HARRY S. TRUMAN LIBRARY

Papers of Bess W. Truman

Form **1040** **U.S. Individual Income Tax Return** **1966**

for the year January 1–December 31, 1966, or other taxable year beginning ....., 1966, ending ..... 19..... U.S. Treasury Department—Internal Revenue Service

Please print or type

First name and initial (If joint return, use first names and middle initials of both)	Last name	Your social security number (Husband's, if joint return)
Harry S. and Bess W.	Truman	488 40 6969

Home address (Number and street or rural route): 219 North Delaware

Your occupation:

City, town or post office, and State: Independence, Missouri — ZIP code:

Wife's number, if joint return:

Enter the name and address used on your return for 1965 (if the same as above, write "Same"). If none filed, give reason. If changing from separate to joint or joint to separate returns, enter 1965 names and addresses. same

Wife's occupation:

Your present employer and address:

Wife's present employer and address, if joint return:

Filing Status—check only one:

1a ☐ Single

1b ☒ Married filing joint return (even if only one had income)

1c ☐ Married filing separately. If your husband or wife is also filing a return give his or her first name and social security number.

1d ☐ Unmarried Head of Household

1e ☐ Surviving widow(er) with dependent child

Exemptions Regular / 65 or over / Blind

2a Yourself .. ☒ ☒ ☐

2b Wife . . ☒ ☒ ☐

Enter number of exemptions checked ▶▶▶ 4

3a First names of your dependent children *who lived with you* .....

Enter number ▶▶▶

3b Number of other dependents (from page 2, Part I, line 3)

4 Total exemptions claimed . . . . . ▶▶▶ 4

Attach Copy B of Form W-2 here

Income If joint return, include all income of both husband and wife	5	Wages, salaries, tips, etc. If not shown on attached Forms W-2 attach explanation ▶	26,918 70
	6	Other income (from page 2, Part II, line 8) . . . . . ▶	45,580 04
	7	Total (add lines 5 and 6)	72,498 74
	8	Adjustments (from page 2, Part III, line 5) . . . . . ▶	
	9	Total income (subtract line 8 from line 7) . . . . . ▶	72,498 74
Figure tax by using either 10 or 11	10	Tax Table—If you do not itemize deductions and line 9 is less than $5,000, find your tax from tables in instructions. Do not use lines 11a, b, c, or d. **Enter tax on line 12.**	
Tax Computation	11	Tax Rate Schedule—	
	11a	If you itemize deductions, enter total from page 2, Part IV . . . . . If you do not itemize deductions, and line 9 is $5,000 or more enter the larger of: (1) 10 percent of line 9 or; (2) $200 ($100 if married and filing separate return) plus $100 for each exemption claimed on line 4, above. Deduction under (1) or (2) limited to $1,000 ($500 if married and filing separately). ▶	7289 28
	11b	Subtract line 11a from line 9	65,209 46
	11c	Multiply total number of exemptions on line 4, above, by $600	2400 00
	11d	Subtract line 11c from line 11b. Enter balance on this line. (Figure your tax on this amount by using tax rate schedule on page 11 of instructions.) **Enter tax on line 12.**	62,809 46
Tax Credits Payments	12	Tax (from either Tax Table, see line 10, or Tax Rate Schedule, see line 11) ALT. ▶	23,521 00
	13	Total credits (from page 2, Part V, line 5) . . . . . ▶	
	14a	Income tax (subtract line 13 from line 12)	23521 00
	14b	Tax from recomputing prior year investment credit (attach statement)	
	15	Self-employment tax (Schedule C-3 or F-1) . . . . . ▶	
	16	Total tax (add lines 14a, 14b, and 15) . . . . . ▶	23,521 00
	17	Total Federal income tax withheld (attach Forms W-2) . . ▶ 3953 99	
	18	1966 Estimated tax payments (include 1965 overpayment allowed as a credit) ▶ 9000 00	
	19	Excess F.I.C.A. Tax Withheld (two or more employers—see page 5 of inst.) ▶	
	20	Nonhighway Federal gasoline tax—Form 4136, Reg. Inv.—Form 2439 . .	
	21	Total (add lines 17, 18, 19, and 20)	12,953 99
Tax Due or Refund	22	If payments (line 21) are less than tax (line 16), enter **Balance Due.** Pay in full with this return ▶	10,567 01
	23	If payments (line 21) are larger than tax (line 16), enter **Overpayment** . . ▶▶▶	
	24	Amount of line 23 you wish credited to 1967 Estimated Tax	
	25	Subtract line 24 from 23. Apply to: ☐ U.S. Savings Bonds, with excess refunded or ☐ Refund only	

