	41,782	3,226	8,247	3,410	13,465
\$10,000 under \$15,000.....	23,000	281,275	20,597	149,680	19,373	52,507	3,293	11,617	4,780	29,755
\$15,000 under \$25,000.....	19,130	366,651	17,397	188,561	15,985	60,735	2,817	14,709	4,434	42,355
\$25,000 under \$50,000.....	13,745	477,713	12,387	234,778	11,380	62,309	2,395	22,436	3,754	64,140
\$50,000 under \$100,000.....	6,189	421,737	5,581	187,633	5,202	47,522	1,059	15,616	1,778	51,830
\$100,000 under \$200,000.....	2,155	290,938	1,943	130,871	1,799	27,216	381	9,154	679	34,578
\$200,000 under \$500,000.....	961	285,053	835	109,297	788	23,744	159	7,437	347	37,765
\$500,000 under \$1,000,000.....	183	121,808	167	43,760	150	10,150	29	2,314	68	19,658
\$1,000,000 or more.....	99	233,440	90	107,481	86	8,514	12	1,111	42	33,732

Size of total income	Sources of income and loss--Continued									Type of deductions	
	Sole Proprietorship		Sales of capital assets				Other sources		Total deductions	Interest paid	
	Number of testam-entary trusts	Gross profit (less loss)	Net gain		Net loss		Number of testam-entary trusts	Net gain (less loss)		Number of testam-entary trusts	Amount
			Number of testam-entary trusts	Amount	Number of testam-entary trusts	Amount					
(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	
Total.....	5,460	96,448	94,871	567,589	26,020	12,786	18,212	32,265	2,799,466	15,892	30,023
No total income.....	(*)	(*)	(*)	(*)	1,750	1,205	(*)	(*)	4,652	(*)	(*)
Under \$1,000.....	1,477	1,394	11,918	1,314	8,386	2,106	1,625	122	31,875	1,202	162
\$1,000 under \$2,000.....			10,288	2,975	2,630	1,310	1,848	838	57,497	1,734	351
\$2,000 under \$3,000.....			8,229	3,887	3,074	1,435	1,934	635	71,503	1,273	310
\$3,000 under \$4,000.....			7,996	5,481	1,768	968	1,321	828	76,348	813	160
\$4,000 under \$5,000.....			6,436	5,341	1,192	642	1,067	1,651	79,459	1,082	433
\$5,000 under \$7,000.....	514	246	8,110	10,778	1,262	974	1,642	1,022	136,819	1,065	402
\$7,000 under \$10,000.....	478	2,156	9,464	20,081	1,720	1,228	1,727	1,784	174,809	1,317	708
\$10,000 under \$15,000.....	676	4,599	10,387	31,095	1,371	881	2,041	2,890	256,259	2,049	1,774
\$15,000 under \$25,000.....	664	5,505	9,202	32,000	1,246	973	1,696	3,481	327,204	1,705	3,781
\$25,000 under \$50,000.....	608	12,281	7,115	77,527	1,067	731	1,639	4,964	418,905	1,813	5,662
\$50,000 under \$100,000.....	541	24,889	3,541	91,464	360	284	789	3,064	367,020	1,065	4,901
\$100,000 under \$200,000.....	189	13,471	1,329	72,576	132	111	366	3,182	250,784	364	3,245
\$200,000 under \$500,000.....	96	16,927	603	86,037	45	32	180	3,665	242,299	268	4,006
\$500,000 under \$1,000,000.....	11	2,183	118	42,216	11	11	40	1,536	101,852	51	2,303
\$1,000,000 or more.....	15	13,595	61	64,784	6	6	27	4,230	202,182	27	1,492

Size of total income	Type of deductions--Continued									
	Taxes		Charitable deduction		Depreciation and depletion		Deductions for distributions to beneficiaries		Dividend exclusion	
	Number of testam-entary trusts	Amount	Number of testam-entary trusts	Amount	Number of testam-entary trusts	Amount	Number of testam-entary trusts	Amount	Number of testam-entary trusts	Amount
(22)	(23)	(24)	(25)	(26)	(27)	(28)	(29)	(30)	(31)	
Total.....	112,068	117,353	20,029	53,498	10,270	138,062	228,926	1,789,638	52,612	3,582
No total income.....	927	475	(*)	(*)	(*)	(*)	824	1,989	(*)	(*)
Under \$1,000.....	14,136	1,114	899	165	1,254	450	32,582	13,979	14,470	1,102
\$1,000 under \$2,000.....	12,319	1,663	1,577	754	1,200	1,431	31,681	35,772	5,287	436
\$2,000 under \$3,000.....	10,777	2,086	1,162	419	796	1,753	24,821	49,321	4,548	317
\$3,000 under \$4,000.....	8,241	1,789	1,062	571	662	1,369	20,185	55,031	3,719	260
\$4,000 under \$5,000.....	7,403	1,854	959	575	(*)	(*)	16,879	59,317	3,021	201
\$5,000 under \$7,000.....	10,943	3,997	2,136	2,100	1,048	3,109	21,651	100,146	3,089	195
\$7,000 under \$10,000.....	10,395	4,698	2,021	1,564	750	2,917	21,029	132,496	3,596	202
\$10,000 under \$15,000.....	11,893	9,776	3,016	4,453	1,062	5,558	20,879	182,416	4,720	284
\$15,000 under \$25,000.....	10,568	12,843	2,554	5,311	1,049	9,895	17,435	227,784	3,895	235
\$25,000 under \$50,000.....	8,414	20,464	2,379	8,268	784	12,972	12,603	281,182	3,313	182
\$50,000 under \$100,000.....	3,859	16,123	1,353	11,851	792	25,100	5,404	217,354	1,673	95
\$100,000 under \$200,000.....	1,376	11,424	468	5,419	282	20,341	1,893	148,747	602	31
\$200,000 under \$500,000.....	627	10,233	253	5,972	136	23,174	817	121,463	248	14
\$500,000 under \$1,000,000.....	123	6,028	55	2,413	34	12,904	158	46,910	49	3
\$1,000,000 or more.....	67	12,787	33	3,632	18	16,302	85	115,731	23	1

Fiduciary Income Tax Returns for 1970

Table 7.—TESTAMENTARY TRUSTS—SOURCES OF INCOME AND LOSS, DEDUCTIONS, TAXABLE INCOME, AND TAX ITEMS, BY SIZE OF TOTAL INCOME—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total income	Type of deductions--Continued						Taxable income		Income tax before credits	
	Federal estate tax		Long-term capital gain deduction		Exemption		Other deductions	Number of testamentary trusts		Amount
	Number of testamentary trusts	Amount	Number of testamentary trusts	Amount	Number of testamentary trusts	Amount				
	(32)	(33)	(34)	(35)	(36)	(37)	(38)	(39)		(40)
Total.....	2,425	3,697	82,612	246,665	205,637	48,804	368,051	74,693	383,285	133,730
No total income.....	-	-	(*)	(*)	1,261	266	1,401	-	-	-
Under \$1,000.....			10,606	507	41,475	7,839	6,550	12,660	3,298	459
\$1,000 under \$2,000.....			9,008	1,314	26,017	6,270	9,477	6,963	5,312	772
\$2,000 under \$3,000.....	709	121	6,847	1,409	20,149	4,880	10,983	4,960	5,190	791
\$3,000 under \$4,000.....			6,763	2,259	16,775	4,227	10,594	5,556	7,407	1,177
\$4,000 under \$5,000.....			5,478	2,184	13,129	3,396	10,815	3,994	5,493	887
\$5,000 under \$7,000.....	563	323	6,989	4,483	17,571	4,525	17,529	5,425	9,416	1,562
\$7,000 under \$10,000.....	(*)	(*)	7,939	7,919	16,971	4,255	19,970	7,276	16,150	2,891
\$10,000 under \$15,000.....	241	226	9,392	13,734	18,243	4,618	33,410	8,381	30,282	5,951
\$15,000 under \$25,000.....	299	674	8,215	23,017	15,169	3,822	39,832	7,973	43,105	9,372
\$25,000 under \$50,000.....	267	756	6,215	33,796	11,035	2,789	52,825	6,342	62,156	17,225
\$50,000 under \$100,000.....	105	712	3,191	40,555	5,061	1,242	49,081	3,306	58,012	20,340
\$100,000 under \$200,000.....	31	625	1,166	30,534	1,780	437	29,982	1,177	41,616	18,777
\$200,000 under \$500,000.....	8	190	535	36,477	768	183	40,586	525	43,983	23,685
\$500,000 under \$1,000,000.....	1	(1)	100	17,768	153	37	13,487	94	20,237	11,743
\$1,000,000 or more.....	-	-	53	30,691	80	19	21,527	61	31,719	18,097

Size of total income	Surcharge		Tax credits						Income tax after credits	
	Number of testamentary trusts	Amount	Total		Foreign tax credit		Investment credit		Number of testamentary trusts	Amount
			Number of testamentary trusts	Amount	Number of testamentary trusts	Amount	Number of testamentary trusts	Amount		
	(42)	(43)	(44)	(45)	(46)	(47)	(48)	(49)	(50)	(51)
Total.....	67,306	3,413	2,180	439	1,828	381	365	58	74,636	136,717
No total income.....	-	-	-	-	-	-	-	-	-	-
Under \$1,000.....	10,779	12							12,660	468
\$1,000 under \$2,000.....	5,604	18							6,963	790
\$2,000 under \$3,000.....	4,501	20							4,960	809
\$3,000 under \$4,000.....	4,992	32	1,040	16	988	15	(*)	(*)	5,556	1,210
\$4,000 under \$5,000.....	3,638	22							3,994	909
\$5,000 under \$7,000.....	5,061	38							5,425	1,600
\$7,000 under \$10,000.....	6,875	66							7,276	2,950
\$10,000 under \$15,000.....	7,752	156	280	26	217	14			8,381	6,084
\$15,000 under \$25,000.....	7,261	245	167	12	156	9			7,962	9,608
\$25,000 under \$50,000.....	5,913	421	369	69	326	46	117	37	6,300	17,580
\$50,000 under \$100,000.....	3,177	516	248	41	86	28	171	13	3,306	20,816
\$100,000 under \$200,000.....	1,117	454	45	13	35	8	13	5	1,174	19,219
\$200,000 under \$500,000.....	487	592	23	65	13	63	11	2	524	24,212
\$500,000 under \$1,000,000.....	90	305	6	198	5	197	1	1	94	11,850
\$1,000,000 or more.....	59	515	2	(1)	2	(1)	-	-	61	18,612

Size of total income	Tax from recomputing prior year investment credit		Additional tax for tax preferences		Total Tax		Tax payments and credits		Tax due at time of filing		Overpayment	
	Number of testamentary trusts	Amount	Number of testamentary trusts	Amount	Number of testamentary trusts	Amount	Number of testamentary trusts	Amount	Number of testamentary trusts	Amount	Number of testamentary trusts	Amount
Total.....	103	18	544	2,411	74,705	139,146	1,570	4,084	74,347	135,452	481	390
No total income.....	-	-	-	-	-	-	-	-	-	-	-	-
Under \$1,000.....					12,660	468			12,660	456		
\$1,000 under \$2,000.....					6,963	790			6,913	775		
\$2,000 under \$3,000.....					5,012	812			4,960	811		
\$3,000 under \$4,000.....					5,556	1,210			5,556	1,210		
\$4,000 under \$5,000.....					3,994	909			3,994	909		
\$5,000 under \$7,000.....	(*)	(*)			5,425	1,600			5,425	1,600		
\$7,000 under \$10,000.....					7,276	2,950			7,276	2,950	440	280
\$10,000 under \$15,000.....					8,381	6,239	184	119	8,341	6,149		
\$15,000 under \$25,000.....			94	175	7,962	9,608	158	115	7,940	9,515		
\$25,000 under \$50,000.....					6,300	17,581	136	79	6,300	17,502		
\$50,000 under \$100,000.....					3,308	20,837	269	704	3,137	20,349		
\$100,000 under \$200,000.....	8	3	122	142	1,182	19,364	66	366	1,169	19,012	28	14
\$200,000 under \$500,000.....	4	3	234	564	530	24,779	48	1,382	524	23,420	9	23
\$500,000 under \$1,000,000.....	2	8	58	474	95	12,332	6	401	94	11,932	1	(1)
\$1,000,000 or more.....	-	-	36	1,056	61	19,668	10	878	58	18,863	3	73

(*) An asterisk in a cell denotes that the estimate is not shown separately because of high sampling variability. However, the data are included in the appropriate totals.
 1. Less than \$500.

Table 8. - TRUSTS WHICH ARE POOLED INCOME FUNDS--SELECTED SOURCES OF INCOME AND LOSS, DEDUCTIONS, TAXABLE INCOME, AND TAX ITEMS, BY SIZE OF TOTAL INCOME

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Size of total income	Number of trusts	Total income	Selected sources of income and loss								Total deductions	Type of deductions	
			Dividends before exclusion		Interest received		Sales of capital assets					Deduction for distributions to beneficiaries	
			Number of trusts	Amount	Number of trusts	Amount	Net gain		Net loss			Number of trusts	Amount
							Number of trusts	Amount	Number of trusts	Amount			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
Total.....	5,221	25,579	4,569	13,493	4,297	4,913	995	3,272	1,466	270	21,651	3,181	15,720
No total income.....	(*)	(*)	(*)	(*)	-	-	-	-	(*)	(*)	(*)	-	-
Under \$10,000.....	4,691	9,097	4,103	3,752	3,918	2,858	802	1,117	1,401	216	7,817	2,820	5,193
\$10,000 under \$15,000.....	168	2,043	158	1,254	136	412							
\$15,000 under \$25,000.....	127	2,495	127	1,056	106	396							
\$25,000 under \$50,000.....	101	3,880	101	1,610	101	352							
\$50,000 under \$100,000.....	26	1,831	26	639	24	628	3	260	-	-	1,533	24	1,097
\$100,000 under \$200,000.....	10	1,607	8	727	8	240							
\$200,000 or more.....	5	5,055	5	4,447	4	26							

Size of total income	Type of deductions - Continued				Taxable income		Income tax before credits	Income tax after credits		Total tax		Tax due at time of filing			
	Long-term capital gain deduction		Exemption		Number of trusts	Amount		Number of trusts	Amount	Number of trusts	Amount	Number of trusts	Amount		
	Number of trusts	Amount	Number of trusts	Amount											
(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)			
Total.....	858	1,326	4,091	781	1,903	4,980	1,426	1,903	1,463	1,904	1,464	1,904	1,464		
No total income.....	-	-	(*)	(*)	-	-	-	-	-	-	-	-	-		
Under \$10,000.....	697	412	3,749	705	1,716	1,687	272	1,716	279	1,716	279	1,716	279		
\$10,000 under \$15,000.....														103	25
\$15,000 under \$25,000.....														94	26
\$25,000 under \$50,000.....	156	784												91	13
\$50,000 under \$100,000.....			22	7	179	2,945	987	179	1,013	179	1,013	179	1,013		
\$100,000 under \$200,000.....	3	130	9	2											
\$200,000 or more.....	2	(1)	3	1											

(*) An asterisk in a cell denotes that the estimate is not shown separately because of high sampling variability. However, the data are included in the appropriate totals.
¹Less than \$500.

Table 9.—ESTATES AND TRUSTS WITH CHARITABLE DEDUCTION—AMOUNTS PAID OR PERMANENTLY SET ASIDE FOR CHARITABLE PURPOSES, AND CHARITABLE DEDUCTION, BY SIZE OF DEDUCTION AND SIZE OF TOTAL INCOME

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total income	Number of estates and trusts	Total income (less deficit)	Full amount of contributions paid or permanently set aside from current year's income		Adjustment for contributions of tax-exempt interest and certain capital gains		Balance of contributions of current year's income		Contributions of capital gains of the current year (allocable to corpus) paid or permanently set aside		Contributions which are not attributable to current year's income		Charitable deduction	Total deductions	Taxable income		Income tax after credits		Total tax					
			Number of estates and trusts	Amount	Number of estates and trusts	Amount	Number of estates and trusts	Amount	Number of estates and trusts	Amount	Number of estates and trusts	Amount			Number of estates and trusts	Amount	Number of estates and trusts	Amount	Number of estates and trusts	Amount	Number of estates and trusts	Amount	Number of estates and trusts	Amount
TOTAL																								
Total.....	30,621	859,674	21,965	309,525	4,111	30,421	21,169	279,104	5,934	43,875	8,211	116,213	439,194	852,280	7,557	77,350	7,535	28,961	7,564	29,403				
Under \$50,000.....	27,199	243,036	19,510	80,831	3,380	7,864	18,825	72,967	4,931	7,798	7,339	43,790	124,556	241,352	6,349	35,639	6,328	9,255	6,339	9,256				
\$50,000 under \$100,000.....	2,003	138,593	1,360	40,515	367	4,193	1,289	36,322	558	6,511	560	9,402	52,235	126,601	808	14,055	808	5,336	812	5,339				
\$100,000 under \$200,000.....	807	111,335	625	41,942	197	3,839	604	38,103	251	6,326	170	19,318	63,747	115,664	237	8,554	236	4,048	243	4,076				
\$200,000 under \$500,000.....	422	122,450	320	50,593	120	7,469	304	43,125	138	7,980	90	27,787	78,892	134,163	119	7,010	119	3,684	126	3,755				
\$500,000 under \$1,000,000.....	109	73,349	80	27,658	28	2,862	78	24,796	33	5,322	37	7,126	37,244	71,524	18	2,411	18	1,382	18	1,433				
\$1,000,000 or more.....	81	170,912	70	67,986	19	4,194	69	63,792	23	9,939	15	8,790	82,520	162,977	26	9,680	26	5,257	26	5,543				
SIZE OF CHARITABLE DEDUCTION																								
Under \$5,000																								
Total.....	22,672	287,913	15,795	20,828	2,218	1,733	15,292	19,095	3,665	2,500	6,108	5,434	27,029	244,262	6,688	53,915	6,687	18,162	6,701	18,251				
Under \$50,000.....	21,463	138,256	15,095	20,315	2,092	1,658	14,627	18,657	3,491	2,136	5,686	5,168	25,961	114,317	5,860	32,514	5,860	8,516	5,871	8,517				
\$50,000 under \$100,000.....	896	61,725	503	297	83	4,193	476	248	139	327	326	182	756	51,522	632	10,824	632	4,179	632	4,179				
\$100,000 under \$200,000.....	203	28,473	131	151	31	23	125	128	23	25	61	44	198	24,262	135	4,702	134	2,232	136	2,245				
\$200,000 under \$500,000.....	77	21,252	49	46	11	3	47	43	10	11	21	22	77	18,921	45	2,867	45	1,516	46	1,526				
\$500,000 under \$1,000,000.....	18	12,242	8	12	1	(1)	8	12	-	-	10	8	20	11,201	7	1,081	7	602	7	634				
\$1,000,000 or more.....	15	25,965	9	6	-	-	9	6	2	2	4	10	17	24,038	9	1,928	9	1,118	9	1,150				
\$5,000 under \$10,000																								
Total.....	2,755	54,350	2,038	14,578	585	1,851	1,916	12,728	699	1,785	778	5,167	19,681	50,010	394	5,119	373	1,870	374	1,873				
Under \$50,000.....	2,614	34,521	1,965	14,038	567	1,790	1,845	12,248	656	1,523	739	4,902	18,673	32,844	327	2,425	306	596	306	596				
\$50,000 under \$100,000.....	88	5,752	40	284	(*)	(*)	38	241	29	189	27	185	615	4,875	40	893	40	319	40	319				
\$100,000 under \$200,000.....	35	4,511	23	175	6	12	23	163	8	40	8	57	260	3,531	15	994	15	521	16	521				
\$200,000 under \$500,000.....	15	3,639	8	66	4	5	8	61	6	34	3	17	112	3,166	9	474	9	229	9	232				
\$500,000 under \$1,000,000.....	3	5,927	2	16	-	-	2	16	-	-	1	6	22	5,593	3	334	3	205	3	205				
\$1,000,000 or more.....																								
\$10,000 under \$25,000																								
Total.....	2,607	78,309	1,964	29,144	560	2,700	1,879	26,444	691	3,597	766	10,639	40,681	76,268	221	3,452	221	1,394	221	1,418				
Under \$50,000.....	2,373	45,456	1,820	26,532	499	2,199	1,745	24,333	605	2,655	699	9,602	36,590	46,216	(*)	(*)	(*)	(*)	(*)	(*)				
\$50,000 under \$100,000.....	155	10,507	86	1,562	37	326	82	1,236	62	660	49	755	2,650	9,554	63	982	63	327	63	327				
\$100,000 under \$200,000.....	55	7,150	40	739	17	142	36	597	20	235	12	190	1,022	6,205	27	1,001	27	455	27	456				
\$200,000 under \$500,000.....	17	5,563	13	219	5	29	11	190	2	29	5	80	299	5,307	10	256	10	122	10	126				
\$500,000 under \$1,000,000.....	7	9,633	5	92	2	4	5	89	2	20	1	12	120	8,985	3	649	3	373	3	390				
\$1,000,000 or more.....																								
\$25,000 or more																								
Total.....	2,587	439,102	2,168	244,975	748	24,138	2,082	220,837	879	35,993	559	94,973	351,803	481,741	254	14,863	254	7,534	268	7,862				
Under \$50,000.....	749	24,803	630	19,946	(*)	(*)	608	17,729	(*)	(*)	(*)	(*)	43,332	47,974	(*)	(*)	(*)	(*)	(*)	(*)				
\$50,000 under \$100,000.....	864	60,608	731	38,373	239	3,775	693	34,597	328	5,336	158	8,280	48,214	60,649	73	1,356	73	510	77	513				
\$100,000 under \$200,000.....	514	71,202	431	40,877	143	3,662	420	37,215	200	6,026	89	19,026	62,267	81,667	60	1,857	60	839	64	854				
\$200,000 under \$500,000.....	313	91,996	250	50,262	100	7,432	238	42,831	120	7,906	61	27,668	78,405	106,768	55	3,414	55	1,817	61	1,871				
\$500,000 under \$1,000,000.....	83	55,728	67	27,561	26	2,859	65	24,703	31	5,302	25	7,101	37,106	55,802	7	471	7	262	7	265				
\$1,000,000 or more.....	64	134,765	59	67,956	18	4,194	58	63,762	21	9,937	11	8,780	82,480	128,880	15	7,629	15	4,080	15	4,332				

(*) An asterisk in a cell denotes that the estimate is not shown separately because of high sampling variability. However, the data are included in the appropriate totals. 1. Less than \$500.

