

Deductions and Adjustments Worksheet

Note: Use this worksheet only if you plan to itemize deductions or claim adjustments to income on your 1996 tax return.

1	Enter an estimate of your 1996 itemized deductions. These include qualifying home mortgage interest, charitable contributions, state and local taxes (but not sales taxes), medical expenses in excess of 7.5% of your income, and miscellaneous deductions. (For 1996, you may have to reduce your itemized deductions if your income is over \$117,950 (\$58,975 if married filing separately). Get Pub. 919 for details.)	1	\$ _____	
2	Enter: {	\$6,700 if married filing jointly or qualifying widow(er)	2	\$ _____
		\$5,900 if head of household		
		\$4,000 if single		
		\$3,350 if married filing separately		
3	Subtract line 2 from line 1. If line 2 is greater than line 1, enter -0-	3	\$ _____	
4	Enter an estimate of your 1996 adjustments to income. These include alimony paid and deductible IRA contributions	4	\$ _____	
5	Add lines 3 and 4 and enter the total	5	\$ _____	
6	Enter an estimate of your 1996 nonwage income (such as dividends or interest)	6	\$ _____	
7	Subtract line 6 from line 5. Enter the result, but not less than -0-	7	\$ _____	
8	Divide the amount on line 7 by \$2,500 and enter the result here. Drop any fraction	8	_____	
9	Enter the number from Personal Allowances Worksheet, line G, on page 1	9	_____	
10	Add lines 8 and 9 and enter the total here. If you plan to use the Two-Earner/Two-Job Worksheet, also enter this total on line 1 below. Otherwise, stop here and enter this total on Form W-4, line 5, on page 1	10	_____	

Two-Earner/Two-Job Worksheet

Note: Use this worksheet only if the instructions for line G on page 1 direct you here.

1	Enter the number from line G on page 1 (or from line 10 above if you used the Deductions and Adjustments Worksheet)	1	_____
2	Find the number in Table 1 below that applies to the LOWEST paying job and enter it here	2	_____
3	If line 1 is GREATER THAN OR EQUAL TO line 2, subtract line 2 from line 1. Enter the result here (if zero, enter -0-) and on Form W-4, line 5, on page 1. DO NOT use the rest of this worksheet	3	_____
Note: If line 1 is LESS THAN line 2, enter -0- on Form W-4, line 5, on page 1. Complete lines 4-9 to calculate the additional withholding amount necessary to avoid a year end tax bill.			
4	Enter the number from line 2 of this worksheet	4	_____
5	Enter the number from line 1 of this worksheet	5	_____
6	Subtract line 5 from line 4	6	_____
7	Find the amount in Table 2 below that applies to the HIGHEST paying job and enter it here	7	\$ _____
8	Multiply line 7 by line 6 and enter the result here. This is the additional annual withholding amount needed	8	\$ _____
9	Divide line 8 by the number of pay periods remaining in 1996. (For example, divide by 26 if you are paid every other week and you complete this form in December 1995.) Enter the result here and on Form W-4, line 6, page 1. This is the additional amount to be withheld from each paycheck	9	\$ _____

Table 1: Two-Earner/Two-Job Worksheet

Married Filing Jointly				All Others	
If wages from LOWEST paying job are—	Enter on line 2 above	If wages from LOWEST paying job are—	Enter on line 2 above	If wages from LOWEST paying job are—	Enter on line 2 above
0 - \$3,000	0	39,001 - 50,000	9	0 - \$4,000	0
3,001 - 6,000	1	50,001 - 55,000	10	4,001 - 10,000	1
6,001 - 11,000	2	55,001 - 60,000	11	10,001 - 14,000	2
11,001 - 16,000	3	60,001 - 70,000	12	14,001 - 19,000	3
16,001 - 21,000	4	70,001 - 80,000	13	19,001 - 23,000	4
21,001 - 27,000	5	80,001 - 90,000	14	23,001 - 45,000	5
27,001 - 31,000	6	90,001 and over	15	45,001 - 60,000	6
31,001 - 34,000	7			60,001 - 70,000	7
34,001 - 39,000	8			70,001 and over	8

Table 2: Two-Earner/Two-Job Worksheet

Married Filing Jointly		All Others	
If wages from HIGHEST paying job are—	Enter on line 7 above	If wages from HIGHEST paying job are—	Enter on line 7 above
0 - \$50,000	\$380	0 - \$30,000	\$380
50,001 - 100,000	710	30,001 - 60,000	710
100,001 - 130,000	790	60,001 - 120,000	790
130,001 - 240,000	920	120,001 - 240,000	920
240,001 and over	1,010	240,001 and over	1,010

Privacy Act and Paperwork Reduction Act Notice.—We ask for the information on this form to carry out the Internal Revenue laws of the United States. The Internal Revenue Code requires this information under sections 3402(f)(2)(A) and 6109 and their regulations. Failure to provide a completed form will result in your being treated as a single person who claims no withholding allowances. Routine uses of this information include giving it to the Department of Justice for civil and criminal litigation and to cities, states, and the District of Columbia for use in administering their tax laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue Law. Generally, tax returns and return information are confidential, as required by Code section 6103.

The time needed to complete this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping** 46 min., **Learning about the law or the form** 10 min., **Preparing the form** 69 min. If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send the tax form to this address. Instead, give it to your employer.