Attach Check or Money Order here

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 ▶ If joint return, BOTH HUSBAND AND WIFE MUST SIGN even if only one had income. Date

Sign here Ruth E. Loper Signature of preparer other than taxpayer. Address PEAT, MARWICK, MITCHELL & CO. CERTIFIED PUBLIC ACCOUNTANTS 2020 COMMERCE TOWER KANSAS CITY, MO. 64199 Date APR 4 1967

c59—16—79261-2

HARRY S. TRUMAN LIBRARY

Papers of Bess W. Truman

PART I. Exemptions Complete only for dependents claimed on line 3b, page 1

(a) NAME (If more space is needed attach schedule)	(b) Relationship	(c) Months lived in your home. If born or died during year write "B" or "D"	(d) Did dependent have income of $600 or more?	(e) Amount YOU furnished for dependent's support, if 100% write "ALL"	(f) Amount furnished by OTHERS including dependent.
1				$	$
2					

3 Total number of dependents listed above. Enter here and on page 1, line 3b . . . . . ▶▶

PART II. Income from sources other than wages, etc.

1a Dividends and other distributions on stock (Name of payer—write (H), (W), (J), for stock held by husband, wife, or jointly)

Total line 1a . . . . . ▶▶

1b Exclusion (see instructions)

1c Capital gain distributions

1d Nontaxable distributions

1e Total lines 1b, 1c, and 1d

1f Taxable dividends (line 1a less line 1e—not less than zero) . . . . . ▶▶

2 Interest (name of payer)

2a Earnings from savings and loan assoc., mutual savings banks, credit unions, etc.

Total line 2a SCHEDULE ATTACHED

2b Interest on bank deposits (other than mutual savings)

Total line 2b

2c Other interest (bonds, etc.)

Total line 2c 13,920 02

2d Total interest income (lines 2a, 2b, & 2c) ▶▶

3 Pensions and annuities, rents and royalties, partnerships, estates or trusts, etc. (Sch. B) 1936 20

4 Business income (Schedule C) . . . .

5 Sale or exchange of property (Schedule D). 8933 82

6 Farm income (Schedule F) . . . . .

7 Miscellaneous income (state nature)

SCHEDULE ATTACHED

Total line 7 ▶▶ 20,790 00

8 TOTAL (add lines 1f through 7. Enter here and on page 1, line 6) . . . . . ▶▶ 45,580 04

PART III. Adjustments

1 "Sick pay" if included in line 5, page 1 (attach Form 2440 or other required statement)

2 Moving expenses (attach Form 3903)

3 Employee business expense (attach Form 2106 or other statement) . . . . .

4 Payments by self-employed persons to retirement plans, etc. (attach Form 2950SE)

5 TOTAL ADJUSTMENTS (lines 1 through 4). Enter here and on page 1, line 8 . . .

EXPENSE ACCOUNT INFORMATION—If you had an expense allowance or charged expenses to your employer, check here ☐ and see page 7 of instructions.

PART IV. Itemized deductions—Use only if you do not use tax table or standard deduction.

Medical and dental expense (not compensated by insurance or otherwise)—Attach itemized list. If 65 or over see instructions.

1 Total cost of medicine and drugs . . .

2 Enter 1% of line 9, page 1 . . . . .

3 Subtract line 2 from line 1 . SCHEDULE ATTACHED

4 Other medical, dental expenses (include hospital insurance premiums) . . . .

5 Total (add lines 3 and 4) . . . . . .

6 Enter 3% of line 9, page 1 . . . . .

7 Subtract line 6 from line 5; see page 8 of instructions for maximum limitation ▶▶ 1429 72

Contributions.—Cash—including checks, money orders, etc. (itemize)

SCHEDULE ATTACHED

HARRY S. TRUMAN LIBRARY MAR 1967

1 Total cash contributions . . . . . .

2 Other than cash (see instructions for required statement). Enter total of such items here.

3 Carryover from prior years (see page 8 of inst.).

4 Total contributions (add lines 1, 2, and 3—see instructions for limitation) . . ▶▶ 1945 00

Taxes.—Real estate . . . . . .