Fiduciary Income Tax Returns for 1970

Table 10.—ESTATES AND TRUSTS¹ WITH DISTRIBUTIONS DEDUCTION—DISTRIBUTABLE NET INCOME, AMOUNTS OF INCOME PAID OR REQUIRED TO BE DISTRIBUTED, AND DISTRIBUTIONS DEDUCTION, BY SIZE OF DISTRIBUTABLE NET INCOME

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of distributable net income	Number of estates and trusts	Total income	Distributable net income	Income required to be distributed currently		Other amounts paid, credited, or otherwise required to be distributed	
				Number of estates and trusts	Amount	Number of estates and trusts	Amount
				(4)	(5)	(6)	(7)
Total.....	216,719	2,950,998	1,836,384	160,051	1,142,124	77,846	2,087,865
Under \$1,000.....	56,073	95,711	25,488	43,960	20,594	17,284	118,683
\$1,000 under \$2,000.....	36,381	116,070	52,545	27,003	43,999	13,016	124,595
\$2,000 under \$3,000.....	25,047	118,489	61,550	19,021	48,406	7,929	62,966
\$3,000 under \$4,000.....	17,504	115,340	60,832	12,893	42,009	6,468	134,517
\$4,000 under \$5,000.....	13,206	103,124	58,786	9,886	41,724	4,518	57,860
\$5,000 under \$7,000.....	16,900	175,640	100,627	11,722	65,096	6,885	137,391
\$7,000 under \$10,000.....	14,139	204,008	118,327	10,139	80,531	5,604	172,796
\$10,000 under \$15,000.....	13,137	256,044	159,960	9,441	108,500	5,112	166,375
\$15,000 under \$25,000.....	11,260	325,328	215,564	7,853	141,388	4,636	199,873
\$25,000 under \$50,000.....	7,763	413,095	271,038	4,912	155,859	3,752	258,769
\$50,000 under \$100,000.....	3,416	360,753	232,081	2,093	129,698	1,668	251,851
\$100,000 under \$200,000.....	1,241	239,509	168,188	721	87,919	664	187,192
\$200,000 under \$500,000.....	497	203,705	145,886	320	83,775	245	137,643
\$500,000 under \$1,000,000.....	107	94,842	73,061	55	33,092	66	51,453
\$1,000,000 or more.....	48	129,341	92,450	32	59,534	19	25,901

Size of distributable net income	Distributions deduction	Total deductions	Taxable income		Income tax after credits		Total tax	
			Number of estates and trusts	Amount	Number of estates and trusts	Amount	Number of estates and trusts	Amount
			(8)	(9)	(10)	(11)	(12)	(13)
Total.....	1,554,710	2,537,078	63,646	462,883	63,559	170,865	63,598	173,301
Under \$1,000.....	24,493	76,956	9,683	24,979	9,683	6,439	9,683	6,483
\$1,000 under \$2,000.....	49,485	101,756	9,028	19,004	9,028	4,364	9,028	4,400
\$2,000 under \$3,000.....	56,987	105,385	6,790	17,419	6,790	3,885	6,790	3,890
\$3,000 under \$4,000.....	54,970	101,548	5,157	16,219	5,157	3,953	5,158	4,002
\$4,000 under \$5,000.....	52,229	90,857	4,269	14,441	4,268	3,540	4,268	3,564
\$5,000 under \$7,000.....	88,632	151,269	6,657	27,583	6,594	6,839	6,605	6,853
\$7,000 under \$10,000.....	105,117	177,770	5,356	30,350	5,356	8,543	5,359	8,641
\$10,000 under \$15,000.....	138,182	219,409	5,268	40,560	5,247	12,072	5,257	12,218
\$15,000 under \$25,000.....	184,922	281,620	4,925	50,236	4,925	15,733	4,925	15,850
\$25,000 under \$50,000.....	220,237	347,110	3,758	67,643	3,758	25,176	3,759	25,415
\$50,000 under \$100,000.....	187,095	302,936	1,807	64,787	1,805	30,008	1,808	30,636
\$100,000 under \$200,000.....	134,189	203,551	619	37,405	619	19,114	624	19,389
\$200,000 under \$500,000.....	115,593	172,559	253	32,372	253	18,950	256	19,233
\$500,000 under \$1,000,000.....	60,641	83,697	51	11,197	51	7,006	52	7,109
\$1,000,000 or more.....	81,939	120,655	25	8,688	25	5,243	26	5,617

¹Excludes simple trusts, because the fiduciary for such an entity was not required to complete Schedule C, Form 1041, whether or not he chose to do so.

Fiduciary Income Tax Returns for 1970

Table 11.—TRUSTS¹ WITH DISTRIBUTIONS DEDUCTION—DISTRIBUTABLE NET INCOME, AMOUNTS OF INCOME PAID OR REQUIRED TO BE DISTRIBUTED, AND DISTRIBUTIONS DEDUCTION, BY SIZE OF DISTRIBUTABLE NET INCOME

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of distributable net income	Number of trusts	Total income	Distributable net income	Income required to be distributed currently		Other amounts paid, credited, or otherwise required to be distributed	
				Number of trusts	Amount	Number of trusts	Amount
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Total.....	130,010	1,687,969	1,082,928	89,183	649,935	51,492	700,547
Under \$1,000.....	36,702	50,762	16,521	26,206	12,420	13,300	62,656
\$1,000 under \$2,000.....	21,554	62,270	31,174	14,420	20,249	9,108	38,605
\$2,000 under \$3,000.....	14,934	66,852	36,528	10,234	24,278	5,549	22,638
\$3,000 under \$4,000.....	10,013	64,282	34,888	6,937	21,706	4,033	23,415
\$4,000 under \$5,000.....	8,026	58,262	35,562	5,641	23,138	2,955	17,596
\$5,000 under \$7,000.....	9,621	102,543	57,441	6,228	33,078	4,314	50,187
\$7,000 under \$10,000.....	8,245	116,821	68,922	5,637	43,023	3,380	65,251
\$10,000 under \$15,000.....	7,455	144,267	90,206	5,115	55,610	2,958	49,335
\$15,000 under \$25,000.....	6,202	178,480	118,610	4,248	73,488	2,515	87,487
\$25,000 under \$50,000.....	4,215	216,013	147,292	2,592	80,622	2,014	65,283
\$50,000 under \$100,000.....	1,909	212,233	130,245	1,159	70,887	878	64,962
\$100,000 under \$200,000.....	706	129,655	96,609	468	56,370	300	54,780
\$200,000 under \$500,000.....	318	125,444	95,144	233	60,836	132	47,541
\$500,000 under \$1,000,000.....	75	62,760	51,593	38	22,873	45	35,727
\$1,000,000 or more.....	35	97,324	72,195	27	51,357	11	15,085

Size of distributable net income	Distributions deduction	Total deductions	Taxable income		Income tax after credits		Total tax	
			Number of trusts	Amount	Number of trusts	Amount	Number of trusts	Amount
	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
Total.....	894,783	1,409,578	43,958	293,175	43,926	111,080	43,942	112,784
Under \$1,000.....	15,607	37,779	7,366	15,459	7,366	4,067	7,366	4,109
\$1,000 under \$2,000.....	28,723	51,867	7,060	11,907	7,060	2,676	7,060	2,707
\$2,000 under \$3,000.....	32,660	57,646	4,996	10,956	4,996	2,436	4,996	2,439
\$3,000 under \$4,000.....	30,022	54,716	3,430	10,836	3,430	2,617	3,430	2,622
\$4,000 under \$5,000.....	30,821	49,674	3,079	9,234	3,078	2,159	3,078	2,181
\$5,000 under \$7,000.....	48,578	84,333	4,354	18,844	4,343	4,668	4,343	4,678
\$7,000 under \$10,000.....	59,644	97,857	3,621	20,583	3,621	6,064	3,624	6,150
\$10,000 under \$15,000.....	75,194	120,639	3,373	26,040	3,353	8,213	3,363	8,325
\$15,000 under \$25,000.....	98,443	150,012	2,891	29,040	2,891	9,268	2,891	9,355
\$25,000 under \$50,000.....	114,357	176,119	2,123	40,597	2,123	15,548	2,123	15,663
\$50,000 under \$100,000.....	102,278	169,277	1,104	43,728	1,104	21,133	1,104	21,694
\$100,000 under \$200,000.....	75,663	109,191	356	20,626	356	10,687	356	10,804
\$200,000 under \$500,000.....	74,388	104,199	157	21,460	157	12,902	158	13,093
\$500,000 under \$1,000,000.....	42,956	56,199	32	6,610	32	4,160	33	4,181
\$1,000,000 or more.....	65,448	90,070	16	7,255	16	4,482	17	4,782

¹Excludes simple trusts, because the fiduciary for such an entity was not required to complete Schedule C, Form 1041, whether or not he chose to do so.

Fiduciary Income Tax Returns for 1970

Table 12.—ESTATES AND TRUSTS WITH REGULAR TAX COMPUTATION—TAXABLE INCOME AND TAX BY MARGINAL TAX RATE AND SIZE OF TOTAL INCOME

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total income	Marginal tax rate								
	Number of estates and trusts	Taxable income	Income tax before credits	Number of estates and trusts	Taxable income	Income tax before credits	Number of estates and trusts	Taxable income	Income tax before credits
Total	377,237	1,506,387	415,161	105,662	22,094	3,057	54,597	39,682	5,656
Under \$10,000	280,614	437,788	73,862	99,248	20,725	2,868	50,052	36,353	5,182
\$10,000 under \$25,000	60,369	400,364	90,335	4,580	1,027	142	3,441	2,518	358
\$25,000 under \$50,000	21,844	271,693	80,475	1,275	229	32	683	490	70
\$50,000 under \$100,000	9,865	201,165	74,054	410	82	11	311	238	34
\$100,000 under \$200,000	3,300	117,305	53,475	107	22	3	77	58	8
\$200,000 under \$500,000	1,051	58,449	30,993	34	7	1	28	21	3
\$500,000 or more	194	19,622	11,967	8	2	(1)	5	4	(1)
Total	37,029	45,801	6,756	24,340	42,274	6,447	61,385	176,569	29,230
Under \$10,000	33,102	40,948	6,040	20,848	36,209	5,522	49,460	140,994	23,310
\$10,000 under \$25,000	2,834	3,506	517	2,642	4,613	704	9,468	28,270	4,705
\$25,000 under \$50,000	741	917	135	540	917	140	1,756	5,273	878
\$50,000 under \$100,000	265	325	48	204	345	53	490	1,414	234
\$100,000 under \$200,000	60	72	11	85	154	24	141	408	68
\$200,000 under \$500,000	22	27	4	18	31	5	58	176	29
\$500,000 or more	5	5	1	3	5	(1)	12	34	5
Total	27,337	134,033	24,284	18,071	125,132	24,591	12,374	110,431	23,368
Under \$10,000	16,876	81,884	14,802	8,227	56,530	11,086	2,801	24,146	5,051
\$10,000 under \$25,000	8,080	39,990	7,259	7,248	50,578	9,960	7,338	66,219	14,063
\$25,000 under \$50,000	1,845	9,458	1,730	1,863	12,964	2,551	1,604	14,420	3,059
\$50,000 under \$100,000	379	1,927	352	596	4,097	803	472	4,205	889
\$100,000 under \$200,000	112	551	100	96	674	133	120	1,090	232
\$200,000 under \$500,000	35	175	32	31	220	43	35	318	68
\$500,000 or more	10	48	8	10	72	15	4	35	8
Total	8,253	89,913	20,434	5,154	66,662	16,318	4,030	60,239	15,795
Under \$10,000	-	-	-	-	-	-	-	-	-
\$10,000 under \$25,000	5,811	63,271	14,376	3,144	40,625	9,940	2,107	31,396	8,220
\$25,000 under \$50,000	1,877	20,420	4,638	1,374	17,759	4,346	1,329	19,957	5,245
\$50,000 under \$100,000	436	4,795	1,094	495	6,456	1,586	463	6,934	1,820
\$100,000 under \$200,000	100	1,105	253	112	1,450	355	108	1,609	421
\$200,000 under \$500,000	20	222	51	26	333	81	18	268	70
\$500,000 or more	9	100	23	3	40	10	5	75	20
Total	3,367	56,861	15,834	2,657	50,362	14,878	2,051	42,970	13,385
Under \$10,000	-	-	-	-	-	-	-	-	-
\$10,000 under \$25,000	1,632	27,422	7,616	1,114	20,981	6,177	641	13,354	4,147
\$25,000 under \$50,000	1,123	19,022	5,305	921	17,551	5,199	857	17,993	5,611
\$50,000 under \$100,000	512	8,726	2,441	496	9,429	2,790	447	9,400	2,934
\$100,000 under \$200,000	80	1,353	337	90	1,718	509	85	1,783	556
\$200,000 under \$500,000	19	322	90	35	664	196	16	334	104
\$500,000 or more	1	16	4	1	20	6	5	106	33
Total	3,523	84,639	28,333	2,243	64,347	23,449	1,553	54,195	21,437
Under \$10,000	-	-	-	-	-	-	-	-	-
\$10,000 under \$25,000	289	6,595	2,150	-	-	-	-	-	-
\$25,000 under \$50,000	2,021	48,920	16,436	1,094	31,184	11,331	698	24,252	9,576
\$50,000 under \$100,000	1,018	24,451	8,184	888	25,650	9,377	608	21,227	8,398
\$100,000 under \$200,000	143	3,431	1,148	213	6,130	2,237	210	7,430	2,954
\$200,000 under \$500,000	44	1,052	351	46	1,321	482	31	1,077	425
\$500,000 or more	8	190	64	2	61	23	6	209	83
Total	947	38,648	16,231	617	28,855	12,741	665	36,258	16,887
Under \$10,000	-	-	-	-	-	-	-	-	-
\$10,000 under \$25,000	-	-	-	-	-	-	-	-	-
\$25,000 under \$50,000	211	8,539	3,575	32	1,428	619	-	-	-
\$50,000 under \$100,000	491	19,968	8,375	277	12,946	5,715	291	15,793	7,345
\$100,000 under \$200,000	206	8,523	3,598	261	12,274	5,430	301	16,465	7,677
\$200,000 under \$500,000	34	1,413	598	41	1,925	851	67	3,677	1,716
\$500,000 or more	5	205	86	6	282	125	6	323	150
Total	425	27,458	13,489	247	18,350	9,392	174	14,821	7,884
Under \$10,000	-	-	-	-	-	-	-	-	-
\$10,000 under \$25,000	-	-	-	-	-	-	-	-	-
\$25,000 under \$50,000	-	-	-	-	-	-	-	-	-
\$50,000 under \$100,000	170	10,941	5,369	73	5,390	2,753	45	3,842	2,045
\$100,000 under \$200,000	195	12,593	6,185	121	8,995	4,605	84	7,193	3,832
\$200,000 under \$500,000	52	3,397	1,674	51	3,821	1,960	40	3,371	1,788
\$500,000 or more	8	528	261	2	144	74	5	415	220
Total	157	14,333	8,114	379	60,959	37,172	-	-	-
Under \$10,000	-	-	-	-	-	-	-	-	-
\$10,000 under \$25,000	-	-	-	-	-	-	-	-	-
\$25,000 under \$50,000	-	-	-	-	-	-	-	-	-
\$50,000 under \$100,000	28	2,585	1,405	-	-	-	-	-	-
\$100,000 under \$200,000	56	5,305	2,904	137	16,918	9,855	-	-	-
\$200,000 under \$500,000	68	6,474	3,548	182	27,806	16,823	-	-	-
\$500,000 or more	5	469	256	60	16,235	10,494	-	-	-

¹ Less than \$500.

Fiduciary Income Tax Returns for 1970

Table 14.—ESTATES AND TRUSTS WITH ALTERNATIVE TAX COMPUTATION—INCOME SUBJECT TO TAX AND TAX BY MARGINAL TAX RATE AND BY SIZE OF TOTAL INCOME

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total income	Marginal tax rate											
	Number of estates and trusts with alternative tax computation	Income taxed at regular rates	Net long-term capital gain in excess of short-term capital loss	Income tax before credits			Number of estates and trusts with alternative tax computation	Income taxed at regular rates	Net long-term capital gain in excess of short-term capital loss	Income tax before credits		
				Total	Generated at regular rates	Generated at capital gains rate(s)				Total	Generated at regular rates	Generated at capital gains rate(s)
	Total						0 percent (no income taxed at regular rates)					
Total.....	2,925	115,435	460,714	182,515	55,044	127,471	418	-	261,440	73,073	-	73,073
Under \$50,000.....	585	18,029	2,666	7,489	6,823	666	-	-	-	-	-	-
\$50,000 under \$100,000.....	866	31,404	17,270	17,385	13,042	4,342	-	-	-	-	-	-
\$100,000 under \$200,000.....	544	25,204	31,092	20,137	12,069	8,069	21	-	3,491	873	-	873
\$200,000 under \$500,000.....	604	24,234	115,993	44,960	13,070	31,890	224	-	63,607	17,503	-	17,503
\$500,000 or more.....	326	16,564	213,693	92,544	10,040	82,504	173	-	194,342	54,697	-	54,697
	14 percent						15 percent					
Total.....	15	3	13,973	4,064	(1)	4,064	4	3	1,106	292	(1)	292
Under \$50,000.....	-	-	-	-	-	-	-	-	-	-	-	-
\$50,000 under \$100,000.....	-	-	-	-	-	-	-	-	-	-	-	-
\$100,000 under \$200,000.....	4	1	591	148	(1)	148	-	-	-	-	-	-
\$200,000 under \$500,000.....	6	1	1,610	451	(1)	451	3	2	780	195	(1)	195
\$500,000 or more.....	5	(1)	11,773	3,465	(1)	3,465	1	1	326	97	(1)	97
	16 percent						17 percent					
Total.....	6	8	2,359	649	1	648	13	23	3,496	951	4	948
Under \$50,000.....	-	-	-	-	-	-	-	-	-	-	-	-
\$50,000 under \$100,000.....	-	-	-	-	-	-	-	-	-	-	-	-
\$100,000 under \$200,000.....	2	3	310	78	(1)	78	4	8	618	156	1	154
\$200,000 under \$500,000.....	1	1	374	108	(1)	108	7	12	1,550	408	2	406
\$500,000 or more.....	3	4	1,674	463	(1)	461	2	4	1,328	388	1	387
	19 percent						22 percent					
Total.....	24	74	8,229	2,258	12	2,246	21	105	9,345	2,653	19	2,634
Under \$50,000.....	-	-	-	-	-	-	-	-	-	-	-	-
\$50,000 under \$100,000.....	-	-	-	-	-	-	-	-	-	-	-	-
\$100,000 under \$200,000.....	3	8	427	108	1	107	5	25	754	206	4	201
\$200,000 under \$500,000.....	14	47	3,210	895	8	887	7	37	1,477	406	7	399
\$500,000 or more.....	7	20	4,592	1,254	3	1,251	9	43	7,114	2,042	8	2,034
	25 percent						28 percent					
Total.....	20	136	5,191	1,474	27	1,448	36	329	9,269	2,647	70	2,576
Under \$50,000.....	-	-	-	-	-	-	-	-	-	-	-	-
\$50,000 under \$100,000.....	-	-	-	-	-	-	8	77	576	161	17	144
\$100,000 under \$200,000.....	12	77	1,809	479	15	464	11	99	1,499	415	21	394
\$200,000 under \$500,000.....	5	37	1,150	334	7	326	9	82	2,224	640	17	622
\$500,000 or more.....	3	22	2,231	562	5	577	8	71	4,969	1,431	15	1,416
	32 percent						36 percent					
Total.....	21	227	5,255	1,503	51	1,451	33	432	6,107	1,733	107	1,627
Under \$50,000.....	-	-	-	-	-	-	-	-	-	-	-	-
\$50,000 under \$100,000.....	2	20	154	43	4	39	2	25	154	45	6	39
\$100,000 under \$200,000.....	10	109	1,222	347	25	322	14	182	1,607	482	45	437
\$200,000 under \$500,000.....	7	76	1,793	536	17	519	17	225	4,345	1,206	56	1,150
\$500,000 or more.....	2	21	2,086	577	5	571	-	-	-	-	-	-
	39 percent						42 percent					
Total.....	39	582	4,139	1,272	153	1,120	89	1,500	10,238	3,219	417	2,801
Under \$50,000.....	-	-	-	-	-	-	-	-	-	-	-	-
\$50,000 under \$100,000.....	22	329	1,304	420	86	333	53	898	2,730	946	250	695
\$100,000 under \$200,000.....	9	136	742	228	36	192	16	267	1,450	457	74	383
\$200,000 under \$500,000.....	6	86	1,681	499	22	477	16	269	3,891	1,167	75	1,092
\$500,000 or more.....	2	31	413	126	8	117	4	67	2,166	649	19	631
	45 percent						48 percent					
Total.....	52	986	4,268	1,419	291	1,128	89	1,872	4,966	1,899	584	1,314
Under \$50,000.....	-	-	-	-	-	-	21	440	393	235	137	98
\$50,000 under \$100,000.....	29	545	1,198	461	160	301	46	967	1,243	613	302	311
\$100,000 under \$200,000.....	13	248	1,101	365	74	291	13	275	1,147	384	86	298
\$200,000 under \$500,000.....	10	193	1,970	594	57	536	7	148	1,259	403	46	356
\$500,000 or more.....	-	-	-	-	-	-	2	43	924	264	13	251
	50 percent						53 percent					
Total.....	227	5,422	8,286	4,009	1,810	2,199	494	14,227	18,914	10,234	5,194	5,040
Under \$50,000.....	108	2,548	1,172	1,138	845	293	191	5,364	750	2,123	1,936	187
\$50,000 under \$100,000.....	78	1,888	1,915	1,114	634	480	204	5,972	5,063	3,464	2,196	1,268
\$100,000 under \$200,000.....	24	579	1,757	667	194	472	63	1,853	3,698	1,644	683	611
\$200,000 under \$500,000.....	15	358	2,740	865	119	745	26	745	3,838	1,338	272	1,066
\$500,000 or more.....	2	50	702	225	17	208	10	293	5,566	1,666	108	1,558