State and local gasoline . SCHEDULE ATTACHED

General sales (see page 15 of instructions) .

State and local income . . . . . .

Personal property . . . . . .

Total taxes ▶▶ 2384 56

Interest expense.—Home Mortgage . . .

Other (itemize)

Total interest expense ▶▶

Miscellaneous deductions.—(see page 9 of instructions)

SCHEDULE ATTACHED

Total Miscellaneous ▶▶ 1530 00

TOTAL DEDUCTIONS (for page 1, line 11a) ▶ 7289 28

PART V. Credits

1 Retirement income credit (Schedule B) .

2 Investment credit (Form 3468) . . . .

3 Foreign tax credit (Form 1116) . . . .

4 Tax-free covenant bonds credit . . . .

5 TOTAL CREDITS (add lines 1 through 4). Enter here and on page 1, line 13 . . .

☆☆☆☆ U.S. GOVERNMENT PRINTING OFFICE : 1966—O-220-001 659—16—70261-1

HARRY S. TRUMAN LIBRARY

Papers of Bess W. Truman

SCHEDULE B (Form 1040)

U.S. Treasury Department Internal Revenue Service

Supplemental Schedule of Income and Retirement Income Credit

(From pensions and annuities, rents and royalties, partnerships, and estates or trusts)

Attach this schedule to your income tax return, Form 1040

1966

Name and address as shown on page 1 of Form 1040

Harry S. and Bess W. Truman, 219 N. Delaware, Independence, Missouri

Part I.—PENSION AND ANNUITY INCOME

AMOUNT

A.—General Rule (If you did not contribute to the cost of the pension or annuity, enter the total amount received on line 6 and omit lines 1 through 5.)

1 Investment in contract . . . . .

2 Expected return . . . . . .

3 Percentage of income to be excluded (line 1 divided by line 2) . . %

4 Amount received this year . . . ●

5 Amount excludable (line 4 multiplied by line 3) . . . . . .

6 Taxable portion (excess of line 4 over line 5) . . .

B.—Special Rule—Where your employer has contributed part of the cost and your own contribution will be recovered tax-free within 3 years. If your cost was fully recovered in prior years, enter the total amount received on line 5 and omit lines 1 through 4.

1 Cost of annuity (amounts you paid) .

2 Cost received tax-free in past years .

3 Remainder of cost (line 1 less line 2).

4 Amount received this year . . . ●

5 Taxable portion (excess, if any, of line 4 over line 3) .

Part II.—RENT AND ROYALTY INCOME

1. Kind and location of property	2. Total amount of rents	3. Total amount of royalties	4. Depreciation (explain in Part IV) or depletion (attach computation)	5. Repairs (attach itemized list)	6. Other expenses (attach itemized list)	AMOUNT
						242 68
						1693 52
1 Totals . . . . . ●						

SCHEDULE ATTACHED

SCHEDULE ATTACHED

2 Net income (or loss) from rents and royalties (column 2 plus column 3 less columns 4, 5, and 6) 1936 20

Part III.—INCOME OR LOSSES FROM PARTNERSHIPS, ESTATES OR TRUSTS, ETC.

1 Partnerships (name, address, and nature of income) .....

2 Small business corporations (subchapter S—name and address) .....

3 Estates or trusts (name and address) .....

Total of Parts I, II, and III (Enter here and on page 2, Part II, line 3, Form 1040) 1936 20

Part IV.—SCHEDULE FOR DEPRECIATION CLAIMED IN PART II ABOVE

—This schedule is designed for taxpayers using the alternative guidelines and administrative procedures described in Revenue Procedures 62–21 and 65–13 as well as for those taxpayers who wish to continue using practices authorized prior to these revenue procedures. Where double headings appear use the first heading for depreciation under Revenue Procedures 62–21 and 65–13 and the second heading for other authorized practices.

1. Group and guideline class —OR— Description of property	2. Cost or other basis at beginning of year —OR— Cost or other basis	3. Asset additions in year (amount) —OR— Date acquired	4. Asset retirements in year (amount) (applicable only to Rev. Proc. 62–21)	5. Depreciation allowed or allowable in prior years	6. Method of computing depreciation	7. Class life —OR— Rate (%) or life	8. Depreciation for this year
1 Total additional first-year depreciation (do not include in items below) →							
Total cost or other basis . . .							
2 Total depreciation (Enter here and in Part II, column 4 above)							

B

SUMMARY OF DEPRECIATION

	Straight line	Declining balance	Sum of the years-digits	Units of production	Additional first year (section 179)	Other (specify)	Total
1 Under Rev. Proc. 62–21 .							
2 Other . . .							

HARRY S. TRUMAN LIBRARY NARA

HARRY S. TRUMAN LIBRARY

Papers of Bess W. Truman

SCHEDULE D (Form 1040)
U.S. Treasury Department
Internal Revenue Service

Gains and Losses From Sales or Exchanges of Property

Attach this schedule to your income tax return, Form 1040

1966

Name and address as shown on page 1 of Form 1040
Harry S. and Bess W. Truman, 219 N. Delaware, Independence, Missouri

Part I—CAPITAL ASSETS—Short-term capital gains and losses—assets held not more than 6 months

a. Kind of property and how acquired (see instructions for symbols to indicate how acquired—for example, use "B" for stock acquired by exercise of stock option or by employee stock purchase plan)	b. Date acquired (mo., day, yr.)	c. Date sold (mo., day, yr.)	d. Gross sales price	e. Depreciation allowed (or allowable) since acquisition	f. Cost or other basis, cost of subsequent improvements (if not purchased, attach explanation) and expense of sale	g. Gain or loss (d plus e less f)
1						

2 Enter your share of net short-term gain (or loss) from partnerships and fiduciaries . . . . . .
3 Enter unused short-term capital loss carryover from preceding taxable years (attach statement) . . . . . .
4 Net short-term gain (or loss) from lines 1, 2, and 3 . . . . . .

Long-term capital gains and losses—assets held more than 6 months (12 months or more for certain livestock)

5 Enter gain from Part II, line 3 . . . . . .

SCHEDULE ATTACHED

Total long-term gross sales price . .

6 Enter the full amount of your share of net long-term gain (or loss) from partnerships and fiduciaries . . . . . .
7 Enter unused long-term capital loss carryover from preceding taxable years (attach statement) . . . . . .
8 Capital gain dividends . . . . . .
9 Net long-term gain (or loss) from lines 5, 6, 7, and 8 . . . . . 17,867 64
10 Combine the amounts shown on lines 4 and 9, and enter the net gain (or loss) here 17,867 64
11 **If line 10 shows a GAIN**—Enter 50% of line 9 or 50% of line 10, whichever is smaller. (Enter zero if there is a loss or no entry on line 9.) **(See reverse side for computation of alternative tax)** 8933 82
12 Subtract line 11 from line 10. Enter here and in Part IV, line 1, on reverse side 8933 82
13 **If line 10 shows a LOSS**—Enter here and in Part IV, line 1, the smallest of the following: (a) the amount on line 10; (b) the amount on page 1, line 11b, Form 1040, computed without regard to capital gains and losses; or (c) $1,000 . .

Part II—GAIN FROM DISPOSITION OF DEPRECIABLE PROPERTY UNDER SECTIONS 1245 AND 1250—assets held more than 6 months (see instructions for definitions)

Where double headings appear, use the first heading for section 1245 and the second heading for section 1250.

a. Kind of property and how acquired (if necessary, attach statement of descriptive details not shown below—write 1245 or 1250 to indicate type of asset)	b. Date acquired (mo., day, yr.)	c. Date sold (mo., day, yr.)	d. Gross sales price	e. Cost or other basis, cost of subsequent improvements (if not purchased, attach explanation) and expense of sale
1				

f. Depreciation allowed (or allowable) since acquisition		g. Adjusted basis (e less sum of f-1 and f-2)	h. Total gain (d less g)	i. Ordinary gain (lesser of f-2 or h) OR (see instructions)	j. Other gain (h less i)
f-1. Prior to January 1, 1962 OR Prior to January 1, 1964	f-2. After December 31, 1961 OR After December 31, 1963				

2 Total ordinary gain. Enter here and in Part IV, line 2, on reverse side . . . . . .
3 Total other gain. Enter here and in Part I, line 5; however, if the gains do not exceed the losses when this amount is combined with other gains and losses from section 1231 property enter the total of column j in Part III, line 1 . .