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Table 14. --ESTATES AND TRUSTS WITH ALTERNATIVE TAX COMPUTATION--INCOME SUBJECT TO TAX AND TAX BY MARGINAL TAX RATE AND BY SIZE OF TOTAL INCOME--Continued

[All figures are estimates based on samples--money amounts are in thousands of dollars]

Size of total income	Marginal tax rate - Continued											
	Number of estates and trusts with alternative tax computation	Income taxed at regular rates	Net long-term capital gain in excess of short-term capital loss	Income tax before credits			Number of estates and trusts with alternative tax computation	Income taxed at regular rates	Net long-term capital gain in excess of short-term capital loss	Income tax before credits		
				Total	Generated at regular rates	Generated at capital gains rate(s)				Total	Generated at regular rates	Generated at capital gains rate(s)
	55 percent						58 percent					
Total.....	332	11,474	6,620	6,287	4,521	1,765	236	9,574	5,165	5,362	4,012	1,350
Under \$50,000.....	180	6,125	271	2,466	2,398	68	63	2,557	72	1,090	1,072	18
\$50,000 under \$100,000.....	84	2,976	833	1,392	1,184	208	117	4,738	1,136	2,268	1,984	284
\$100,000 under \$200,000.....	39	1,352	1,476	915	534	381	41	1,664	1,695	1,139	697	441
\$200,000 under \$500,000.....	26	918	3,225	1,269	365	904	11	451	1,813	676	190	486
\$500,000 or more.....	3	103	815	245	41	204	4	164	448	190	70	121
	60 percent						62 percent					
Total.....	159	7,376	6,590	4,966	3,247	1,718	164	8,981	6,462	5,929	4,189	1,740
Under \$50,000.....	22	997	7	437	435	2	-	-	-	-	-	-
\$50,000 under \$100,000.....	65	3,003	410	1,423	1,320	102	79	4,327	359	2,108	2,018	90
\$100,000 under \$200,000.....	41	1,929	1,742	1,309	854	456	48	2,627	1,092	1,507	1,225	282
\$200,000 under \$500,000.....	28	1,311	2,126	1,161	579	582	31	1,693	2,270	1,389	789	600
\$500,000 or more.....	3	136	2,306	636	60	576	6	333	2,741	925	157	768
	64 percent						66 percent					
Total.....	97	6,254	6,654	4,883	3,070	1,813	70	5,272	8,327	5,096	2,709	2,388
Under \$50,000.....	-	-	-	-	-	-	-	-	-	-	-	-
\$50,000 under \$100,000.....	33	2,138	119	1,081	1,051	30	31	2,350	65	1,226	1,210	16
\$100,000 under \$200,000.....	37	2,381	1,004	1,427	1,168	259	26	1,939	961	1,244	993	250
\$200,000 under \$500,000.....	20	1,279	1,610	1,037	627	410	6	447	569	389	229	160
\$500,000 or more.....	7	455	3,921	1,338	224	1,114	7	536	6,732	2,238	277	1,961
	68 percent						69 percent					
Total.....	46	3,899	6,489	3,871	2,071	1,800	46	4,380	2,030	2,977	2,401	576
Under \$50,000.....	-	-	-	-	-	-	-	-	-	-	-	-
\$50,000 under \$100,000.....	9	782	10	421	418	3	4	369	1	201	201	(1)
\$100,000 under \$200,000.....	19	1,612	252	919	857	63	29	2,774	134	1,556	1,522	33
\$200,000 under \$500,000.....	12	1,009	1,040	812	534	278	11	1,044	1,318	946	572	375
\$500,000 or more.....	6	497	5,196	1,719	262	1,457	2	193	578	274	106	168
	70 percent											
Total.....	174	32,296	35,796	29,797	20,083	9,714						
Under \$50,000.....	-	-	-	-	-	-						
\$50,000 under \$100,000.....	-	-	-	-	-	-						
\$100,000 under \$200,000.....	40	5,057	513	3,088	2,960	128						
\$200,000 under \$500,000.....	80	13,776	4,870	9,824	8,482	1,342						
\$500,000 or more.....	54	13,463	30,412	16,885	8,640	8,245						

¹Less than \$500.

Fiduciary Income Tax Returns for 1970

Table 15.—ESTATES AND TRUSTS WITH ALTERNATIVE TAX COMPUTATION—INCOME SUBJECT TO TAX AND TAX UNDER TWO METHODS OF ALTERNATIVE TAX COMPUTATION

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Method of computation	All estates and trusts			Estates			Trusts		
	Total	With capital gains tax only	With capital gains tax and regular tax	Total	With capital gains tax only	With capital gains tax and regular tax	Total	With capital gains tax only	With capital gains tax and regular tax
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
ALTERNATIVE TAX COMPUTATION I									
Number.....	1,808	-	1,808	817	-	817	991	-	991
Income subject to tax, total.....	95,754	-	95,754	42,742	-	42,742	53,012	-	53,012
At capital gains rate (50 percent of excess net long-term capital gain).....	9,848	-	9,848	3,883	-	3,883	5,965	-	5,965
At regular rates.....	85,906	-	85,906	38,859	-	38,859	47,047	-	47,047
Tax generated, total.....	45,203	-	45,203	20,135	-	20,135	25,068	-	25,068
At 50 percent rate.....	4,924	-	4,924	1,942	-	1,942	2,983	-	2,983
At regular rates.....	40,278	-	40,278	18,193	-	18,193	22,085	-	22,085
ALTERNATIVE TAX COMPUTATION II									
Number.....	1,117	418	699	239	32	207	878	386	492
Income subject to tax, total.....	249,400	130,082	119,318	43,603	7,457	36,147	205,796	122,625	83,172
At capital gains rates:									
Total (Excess net long-term capital gain).....	441,018	261,440	179,578	66,975	15,244	51,731	374,043	246,196	127,847
Portion taxed at 25 percent ¹	93,227	39,391	53,836	24,987	5,562	19,425	68,240	33,830	34,411
Remainder taxed at other rates ²	347,790	222,049	125,742	41,988	9,682	32,306	305,803	212,367	93,436
At regular rates.....	29,529	-	29,529	10,281	-	10,281	19,248	-	19,248
Tax generated, total.....	137,312	73,073	64,240	23,410	4,076	19,334	113,902	68,996	44,906
At capital gains rates:									
Total.....	122,547	73,073	49,474	18,132	4,076	14,055	104,415	68,996	35,419
At 25 percent rate ³	23,307	9,848	13,459	6,247	1,390	4,856	17,060	8,457	8,603
At other rates ⁴	99,240	63,225	36,015	11,885	2,686	9,199	87,355	60,539	26,816
At regular rates.....	14,766	-	14,766	5,279	-	5,279	9,487	-	9,487

¹From line 28, Subpart B, Part III, Schedule D, Form 1041.
²Line 13(e), Part I, Schedule D minus the amount specified in footnote 1.
³From line 29, Subpart B, Part III, Schedule D, Form 1041.
⁴From line 41, Subpart B, Part III, Schedule D, Form 1041.

Table 16.—ESTATES AND TRUSTS WITH TAX PREFERENCES—TOTAL TAX PREFERENCES, EXCLUSION, BASE FOR ADDITIONAL TAX, AND ADDITIONAL TAX FOR TAX PREFERENCES, BY SIZE OF TOTAL INCOME AND SIZE OF TAX PREFERENCES

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total income	Number of estates and trusts	Total Income (less deficit)	Total tax preferences	Exclusion	Income tax after credits		Estate and trust with an amount of tax preferences after exclusion and deduction of taxes									
					Number of estates and trusts	Amount	Number	Total Income (less deficit)	Total tax preferences	Exclusion	Income tax after credits		Tax preferences after exclusion and taxes	Additional tax on tax preferences		Total tax
											Number of estates and trusts	Amount		Before adjustments	After adjustments	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	
SIZE OF TOTAL TAX PREFERENCES																
Total																
Total.....	138,083	3,000,440	754,803	3,836,629	92,947	318,900	2,000	760,621	242,168	52,200	1,848	138,681	78,941	7,893	7,442	146,144
Under \$10,000.....	89,153	314,617	195,821	2,459,698	52,659	13,347										
\$25,000 under \$50,000.....	26,660	413,773	80,176	746,300	21,036	23,352	393	6,227	11,768	6,810	328	676	4,495	450	185	861
\$25,000 under \$50,000.....	11,169	391,015	75,252	316,770	9,537	31,858										
\$50,000 under \$100,000.....	6,489	447,552	95,834	183,649	5,626	45,057										
\$100,000 under \$200,000.....	2,796	381,630	82,795	79,296	2,444	47,760	129	9,944	5,581	3,351	107	1,295	1,519	152	122	1,425
\$200,000 under \$500,000.....	1,350	407,099	90,180	38,117	1,221	61,924	501	76,932	31,154	14,195	475	13,445	5,494	549	496	13,944
\$500,000 under \$1,000,000.....	294	204,977	49,190	8,212	267	33,438	669	207,755	70,992	19,217	641	40,508	16,387	1,638	1,590	42,106
\$1,000,000 or more.....	172	439,776	85,375	4,586	157	62,163	117	327,138	78,892	3,186	111	55,290	35,265	3,526	3,474	58,764
Under \$5,000																
Total.....	117,900	1,147,406	95,158	3,260,605	74,768	64,135	94	4,071	87	9	82	109	65	6	1	110
Under \$10,000.....	88,141	311,551	48,703	2,432,788	52,210	13,076										
\$10,000 under \$25,000.....	21,432	320,533	33,883	597,848	16,164	16,318	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$25,000 under \$50,000.....	5,573	190,171	8,487	156,580	4,365	13,829										
\$50,000 under \$100,000.....	1,868	126,140	2,767	49,906	1,391	8,656										
\$100,000 under \$200,000.....	630	84,428	910	16,801	443	5,465	9	3,348	10	2	8	2	5	(1)	(1)	2
\$200,000 under \$500,000.....	203	61,743	332	5,330	156	4,280										
\$500,000 under \$1,000,000.....	37	25,326	44	1,003	26	1,289										
\$1,000,000 or more.....	16	27,514	32	350	13	1,222										
\$5,000 under \$10,000																
Total.....	8,804	295,930	61,380	247,622	7,784	19,971	55	4,380	485	233	53	82	211	21	10	92
Under \$10,000.....	817	5,031	5,018	22,660	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$10,000 under \$25,000.....	4,190	75,156	28,674	118,778	3,974	5,509										
\$25,000 under \$50,000.....	2,644	90,838	19,040	74,904	2,421	6,835										
\$50,000 under \$100,000.....	832	55,647	6,264	22,792	709	4,885										
\$100,000 under \$200,000.....	231	30,262	1,749	6,295	199	1,292	7	3,278	54	24	7	15	16	1	1	15
\$200,000 under \$500,000.....	75	21,899	523	1,890	65	1,050										
\$500,000 under \$1,000,000.....	10	6,850	76	218	10	39										
\$1,000,000 or more.....	5	10,246	36	85	5	93										
\$10,000 under \$25,000																
Total.....	6,843	422,940	106,324	197,434	6,235	36,488	79	7,609	1,087	503	79	410	329	33	28	438
Under \$10,000.....	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$10,000 under \$25,000.....	911	16,279	11,497	26,194	771	1,230										
\$25,000 under \$50,000.....	2,750	102,817	40,613	79,645	2,603	10,690										
\$50,000 under \$100,000.....	2,452	163,247	41,908	71,299	2,257	14,675										
\$100,000 under \$200,000.....	518	69,154	8,893	14,446	457	6,472	17	5,506	304	156	17	226	73	7	7	233
\$200,000 under \$500,000.....	146	40,836	2,433	4,064	126	2,432										
\$500,000 under \$1,000,000.....	16	12,250	276	368	12	406										
\$1,000,000 or more.....	10	20,166	196	251	9	582										
\$25,000 under \$50,000																
Total.....	2,652	305,446	90,557	77,241	2,463	41,499	372	54,986	13,683	10,337	325	5,767	2,283	228	198	5,967
Under \$10,000.....							159	8,313	5,379	4,578	143	944	479	48	39	983
\$10,000 under \$25,000.....	1,582	106,608	50,256	46,269	1,468	16,825										
\$25,000 under \$50,000.....																
\$50,000 under \$100,000.....																
\$100,000 under \$200,000.....	821	108,110	30,928	24,203	776	16,071	129	18,118	4,930	3,631	118	2,115	864	86	74	2,189
\$200,000 under \$500,000.....	219	60,161	8,250	6,079	194	7,171	77	21,943	3,103	2,028	60	2,471	827	83	77	2,549
\$500,000 under \$1,000,000.....	22	15,963	842	531	19	986	4	3,041	178	66	3	131	54	5	4	135
\$1,000,000 or more.....	8	14,605	282	160	6	447	3	3,572	94	34	1	107	60	6	6	113
\$50,000 or More																
Total.....	1,884	828,718	401,385	53,727	1,697	156,807	1,400	689,575	226,826	41,118	1,309	132,313	76,053	7,605	7,205	139,537
Under \$10,000.....							168	4,204	10,681	5,020	110	667	5,023	503	238	913
\$10,000 under \$25,000.....	239	5,134	149,462	5,590	124	816										
\$25,000 under \$50,000.....																
\$50,000 under \$100,000.....																
\$100,000 under \$200,000.....	596	89,675	40,495	17,551	569	18,460	354	56,219	25,992	10,440	340	11,266	4,587	459	418	11,687
\$200,000 under \$500,000.....	707	222,460	78,642	20,754	680	46,992	584	183,334	67,823	17,158	573	38,005	15,540	1,554	1,512	39,523
\$500,000 under \$1,000,000.....	209	144,590	47,953	6,092	200	30,718	183	127,313	43,561	5,361	179	27,326	15,714	1,571	1,571	28,899
\$1,000,000 or more.....	133	367,245	84,833	3,740	124	59,819	111	318,932	78,767	3,139	107	55,049	35,188	3,519	3,466	58,515

(*) An asterisk in a cell denotes that the estimate is not shown separately because of high sampling variability. However, the data are included in the appropriate totals.

¹Less than \$500.

Fiduciary Income Tax Returns for 1970

Table 17.—ESTATES AND TRUSTS WITH ADDITIONAL TAX FOR TAX PREFERENCES—TOTAL TAX PREFERENCES AND ADDITIONAL TAX, BY SIZE OF TOTAL TAX PREFERENCES AND SIZE OF ADDITIONAL TAX

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total tax preferences	Size of additional tax for tax preferences							
	Number of estates and trusts	Total tax preferences	Additional tax for tax preferences	Total tax	Number of estates and trusts	Total tax preferences	Additional tax for tax preferences	Total tax
	Total				Under \$500			
Total.....	1,705	231,218	7,442	144,653	485	21,330	111	10,489
Under \$25,000.....	117	1,237	40	574	109	1,084	34	392
\$25,000 under \$50,000.....	301	11,271	198	5,533	153	5,206	26	2,191
\$50,000 under \$100,000.....	628	44,904	875	21,936	217	14,331	51	7,377
\$100,000 or more.....	659	173,807	6,330	116,610	6	710	(1)	528
	\$500 under \$1,000				\$1,000 under \$1,500			
Total.....	220	14,023	165	7,652	136	11,056	170	6,273
Under \$25,000.....	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$25,000 under \$50,000.....	76	2,826	58	1,430	(*)	(*)	(*)	(*)
\$50,000 under \$100,000.....	127	9,961	93	5,341	69	5,672	84	2,952
\$100,000 or more.....	10	1,105	9	719	36	4,043	49	2,503
	\$1,500 under \$2,500				\$2,500 under \$5,000			
Total.....	264	24,501	516	13,545	275	34,201	957	19,214
Under \$25,000.....	-	-	-	-	-	-	-	-
\$25,000 under \$50,000.....	39	1,816	69	971	(*)	(*)	8	142
\$50,000 under \$100,000.....	92	5,944	182	2,220	106	7,469	363	2,624
\$100,000 or more.....	133	16,741	265	10,354	166	26,629	587	16,448
	\$5,000 under \$10,000				\$10,000 or more			
Total.....	174	33,966	1,246	21,395	151	92,141	4,276	66,086
Under \$25,000.....	-	-	-	-	-	-	-	-
\$25,000 under \$50,000.....	-	-	-	-	-	-	-	-
\$50,000 under \$100,000.....	17	1,527	102	1,422	-	-	-	-
\$100,000 or more.....	157	32,438	1,144	19,972	151	92,141	4,276	66,086

(*) An asterisk in a cell denotes that the estimate is not shown separately because of high sampling variability. However, the data are included in the appropriate totals.

¹Less than \$500.

Fiduciary Income Tax Returns for 1970

Table 18.—TRUSTS WITH ALLOCATION OF ACCUMULATION DISTRIBUTION—DISTRIBUTIONS IN 1970 AND INCOME TAXES DEEMED DISTRIBUTED IN 1965 THROUGH 1969, BY SIZE OF ACCUMULATION DISTRIBUTION AND BY SIZE OF TOTAL INCOME

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of accumulation distribution by size of total income	Number of trusts	Total income	Income tax after credits	Accumulation distribution in 1970	Amounts deemed distributed to beneficiaries			Capital gains distribution in 1970			
					Taxes imposed on throwbacks, 1965 through 1969	Throwback plus taxes imposed on throwback, 1965 through 1969	Taxable income 1965 through 1969	Number of trusts	Amount	Amounts deemed distributed to beneficiaries	
										Taxes imposed on throwbacks	Capital gains plus taxes imposed on throwbacks
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
ALL TRUSTS											
Total.....	4,259	63,071	5,264	94,375	8,621	31,762	27,909	509	2,585	144	2,729
Distribution under \$50,000.....	4,002	38,106	1,353	25,673	4,513	20,601	17,875	442	1,957	143	2,100
Distribution \$50,000 under \$100,000.....	178	5,891	66	11,209	1,548	5,285	4,827	52	531	-	531
Distribution \$100,000 under \$500,000.....	40	16,105	3,807	7,225	1,082	3,000	2,573	5	30	1	31
Distribution \$500,000 or more.....	39	2,970	38	50,267	1,478	2,875	2,633	10	68	-	68
Trusts With Total Income Under \$50,000											
Total.....	4,085	25,979	208	60,284	4,352	20,863	18,836	490	1,970	126	2,096
Distribution under \$50,000.....	3,893	24,056	189	23,898	3,743	17,392	15,714	432	1,760	126	1,886
Distribution \$50,000 under \$100,000.....	140	994	17	8,181	262	1,936	1,844	48	143	-	143
Distribution \$100,000 under \$500,000.....	20	323	(¹)	3,576	206	1,006	755	-	-	-	-
Distribution \$500,000 or more.....	32	606	1	24,629	141	529	523	10	68	-	68
Trusts With Total Income \$50,000 Under \$100,000											
Total.....	99	6,764	198	18,304	1,407	4,142	3,775	8	181	10	192
Distribution under \$50,000.....	69	4,757	110	1,226	533	1,653	1,513	6	66	10	77
Distribution \$50,000 under \$100,000.....	22	1,483	40	1,874	680	2,024	1,808	2	115	-	115
Distribution \$100,000 under \$500,000.....	6	404	48	1,205	194	465	454	-	-	-	-
Distribution \$500,000 or more.....	2	120	-	14,000	-	-	-	-	-	-	-
Trusts With Total Income \$100,000 or More											
Total.....	75	30,328	4,858	15,786	2,861	6,758	5,298	11	434	8	442
Distribution under \$50,000.....	40	9,293	1,054	549	238	1,556	647	4	131	7	138
Distribution \$50,000 under \$100,000.....	16	3,414	9	1,155	604	1,326	1,176	2	273	-	273
Distribution \$100,000 under \$500,000.....	14	15,378	3,759	2,445	682	1,529	1,364	5	30	1	31
Distribution \$500,000 or more.....	5	2,244	36	11,638	1,337	2,346	2,111	-	-	-	-

¹Less than \$500.