HARRY S. TRUMAN LIBRARY

Papers of Bess W. Truman

Part III—PROPERTY OTHER THAN CAPITAL ASSETS

a. Kind of property and how acquired (if necessary, attach statement of descriptive details not shown below)	b. Date acquired (mo., day, yr.)	c. Date sold (mo., day, yr.)	d. Gross sales price	e. Depreciation allowed (or allowable) since acquisition	f. Cost or other basis, cost of subsequent improvements (if not purchased, attach explanation) and expense of sale	g. Gain or loss (d plus e less f)
1 Enter gain from Part II, line 3						
2 Enter your share of non-capital gain (or loss) from partnerships and fiduciaries						
3 Net gain (or loss) from lines 1 and 2. Enter here and in Part IV, line 3.						

Part IV—TOTAL GAINS OR LOSSES FROM SALE OR EXCHANGE OF PROPERTY

1 Net gain (or loss) from Part I, line 12 or 13	8933.82
2 Total ordinary gain from Part II, line 2	
3 Net gain (or loss) from Part III, line 3	
4 Total net gain (or loss), combine lines 1, 2, and 3. Enter here and on page 2, Part II, line 5, Form 1040	8933.82

COMPUTATION OF ALTERNATIVE TAX—*It will usually be to your advantage to use the alternative tax if the net long-term capital gain* **exceeds the net short-term capital loss, or if there is a net long-term capital gain only, and you are filing (a) a separate return with taxable income exceeding $26,000, or (b) a joint return, or as a surviving husband or wife, with taxable income exceeding $52,000, or (c) as a head of household with taxable income exceeding $38,000.**

1 Enter the amount from page 1, line 11d, Form 1040	62,809.46
2 Enter amount from Part I, line 11, on reverse side	8933.82
3 Subtract line 2 from line 1	53,875.64
4 Enter tax on amount on line 3 (use applicable tax rate schedule on page 11 of Form 1040 instructions)	19,054.09
5 Enter 50% of line 2	4466.91
6 Alternative tax (add lines 4 and 5). If smaller than the tax figured on the amount on page 1, line 11d, Form 1040, enter this alternative tax on page 1, line 12, Form 1040 and write "Alternative" to left of entry	23,521.00

INSTRUCTIONS (References are to the Internal Revenue Code)

GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY.—Report details in appropriate part or parts.

In column (a) of Parts I, II, and III use the following symbols to indicate how the property was acquired: "A" for purchase on the open market; "B" for exercise of stock option or through employee stock purchase plan; "C" for inheritance or gift; "D" for exchange *involving carryover of prior asset basis; and "E" for other.*

"Capital assets" defined.—The term "capital assets" means property held by the taxpayer (whether or not connected with his trade or business) but does NOT include—

(a) stock in trade or other property of a kind properly includible in his inventory if on hand at the close of the taxable year;
(b) property held by the taxpayer primarily for sale to customers *in the ordinary course of his trade or business;*
(c) property used in the trade or business of a character which is subject to the allowance for depreciation provided in section 167;
(d) real property used in the trade or business of the taxpayer;
(e) certain government obligations issued on or after March 1, 1941, at a discount, payable without interest and maturing at a fixed date not exceeding 1 year from date of issue;
(f) *certain copyrights, literary, musical, or artistic compositions,* etc.; or
(g) accounts and notes receivable acquired in the ordinary course of trade or business for services rendered or from the sale of property referred to in (a) or (b) above.

Special rules apply to dealers in securities for determining capital gain or ordinary loss on the sale or exchange of securities. Certain *real property subdivided for sale may be treated as capital assets.* Sections 1236 and 1237.

If the total distributions to which an employee is entitled under an employees' pension, bonus, or profit-sharing trust plan, which is exempt from tax under section 501(a), are paid to the employee in one taxable year, on account of the employee's separation from service, the aggregate amount of such distribution, to the extent it exceeds *the amounts contributed by the employee, shall be treated as a long-*term capital gain. (See section 402(a).)

Gain on sale of depreciable property between husband and wife or between a shareholder and a "controlled corporation" shall be treated as ordinary gain.

Gains and losses from transactions described in section 1231 (see below) shall be treated as gains and losses from the sale or exchange *of capital assets held for more than 6 months if the total of these* gains exceeds the total of these losses. If the total of these gains does not exceed the total of these losses, such gains and losses shall not be treated as gains and losses from the sale or exchange of capital assets. Thus, in the event of a net gain, all these transactions should be entered in Part I of Schedule D. In the event of a net loss, all these transactions should be entered in Part III of *Schedule D, or in other applicable schedules on Form 1040.*

Section 1231 deals with gains and losses arising from—

(a) sale, exchange, or involuntary conversion, of land (including in certain cases unharvested crops sold with the land) and depreciable property if they are used in the trade or business and held for more than 6 months.
(b) sale, exchange, or involuntary conversion of livestock held for *draft, breeding, or dairy purposes (but not including poultry)* **and held for 1 year or more.**
(c) the cutting of timber or the disposal of timber, coal, or domestic iron ore, to which section 631 applies, and
(d) the involuntary conversion of capital assets held more than 6 months.

See sections 1231 and 631 for specific conditions applicable.

Gain from disposition of depreciable property under sections 1245 and 1250—assets held more than 6 months (Part II).—*Report any gain from such property held for 6 months or less in Part III.)* Except as provided below section 1245 property means depreciable (a) personal property (other than livestock) including intangible personal property; and (b) tangible real property (except for buildings and their structural components) if used as an integral part of manufacturing, production, or extraction, or of furnishing transportation, communications, electrical energy, gas, water, or sewage disposal services, or used as a research or storage facility in connection with these activities.

Except as provided below section 1250 property means depreciable real property (other than section 1245 property).

See sections 1245(b) and 1250(d) for exceptions and limitations involving; (a) disposition by gift; (b) transfers at death; (c) certain tax-free transactions; (d) like kind exchanges, involuntary *conversions;* (e) *sales or exchanges to effectuate FCC policies* and exchanges to comply with S.E.C. orders; (f) property distributed by a partnership to a partner; and (g) disposition of principal residence (section 1250 only).

(Instructions continued on reverse side of duplicate)

U.S. GOVERNMENT PRINTING OFFICE 16—79260-1

HARRY S. TRUMAN LIBRARY

Papers of Bess W. Truman

FORM **2210**
U.S. Treasury Department
Internal Revenue Service

Statement Relating to Underpayment of Estimated Income Tax by Individuals

(To be filed with Form 1040)

1966

Name: Harry S. and Bess W. Truman

Social Security Number: 488 40 6969

Address (Number, street, city, State and ZIP code): 219 North Delaware, Independence, Missouri

Declarations of Estimated Tax (Form 1040-ES) and payments of estimated tax are required to be made by individuals whose income taxes are not sufficiently paid throughout the year by means of withholding from wages and salaries. The law imposes an additional charge for failure to pay estimated tax in the amounts and by the installment dates specified by law.

This form is intended to help taxpayers to determine whether, on each installment date, their payments were equal to ¼ of 70 percent of the tax liability shown on their returns. If any payment was less than this amount, the form also provides for: (a) determining whether a taxpayer qualifies under any of the four statutory exceptions to the application of the additional charge, and (b) figuring the amount of such charge, if any.

The form is designed for the usual situation in which a taxpayer files his return on a calendar year basis, and is required to pay his estimated tax in four equal installments. Your computation will be different if you were not required to file a declaration until a date later than April 15, 1966, or if you amended your declaration. In this case you may obtain advice at your nearest Internal Revenue Service office.

If your return is not on a calendar year basis, change the installment dates below to correspond with your fiscal year.

PART I.—FOR ALL INDIVIDUALS EXCEPT FARMERS AND FISHERMEN (Farmers and Fishermen Use Part II)

HARRY S. TRUMAN LIBRARY NARA

Computation of Underpayments

By filling in lines 1 through 4 below you can determine whether by each installment date you paid less than 17½% (¼ of 70%) of the tax liability shown on your return. If you paid at least 17½% by each installment date, it will not be necessary to file this form.