Table 19.—TRUSTS WITH ALLOCATION OF ACCUMULATION DISTRIBUTION INCLUDING CAPITAL GAINS DISTRIBUTION—DISTRIBUTIONS IN 1970 AND INCOME TAXES DEEMED DISTRIBUTED IN 1965 THROUGH 1969, BY SIZE OF CAPITAL GAINS DISTRIBUTION AND BY SIZE OF TOTAL INCOME

[Money amounts in thousands of dollars]

Size of capital gains distribution by size of total income	Number of trusts	Total income	Income tax after credits	Accumulation distribution in 1970	Amounts deemed distributed to beneficiaries			Capital gains distribution in 1970	Amounts deemed distributed to beneficiaries	
					Taxes imposed on throwbacks, 1965 through 1969	Throwback plus taxes imposed on throwback, 1965 through 1969	Taxable income 1965 through 1969		Taxes imposed on throwbacks	Capital gains plus taxes imposed on throwbacks
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
ALL TRUSTS										
Total.....	509	5,824	31	14,223	588	2,620	2,473	2,585	144	2,729
Distribution under \$50,000.....	442	3,601	29	3,277	276	1,380	1,298	1,957	143	2,100
Distribution \$50,000 under \$100,000.....	52	794	-	3,039	142	761	707	531	-	531
Distribution \$100,000 under \$500,000.....	5	1,231	-	657	131	300	294	30	1	31
Distribution \$500,000 or more.....	10	198	1	7,251	39	180	173	68	-	68
Trusts With Total Income Under \$50,000										
Total.....	490	3,041	5	13,151	380	2,066	1,925	1,970	126	2,096
Distribution under \$50,000.....	432	2,602	4	3,195	248	1,270	1,188	1,760	126	1,886
Distribution \$50,000 under \$100,000.....	48	241	-	2,704	92	617	563	143	-	143
Distribution \$100,000 under \$500,000.....	-	-	-	-	-	-	-	-	-	-
Distribution \$500,000 or more.....	10	198	1	7,251	39	180	173	68	-	68
Trusts With Total Income \$50,000 Under \$100,000										
Total.....	8	560	(¹)	253	27	113	113	181	10	192
Distribution under \$50,000.....	6	364	(¹)	58	16	75	75	66	10	77
Distribution \$50,000 under \$100,000.....	2	196	-	195	12	38	38	115	-	115
Distribution \$100,000 under \$500,000.....	-	-	-	-	-	-	-	-	-	-
Distribution \$500,000 or more.....	-	-	-	-	-	-	-	-	-	-
Trusts With Total Income \$100,000 or More										
Total.....	11	2,222	25	820	182	441	435	434	8	442
Distribution under \$50,000.....	4	635	25	24	13	35	35	131	7	138
Distribution \$50,000 under \$100,000.....	2	357	-	139	38	106	106	273	-	273
Distribution \$100,000 under \$500,000.....	5	1,231	-	657	131	300	294	30	1	31
Distribution \$500,000 or more.....	-	-	-	-	-	-	-	-	-	-

¹Less than \$500.

Fiduciary Income Tax Returns for 1970

Table 20.—NUMBER OF ESTATES AND TRUSTS BY ACCOUNTING PERIOD AND SIZE OF TOTAL INCOME

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total income	Full-year accounting period								
	Calendar year								
	Number	Total income (less loss)	Total deductions	Distributions deductions		Taxable income		Income tax after credits	
				Number	Amount	Number	Amount	Number	Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
ESTATES AND TRUSTS									
Total.....	749,955	7,103,664	6,098,739	461,828	3,562,327	277,038	1,276,770	276,801	415,996
No total income.....	12,629	-52,458	20,809	1,518	5,285	-	-	-	-
Under \$1,000.....	184,782	86,350	101,699	77,530	34,106	57,462	15,499	57,413	2,208
\$1,000 under \$2,000.....	120,293	174,755	160,624	71,657	85,411	42,570	34,693	42,570	5,141
\$2,000 under \$3,000.....	79,365	195,730	173,810	51,163	105,501	27,775	37,920	27,775	5,925
\$3,000 under \$4,000.....	57,414	198,784	169,501	39,780	107,259	19,831	39,892	19,831	6,593
\$4,000 under \$5,000.....	43,336	193,716	165,101	30,683	108,458	16,316	38,112	16,316	6,447
\$5,000 under \$7,000.....	59,324	349,073	293,527	43,161	197,222	22,867	68,566	22,766	12,207
\$7,000 under \$10,000.....	52,132	437,172	356,389	39,302	238,965	22,380	90,591	22,380	17,478
\$10,000 under \$15,000.....	48,876	595,757	497,765	36,728	320,462	21,624	115,366	21,603	24,320
\$15,000 under \$25,000.....	41,036	786,435	641,959	30,736	403,175	19,546	157,124	19,535	38,743
\$25,000 under \$50,000.....	29,873	1,033,233	844,054	23,178	526,279	15,408	200,109	15,366	62,145
\$50,000 under \$100,000.....	13,324	912,282	768,275	10,273	428,098	7,276	157,578	7,272	60,963
\$100,000 under \$200,000.....	4,770	650,302	548,894	3,850	313,516	2,555	106,945	2,550	51,358
\$200,000 under \$500,000.....	2,127	629,256	555,584	1,732	288,356	1,117	95,509	1,114	52,999
\$500,000 under \$1,000,000.....	426	294,247	255,203	345	141,077	194	41,851	193	24,524
\$1,000,000 or more.....	248	619,030	545,545	192	259,157	117	76,746	117	44,944
ESTATES									
Total.....	168,581	1,422,184	1,134,513	53,037	356,985	83,403	395,479	83,348	112,312
No total income.....	4,119	-11,334	6,204	163	1,101	-	-	-	-
Under \$1,000.....	32,557	18,097	30,606	6,255	3,160	6,253	1,467	6,253	211
\$1,000 under \$2,000.....	30,883	44,628	42,352	8,018	8,524	15,866	-10,279	15,866	1,503
\$2,000 under \$3,000.....	20,137	49,667	41,457	5,258	12,368	11,414	15,564	11,414	2,406
\$3,000 under \$4,000.....	15,056	51,826	40,102	5,430	12,339	7,575	15,803	7,575	2,602
\$4,000 under \$5,000.....	10,491	46,858	35,599	3,542	14,234	6,115	16,155	6,115	2,751
\$5,000 under \$7,000.....	13,755	81,646	55,953	5,166	22,038	8,838	31,333	8,786	5,655
\$7,000 under \$10,000.....	11,511	97,605	62,479	4,962	24,591	7,710	40,390	7,710	7,937
\$10,000 under \$15,000.....	10,459	127,256	86,240	4,518	35,510	6,754	47,032	6,754	10,135
\$15,000 under \$25,000.....	9,329	178,958	126,116	4,323	48,298	5,877	58,192	5,877	14,863
\$25,000 under \$50,000.....	6,533	225,419	162,301	3,384	61,586	4,480	67,857	4,480	21,588
\$50,000 under \$100,000.....	2,613	177,992	138,698	1,343	45,641	1,771	42,054	1,769	16,603
\$100,000 under \$200,000.....	766	104,898	86,472	461	29,556	551	20,356	510	9,600
\$200,000 under \$500,000.....	293	84,569	89,154	168	21,394	189	14,246	189	7,806
\$500,000 under \$1,000,000.....	51	35,649	29,835	31	8,232	31	6,021	31	3,432
\$1,000,000 or more.....	28	108,453	100,945	15	8,413	19	8,729	19	5,221
TRUSTS									
Total.....	581,374	5,681,480	4,964,226	408,791	3,205,342	193,635	881,291	193,453	303,683
No total income.....	8,510	-41,123	14,605	1,355	4,184	-	-	-	-
Under \$1,000.....	152,225	68,253	71,093	71,275	30,946	51,209	14,032	51,160	1,997
\$1,000 under \$2,000.....	89,410	130,127	118,272	63,639	76,887	26,704	24,414	26,704	3,637
\$2,000 under \$3,000.....	59,228	146,063	132,353	45,905	93,132	16,361	22,356	16,361	3,518
\$3,000 under \$4,000.....	42,358	146,958	129,399	34,350	94,920	12,256	24,089	12,256	3,991
\$4,000 under \$5,000.....	32,845	146,858	129,502	27,141	94,224	10,201	21,956	10,201	3,696
\$5,000 under \$7,000.....	45,569	267,427	237,574	37,995	175,184	14,029	37,232	13,980	6,553
\$7,000 under \$10,000.....	40,621	339,567	293,910	34,340	214,374	14,670	50,201	14,670	9,542
\$10,000 under \$15,000.....	38,417	468,501	411,525	32,210	284,952	14,870	68,604	14,849	14,185
\$15,000 under \$25,000.....	31,707	607,478	515,843	26,413	354,878	13,669	98,932	13,658	23,880
\$25,000 under \$50,000.....	23,340	807,814	681,753	19,794	464,693	10,928	132,252	10,886	40,557
\$50,000 under \$100,000.....	10,711	734,290	629,577	8,930	382,457	5,505	115,524	5,503	44,360
\$100,000 under \$200,000.....	4,004	545,404	462,421	3,389	283,960	2,044	86,589	2,040	41,757
\$200,000 under \$500,000.....	1,834	544,690	466,430	1,564	266,962	928	81,263	925	45,193
\$500,000 under \$1,000,000.....	375	258,597	225,367	314	132,845	163	35,829	162	21,093
\$1,000,000 or more.....	220	510,577	444,599	177	250,744	98	68,017	98	39,724

Footnote at end of table.

Fiduciary Income Tax Returns for 1970

Table 20.—NUMBER OF ESTATES AND TRUSTS BY ACCOUNTING PERIOD AND SIZE OF TOTAL INCOME—Continued

[All figures are estimates based on samples—money amounts are in thousands of dollars]

Size of total income	Full-year accounting period - Continued								
	Noncalendar year								
	Number	Total income (less loss)	Total deductions	Distributions Deductions		Taxable income		Income tax after credits	
				Number	Amount	Number	Amount	Number	Amount
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	
ESTATES AND TRUSTS									
Total.....	193,352	2,433,907	2,188,192	128,280	1,064,275	70,510	412,569	70,487	145,810
No total income.....	4,346	-10,869	22,241	(*)	(*)	-	-	-	-
Under \$1,000.....	41,693	18,469	25,382	17,796	7,140	13,387	3,022	13,387	430
\$1,000 under \$2,000.....	26,080	37,896	88,644	17,597	20,115	7,246	5,471	7,246	814
\$2,000 under \$3,000.....	18,810	46,587	44,350	13,906	26,162	5,621	6,644	5,621	1,032
\$3,000 under \$4,000.....	14,254	49,805	45,453	11,215	29,609	4,876	7,451	4,876	1,222
\$4,000 under \$5,000.....	10,938	49,378	46,302	8,364	29,576	3,387	7,170	3,387	1,203
\$5,000 under \$7,000.....	16,025	94,751	88,901	11,992	55,010	5,493	12,752	5,493	2,220
\$7,000 under \$10,000.....	14,363	119,555	101,434	11,022	64,673	6,200	21,497	6,200	4,072
\$10,000 under \$15,000.....	14,980	183,037	156,646	11,828	95,059	7,136	33,899	7,136	7,084
\$15,000 under \$25,000.....	13,808	266,291	217,952	10,636	131,795	7,278	53,047	7,278	12,762
\$25,000 under \$50,000.....	10,252	352,856	300,869	7,776	158,943	5,446	66,578	5,425	19,956
\$50,000 under \$100,000.....	4,723	323,459	263,748	3,572	127,317	2,774	64,689	2,774	25,007
\$100,000 under \$200,000.....	1,940	260,375	228,657	1,389	98,353	1,039	38,848	1,039	18,019
\$200,000 under \$500,000.....	817	241,750	209,465	619	82,574	441	34,913	439	18,904
\$500,000 under \$1,000,000.....	204	140,381	118,167	150	37,708	116	23,260	116	13,287
\$1,000,000 or more.....	119	260,185	229,780	97	99,241	70	33,328	70	19,798
ESTATES									
Total.....	40,877	737,157	645,174	17,031	212,731	17,715	157,368	17,713	54,227
No total income.....	1,288	-5,089	14,654	(*)	(*)	-	-	-	-
Under \$1,000.....	5,277	2,606	8,258	1,424	582	(*)	(*)	(*)	(*)
\$1,000 under \$2,000.....	4,200	6,096	8,158	1,049	1,046	1,363	809	1,363	117
\$2,000 under \$3,000.....	4,046	10,023	9,238	1,628	2,918	1,629	2,321	1,629	349
\$3,000 under \$4,000.....	2,737	9,506	8,650	1,423	3,539	897	2,046	897	334
\$4,000 under \$5,000.....	2,740	12,498	11,386	1,003	4,109	1,366	3,901	1,366	671
\$5,000 under \$7,000.....	4,110	24,530	21,501	2,002	7,923	1,845	5,770	1,845	1,026
\$7,000 under \$10,000.....	3,327	28,062	19,706	1,376	7,127	2,112	10,283	2,112	2,011
\$10,000 under \$15,000.....	3,378	41,429	32,226	1,613	12,223	1,918	12,715	1,918	2,775
\$15,000 under \$25,000.....	3,636	70,542	51,539	1,811	20,285	2,420	21,436	2,420	5,349
\$25,000 under \$50,000.....	3,287	113,772	93,532	1,864	36,182	1,982	29,617	1,982	9,374
\$50,000 under \$100,000.....	1,666	116,043	94,680	1,081	36,281	1,043	24,507	1,043	9,524
\$100,000 under \$200,000.....	798	107,339	95,237	444	31,853	418	15,497	418	7,043
\$200,000 under \$500,000.....	278	84,005	72,195	190	23,667	176	13,567	174	7,288
\$500,000 under \$1,000,000.....	73	50,797	44,209	45	11,130	47	7,180	47	4,024
\$1,000,000 or more.....	36	64,998	60,004	25	13,796	25	7,580	25	4,321
TRUSTS									
Total.....	152,475	1,696,750	1,543,018	111,249	851,544	52,795	255,201	52,774	91,583
No total income.....	3,058	-5,779	7,587	(*)	(*)	-	-	-	-
Under \$1,000.....	36,416	15,863	17,124	16,372	6,558	12,913	2,883	12,913	411
\$1,000 under \$2,000.....	21,880	31,799	80,486	16,548	19,069	5,883	4,662	5,883	697
\$2,000 under \$3,000.....	16,764	36,564	35,112	12,278	23,243	3,992	4,323	3,992	682
\$3,000 under \$4,000.....	11,517	40,299	36,803	9,792	26,070	3,979	5,405	3,979	888
\$4,000 under \$5,000.....	8,198	36,880	34,916	7,361	25,467	2,021	3,270	2,021	532
\$5,000 under \$7,000.....	11,915	70,221	67,400	9,990	47,087	3,648	6,982	3,648	1,195
\$7,000 under \$10,000.....	11,036	91,493	81,729	9,646	57,546	4,088	11,214	4,088	2,061
\$10,000 under \$15,000.....	11,602	141,608	124,420	10,215	82,836	5,218	21,184	5,218	4,309
\$15,000 under \$25,000.....	10,172	195,749	166,413	8,825	111,510	4,858	31,610	4,858	7,413
\$25,000 under \$50,000.....	6,965	239,084	207,337	5,912	122,761	3,464	36,961	3,443	10,582
\$50,000 under \$100,000.....	3,057	207,416	169,068	2,491	91,036	1,731	40,182	1,731	15,482
\$100,000 under \$200,000.....	1,142	153,036	133,620	945	66,500	621	23,351	621	10,976
\$200,000 under \$500,000.....	539	157,745	137,270	429	58,907	265	21,346	265	11,615
\$500,000 under \$1,000,000.....	131	89,585	73,958	105	26,578	69	16,079	69	9,263
\$1,000,000 or more.....	83	195,187	169,775	72	85,446	45	25,748	45	15,477

Footnote at end of table.

Fiduciary Income Tax Returns for 1970

Table 20.—NUMBER OF ESTATES AND TRUSTS BY ACCOUNTING PERIOD AND SIZE OF TOTAL INCOME—Continued

(All figures are estimates based on samples—money amounts are in thousands of dollars)

Size of total income	Part-year accounting period								
	Number	Total income (less loss)	Total deductions	Distributions deductions		Taxable income		Income tax after credits	
				Number	Amount	Number	Amount	Number	Amount
	(19)	(20)	(21)	(22)	(23)	(24)	(25)	(26)	(27)
ESTATES AND TRUSTS									
Total.....	83,976	586,057	497,155	29,871	158,903	32,614	162,201	32,611	49,250
No total income.....	4,707	-11,381	11,576	(*)	(*)	-	-	-	-
Under \$1,000.....	22,409	10,278	22,688	6,511	2,537	3,556	870	3,556	123
\$1,000 under \$2,000.....	15,627	22,936	23,694	5,324	5,699	6,233	4,789	6,233	704
\$2,000 under \$3,000.....	8,237	20,289	17,462	2,724	4,751	3,987	5,504	3,987	850
\$3,000 under \$4,000.....	6,274	21,648	17,341	2,493	5,487	3,266	6,104	3,246	990
\$4,000 under \$5,000.....	4,395	19,579	14,811	2,300	7,545	2,096	5,568	2,096	946
\$5,000 under \$7,000.....	5,601	33,329	23,378	2,352	9,291	3,305	11,423	3,305	2,039
\$7,000 under \$10,000.....	4,730	39,589	30,093	2,034	11,255	2,780	14,253	2,780	2,769
\$10,000 under \$15,000.....	4,486	54,531	36,444	1,967	15,452	2,764	20,039	2,764	4,300
\$15,000 under \$25,000.....	3,339	63,158	44,631	1,774	18,453	2,021	20,619	2,021	5,181
\$25,000 under \$50,000.....	2,341	79,808	57,310	1,190	22,974	1,575	24,367	1,575	6,659
\$50,000 under \$100,000.....	1,247	85,823	68,753	651	20,833	681	18,936	679	7,558
\$100,000 under \$200,000.....	385	51,892	50,938	220	13,512	250	12,246	250	5,920
\$200,000 under \$500,000.....	161	46,685	36,964	97	12,119	97	10,071	96	5,779
\$500,000 under \$1,000,000.....	23	14,905	13,190	13	3,120	14	2,107	14	1,201
\$1,000,000 or more.....	14	32,987	27,881	10	4,978	9	5,305	9	3,233
ESTATES									
Total.....	65,427	450,771	378,764	16,641	90,212	27,684	136,843	27,681	39,889
No total income.....	3,922	-8,937	10,318	(*)	(*)	-	-	-	-
Under \$1,000.....	16,845	8,014	19,932	3,051	1,306	2,255	464	2,255	66
\$1,000 under \$2,000.....	12,041	17,645	18,799	2,787	2,964	5,250	3,643	5,250	532
\$2,000 under \$3,000.....	6,740	16,678	13,714	1,435	2,336	3,729	5,237	3,729	809
\$3,000 under \$4,000.....	4,689	16,180	11,645	1,210	2,262	2,942	5,677	2,942	925
\$4,000 under \$5,000.....	3,531	15,678	11,120	1,537	4,529	1,949	5,105	1,949	866
\$5,000 under \$7,000.....	4,517	27,225	17,620	1,525	6,168	2,992	10,302	2,992	1,840
\$7,000 under \$10,000.....	3,808	31,884	23,297	1,270	6,299	2,378	13,086	2,378	2,559
\$10,000 under \$15,000.....	3,477	42,336	26,197	1,104	8,180	2,357	18,006	2,357	3,898
\$15,000 under \$25,000.....	2,613	49,295	33,086	1,184	10,217	1,664	18,230	1,664	4,643
\$25,000 under \$50,000.....	1,851	61,815	42,657	743	12,844	1,323	21,012	1,323	6,614
\$50,000 under \$100,000.....	978	67,636	53,423	421	13,042	560	15,858	558	6,403
\$100,000 under \$200,000.....	278	37,455	38,777	140	7,957	200	9,725	200	4,712
\$200,000 under \$500,000.....	106	28,949	24,115	57	6,006	65	5,056	64	2,795
\$500,000 under \$1,000,000.....	20	13,168	11,808	11	2,825	12	1,752	12	1,009
\$1,000,000 or more.....	11	25,748	22,257	7	2,685	8	3,690	8	2,218
TRUSTS									
Total.....	18,549	135,286	118,391	13,230	68,691	4,930	25,358	4,930	9,361
No total income.....	785	-2,443	1,258	(*)	(*)	-	-	-	-
Under \$1,000.....	5,564	2,264	2,756	3,460	1,231	1,301	406	1,301	57
\$1,000 under \$2,000.....	3,586	5,291	4,895	2,537	2,735	983	1,146	983	172
\$2,000 under \$3,000.....	1,497	3,611	3,748	1,289	2,415	709	1,157	709	185
\$3,000 under \$4,000.....	1,585	5,467	5,696	1,283	3,225	709	1,157	709	185
\$4,000 under \$5,000.....	864	3,902	3,691	763	3,016	709	1,157	709	185
\$5,000 under \$7,000.....	1,084	6,104	5,758	827	3,122	715	2,288	715	409
\$7,000 under \$10,000.....	922	7,704	6,796	764	4,956	407	2,033	407	402
\$10,000 under \$15,000.....	1,009	12,195	10,248	853	7,272	357	2,389	357	538
\$15,000 under \$25,000.....	726	13,863	11,545	590	8,236	252	3,356	252	1,045
\$25,000 under \$50,000.....	490	17,993	14,652	447	10,130	252	3,356	252	1,045
\$50,000 under \$100,000.....	269	18,186	15,330	230	7,791	121	3,079	121	1,155
\$100,000 under \$200,000.....	107	14,438	12,161	80	5,555	50	2,522	50	1,207
\$200,000 under \$500,000.....	55	17,736	12,849	40	6,112	32	5,015	32	2,984
\$500,000 under \$1,000,000.....	3	1,737	1,382	2	294	2	354	2	192
\$1,000,000 or more.....	3	7,239	5,624	3	2,292	1	1,614	1	1,015

(*) An asterisk in a cell denotes that the estimate is not shown separately because of high sampling variability. However, the data are included in the appropriate totals.

Fiduciary Income Tax Returns for 1970

Table 21. — HISTORICAL SUMMARY, 1960-1970
 [All figures are estimates based on samples—money amounts are in thousands of dollars]

Item	1960	1962	1965	1970
	(1)	(2)	(3)	(4)
ESTATES AND TRUSTS				
Number of estates and trusts, total.....	579,660	598,160	797,503	1,027,283
Taxable.....	226,382	259,934	343,596	379,899
Nontaxable.....	353,278	338,226	453,905	647,384
Total income.....	5,267,022	5,937,095	8,511,770	10,123,628
Dividends before exclusion.....	2,183,106	2,466,217	3,113,261	4,086,041
Interest received.....	487,268	565,322	783,169	1,718,995
Partnership, estate, and trust: Net profit (less loss).....	167,160	156,956	224,920	319,597
Gross rents and royalties.....	797,184	803,022	999,788	1,461,341
Sole proprietorship: Gross profit (less loss).....	289,249	175,379	482,862	537,313
Sales of capital assets: Net gain (less loss).....	1,237,221	1,589,087	2,835,265	1,825,934
Other sources: Net gain (less loss).....	105,834	181,137	72,504	183,129
Total deductions.....	4,443,318	4,894,468	6,713,515	8,784,086
Distributions deduction.....	2,398,182	2,737,414	3,292,543	4,785,506
All other deductions.....	2,045,136	2,157,054	3,420,972	3,998,580
Taxable income.....	1,046,507	1,226,099	1,950,790	1,851,540
Income tax after credits.....	361,665	429,987	658,885	¹ 611,056
Total tax.....	361,665	429,987	658,885	² 618,594
ESTATES				
Number of estates, total.....	154,236	151,380	220,593	274,885
Taxable.....	67,500	70,302	95,989	128,742
Nontaxable.....	86,736	81,077	124,604	146,143
Total income.....	1,181,224	1,239,262	1,854,830	2,610,111
Dividends before exclusions.....	336,733	348,160	461,529	623,408
Interest received.....	157,512	183,560	297,905	639,453
Partnership, estate, and trust: Net profit (less loss).....	42,840	38,902	50,599	70,571
Gross rents and royalties.....	246,194	250,064	307,511	498,308
Sole proprietorship: Gross profit (less loss).....	160,964	113,309	287,090	320,240
Sales of capital assets: Net gain (less loss).....	193,331	237,141	404,285	374,340
Other sources: Net gain (less loss).....	45,650	68,130	45,909	83,567
Total deductions.....	(³)	(³)	1,454,835	2,158,451
Distributions deduction.....	314,115	357,069	433,140	659,928
All other deductions.....	(³)	(³)	1,021,695	1,498,523
Taxable income.....	294,822	311,662	494,960	689,690
Income tax after credits.....	91,160	97,326	142,818	¹ 206,429
Total tax.....	91,160	97,326	142,818	² 207,699
TRUSTS				
Number of trusts, total.....	425,424	446,780	576,908	752,398
Taxable.....	158,882	189,632	247,607	251,157
Nontaxable.....	266,542	257,149	329,301	501,241
Total income.....	4,085,798	4,697,833	6,656,940	7,513,516
Dividend before exclusion.....	1,846,373	2,118,057	2,651,730	3,462,633
Interest received.....	329,756	381,762	485,263	1,079,541
Partnership, estate, and trust: Net profit (less loss).....	124,320	118,055	174,321	249,026
Gross rents and royalties.....	552,990	552,958	692,279	963,032
Sole proprietorship: Gross profit (less loss).....	128,285	62,070	195,772	217,073
Sales of capital assets: Net gain (less loss).....	1,043,890	1,351,945	2,430,978	1,451,595
Other sources: Net gain (less loss).....	60,184	113,006	26,595	99,562
Total deductions.....	(³)	(³)	5,258,681	6,625,635
Distributions deduction.....	2,084,067	2,380,345	2,859,402	4,125,578
All other deductions.....	(³)	(³)	2,399,279	2,500,057
Taxable income.....	751,685	914,437	1,455,830	1,161,851
Income tax after credits.....	270,505	332,662	516,067	¹ 404,627
Total tax.....	270,505	332,662	516,067	² 410,895

¹Includes surcharge.²Includes additional tax for tax preferences and tax from recomputing prior year's investment credit.³Not available.

Form **1041**
Department of the Treasury
Internal Revenue Service

U.S. Fiduciary Income Tax Return

for the year January 1–December 31, 1970, or other taxable year



1970

beginning _____, 1970, ending _____, 19_____

Check whether:

- Estate
- Simple trust
- Complex trust

If trust, check whether:

- Testamentary
- Inter vivos

Also check whether:

- Pooled income fund

Name of estate or trust ("Grantor type" trusts, see instruction 0.) _____ Employer Identification Number _____

Name and title of fiduciary _____

Address of fiduciary (number and street) _____

City, State, and ZIP code _____

INCOME	1	Dividends (Enter full amount before exclusion)	
	2	Interest	
	3	Income from partnerships and other fiduciaries	
	4	Gross rents and royalties	
	5	Gross profit (loss) from trade or business	
	6	Net gain (loss) from capital assets (line 12, column 3, Schedule D, Form 1041)	
	7	Ordinary gains and losses (line 15, Schedule D, Form 1041)	
	8	Other income (State nature of income)	
	9	Total income (lines 1 to 8, inclusive)	
DEDUCTIONS	10	Interest	
	11	Taxes	
	12	Fiduciary's portion of depreciation (Schedule A) and depletion. Explain depletion	
	13	Charitable deduction (line 9, Schedule B)	
	14	Other deductions (Itemize)	
	15	Total (lines 10 to 14, inclusive)	
	16	Line 9 minus line 15 (Complex trusts and estates enter this amount on line 1 in Schedule C also)	
	17	Deduction for distributions to beneficiaries	
	18	Adjustment of dividend exclusion	
	19	Federal estate tax attributable to income in respect of a decedent (Fiduciary's share)	
	20	Long-term capital gain deduction. Enter 50% of line 13(e), Schedule D, Form 1041	
21	Exemption		
22	Total (lines 17 to 21, inclusive)		
23	Taxable income of fiduciary (line 16 minus line 22)		
COMPUTATION OF TAX	24	Tax on amount on line 23 (See tax rate schedule)	
	25	If alternative tax is applicable, enter the tax from line 21 (or 42 if applicable), Schedule D, Form 1041	
	26	Tax surcharge (See instruction 26)	
	27	Total (line 24 or line 25, whichever is applicable, and line 26)	
	28	Fiduciary's share of foreign tax credit (Attach Form 1116)	
	29	Fiduciary's share of investment credit (Attach Form 3468)	
	30	Total (lines 28 and 29)	
	31	Balance (line 27 less line 30)	
	32	Tax from recomputing fiduciary's share of prior year investment credit (Attach Form 4255)	
	33	Minimum tax (Attach Form 4626)	
34	Total (lines 31 to 33, inclusive)		
35	Fiduciary's share of credit for tax paid at source on tax-free covenant bond interest		
36	Credit for special fuels, nonhighway Fed. gas. tax and Lub. oil (Attach Form 4136)		
37	Credit from regulated investment companies (Attach Form 2439)		
38	Tax previously paid (Attach Form 2758)		
39	Tax withheld (Attach Form W-2)		
40	Total (lines 35 to 39, inclusive)		
41	Balance of tax due (line 34 less line 40)		
42	Overpayment (line 40 less line 34)		

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, if prepared by a person other than taxpayer, his declaration is based on all information of which he has any knowledge.

Sign here

Signature of fiduciary or officer representing fiduciary _____ Date _____
Signature of preparer other than fiduciary _____ Address _____ Date _____

Form 1041 (1970)

Page 2

Schedule A.—DEPRECIATION—Taxpayers using Revenue Procedures 62-21 and 65-13: Make no entry in column 2, enter the cost or other basis of assets held at end of year in column 3, enter the accumulated depreciation at end of year in column 4.

Table with 7 columns: 1. Group and guideline class or description of property, 2. Date acquired, 3. Cost or other basis, 4. Depreciation allowed or allowable in prior years, 5. Method of computing depreciation, 6. Life or rate, 7. Depreciation for this year. Includes rows for 'Total additional first-year depreciation' and 'Totals'.

Schedule B.—CHARITABLE DEDUCTION—(Attach statement giving name and address of charitable organization.)

Form with numbered lines 1-9 for charitable deduction. Includes instructions for amounts paid, tax-exempt interest, and capital gains.

Schedule C.—DISTRIBUTABLE NET INCOME AND DISTRIBUTIONS DEDUCTION

Form with numbered lines 1-14 for distributable net income and distributions deduction. Includes instructions for tax-exempt interest, net gain, and other amounts.

Form with numbered lines 1-7 for estate/trust information. Includes questions about date of death, interest in foreign countries, and complex trust elections.

1970 Department of the Treasury Internal Revenue Service Instructions for Form 1041 U.S. Fiduciary Income Tax Return

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

General Instructions

New rules.—Fiduciaries should file Form 990 for charitable trusts as described in section 4947(a)(1), and Form 1041-B for charitable remainder trusts as described in section 664.

A. Requirement of return.—Fiduciaries are required to file Form 1041 for:

- (1) domestic estates with (a) gross income for the taxable year of \$600 or over, or (b) any beneficiary who is a nonresident alien; and
- (2) domestic trusts taxable under section 641 with (a) any taxable income for the taxable year, or (b) gross income of \$600 or over regardless of the amount of taxable income, or (c) any beneficiary who is a nonresident alien.

B. Employer identification number.—Application for the employer identification number for the estate or trust must be made on Form SS-4 which may be obtained from any District Director of Internal Revenue or Director of a Service Center, or from any district office of the Social Security Administration.

C. Other returns which may be required of fiduciaries.—(1) *Form 1040.*—For last taxable year of decedent; also for a minor or an insane person.

(2) *Form 1040NR.*—Nonresident alien beneficiaries, estates and trusts.

(3) *Form 1042.*—Income tax withheld at source on payments to nonresident aliens.

(4) *Forms 1096 and 1099.*—Certain payments of \$600 or more made by estate or trust engaged in a trade or business.

(5) *Form 56,* Notice of Fiduciary Relationship.

(6) *Form 706,* Estate Tax Return, for decedents whose gross estate exceeded \$60,000 at date of death.

(7) *Form 1041-A.*—Charitable deduction claimed by a trust; also a trust described in section 4947(a).

D. Period to be covered by return.—Form 1041 must be filed for the calendar year 1970 or fiscal year beginning in 1970. If return is filed for other than a calendar year, fill in the taxable year space at top of return. If this is the last return the taxpayer is required to file, write "FINAL RETURN" at the top of the form.

E. Time for filing return.—Form 1041 must be filed on or before the 15th day of the 4th month following the close of the taxable year of the estate or trust.

F. Place for filing return.

If the fiduciary resides or has his principal place of business in	Use this address
Delaware, District of Columbia, Maryland, New Jersey, Pennsylvania, Virginia	Internal Revenue Service Center 11601 Roosevelt Boulevard Philadelphia, Pa. 19155
Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee	Internal Revenue Service Center 4800 Buford Highway Chamblee, Georgia 30006
Indiana, Kentucky, Michigan, Ohio, West Virginia	Internal Revenue Service Center Cincinnati, Ohio 45298
Arkansas, Colorado, Kansas, Louisiana, New Mexico, Oklahoma, Texas, Wyoming	Internal Revenue Service Center 3651 S. Interregional Highway Austin, Texas 78740
Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington	Internal Revenue Service Center 1160 West 1200 South Street Ogden, Utah 84405
Illinois, Iowa, Nebraska, North Dakota, South Dakota, Missouri, Minnesota, Wisconsin	Internal Revenue Service Center 2306 E. Bannister Road Kansas City, Missouri 64170
Connecticut, Maine, Massachusetts, New Hampshire, New York, Rhode Island, Vermont	Internal Revenue Service Center 310 Lowell Street Andover, Mass. 01812

G. Signature and verification.—The return must be signed by the individual fiduciary, or by the authorized officer of the organization receiving or having custody or control and management of the income of the estate or trust. If a substantial number of Forms 1041 are executed by a fiduciary, facsimile signatures may be used subject to the conditions contained in Revenue Ruling 68-500 concerning the covering letter and the use of facsimile signatures on returns which are reproduced by photocopying or similar reproductive methods.

The return must also be signed by the person, or in the name of the firm or corporation preparing the fiduciary's return for compensation. This verification is not required if the return is prepared by a regular full-time employee of the fiduciary.

H. Payment of tax.—The tax of a trust must be paid in full when the return is filed. The tax of an estate must be paid in full when the return is filed or in four equal installments on or before the 15th day of the 4th, 7th, 10th, and 13th months following the close of the taxable year.

The tax may be paid in cash or by check or money order drawn to the order of "Internal Revenue Service." Please enter the employer identification number on all remittances.

Section 6651 provides for additions to the tax for both delinquent returns and for delinquent payments of tax.

I. Copy of governing instrument and fiduciary's declaration.—If the gross income of the estate or trust is \$5,000 or over, a copy of the will or trust instrument accompanied by the written declaration of the fiduciary under the penalties of perjury that it is a true and complete copy must be filed with the return of the estate or trust.

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

If a copy of the governing instrument and the statement of the fiduciary have once been filed with a

return, they need not again be filed, provided subsequent returns contain a statement showing when and where such documents were filed. However, if the instrument is amended in any way after a copy has been filed, a copy of the amendment must be filed with the return for the taxable year in which the amendment is made. The fiduciary must also file his statement indicating the effect, if any, in his opinion, of such amendment on the extent to which the income of the trust is taxable to the trust, the beneficiaries, or to the grantor or a person other than the grantor.

J. Accounting period.—To change your accounting period, see section 1.442-1 of the regulations and Form 1128, Application for Change in Accounting Period.

K. Accounting methods.—Taxable income must be computed using the method of accounting regularly used by the taxpayer in maintaining its books and records. In all cases the method adopted must clearly reflect taxable income. (See section 446.) Unless the law specifically permits, a taxpayer may not change the method of accounting used to report income in prior years (for income as a whole or for any material item) without first securing consent on Form 3115, Application for Change in Accounting Method.

Rounding off to whole-dollar amounts. The money items on your return and accompanying schedules may be shown as whole-dollar amounts by eliminating any amount less than 50 cents and increasing any amount from 50 cents through 99 cents to the next higher dollar.

L. Income of decedents and deduction for Federal estate tax.—Section 691 provides for the inclusion, when received, in gross income of an estate or trust of amounts of gross income which, although attributable to the decedent, were not properly includible in his return for any period up to the date of his death. This includes income from installment obligations. The same section allows deductions for business expenses, interest, taxes, depletion, etc., and foreign tax credits to the estate or other person receiving the property to which the deduction or credit pertains.

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Federal estate tax previously paid, which was attributable to the inclusion in a decedent's gross estate of the right to receive items of income treated as income in respect of a decedent and includible in gross income on the fiduciary return, is allowable as a deduction either to the fiduciary or to the beneficiaries, depending on whether or not such income is paid, credited, or required to be distributed. The fiduciary is entitled to deduct only the portion of the estate tax attributable to such income, which was not (during the taxable year in which received) paid, credited, or required to be distributed to a beneficiary. See the regulations under section 691 for further information on the computation of the deduction. The amount allowable to the fiduciary should be deducted on line 19, page 1 of the return. Any deductions in this connection to which beneficiaries are entitled must be shown on line 7 of Schedule E (Form 1041), or the fiduciary's acceptable substitute.

M. Final return.—If final distribution of assets has been made during the year, all income of the estate or trust must be entered as distributed to the beneficiaries without reduction for the amount claimed for the exemption.

N. Unused loss carryover and excess deductions on termination.—On final termination of an estate or trust there are certain types of deductions which may be passed on to beneficiaries. If a net operating loss carryover under section 172, or a capital loss carryover under section 1212, would be allowable in a subsequent year if the estate or trust had not terminated, such carryover is allowable to the beneficiaries succeeding to the property of the estate or trust. If for its final taxable year, the estate or trust is entitled to deductions (other than deductions for exemption and charitable deduction) in excess of its gross income, the excess deductions are allowable to such beneficiaries. See the regulations under section 642 for the methods of computing these deductions. If beneficiaries of an estate or trust are entitled to any of these deductions, the fiduciary must attach to the return a schedule showing the computation of each type of deduction and the allocation to ben-

eficiaries. The type of deduction and the amount allocable to each beneficiary must also be shown on line 7 of Schedule E (Form 1041), or the fiduciary's acceptable substitute.

O. Income taxable to the grantor or substantial owner.—If any part of the income of the trust is taxable to the grantor, to his spouse, or to another person under any of sections 671 through 678, such part must not be reported on Form 1041; rather, such income and the deductions and credits applicable thereto must be shown in a separate statement to be attached to Form 1041. The name, identifying number, and address of the grantor, spouse, or other person to whom the income is taxable must be included in this separate statement to be attached to Form 1041. In addition, the name of the grantor, spouse, or other person to whom the income is taxable must be reported in parenthesis following the name of the trust in the name block at the top of page 1 of Form 1041. Section 170(f)(2)(B) and (C) contains special rules concerning the charitable deduction for gifts of income interests in the case of a grantor of a trust who is treated as the owner for purposes of section 671:

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

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

Q. Completion of return.—The specific instructions explain how all estates and trusts should complete the lines on the form. However, since Schedules B and C of the return are necessary only for estates and complex trusts, the instructions relating to those schedules may be disregarded by simple trusts. Generally the same is also true as to Schedule D (Form 1041) in the case of simple trusts reporting no gains and losses from sales and exchanges of capital assets and other property. Schedule E (Form 1041) for each beneficiary, or the fiduciary's acceptable substitute, must be filed with Form 1041.

R. Certain dividends received by simple trusts.—An exception to the instructions applies in the case of a simple trust receiving extraordinary dividends or taxable stock dividends, or both, which the trustee, acting in good faith, does not pay or credit to any beneficiary because of his determination that they are allocable to corpus under the terms of the governing instrument and local law. The law provides that such items must be excluded from distributable net income. If line 1, page 1 of the return includes any dividends so treated, they must be excluded from the amount on line 17 and from Schedule E (Form 1041), or the fiduciary's acceptable substitute, and an explanatory statement must be attached to the return.

S. Short-form method for simple trusts.—Simple trusts are not required to complete Schedules B and C. The following short-form method of completing the return may be used for simple trusts.

Simple trust without capital gains (or losses)

(a) **Reporting income and deductions.**—Complete lines 1 through 16 in accordance with specific instructions.

(b) **Determining taxable income and tax of fiduciary.**—If the amount shown on line 16 is not more than the amount of income required to be distributed currently (less the tax-exempt income reduced by the allocable expense), enter on line 17 the amount shown on line 16 and enter zero on line 23. Lines 24 through 42 need not be completed. If the amount shown on line 16

exceeds the amount of income required to be distributed currently less nontaxable income, enter on line 17 the amount of income required to be distributed currently (less the tax-exempt income reduced by the allocable expense) and complete the remainder of page 1.

Simple trust with capital gains (or losses)

The short-form method of completing the return may also be used for a simple trust with capital gains (or losses). However, the capital gains and losses must be reported in Schedule D (Form 1041), and the following additional instructions must be taken into account:

(i) If capital gains are allocable to corpus, enter on line 17 the amount of income other than capital gains required to be distributed currently.

(ii) If capital gains are allocable to income, enter on line 17 the amount of income including capital gains required to be distributed currently.

(iii) If line 6 shows a loss, such loss cannot be carried forward to Schedule E (Form 1041), or the fiduciary's acceptable substitute. Enter on line 17 the amount of in-

come required to be distributed currently without reduction for capital losses.

(iv) If line 7 shows a loss, such loss must be treated as a deduction in computing income required to be distributed currently.

For treatment of capital gains dividends and undistributed capital gains of regulated investment companies, see Schedule D (Form 1041) Instructions.

T. Pooled income funds.—Pooled income funds as defined in section 642(c)(5) must attach the supplemental information required in the regulations issued under section 642(c). This would include the full statement to support the calculation of the yearly rate of return, the computation of the deduction for distributions to beneficiaries, and the computation of the charitable deduction, if any. It is not necessary to complete Schedules B and C on Form 1041. In addition, the pooled income fund must also file Form 1041-A.

U. Private foundation rules.—See section 4947(a)(2) for the application of the provisions relating to private foundations to split-interest trusts.