1 (a) Tax (sum of lines 14a and 14b, page 1, Form 1040 for 1966)[1]	$23,521.00
1 (b) Tax credit claimed for gasoline and lubricating oil from Form 4136	
1 (c) Line 1(a) less line 1(b)	$23,521.00

	Due Dates of Installments			
	Apr. 15, 1966	June 15, 1966	Sept. 15, 1966	Jan. 15, 1967
2 Enter in each column 17½ percent of amount on line 1(c)	$4116.18	$4116.18	$4116.18	$4116.18
3 (a) Amounts paid on estimate, or withheld[2] for each period	$7855.01	$988.53	$988.53	$3122.04
3 (b) Overpayment of previous installment[3]	XXXXXXX	3778.83	611.78	
3 (c) Total of line 3		4727.36	1599.71	3122.04
4 Underpayment (or overpayment) (line 2 less line 3(c))	$(3738.83)	$(611.18)	$2514.47	$994.14

There is no additional charge imposed on an underpayment shown on line 4 for any installment date if by that date you made the minimum payment determined under any one of the four following exceptions (see table at top of page 2 for summary of computations):

Exception 1.—This exception applies if the total amount paid equals or exceeds the total amount which would have been due if the estimated tax were the tax shown on your 1965[4] return. This exception may apply if you had a substantial increase in income over the previous year. The 1965 return must cover a taxable year of 12 months and must show a tax liability.

Exception 2.—This exception applies if the total amount paid equals or exceeds the total amount which would have been due if the estimated tax were a tax based on the facts shown on your 1965 income tax return but computed at the 1966 tax rates and with the personal exemptions for 1966. Use a Form 1040 for 1966 as a guide in making this computation.

Exception 3.—This exception applies if by the installment date there was paid at least 70 percent of a tax which would have been due by the installment date, computed by placing on an annual basis the taxable income for the months ending in the taxable year before the month in which the installment was required to be paid. This exception may apply in cases in which smaller amounts of income are received in the earlier part of the year than in the later part.

To make this computation, figure your income[5] from the first of the year to the end of the month before the applicable installment date. Divide this amount by the number of months and multiply by 12. Then figure what your tax would have been if this had been your income for the year.

Exception 4.—This exception applies if the total amount paid by the installment date equals or exceeds 90 percent of a tax computed on the basis of the actual taxable income for the months ending in the taxable year before the month in which the installment was required to be paid. This exception generally applies when large amounts of income are received late in the year.

To make this computation, figure your income from the first of the year to the end of the month before the applicable installment date. Then figure what your 1966 income tax would have been if this had been your income for the year.

---

[1] For Form 1040A use the amount on line 8.

[2] The amount of tax withheld for the year may be considered withheld in four equal installments, or you may use the amounts actually withheld for the period. If your return was filed by January 31, 1967, and the balance of tax paid in full, include such balance on line 3(a) for the January 15, 1967, installment.

[3] Any overpayment of an installment on line 4 in excess of all prior underpayments should be applied as a credit against the next installment.

[4] For Form 1040 use the amount on line 14, page 1. For Form 1040A use the amount on line 8.

[5] Income for this purpose is the total income if you used the standard deduction, or the taxable income computed without the deduction for personal exemptions if you itemized your deductions.

HARRY S. TRUMAN LIBRARY

Papers of Bess W. Truman

	Apr. 15, 1966	June 15, 1966	Sept. 15, 1966	Jan. 15, 1967
5 Total amount paid or withheld from Jan. 1 through the date indicated	$ 7855.01	$ 8843.54	$ 9832.07	$ 12954.11
6 Exception 1. 1965 tax[1] $ 12508.88	25% of 1965 tax $ 3127.22	50% of 1965 tax $ 6254.44	75% of 1965 tax $ 9381.66	100% of 1965 tax $ 12,508.88
7 Exception 2. (Attach computation.) Tax based on 1965 income, 1966 rates and exemptions $	25% of this tax $	50% of this tax $	75% of this tax $	100% of this tax $
8 Exception 3. (Attach separate sheet showing computations.)	17½% of tax on annualized income $	35% of tax on annualized income $	52½% of tax on annualized income $	X X X X X X X X
9 Exception 4. (Attach separate sheet showing computations.)	90% of tax (Jan. 1 through Mar. 31) $	90% of tax (Jan. 1 through May 31) $	90% of tax (Jan. 1 through Aug. 31) $	X X X X X X X X

On line 5 fill in the cumulative totals of the amounts shown on line 3(a), page 1, which were paid, credited, or withheld from January 1, 1966, up to and including the appropriate installment date.