Specific Instructions—Page 1 of return

The following instructions for this page are numbered to correspond with line numbers on return

Income

1. Dividends.—Enter the total (before dividend exclusion) of all taxable dividends.

"Dividends" or "earnings" from the following organizations are considered interest for Federal income tax purposes and must be reported as interest on line 2: mutual savings banks, cooperative banks, domestic building and loan associations, domestic savings and loan associations, and Federal savings and loan associations, on deposits or withdrawable accounts; and Federal credit unions.

For an estate which is a shareholder in a "small business corporation," see specific instruction 8.

Note.—An estate or trust may exclude up to \$100 of certain dividend income. However, if all or part of such dividend income is distributed to beneficiaries, the deduction allowed to the fiduciary for distribu-

tions to beneficiaries will be reduced by that part of the exclusion that bears the same ratio thereto that the dividends distributed bears to the total dividends received by the estate or trust. This is accomplished in the return by allowing a net exclusion on line 18 which takes into account both the full exclusion and the adjustment to the deduction for distribution to beneficiaries. See specific instruction 18.

2. Interest.—Enter the total of all taxable interest. In addition to the interest described in specific instruction 1, this would include interest on Government obligations, except interest fully exempt from tax, interest on bank deposits, notes, corporate bonds, tax-free covenant bonds upon which a Federal income tax was paid at source, interest received on tax refunds, etc.

A taxpayer on the cash basis may elect, as to all non-interest-bearing obligations issued at a discount and redeemable at fixed amounts increasing at stated intervals (for example, United States savings bonds), to include the increase in redemption price applicable to the current year. For the year of election, the total increase in redemption price of such obligations occurring between the date of acquisition and the end of the year must be included. A taxpayer so electing must report such income as interest on line 2 and attach a statement listing the obligations owned and the computation of accrued income. An election exercised in the current year or in a prior year is binding for all subsequent years.

The pro-rata portion of original issue discount on corporate bonds issued after May 27, 1969, must be included in the gross income of each bondholder for the taxable year. See section 1232(a)(3) for additional information.

3. Income from partnerships and other fiduciaries.—The estate's or trust's share of income of the following classes from a partnership (including a syndicate, pool, etc., not taxable as a corporation) and from another fiduciary must be entered on the appropriate lines:

Dividends,
and

Gains and losses from sale or exchange of capital assets and other property.

The share of all other income or allowable losses from partnerships and other fiduciaries must be entered on line 3.

4. Rents and royalties.—Enter the gross amount of rents and royalties received or accrued. Any deductions claimed for interest, taxes, depreciation or depletion, and repairs must be included on lines 10, 11, 12, and 14, respectively.

5. Profit (or loss) from trade or business.—If the estate or trust was engaged in a trade or business during the taxable year, attach a statement showing the nature of the trade or business, gross profit, deductions, and net income. Enter the gross profit from the business on line 5, and items of other income on other appropriate lines on page 1,

according to the character of such income.

The total deductible expenses, other than depreciation, depletion, and charitable contributions must be included in the amount on line 14, page 1. See specific instructions for Schedules A and B for deductions for depreciation, depletion, and charitable contributions.

6 and 7. Sales and exchanges of property.—Gains and losses from the sale or exchange of property must be reported in Schedule D (Form 1041) and the amounts from lines 12 and 15 of Schedule D (Form 1041) carried to lines 6 and 7, respectively, on page 1 of Form 1041. See Schedule D (Form 1041) instructions.

8. Other income.—Enter the total of all taxable income not reportable elsewhere on page 1, and show the nature of such income, attaching a separate sheet if necessary for that purpose.

Shareholders of "Small Business Corporations."—An estate which is a shareholder of a "small business corporation" which qualifies to have its undistributed taxable income taxed directly to its shareholders (rather than to the corporation) must report its share of both the distributed and undistributed taxable income of the corporation as ordinary income on line 8, page 1, of Form 1041, except that portion which is reportable as a long-term capital gain in Schedule D (Form 1041). Neither type of income is eligible for the dividend exclusion.

Deductions

10. Interest.—Enter deductible interest paid or accrued, other than on business indebtedness (which must be treated according to specific instruction 5). Do not include interest on indebtedness incurred or continued to purchase or carry obligations which yield interest exempt from tax. For disallowance of unpaid interest due related persons, see section 267.

11. Taxes.—Enter deductible taxes paid or accrued during the taxable year by the estate or trust. Some non-Federal taxes are deductible. Federal import duties, and Federal excise and stamp taxes are deductible only if paid or incurred in carrying on a trade or business or in the production or collection of

income or in the management, conservation or maintenance of property held for the production of income. However, if they are deductible as a business expense, such taxes and other taxes on property used in the trade or business are to be treated in accordance with specific instruction 5. The following taxes are not deductible: (i) generally, taxes assessed against local benefits of a kind tending to increase the value of the property assessed; (ii) Federal income taxes; (iii) estate, inheritance, succession, or gift taxes, except as noted in the next paragraph relative to Federal estate taxes; (iv) taxes imposed upon the interest of an estate or trust as a shareholder of a corporation which are paid by the corporation without reimbursement from the estate or trust; and (v) any portion of income, war profits or excess profits taxes paid or accrued to a foreign country or United States possession if any credit is claimed on line 28, page 1.

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

12. Fiduciary's portion of depreciation and depletion.—See specific instructions for Schedule A.

13. Charitable deduction.—See specific instructions for Schedule B.

14. Other deductions.—Itemize all authorized deductions not deductible elsewhere on page 1, attaching a separate sheet if necessary. Examples of such deductions are:

Nontrade or nonbusiness expenses.—Include expenses incurred either (a) for the production or collection of taxable income, (b) for the management, conservation, or maintenance of property held for the production of taxable income, or (c) in connection with the determination, collection, or refund of any tax. Losses on worthless bonds and similar obligations, and nonbusiness bad debts must be included in

Schedule D (Form 1041) as losses on capital assets.

Deductions which may be allowable for estate tax purposes.—*Note:* Funeral, medical and dental expenses are never deductible in determining the income tax of an estate.

Sections 2053 and 2054 (deductions for estate tax purposes) provide for the deduction from the gross estate of certain expenses and losses which are also deductible in computing the taxable income of the estate or trust. (Examples include executor commissions and attorney fees.) These expenses and losses are not allowable in computing the taxable income of an estate or trust unless there is filed for association with the return in which the items are claimed as deductions, a statement in duplicate to the effect that the items have not been allowed as deductions from the gross estate of the decedent under the applicable Federal estate tax law and that all rights to have such items allowed at any time as deductions under the applicable Federal estate tax law are waived. Clearly identify any such items in the statement and waiver. This paragraph does not apply with respect to deductions allowed under section 691, relating to income in respect of a decedent.

Bond premium.—Section 171 provides for amortization of bond premium. In the case of taxable bonds the amortization of premium is elective. For estates and trusts the election may be made only by the fiduciary. On tax-exempt bonds such amortization is mandatory, but no deduction from income is allowable.

On taxable bonds acquired after December 31, 1957, the premium must be amortized to maturity or to the earliest call date, whichever results in the smaller amount of amortization for the period to the earliest call date. On taxable bonds acquired before January 1, 1958, but after January 22, 1954, if they were issued after January 22, 1951, and have a call date not more than 3 years after the date of issue, the premium must be amortized to maturity. On other bonds the premium may be amortized to maturity, or to the date on which first callable. Attach a statement showing computation of deduction.

The basis of tax-exempt bonds must be reduced by amortization of premium. In the case of taxable bonds, the basis must be reduced if an election has been made to amortize.

Nonbusiness casualty losses.—The amount of loss to be deducted is measured by the fair market value of the property just before the casualty less its fair market value immediately after the casualty (but not more than the cost or adjusted basis of the property), reduced by any insurance or compensation received and limited to the amount in excess of \$100 for each loss. If the estate or trust has any sales, exchanges, or involuntary conversions of property used in a trade or business (as described in section 1231) and capital assets held for more than six months, each nonbusiness casualty or theft loss for an asset held more than six months (as computed above and in excess of \$100) must be reported on Schedule D (Form 1041). If the estate or trust has only nonbusiness casualty or theft losses and no sales, exchanges, or involuntary conversions of property used in a trade or business (as described in section 1231) and capital assets held for more than six months, enter each loss (as computed above and in excess of \$100) on line 14, page 1, Form 1041, rather than on Schedule D (Form 1041).

Net operating loss deduction.—The net operating loss allowed by section 172 is subject to the exceptions and limitations contained in section 1.642(d)–1 of the regulations governing substantial owners and charitable and distribution deductions. Every taxpayer claiming a net operating loss deduction must file with the return a detailed statement showing the computation thereof.

Pollution control facility.—Information concerning the deduction with respect to the amortization of a certified pollution control facility may be found in section 169 of the Code.

Unallowable deductions.—No deductions are allowable (a) for expenses which are allocable to one or more classes of income (other than interest income) exempt from tax, or (b) for any amount relating to expenses for production of income

which is allocable to interest income exempt from tax. For the treatment of interest expense attributable to tax-exempt income, see specific instruction 10. For the determination of the amount of expense attributable to tax-exempt income, see specific instructions for Schedule C.

For the disallowance of unpaid expenses due related persons, see section 267.

17. Deduction for distributions to beneficiaries.—See general instruction S for the "short-form method" for simple trusts to complete their returns and specific instructions for Schedule C. Schedule E (Form 1041) for each beneficiary, or the fiduciary's acceptable substitute, must be filed with Form 1041.

18. Dividend exclusion.—Enter the lesser of (i) the first \$100 (or less) of dividends received from domestic corporations during the taxable year, or (ii) the amount of (i) reduced by an amount which bears the same ratio thereto that the total dividends allocated to beneficiaries bears to the amount on line 1, page 1 of Form 1041. See section 116 and specific instruction 1. This exclusion does not apply to dividends received from: (a) China Trade Act corporations; (b) exempt organizations (charitable, fraternal, etc.) and farmers' cooperative organizations; (c) regulated investment companies, except to the extent that such dividends are designated by the company as dividends for these purposes; (d) corporations to which section 931 (relating to income from sources within possessions of the United States) applies; or (e) real estate investment trusts.

19. Federal estate tax.—See general instruction L.

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

Note.—If final distribution of assets has been made during the year, all income of the estate or trust must be entered as distributed to beneficiaries without reduction for the amount claimed for the exemption.

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

If line 23, page 1, is: Enter on line 24, page 1:
Not over \$500.....14% of the amount on line 23

Over—	over—	of excess over—
\$500	—\$1,000	\$70, plus 15% —\$500
\$1,000	—\$1,500	\$145, plus 16% —\$1,000
\$1,500	—\$2,000	\$225, plus 17% —\$1,500
\$2,000	—\$4,000	\$310, plus 19% —\$2,000
\$4,000	—\$6,000	\$690, plus 22% —\$4,000
\$6,000	—\$8,000	\$1,130, plus 25% —\$6,000
\$8,000	—\$10,000	\$1,630, plus 28% —\$8,000
\$10,000	—\$12,000	\$2,190, plus 32% —\$10,000
\$12,000	—\$14,000	\$2,830, plus 36% —\$12,000
\$14,000	—\$16,000	\$3,550, plus 39% —\$14,000
\$16,000	—\$18,000	\$4,330, plus 42% —\$16,000
\$18,000	—\$20,000	\$5,170, plus 45% —\$18,000
\$20,000	—\$22,000	\$6,070, plus 48% —\$20,000
\$22,000	—\$26,000	\$7,030, plus 50% —\$22,000
\$26,000	—\$32,000	\$9,030, plus 53% —\$26,000
\$32,000	—\$38,000	\$12,210, plus 55% —\$32,000
\$38,000	—\$44,000	\$15,510, plus 58% —\$38,000
\$44,000	—\$50,000	\$18,990, plus 60% —\$44,000
\$50,000	—\$60,000	\$22,590, plus 62% —\$50,000
\$60,000	—\$70,000	\$28,790, plus 64% —\$60,000
\$70,000	—\$80,000	\$35,190, plus 66% —\$70,000
\$80,000	—\$90,000	\$41,790, plus 68% —\$80,000
\$90,000	—\$100,000	\$48,590, plus 69% —\$90,000
\$100,000	—	\$55,490, plus 70% —\$100,000

26. Tax surcharge.—For calendar year 1970 returns, enter 2.5% of line 24 or line 25 whichever is applicable. For fiscal years which begin in 1970 and before July 1, 1970, enter 5% of line 24 or line 25 whichever is applicable times the number of days in the taxable year before July 1, 1970, and divided by the number of days in the entire taxable year. For fiscal years beginning after June 30, 1970, no tax surcharge is applicable.

28. Foreign tax credit.—If credit is claimed under section 901 for income or profits taxes paid to a foreign country or to a possession of the United States, submit Form 1116 with the return. The allowable credit is equal to the total credit shown on Form 1116 minus the proportionate share of the credit allocable to the beneficiaries.

29. Investment credit.—The Tax Reform Act repealed the investment credit for property acquired after April 18, 1969, and property whose construction, reconstruction, or erection began after that date. The Act provides exceptions, however, for certain property built or acquired under a binding contract entered into before April 19, 1969, or built or acquired in certain transitional situations described in section 49. In any event, the credit will not be available for any property placed in service after 1975.

An estate or trust is allowed a credit for its share of the investment in certain depreciable property having an estimated useful life of 4 years or more. The investment is ap-

portioned between the estate or trust and the beneficiaries on the basis of the income allocable to each. If the investment credit is claimed for the estate or trust, attach Form 3468, Computation of Investment Credit, to Form 1041. Only the portion of the investment allocable to the estate or trust should be shown on Form 3468. See the instructions on the reverse of Form 3468 for the limitation and other information on the credit. If distributions are made to the beneficiaries, attach a schedule showing: (a) each beneficiary's allocable share of the basis of new property and the "life years" assigned to the property including investment in suspension period property; and (b) each beneficiary's allocable share of the cost of used property and the "life years" assigned to the used property including investment in suspension period property.

32. Tax from recomputing fiduciary's share of a prior year investment credit.—If property is disposed of prior to the life-years category used in computing the investment credit, the tax for the year of disposition must be increased by the difference between the credit taken (including carrybacks and carryovers) on such property and the credit which would have been allowed had the actual life been used. Form 4255 may be used to compute the increase in tax. This additional tax does not apply to property stolen or destroyed by casualty after April 19, 1969. Moreover, it does not apply to any other disposition of property to the extent the taxpayer replaces the property within 6 months after the disposition with property that would be section 38 property but for section 49 of the Code. If the investment of a prior year was apportioned between the estate or trust and the beneficiaries, such increase must be similarly apportioned.

33. Minimum tax.—For an estate or trust having any items of tax preference, attach Form 4626 to Form 1041 whether or not the minimum tax applies. In addition, on the tax preference part of Schedule E (Form 1041) for each beneficiary, report the items of tax preference allocated to that beneficiary.

Included in the items of tax preference described in section 57 are

the following: (1) excess investment interest, (2) accelerated depreciation on real property, (3) accelerated depreciation on personal property subject to a net lease, (4) amortization of certified pollution control facilities, (5) amortization of railroad rolling stock, (6) stock options, (7) depletion, and (8) capital gains. In the case of excess investment interest, three elements are taken into account: investment income, investment expense, and investment interest expense. These elements should be reported to the beneficiaries whether or not an item of tax preference results at the estate or trust level. If any portion of the tax preference for accelerated depreciation on real property is attributable to depreciation of expenditures to rehabilitate low-income rental housing (section 167(k)), the amount of tax preference attributable to section 167(k) depreciation which is allocated to each beneficiary should be reported separately on line 3 in the tax preference part of Schedule E (Form 1041) rather than included on line 2 in the tax preference part of Schedule E (Form 1041).

Tax preference items of an estate or trust are to be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust that is allocable to each. The direct allocation of depreciation, depletion and capital gains under the existing estate or trust rules serves to effectively allocate these items of tax preference on the basis of income, and they are not included in the apportionment of other items of tax preference. No further allocation is needed. Each item will retain its character for purposes of the beneficiaries' computation of each item of tax preference.

The \$30,000 exclusion for estates or trusts must be reduced to an amount which is that percent of \$30,000 that the sum of the tax preference items allocated to the estate or trust is of the total tax preference items.

36. Credit for U.S. tax on special fuels, nonhighway Federal gasoline tax and lubricating oil.—If credit is claimed under section 39 of the Code for U.S. tax on special fuels, Federal tax paid on gasoline or lubricating oil used for nonhighway or other purposes described therein,

attach Form 4136 to substantiate the credit.

37. Credit from regulated investment companies.—If credit from regulated investment companies is claimed, see Schedule D (Form 1041) Instructions and attach copy B of Form 2439.

38. Tax previously paid.—If credit is claimed for tax previously paid with Form 2758, Application for Extension of Time to File, attach Form 2758 to Form 1041 to substantiate the credit.

39. Tax withheld.—If credit is claimed for withholding taxes on wages and salaries of a decedent which were received by the fiduciary, attach Form W-2 to Form 1041 to substantiate the credit.

Page 2 of return

Schedule A.—Depreciation.—Complete Schedule A to claim the deduction for depreciation under section 167. Also see Revenue Procedure 62-21 (supplemented by Revenue Procedure 65-13) for alternative guideline lives and administrative procedures. If a deduction for depletion is claimed (see sections 611 through 614), attach a statement to show the details. If more space is needed, Form 4562 may be attached.

Beneficiaries' and fiduciary's shares of depreciation and depletion deductions.—An estate or trust is allowed the deductions for depreciation and depletion only to the extent that these deductions are not allocable to beneficiaries.

In the case of a trust, the allowable deductions are to be apportioned between the income beneficiaries and the trustee on the basis of the trust income allocable to each, unless the governing instrument (or local law) requires or permits the trustee to maintain a reserve in any amount. If so, the deduction is first allocated to the trustee to the extent that income is set aside for a reserve, and any part of the deduction in excess of the income set aside for the reserve is apportioned between the income beneficiaries and the trustee on the basis of the trust income (in excess of the income set aside for the reserve) allocable to each. In the case of an estate, the allowable deductions for depreciation and depletion are apportioned between the estate and the heirs,

legatees, or devisees on the basis of the income of the estate allocable to each.

Enter on line 5 of Schedule E (Form 1041), or the fiduciary's acceptable substitute, the beneficiary's share of depreciation plus depletion shown in the attached statement. Enter on line 12, page 1, Form 1041, fiduciary's share of depreciation shown on line 5 of Schedule A plus his share of depletion shown in the attached statement.

Additional first-year depreciation allowance for estates (not allowable for trusts).—An estate may elect to write off 20 percent of the cost (before adjustment for salvage value) of tangible personal property (whether new or used) with a useful life of 6 years or more, up to an aggregate cost of \$10,000. Total additional first-year depreciation must be shown on line 1 of the depreciation schedule. The maximum allowance available to an estate is \$2,000 reduced by any part of the allowance distributed to any beneficiary. A beneficiary does not take into account the amount of any allowance distributed to him by an estate in determining his personal \$10,000 or \$20,000 limitation.

Schedule B.—Charitable deduction.—For an estate, both amounts paid and amounts permanently set aside for a charitable purpose may qualify in the computation of the deduction under section 642(c) of the Code. For a complex trust, only amounts paid for a charitable purpose may qualify in the computation of the deduction under section 642(c), unless the amounts permanently set aside for a charitable purpose qualify under the October 9, 1969, savings clause in section 642(c)(2). In addition, the limitations on the charitable deduction in section 681 (concerning unrelated business income) are applicable to complex trusts; this may require that the deduction be computed separately and attached, rather than using Schedule B. If a valid election is made under section 642(c)(1), charitable contributions paid in the following year may qualify for a charitable deduction in the prior year. Simple trusts may not claim the charitable deduction. A trust claiming a charitable, etc., deduction under section 642(c) for the taxable year must file

the information return required by section 6034 on Form 1041-A which may be obtained from the District Director of Internal Revenue.

Contributions attributable to current income.—Enter on line 1, Schedule B, the full amount paid or permanently set aside from the current year's income which qualifies for the charitable deduction. This does not include capital gains allocable to corpus, but does include capital gains which are treated as income under the governing instrument and local law. Capital gains which are allocable to corpus must be entered on line 7.

Line 2 provides for an adjustment of the charitable contributions attributable to income of the current year (line 1), so that the charitable deduction will not include contributions attributable to tax-exempt interest. In the absence of specific provisions in the governing instrument, enter on line 2 the result obtained by multiplying line 1 by the total of all tax-exempt interest included in income of the current year (under the governing instrument and local law) and dividing by the total of all income items included in income of the current year (under the governing instrument and local law). In computing the total of all items of income under applicable local law, do not reduce income by any losses (such as losses from the sale or exchange of property).

Lines 3 and 4 provide for adjustment of a charitable contribution which includes long-term capital gains allocable to trust income in order to prevent a double deduction under section 1202 for such gains. Enter on line 3(a) the total amount of long-term gain contained in the amount on line 1. This is computed by multiplying the amount shown on line 1 by the total of long-term capital gains allocated to income (under the governing instrument and local law) and dividing the result by the total of all the income items included in income of the current year (under the governing instrument and local law). For purposes of this adjustment, long-term capital gain of the current year allocable to corpus and paid or permanently set aside for a charitable purpose is not included in the contribution to charity out of the current year's in-

come. Such amounts are included on line 7, after a similar adjustment is made.

Contributions not attributable to current income.—Enter on line 7 the total of all net short-term capital gains and 50% of all net long-term capital gains of the taxable year not included on line 1 and which are paid or permanently set aside for charitable, etc., purposes. Enter on line 8 the total of deductible amounts paid or permanently set aside for charitable, etc., purposes to the extent that such amounts are not attributable to income (under the governing instrument and local law) of the current year or capital gains included on line 7. Attach a statement to show the details.

Schedule C.—Distributable net income and distributions deduction.—Complete Schedule C to claim the deduction for amounts paid, credited, or required to be distributed to the beneficiaries of the estate or trust. The deduction is equal to the amounts paid, credited, or required to be distributed or the distributable net income, whichever is smaller, adjusted in either case so as to exclude items of tax-exempt income entering into distributable net income. Distributable net income is an amount which limits the amount deductible by the estate or trust for distributions and (except in the case of a current income beneficiary of an estate or trust which claims a charitable deduction) the amount taxable to the beneficiary. It is also used to determine the character of the distributions to the beneficiaries.

For the purpose of determining distributable net income in the case of a complex trust, if the shares of different beneficiaries are substantially separate and independent, such shares must be treated under the separate share rule as separate trusts, under certain circumstances. See section 663(c) and the regulations thereunder. If the separate share rule is applicable, a separate Form 1041 (except for lines 17 through 42 on page 1) for each share must be attached to the return, as a supplemental schedule. This procedure is solely for the purpose of determining the deduction for distributions under section 661 and the amounts to be included in

gross income of beneficiaries under section 662.

Line 2(a): Enter the amount of tax-exempt interest received, less: (i) the amount of tax-exempt interest shown on line 2 of Schedule B; and (ii) any amounts which, without the provisions of section 265, would be deductible in respect of disbursements, expenses, losses, etc., of the estate or trust, directly or indirectly allocable to such interest. The amount of the indirect disbursements, etc., allocable to tax-exempt interest is that amount which bears the same ratio to the total disbursements, etc., of the estate or trust not directly attributable to other items of income as the total tax-exempt interest received bears to the total of all the items of gross income (including tax-exempt interest) entering into distributable net income.

Line 6: Enter the amount of income of the estate or trust required to be distributed currently to all beneficiaries, whether distributed or not. For the purpose of determining what amounts are to be included on line 6, the question of what are items of income and the question of whether an amount is required to be distributed currently are to be determined under the governing instrument and the applicable local law. If the governing instrument requires that stated amounts be paid to a beneficiary and further provides that such amounts may be paid either out of income or out of corpus, such amounts are to be included on line 6 to the extent they are actually paid out of income of the current year.

Line 7: Except as noted in the two following paragraphs, enter on line 7 other amounts actually paid, credited, or required to be distributed to beneficiaries in the taxable year, whether from income (current or accumulated) or from corpus. Do not include on either line 6 or 7 any amounts deducted in a prior year return which were credited or required to be distributed in such prior year.

Amounts not included.—Do not include on either line 6 or 7 any amount which, under the terms of the governing instrument, is properly paid or credited as a gift or bequest of a specific sum of money or of specific property. To qualify as a gift or bequest excluded from lines 6 and 7, a sum must be paid all at

once or in not more than three installments. Furthermore, an amount which can be paid or credited only from the income of the estate or trust is not considered a gift or bequest of a specific sum of money. See section 663(a)(1). Do not include on either line 6 or 7 any amount paid or permanently set aside for the purposes described in section 642(c) or otherwise qualifying for the charitable deduction. See section 663(a)(2).

If the fiduciary of a complex trust elects under section 663(b) to treat all or any portion of amounts paid or credited to any beneficiary within the first 65 days of a taxable year as distributed on the last day of the preceding taxable year, he must complete question 6 on the timely filed Form 1041 for such preceding taxable year. Additional information may be found in section 13.6 of the regulations.

Line 9: Enter the amount of tax-exempt income included in lines 6 and 7 less the amount of tax-exempt income included in any charitable deduction and less the allocable share of expenses not otherwise allowable on page 1. The allocable share is that portion of expenses not directly allocable to any income as the ratio of tax-exempt income bears to total income.

Separate schedules

Schedule D.—Sales or exchanges of property.—Separate Schedule D (Form 1041) must be filed with Form 1041 to report gains and losses from the sale or exchange of property.

Schedule E.—Beneficiary's share of income, deductions, and credits.—Complete separate Schedule E (Form 1041) for each beneficiary and file Copy A with Form 1041. The fiduciary may substitute for Schedule E (Form 1041) his own form, or the information notice sent to the beneficiary, if it contains the information required by Schedule E (Form 1041).

Schedule J.—Allocation of accumulation distribution.—Separate Schedule J (Form 1041) must be filed with Form 1041 for a trust to report an accumulation distribution as defined in section 665(b) or a capital gain distribution as defined in section 665(g).

SCHEDULE D (Form 1041) Department of the Treasury Internal Revenue Service

Sales or Exchanges of Property

1970

Name of estate or trust

Employer Identification Number

Part I CAPITAL ASSETS.—Short-term Capital Gains and Losses—Assets Held Not More Than 6 Months

Table with 7 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis, g. Gain or loss. Includes lines 1-4 for short-term gains and losses.

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

Table with 7 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis, g. Gain or loss. Includes lines 5-9 for long-term gains and losses.

Capital Gains and Losses

Table with 3 columns: 1. Beneficiaries, 2. Fiduciary, 3. Total. Includes lines 10-12 for net short-term and long-term gains and total net gain or loss.

Enter on line 6, page 1, Form 1041, the net gain shown on line 12, column 3, above. If net loss on line 12, column 3, above, enter as loss on line 6, page 1, Form 1041, whichever of the following is the smallest amount: (i) the amount of the loss, (ii) taxable income computed without regard to capital gains and losses and the deduction for exemption, (iii) \$1,000, or (iv) the sum of (a) the excess of the net short-term capital loss over the net long-term capital gain and (b) one-half of the excess of the net long-term capital loss over the net short-term capital gain—see instructions for capital loss carryover from years prior to 1970.

Computation of Fiduciary's Capital Gains Deduction

Table with 2 columns: Description and Amount. Includes lines 13(a) through 13(e) for computing the deduction.

Part II Ordinary Gains And Losses

Table with 7 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis, g. Gain or loss. Includes line 14 for ordinary gains and losses and line 15 for net gain or loss.

Part III Subpart A.—COMPUTATION OF ALTERNATIVE TAX

If fiduciary had a net long-term capital gain or an excess of net long-term capital gain over net short-term capital loss shown in column 2, line 12, and line 23, page 1, Form 1041, exceeds \$26,000, it may be to his advantage to make the alternative tax computation.

Table with 2 columns: Description and Amount. Includes lines 16-21 for computing the alternative tax.

Do not complete Subpart B of Part III if line 13(e) is \$50,000 or less.

Part III Subpart B.—Computation of Alternative Tax (Complete only if line 13(e) exceeds \$50,000)

Table with 2 columns: Description (lines 22-42) and Amount. Line 23 Limitation is \$50,000.00.

Part IV GAIN FROM DISPOSITION OF DEPRECIABLE PROPERTY AND CERTAIN REAL PROPERTY HELD MORE THAN 6 MONTHS. (SECTION 1245)

Table with 5 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Cost or other basis and expense of sale. Includes lines 43, 44, and 45.

Part V GAIN FROM DISPOSITION OF DEPRECIABLE REAL PROPERTY HELD MORE THAN 6 MONTHS. (SECTION 1250)

Table with 6 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Cost or other basis and expense of sale. Includes lines 46, 47, and 48.

Part VI SALE OR EXCHANGE OF PROPERTY USED IN TRADE OR BUSINESS AND INVOLUNTARY CONVERSIONS (SECTION 1231)

Table with 7 columns: a. Kind of property, b. Date acquired, c. Date sold, d. Gross sales price, e. Depreciation allowed, f. Cost or other basis and expense of sale, g. Gain or loss. Includes line 49.

Department of the Treasury



Internal Revenue Service

Instructions for Schedule D (Form 1041)—1970

(References are to the Internal Revenue Code)

New Rules for Dispositions of Certain Farm Property and Involuntary Conversions

(1) **Farm property.**—Refer to sections 1251 and 1252 for the treatment of gains on disposition of certain farm property.

(a) Gain from disposition of farm property which is both section 1251 and section 1245 property must be entered in Part IV. Before any of the remaining gain from such property from Part IV can be considered for purposes of section 1231 (Part VI), the gain must first be subject to the ordinary income rules applicable to farm recapture property under section 1251.

(b) Gain from disposition of farm land must first be subject to the ordinary income rules under sections 1251 and 1252 before being considered for purposes of section 1231.

Attach a statement showing the computation of gains on dispositions of farm property subject to the provisions of sections 1251 and 1252. Enter in Part II the ordinary income resulting from such dispositions and in Part VI the other gain.

(2) **Involuntary conversions.**—

(a) If gains from involuntary conversions arising from casualty or theft of property used in a trade or business (as defined in section 1231) or of any capital asset held more than six months (and in excess of \$100 for a nonbusiness asset) equal or exceed the losses, the gains and losses are to be entered in Part VI and treated as section 1231 gains and losses along with gains and losses on dispositions of other section 1231 property. If the losses from such involuntary conversions exceed the gains, the gains and losses are to be entered in Part II and treated as ordinary gains and losses. This applies to both insured and uninsured property.

(b) Gains from such involuntary conversions of property which is also section 1245 or 1250 property must first be reported in Part IV or Part V to determine how much gain is ordinary income. Any remaining gain (line 45, Part IV, or line 48, Part V) is included in the separate computation described in the above paragraph. However, if the section 1245 property is also farm property that is subject to the provisions of section 1251, such remaining gain (line 45, Part IV) is subject to the rules in paragraph (1)(a) above before the application of the rule for involuntary conversions.

Gains and losses from sales and exchanges of capital assets and other property.—In computing gross income, no distinction is made between gains and losses allocable to income account and those allocable to corpus account.

If the net long-term capital gain exceeds the net short-term capital loss, Form 4626 must be filed also.

PART I

Capital assets.—Each item of property held by the estate or trust (whether or not connected with its trade or business) is a capital asset except: (1) inventoriable assets or property held primarily for sale to customers; (2) depreciable or real property used in the trade or business; (3) certain copyrights, literary, musical, or artistic compositions, letters or memorandums, or similar property; (4) accounts or notes receivable acquired in the ordinary course of trade or business for services rendered or from the sale of property described in (1) above; and (5) certain short-term Federal, State, and municipal obligations issued on or after March 1, 1941, on a discount basis.

Basis.—Except as stated otherwise in sections 1014 and 1015, estates should use fair market value at date of death, and trusts should use donor's basis plus gift tax paid. The exceptions include income in respect of a decedent and special rules for losses for a trust.

Attach an explanation if the basis used is other than actual cash cost of the property.

Limitation on allowable capital losses.—If the sum of all the capital losses exceeds the sum of all the capital gains (all such gains and losses to be taken into account at 100 percent), then such capital losses shall be allowed as a deduction only to the extent of (1) current year capital gains plus (2) the smallest of (a) the taxable income of the current year, (b) \$1,000 or (c) the sum of (i) the excess of the net short-term capital loss over the net long-term capital gain, and (ii) one-half of the excess of the net long-term capital loss over the net short-term capital gain. For this purpose taxable income is computed without regard to capital gains or losses or the deduction for exemption. Except as stated in the next sentence, the excess of such allowable losses over the sum of items (1) and (2), above is called "capital loss carryover." Section 1212(b) (2) contains a special rule for computing the long-term capital loss carryover which, in general, prevents the 50% reduction in the net long-term capital loss from being carried forward as a capital loss carryover. Capital loss carryover may be carried forward indefinitely. Capital losses retain their character as either short-term or long-term when carried over to the succeeding year. To the extent the net capital losses are deducted from ordinary income, the net short-term capital loss must be considered as deducted first.

Capital loss carryover from years prior to 1970.—Section 1212(b)(3) contains a transitional rule with respect to the amount of capital loss carryover from years prior to 1970, which, in general, preserves the prior limitation and carryover rules and does not require the 50% reduction of long-term capital loss.

Losses in transactions between certain persons.—No deduction is allowable for losses from sales or exchanges of property directly or indirectly between certain

related persons as described in section 267.

Redemption of stock to pay death taxes.—If stock is redeemed under the provisions of section 303, list and identify such stock in the appropriate section and state the name of the decedent and the District Director's office in which the estate tax return was filed.

Allocation of capital gains and losses.—On line 10, enter in column 1 the amount of short-term gain or loss allocable to the beneficiary or beneficiaries. This includes (a) any amount (whether or not paid, credited, or required to be distributed to beneficiaries) which is a short-term capital gain under the Internal Revenue Code but which is an item of trust income under the terms of the governing instrument and local law, and (b) any amount which is a short-term capital gain under the Internal Revenue Code and which is allocable to corpus under the terms of the governing instrument and local law, but which is, nevertheless, paid, credited, or required to be distributed to any beneficiary. However, any capital gains paid, or permanently set aside for the purpose specified in section 642(c) should be entered in column 2.

Include on line 10, column 1, only those short-term capital losses which are taken into account in determining the amount of gain from the sale or exchange of capital assets which is paid, credited, or required to be distributed to any beneficiary during the taxable year. Enter in column 2 the amount of the short-term gain or loss allocable to the fiduciary. The amount in column 3 should be the same as the amount shown on line 4.

The long-term gain or loss is treated on line 11 just as short-term gain or loss is treated on line 10.

Capital gains dividends and undistributed capital gains of regulated investment companies.—Report in Schedule D, as long-term capital gains, any amount which a regulated investment company advises you is (a) a capital gain dividend, or (b) your share of the company's undistributed capital gains. If the fiduciary makes a distribution to beneficiaries with respect to an "undistributed capital gain" it shall be treated by the fiduciary, and included in income of the beneficiaries, in the same manner as if the distribution to the beneficiaries resulted from a cash distribution by the regulated investment company.

Subsection (d) gain.—If line 13(d) includes any gain as defined in section 1201(d), write in on line 4 of Schedule E (Form 1041) for each beneficiary the amount allocated to that beneficiary and label as "Subsection (d) gain." This amount should be written in parenthesis as a memo item to distinguish it from the items of income taxable to the beneficiary otherwise reported on Schedule E (Form 1041).

PART II

Ordinary gains and losses.—Include gains and losses from disposition or involuntary conversion of real and depreciable property held not more than six months. For livestock—see section 1231 for longer holding period.

If losses from involuntary conversions arising from casualty or theft of property used in a trade or business (as defined in section 1231) or of any capital asset held more than six months (and in excess of \$100 for a nonbusiness asset) exceed the gains, enter such gains and losses in Part II as ordinary gains and

losses. Note: See new rules for involuntary conversions.

If after grouping all section 1231 transactions the losses exceed the gains, report the net loss in Part II as an ordinary loss.

PART III.—Subpart B

Line 24.—Enter on line 24 the fiduciary's share of the long-term capital gains for the taxable year (received before January 1, 1975) from sales or other dispositions pursuant to binding contracts (other than any gain from a transaction described in section 631 or 1235 (timber, coal, domestic iron ore and patents) entered into on or before October 9, 1969, including sales or other dispositions the income from which is returned on the basis and in the manner prescribed in section 453(a)(1)).

Also include on line 24 the fiduciary's share of the long-term capital gains for the taxable year in respect of distributions from a corporation made prior to October 10, 1970, which are pursuant to a plan of complete liquidation adopted on or before October 9, 1969.

Line 40.—The rate of 29½% shown on line 40 changes to 32½% effective January 1, 1971. Estates and trusts with fiscal years beginning in 1970 and ending in 1971 must prorate their tax to reflect the rate change. This applies regardless of the date the assets were sold. They must compute two tentative taxes by applying the respective rates for each period to the taxable income for the taxable year, and then pro-rating each tentative tax according to the portion of the taxable year allocable to each rate. The total of the two pro-rated tentative taxes is the alternative tax for the fiscal year. Attach the computation of the fiscal year alternative tax to the Schedule D (Form 1041). Section 1.21-1 of the regulations contains additional information and examples.

PART IV

Gain from disposition of depreciable property and certain real property held more than six months. (Section 1245).—Report any gain from such property held not more than six months in Part II. For livestock—see section 1231 for longer holding period.

In general, when section 1245 property (as defined below) is disposed of, gain will be treated as ordinary income to the extent of depreciation allowed (or allowable) after 1961. Except for certain involuntary conversions referred to in section 1231 and dispositions of certain farm property described in section 1251, the balance of gain, if any, is to be combined in Part VI with gains and losses from section 1231 property.

Section 1245 property is property which is depreciable (or subject to amortization under section 169 or section 185) and is either—

(a) personal property,
(b) elevators and escalators,
(c) real property (other than property described in (d)) subject to amortization under section 169 or 185,

(d) tangible real property (except buildings and their structural components) if used as an integral part of certain business activities or as a research or storage facility in connection with such activities. These business activities are manufacturing, production, extrac-

tion, or furnishing transportation, communications or certain other public utility services.

See section 1245(b) for exceptions and limitations involving: (a) disposition by gift, (b) certain tax-free transactions, (c) like kind exchanges, involuntary conversions, (d) sales or exchanges to effectuate FCC policies and exchanges to comply with SEC orders, and (e) transfers at death.

Column i.—Enter depreciation allowed (or allowable) after December 31, 1961. However, use June 30, 1963, for elevators and escalators and December 31, 1969, for livestock.

See section 1245(a)(2)(D) in the case of disposition of pollution control facilities or railroad grading and tunnel bores.

PART V

Gain from disposition of depreciable real property held more than six months. (Section 1250).—Report any gain from such property held not more than six months in Part II.

In general, when section 1250 property (as defined below) is disposed of, all or a portion of the "additional depreciation" will be treated as ordinary income. Except for certain involuntary conversions referred to in section 1231, the balance of gain, if any, is to be combined in Part VI with gains and losses from section 1231 property.

Section 1250 property is depreciable real property other than section 1245 property.

See section 1250(d) for exceptions and limitations involving: (a) disposition by gift, (b) certain tax-free transactions, (c) like kind exchanges, involuntary conversions, (d) sales or exchanges to effectuate FCC policies and exchanges to comply with SEC orders, (e) disposition of qualified low-income housing and (f) transfers at death.

Columns i and j, additional depreciation.—In the case of section 1250 property held one year or less, additional depreciation is the total amount of depreciation claimed. In such case, omit columns i through o and enter in column p the lesser of the amount of gain (column h) or the total amount of depreciation claimed (column f).

For property held more than one year, additional depreciation is the excess of actual depreciation attributable to periods after December 31, 1963, over depreciation computed for the same period using the straight line method. Enter in column i the additional depreciation for the period after December 31, 1963, and before January 1, 1970, and in column j the additional depreciation for the period after December 31, 1969.

For additional depreciation attributable to rehabilitation expenditures, see section 1250(b)(4).

Where substantial improvements have been made, see section 1250(f).

Column l, applicable percentage.—Enter 100% of column k in column l except as follows:

(1) In the case of section 1250 property disposed of pursuant to a written contract that was, on July 24, 1969, and at all times thereafter, binding on the owner of the property, the applicable percentage is 100% minus 1 percentage point for each full month the property was held after the date it was held 20 full months;

(2) In the case of section 1250 property constructed, reconstructed, or ac-

quired by the taxpayer before January 1, 1975, with respect to which a mortgage is insured under section 221(d)(3) or 236 of the National Housing Act, or housing is financed or assisted by direct loan or tax abatement under similar provisions of the State or local laws, and with respect to which the owner is subject to the restrictions described in section 1039(b)(1)(B), the applicable percentage is 100% minus 1 percentage point for each full month the property was held after the date it was held 20 full months;

(3) In the case of residential rental property (as defined in section 167(j)(2)(B)) other than that covered by (1) and (2) above, the applicable percentage is 100% minus 1 percentage point for each full month the property was held after the date it was held 100 full months; and

(4) In the case of section 1250 property for which a depreciation deduction for rehabilitation expenditures was allowed under section 167(k), the applicable percentage is 100% minus 1 percentage point for each full month in excess of 100 full months after the date on which the property was placed in service.

Column o, applicable percentage.—The applicable percentage is 100% minus 1 percentage point for each full month the property was held after the date it was held 20 full months.

PART VI

Sale or exchange of property used in trade or business and involuntary conversion. (Section 1231).—Section 1231 provides special treatment for the recognized gains and losses upon the sale or exchange of "property used in the trade or business" and upon the compulsory or involuntary conversion of (1) such property and (2) capital assets held more than six months. NOTE: See new rules for involuntary conversions.

After determining in Parts IV and V how much of the total gain from disposition of depreciable property is ordinary gain, combine the total other gain with other gains and losses from section 1231 property to determine if there is a net gain or net loss. The total shown on line 50 determines whether the items reflected therein represent a long-term capital gain or an ordinary loss. The total must be entered on line 5 or line 14, whichever is applicable.

In determining whether gains exceed losses, include the gains to the extent included in gross income, and losses to the extent taken into account in determining taxable income, disregarding the limitation of section 1211 on the deductibility of capital losses. For example, the first \$100 of loss for each casualty or theft of nonbusiness property is not deductible.

The term "property used in the trade or business" means property that has been held more than six months, which is used in the trade or business and which is either real property or depreciable property. It also includes (1) certain livestock (see section 1231 for holding period), (2) timber, coal and domestic iron ore to which section 631 applies, and (3) unharvested crops referred to in section 1231(b)(4). The term does not include (1) inventoriable property, (2) property held primarily for sale to customers, or (3) certain copyrights, literary, musical, or artistic compositions, letters or memorandums, or similar property.