For each date on which an underpayment is indicated on line 4, page 1, fill in the information called for on any one of the lines 6 through 9 which you believe will relieve you from the additional charge. For each installment on which an underpayment is indicated, only one exception need be shown. A different exception may be applied to each of the underpayments.

For each period compare the amount on line 5 with any amount shown on line 6, 7, 8, or 9 for the same period. If the amount on line 5 is equal to or more than the amount shown on any one of these lines, there is no additional charge for the underpayment indicated on line 4, page 1, for that date.

Computation of Additional Charge

If you show an underpayment of estimated tax on line 4, page 1, for any of the installments and one or more of the exceptions is not applicable, you should compute the additional charge by completing the portion(s) of this schedule applicable to the underpaid installment(s).

HARRY S. TRUMAN LIBRARY NARA

	Due Dates of Installments			
	Apr. 15, 1966	June 15, 1966	Sept. 15, 1966	Jan. 15, 1967
10 Amount of underpayment (from line 4, page 1)	$	$	$	$
11 Date of payment or April 15, 1967, whichever is earlier[2]				
12 Number of days from due date of installment to the date shown on line 11 above				
13 Additional charge (6 percent per year on the amount on line 10 for the number of days shown on line 12)	$	$	$	$

14 Total of amounts on line 13. On page 1, of your income tax return, show this amount in the **bottom margin** as "Additional Charge" and increase the amount of the "Balance Due" or decrease the amount of the "Overpayment" accordingly . . . $

PART II.—FOR FARMERS AND FISHERMEN

It is not necessary to file this form if your return is filed and tax due paid by February 15, 1967

Computation of Underpayment

1 (a) Tax (sum of lines 14a and 14b, page 1, Form 1040 for 1966) . . . $

1 (b) Tax credit claimed for gasoline and lubricating oil from Form 4136 . . .

1 (c) Line 1(a) less line 1(b) . . . $

2 66⅔ percent of the amount on line 1(c) (the minimum amount due on Jan. 15, 1967) . . .

3 Amounts withheld during 1966 and amounts paid or credited, by Jan. 15, 1967 . . . $

4 Underpayment of estimated tax (line 2 less line 3). (If none, do not file this form) . . . $

5 Exception 1.—Income tax liabilty for 1965[1] . . . $

(The 1965 return must cover a taxable year of 12 months and must show a tax liability.)

If the amount on line 3, above, equals or exceeds this amount, the additional charge is not applicable.

6 Exception 2.—This exception applies if the total amount paid equals or exceeds the total amount which would have been due if the estimated tax were a tax based on the facts shown on your 1965 income tax return computed at the 1966 tax rates and with the personal exemptions for 1966. Use a Form 1040 for 1966 as a guide in making this computation, and enter such tax here . . . $

If the amount on line 3, above, equals or exceeds this amount, the additional charge is not applicable.

Computation of Additional Charge

7 Number of days from Jan. 15, 1967, to date of payment or Apr. 15, 1967, whichever is earlier . . .

8 Additional charge (6 percent per year on the amount shown on line 4, above, for the number of days shown on line 7, above). On page 1, Form 1040, show this amount in the bottom margin as "Additional Charge" and increase line 22 or decrease line 23 accordingly . . . $

[1] For Form 1040 use the amount on line 14, page 1. For Form 1040A use the amount on line 8.

[2] If you made more than one payment for a given installment, attach statement showing separate computation for each payment. If you filed your return and paid the balance of tax due by January 31, 1967, such balance shall be considered paid as of January 15, 1967.

U.S. GOVERNMENT PRINTING OFFICE : 1966—O-220-083