SCHEDULE J
(Form 1041)
Department of the Treasury
Internal Revenue Service

Allocation of Accumulation Distribution
(For complex trusts which in 1970 distributed income accumulated in prior years)
(Under sections 665 through 669 of the Internal Revenue Code)

1970

Name of trust _____ Employer Identification Number _____

Line and Instruction No.

1 Accumulation distribution in 1970 \$ _____
(NOTE: To the extent of undistributed net income in preceding years, this amount must be thrown back to preceding years beginning with the earliest applicable year.)

Computation of amounts deemed distributed to beneficiaries

	1965	1966	1967	1968	1969
2 Undistributed net income (adjust for prior throwbacks, if any)					
3 Throwback (line 1 but not more than line 2) (NOTE: If this form shows a throwback to more than 1 year, enter only the balance of line 1 (line 1 minus line 3 of preceding column) in succeeding columns.)					
4 Taxes imposed on the trust applicable to amount on line 3 and deemed distributed					
5 Income and taxes deemed distributed (line 3 plus line 4)					
6 Tax-exempt income included in amount on line 5					
7 Taxable income deemed distributed (line 5 minus line 6)					

The character of the amount on line 7 must be set forth in columns 16 and 17 below for each beneficiary.

8 Capital gain distribution in 1970 \$ _____
(NOTE: To the extent of undistributed capital gain in 1969, this amount must be thrown back to 1969)

Computation of amounts deemed distributed to beneficiaries

	1969
9 Undistributed capital gain	
10 Throwback (line 8 but not more than line 9)	
11 Taxes imposed on the trust applicable to amount on line 10 and deemed distributed	
12 Capital gains and taxes deemed distributed (line 10 plus line 11)	

The character of the amount on line 12 must be set forth in columns 19 and 20 below for each beneficiary.

Allocation to Beneficiaries

If more than one column above is used, either adjust the schedule below to indicate the character of distributions for each year, or attach a separate schedule showing such separate distribution.

13. Name of each beneficiary		14. Social security number	15. Address		
(a)					
(b)					
(c)					
(d)					

	16. Income from line 7 taxable to beneficiaries less portion reportable in column 17	17. Domestic dividends qualifying for special treatment	18. Taxes deemed distributed (from line 4 and line 11)	19. Net short-term capital gain	20. Net long-term capital gain (100%)
(a)					
(b)					
(c)					
(d)					
Totals					

Treatment of Excess Distributions by Trusts

Line 1. Accumulation Distribution.—The term "accumulation distribution" means the amount by which:

(1) any amounts properly paid, credited, or required to be distributed for a taxable year, exceed

(2) distributable net income for such taxable year reduced (but not below zero) by any amount of income for such taxable year required to be distributed currently (including any amount required to be distributed which may be paid out of income or corpus to the extent such amount is paid out of income for such taxable year).

Section 331(d)(2)(A) of P.L. 91-172, 83 Stat. 598, contains exceptions for certain accumulation distributions made on or before the last day of a taxable year beginning before January 1, 1974.

Line 2. Undistributed Net Income.—The term "undistributed net income" for any taxable year means the amount
(Continued on page 2)

by which the distributable net income of the trust for such taxable year exceeds the sum of:

(1) the amount of income for such taxable year required to be distributed currently (including any amount required to be distributed which may be paid out of income or corpus to the extent such amount is paid out of income for such taxable year);

(2) any other amounts properly paid, credited, or required to be distributed for such taxable year; and

(3) the amount of taxes imposed on the trust attributable to such distributable net income.

Line 3. Throwback.—In the case of a trust which is not required to distribute all of its income currently, the amount of the accumulation distribution of such trust for a taxable year shall be deemed to be an amount within the meaning of paragraph (2) of section 661(a) distributed on the last day of each of the five preceding taxable years, commencing with the earliest of such years, to the extent that such amount exceeds the total of any undistributed net income for the five preceding taxable years. The amount deemed to be distributed in any such preceding taxable year under the preceding sentence shall not exceed the undistributed net income for such preceding taxable year. For this purpose undistributed net income for each of such preceding taxable years shall be computed without regard to such accumulation distribution and without regard to any accumulation distribution determined for any succeeding taxable year.

Line 4. Taxes Deemed Distributed.—The term "taxes imposed on the trust" means the amount of the taxes which are imposed for any taxable year of the trust under chapter 1 of the Code (without regard to any accumulation distribution) and which are properly allocable to the undistributed portions of distributable net income and gains in excess of losses from sales or exchanges of capital assets. The amount determined in the preceding sentence shall be reduced by any amount of such taxes deemed distributed to any beneficiary as part of an accumulation distribution or a capital gain distribution.

If the gross income for any taxable year includes capital gains excluded from distributable net income under section 643(a)(3) of the Code, the taxes imposed on the trust must be allocated between the undistributed portions of distributable net income and such capital gains. For the method of allocation, see the regulations issued under section 665(d) of the Code.

When all of the undistributed net income of a preceding taxable year of the trust is deemed distributed, then all of the taxes imposed on the trust with respect to such income (excluding that attributable to capital gains excluded from distributable net income) will be deemed distributed to the beneficiaries. When less than all of the undistributed net income of a preceding taxable year is deemed distributed, then the taxes deemed distributed to the beneficiaries will be the pro rata portion of the taxes imposed on the trust with respect to such income.

The amount shown on line 4 is available to the beneficiaries as a credit against their income tax liability. The allocation among the beneficiaries should be reported in column 18.

Line 6. Tax-exempt Income Deemed Distributed.—If the undistributed portion of distributable net income included any tax-exempt interest, enter on Line 6 the product obtained by multiplying the amount on Line 5 by the ratio of undistributed tax-exempt income over the total of (1) the amount on Line 2 plus (2) the amount of taxes imposed on the trust attributable to the undistributed portions of distributable net income.

NOTE: In the above computation for prior years, if there was a previous accumulation distribution, the undistributed portion of tax-exempt income, and the amount of taxes paid by the trust must be adjusted for the previous throwback.

Line 7. Taxable Income Deemed Distributed.—The amount shown on Line 7 is includible in the income of the beneficiaries. The allocation among the beneficiaries should be reported in columns 16 and 17.

Line 8. Capital Gain Distribution.—Capital gain distributions made before January 1, 1972, to the beneficiary of a single trust, and to the surviving spouse of a marital deduction trust who is the beneficiary of only one other trust, are not subject to throwback. See section 331(d)(2)(C) of P.L. 91-172, 83 Stat. 599.

The term "capital gain distribution" means, to the extent of undistributed capital gain, that portion of:

(1) the excess of any amounts properly paid, credited, or required to be distributed for the taxable year over distributable net income for the taxable year reduced (but not below zero) by the amount of income for the taxable year required to be distributed currently (including any amount required to be distributed which may be paid out of income or corpus to the extent such amount is paid out of income for the taxable year), over

(2) the undistributed net income of the trust for the five preceding taxable years.

This means that all other types of income for the five preceding years must be distributed before any amount of capital gain is deemed distributed.

Line 9. Undistributed Capital Gain.—The term "undistributed capital gain" means, for any taxable year of the trust beginning after December 31, 1968, the amount by which:

(1) gains in excess of losses from the sale or exchange of capital assets, to the extent that such gains are allocated to corpus and are not (A) paid, credited, or required to be distributed to any beneficiary during such taxable year, or (B) paid, permanently set aside, or used for the purposes specified in section 642(c), exceed

(2) the amount of taxes imposed on the trust attributable to such gains.

For purposes of the above paragraph (1), the deduction under section 1202 (relating to deduction for excess of

capital gains over capital losses) shall not be taken into account.

Line 10. Throwback.—In the case of a trust which is not required to distribute all of its income currently, the amount of a capital gain distribution of such trust for a taxable year shall be deemed to be an amount properly paid, credited, or required to be distributed on the last day of each of the preceding taxable years, commencing with the earliest of such years beginning with the first year on or after January 1, 1969, in which income is accumulated to the extent that such amount exceeds the total of any undistributed capital gain for such preceding taxable years. The amount deemed to be distributed in any such preceding taxable year under the preceding sentence shall not exceed the undistributed capital gain for such preceding taxable year. For this purpose, undistributed capital gain for each of such preceding taxable years shall be computed without regard to such capital gain distribution and without regard to any capital gain distribution determined for any succeeding taxable year.

Line 11. Taxes Deemed Distributed.—Follow the instructions for Line 4 above to compute the portion of the taxes imposed on the trust which are allocable to capital gains excluded from distributable net income for any taxable year.

When all of the undistributed capital gain of a preceding taxable year of the trust is deemed distributed, then all of the taxes imposed on the trust with respect to such capital gains will be deemed distributed to the beneficiaries. When less than all of the undistributed capital gain of a preceding taxable year is deemed distributed, then the taxes deemed distributed to the beneficiaries will be the pro rata portion of the taxes imposed on the trust with respect to such capital gains.

The amount shown on Line 11 is available to the beneficiaries as a credit against their income tax liability. The allocation among the beneficiaries should be reported in column 18.

Line 12. Capital Gains Deemed Distributed.—The amount shown on Line 12 is includible in the income of the beneficiaries. The character of the capital gain of a trust for any taxable year with respect to a beneficiary shall be the same as it was with respect to the trust. The allocation among the beneficiaries should be reported in columns 19 and 20.

Allocation to Beneficiaries.—The fiduciary may elect to attach Copy A of Schedule E (Form 1041) for each beneficiary rather than to complete the allocation in detail. Under this election the fiduciary must indicate the number of Schedules E (Form 1041) which are attached. The information in the heading of Schedule E (Form 1041) concerning the year must be modified by the fiduciary to show the taxable year of the trust to which the distribution is thrown back. If the distribution is thrown back to more than 1 year, the fiduciary must attach a Schedule E (Form 1041) for each throwback year for each beneficiary.

Form **4626**

Computation of Minimum Tax

For Corporations and Fiduciaries—To be attached to Forms 1120, 1120-F, 1120-L, 1120-M, 1120-S, 1041, 990-T for calendar year 1970 or other taxable year

1970

Department of the Treasury
Internal Revenue Service

beginning 1970, and ending 19.....

Name

Employer Identification Number

1 Tax Preferences:

- (a) Excess investment interest
- (b) Accelerated depreciation on real property: (1) low-income rental housing under sec. 167(k)
(2) other real property
- (c) Accelerated depreciation on personal property subject to a net lease
- (d) Amortization of certified pollution control facilities
- (e) Amortization of railroad rolling stock
- (f) Stock options
- (g) Reserves for losses on bad debts of financial institutions
- (h) Depletion.
- (i) Capital gains
- 2 Total items of tax preference—Add lines 1(a) through 1(i).
- 3 Less exclusion—Enter \$30,000 (Estates, Trusts and Controlled groups see instruction 3)
- 4 Line 2 less line 3
- 5 Taxes imposed under Chapter 1 for the taxable year (other than Personal Holding company, accumulated earnings and minimum tax)—See instructions
- 6 Line 4 less line 5
- 7 Minimum tax—10% of line 6
- 8 Amount of net operating loss for 1970 remaining as a CARRYOVER to a succeeding year (attach a statement showing computation of carryover)
- 9 Deferred minimum tax—Enter the lesser of line 8 multiplied by 10%, or line 7. (Enter zero if line 8 is zero).
- 10 Line 7 less line 9.
- 11 Enter minimum tax deferred from prior year(s) until this year—See instructions
- 12 Total minimum tax—Add lines 10 and 11. Enter on appropriate line of tax return per instruction 12

General Instructions (References are to the Internal Revenue Code)

Who Must File.—All taxpayers (other than individuals) having any items of tax preference must complete Form 4626 and attach it to their return whether or not the minimum tax applies.

Tax preference items of excess investment interest (line 1(a)) and accelerated depreciation on personal property subject to a net lease (line 1(c)) do not apply to a corporation other than an electing small business corporation and a personal holding company. Stock options (line 1(f)) is not applicable to corporations.

Regulated Investment Companies and Real Estate Investment Trusts.—The amount of net long-term capital gain in excess of the net short-term capital loss of a regulated investment company or a real estate investment trust is to be treated as an item of tax preference (line 1(i)) only to the extent that such item is not taken into account as income by shareholders. Accelerated depreciation on real property (line 1(b)) is taken into account in full as a tax preference item of real estate investment trusts and is not included in the apportionment of tax preferences to shareholders as described in the following paragraph.

The remaining items of tax preference of a regulated investment company and a real estate investment trust shall be used in computing the minimum tax, in the same proportion that the taxable income of such company or trust (section 852(b)(2) or 857(b)(2)) bears to taxable income computed without regard to the deduction for dividends paid. The remaining proportion of tax preferences shall be treated as items of tax preference of the shareholders of such company or trust on the basis of the dividends (other than capital gains dividends) paid to each shareholder. The company or trust must advise shareholders of their portion of each item of tax preference. Such item will then enter into the computation of each item of tax preference by shareholders.

Electing Small Business Corporations.—Electing small business corporations are subject to the minimum tax only with respect to the capital gains item of tax preference (line 1(i)) and only to the extent of

such gains which are subject to the tax imposed by section 1378. All other items of tax preference, except capital gains, shall be apportioned among the shareholders in a manner consistent with section 1374(c)(1). The capital gains are excluded from the apportionment since such gains are actually passed through to shareholders and includable in their income to the extent provided under the rules in section 1375(a) and will thus enter into the computation of the shareholders' capital gains tax preference. Each item will retain its character for purposes of the shareholders' computation of each item of tax preference.

Estates and Trusts.—Tax preference items of an estate or trust are to be apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust that is allocable to each. The direct allocation of depreciation, depletion and capital gains under the existing estate or trust rules serves to effectively allocate these items of tax preference on the basis of income, and they are not included in the apportionment of other items of tax preference. No further allocation is needed. Each item will retain its character for purposes of the beneficiaries computation of each item of tax preference.

Participants in Common Trust Funds.—Items of tax preference of a common trust fund (as defined in section 584(a)) for each taxable year of the fund shall be treated as items of tax preference of the participants of such fund. Each item of tax preference, except capital gains, shall be apportioned pro rata among the participants and shall enter into their own computation of each item of tax preference. Capital gains are passed through to participants under the rules in section 584(c) and enter into the participants' computation of capital gains tax preference.

Foreign Source Tax Preference Items.—Tax preferences attributable to foreign sources are to be included for purposes of computing the minimum tax, only to the extent they result in foreign losses which reduce the tax imposed on U.S. income. Stock options (line 1(f)) and

capital gains (line 1(l)) attributable to foreign sources are to be taken into account as tax preferences only if the tax laws of the foreign country or U.S. possession give them preferential treatment.

Consolidated Returns.—An affiliated group of corporations filing a consolidated return are required to compute their minimum tax on a consolidated basis.

Specific Instructions

(Numbered to correspond with line numbers on page 1)

1. Tax Preferences:

(a) Excess investment interest means the amount by which the investment interest expense for the taxable year exceeds the net investment income.

Investment interest expense means interest paid or accrued on indebtedness incurred or continued to purchase or carry property held for investment.

Net investment income is the excess of

(1) Investment income (not derived from the conduct of a trade or business) consisting of (a) the gross income from interest, dividends, rents, and royalties, (b) the net short-term capital gain attributable to the disposition of property held for investment, and (c) amounts treated as ordinary income under sections 1245 and 1250 from the sale or exchange of property, over

(2) Investment expenses consisting of the deductions allowable under sections 164(a)(1) or (2), 166, 167, 171, 212, 243, 244, 245, or 611 directly connected with the production of investment income. For purposes of the deductions under sections 167 and 611, the straight line method of depreciation and cost depletion may be used.

Investment income includes income from property subject to a net lease (as defined in section 57(c)) only if the lease was entered into after Oct. 9, 1969.

(b) Accelerated depreciation on real property is depreciation allowable on each section 1250 property (as defined in section 1250(c)) to the extent it exceeds the depreciation deduction which would have been allowable for the year under the straight line method. A separate computation of the excess must be made for each property.

(1) Enter on this line the excess depreciation on low-income rental housing (as defined in section 167(k)). The straight line method used in computing such excess is determined without regard to the useful life allowable by section 167(k).

(2) Enter on this line the excess depreciation on all other section 1250 property.

(c) Accelerated depreciation on personal property subject to a net lease is depreciation allowable on each section 1245 property (as defined in section 1245(a)(3)) which is the subject of a net lease (as defined in section 57(c)), to the extent it exceeds the depreciation deduction which would have been allowable for the year under the straight line method. A separate computation of the excess must be made for each property.

(d) Amortization of certified pollution control facilities is the amount of deduction allowable with respect to each facility for which an election is in effect under section 169 for the taxable year which exceeds the depreciation deduction which would otherwise be allowable under section 167. A separate computation of the excess must be made for each facility.

(e) Amortization of railroad rolling stock is the amount of deduction allowable with respect to each unit under section 184 for the taxable year which exceeds the depreciation deduction which would otherwise be allowable under section 167. A separate computation of the excess must be made for each unit.

(f) The tax preference amount with respect to stock options is the amount by which the fair market value of a share of stock at the time of exercise of a qualified stock option or a restricted stock option (as defined in sections 422(b) and 424(b)) exceeds the option price.

(g) The tax preference amount for reserves for losses on bad debts applies only with respect to financial institutions subject to section 585 or 593. It is the amount by which the deduction allowable for the taxable year for a reasonable addition to a reserve for bad debts exceeds the amount that would have been allowable had the institution maintained its bad debt reserve for all taxable years on the basis of actual experience.

(h) The tax preference amount for depletion applies to each property as defined in section 614. It is the excess of the deduction for depletion allowable under section 611 for the taxable year over the adjusted basis of the property at the end of the taxable year (determined without regard to the depletion deduction for the taxable year).

(i) In the case of a taxpayer other than a corporation, the amount of capital gain tax preference is one-half of the net section 1201 gain (excess of net long-term capital gain over net short-term capital loss) for the taxable year.

In the case of a corporation, the capital gains item of tax preference applies only if the alternative tax under section 1201 or other comparable section applies for the taxable year.

If the alternative tax does apply, the capital gains tax preference may be determined as follows:

Tax on taxable income as computed under section 11 or other comparable section.	minus	Alternative tax on taxable income as computed under section 1201 or other comparable section.
		.48

Foreign corporations shall take capital gains into account only to the extent such gains are effectively connected with the conduct of a trade or business in the United States.

3. The \$30,000 exclusion shall be divided equally among the component members of a controlled group of corporations (as defined in section 1563(a)) unless all component members consent to a plan providing for an unequal allocation.

The exclusion for estates or trusts shall be reduced to an amount which is that percent of \$30,000 that the sum of the tax preference items allocated to the Estate or Trust is of the total tax preference items.

If a return is made for a period of less than 12 months, refer to section 443(d) for computation of the exclusion.

5. Include income taxes from applicable forms as follows:

Form 1120—Sum of lines 9 and 11, Sch. J

Form 1120-F—Sum of lines 1 and 2, page 1

1120-L—Sum of lines 12, 13 and 14, page 1

1120-M—Sum of lines 15, 16 and 17, page 1

Form 1120-S—Sum of lines 29(a) and 29(b), page 1

Form 1041—Sum of lines 31 and 32, page 1

Form 990-T—Line 15 or 22, page 1

11. If a net operating loss carryover from a 1969-70 fiscal year reduces taxable income for the 1970-71 fiscal year, and the carryover resulted in the deferral of minimum tax in the 1969-70 fiscal year, all or part of the deferred minimum tax may be includable on line 11 as a tax liability imposed for the 1970-71 fiscal year.

The deferred minimum tax is to be included on line 11 to the extent the portion of the net operating loss carryover attributable to the deferred minimum tax reduces taxable income. For purposes of computing the amount attributable, the portion of the net operating loss carryover which is not attributable to the deferred minimum tax shall have priority and shall be considered as being applied in reducing taxable income before such other portion.

Example:

A taxpayer sustained a net operating loss in fiscal year 1969-70. \$1,000 of which remained as a carryover to 1970-71. Minimum tax on \$800 of tax preferences (after the minimum tax exemption) was deferred in 1969-70 because of the NOL. Therefore, \$800 of the \$1,000 1969-70 NOL carry forward is attributable to tax preferences and \$200 constitutes the remaining portion which is not attributable. The applicable minimum tax rate in 1969-70 was 5 percent. The 1970-71 taxable income (before adjustment under 172(b)(2)) is \$600.

(a) Amount of NOL carryover from 1969-70 which reduced 1970-71 taxable income \$600

(b) Amount of 1969-70 NOL carry forward not attributable to tax preferences \$200

(c) Amount of 1969-70 NOL attributable to tax preferences which reduced taxable income in 1970-71 (line (a) less line (b)) \$400

(d) Amount of 1969-70 deferred minimum tax imposed as tax liability for 1970-71 (line (c) × applicable minimum tax rate of 5%) \$ 20

Because of adjustments to taxable income required under section 172(b)(2) of the Code, the portion of the \$1,000 NOL carryover absorbed in 1970-71 may exceed the \$600 used to reduce taxable income. The actual amount of NOL carryover remaining would be used in the subsequent year's computation.

Taxpayers with deferred minimum tax from a fiscal year beginning in 1969 should use their applicable minimum tax rate instead of the 5% rate in line (d) above.

12. Taxpayers filing Forms 1120, 1120-F, 1120-L, 1120-M, 1120-S, 1041 and 990-T must include the total minimum tax from line 12 on the appropriate line of their 1970 return.

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