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1963

STATISTICS OF INCOME . . . 1963

Individual
INCOME TAX
RETURNS

U. S. TREASURY DEPARTMENT • INTERNAL REVENUE SERVICE

Statistics of Income

1963

Individual
INCOME TAX
RETURNS



*Prepared under the direction of the
Commissioner of Internal Revenue
by the Statistics Division*

U. S. TREASURY DEPARTMENT

Internal Revenue Service • Publication No. 79 (1-66)

INTERNAL REVENUE SERVICE

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This report on individual income tax returns was prepared under the direction of Jack Blacksln, Supervisory Statistician in the Income, Finance, and Wealth Branch, assisted by Keith Gilmour and other members of the staff.

Other branches of the Statistics Division assisted in development of the sample design and the computer systems design, the preparation of processing procedures, and the post-tabulation review of the data. Statistical and computer processing of the data were conducted by the service centers at Ogden, Utah; Kansas City, Missouri; Lawrence, Massachusetts; Chamblee, Georgia; and Philadelphia, Pennsylvania.

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LETTER OF TRANSMITTAL

Treasury Department,
Office of Commissioner of Internal Revenue,
Washington, D. C., December 17, 1965.

Dear Mr. Secretary:

I am transmitting *Statistics of Income—1963, Individual Income Tax Returns*. This report was prepared in partial fulfillment of the requirements of section 6108 of the Internal Revenue Code of 1954, which prescribes that statistics be published annually with respect to the operation of the income tax laws. The data presented in this report were based on the 63,9 million individual income tax returns filed on Forms 1040 and 1040A during calendar year 1964.

Included in this report is information reflecting changes in the tax law as well as statistics covering sources of income, exemptions, standard and itemized deductions, taxable income, income tax, tax credits, and tax payments. Major classifications include size of adjusted gross income, marital status of taxpayer, type of deduction, and tax rates. Selected sources of income and some tax items are shown classified by States and by the 100 largest standard metropolitan statistical areas.

New data are shown for the gain from disposition of certain specified depreciable property, the tax from recomputing prior year investment credit, the self-employment pension deduction, and farm net profit and net loss as a component of adjusted gross income.



Commissioner of Internal Revenue.

Hon. Henry H. Fowler,
Secretary of the Treasury.

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*Individual
Income Tax
Returns*

GUIDE TO BASIC AND HISTORICAL TABLES . . .

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INDIVIDUAL INCOME TAX RETURNS FOR 1963

Income and tax statistics for 1963 presented in this report were derived from a sample of the 63,943,000 individual income tax returns filed during 1964.

The Internal Revenue Code of 1954, with amendments, provides the legal basis for the tax activity detailed in this report. Comparability with earlier years is affected by amendments to the Code made in 1962 and 1963. The following is a summary of the major changes.

CHANGES IN LAW

Tax from recomputing prior year investment credit

Public Law 87-834, effective for taxable years ending after 1961, in general provided a credit against tax of 7 percent of a taxpayer's qualified investment in new and, in certain cases, used tangible personal property which is subject to depreciation. The provision also included a so-called "recapture rule" which was referred to on Form 1040 for 1963 as "Tax from Recomputing Prior Year Investment Credit".

This recapture rule provides that if property qualifying for the investment credit is disposed of in less than 4 years from the year in which the credit was taken, the tax for the current year is increased by such prior year's credit. If the asset is disposed of in 4 years or more from the date of acquisition the reduction in the credit taken in prior years depends on the relation of the estimated useful life of the asset to the actual years held.

Gain from disposition of depreciable property

Section 1245 of the Internal Revenue Code put into effect by the Revenue Act of 1962 provides that gain from sale or other disposition of certain depreciable property, which under prior law was treated as a capital gain, is taxable as ordinary income to the extent of depreciation deducted after 1961. This new provision applies to dispositions of such property after 1962. The property covered by this provision is depreciable property (other than livestock) which is either personal property or other tangible property (not including a building or its structural components) used as an integral part of (a) manufacturing, (b) production, (c) extraction, or (d) the furnishing of transportation, communications, electrical energy, gas, water, or sewage disposal services. Such other tangible property also includes research facilities used in connection with the activities in (a)-(d) above.

Self-employment pension deduction

The Self-Employed Individuals Tax Retirement Act of 1962 (P.L. 87-792) effective for taxable years beginning after December 31, 1962 treats self-employed individuals as employees of the business which they

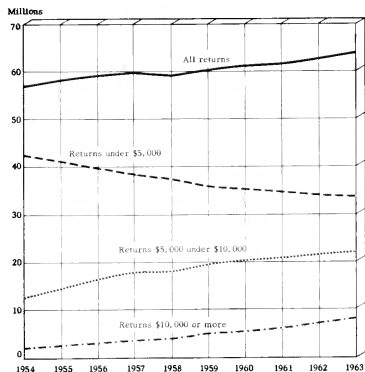
conduct so that they may be covered under qualified employee retirement plans in much the same manner as their employees. Generally, any individual who has net earnings from self-employment is eligible for qualified retirement plan coverage. These individuals are divided into two classifications.

One classification covers self-employed individuals who are referred to as owner-employees and who are sole proprietors or who own more than 10 percent interest in a partnership. They are covered only if they so desire, but in order for them to participate, the retirement plan must provide that each of their full-time employees with more than 3 years of service also be covered under the plan. Retirement plans covering owner-employees may be integrated or coordinated with Social Security under special rules.

The other classification covers self-employed individuals who own 10 percent or less of the capital or profits of a partnership and who are not sole proprietors. These owners automatically are eligible to participate. They may also contribute greater amounts for themselves provided such larger contributions are in accordance with a nondiscriminatory plan.

Individuals in the above two classifications may contribute to a qualified plan 10 percent of their earned income up to a maximum of \$2,500, but the deduction from gross income is limited in both instances to 50 percent of this amount or \$1,250, whichever is the lesser.

Chart L--NUMBER OF RETURNS BY SIZE OF ADJUSTED GROSS INCOME, 1954-1963



RETURNS, INCOME, AND TAXES SHOWED GAINS IN 1963

Chart 1 shows the ten-year trend of returns in three broad income size classes. While in 1963 all returns rose 2 percent (1.2 million), the largest proportionate increase in number of returns again occurred in the "\$10,000 or more" income class. The number of returns in this class rose from 7.1 million to 8.1 million, reflecting a 14.7 percent increase. Returns in the "\$5,000 under \$10,000" class rose almost 3 percent and the number of returns with income under \$5,000 dropped 1 percent from 1962.

Table A.—NUMBER OF RETURNS, INCOME, AND TAXES 1962 and 1963

Item	1962	1963	Percentage change 1963 over 1962
Number of Returns, total	141,122,000	142,300,000	1.0
Taxable	109,782,000	110,700,000	1.0
Non-taxable	31,340,000	31,600,000	0.8
(In millions of dollars)			
Income	\$367,778,072,000	\$369,778,072,000	0.6
Income from:			
Salaries and wages	243,778,072,000	244,778,072,000	0.4
Business and professional	11,778,072,000	11,678,072,000	-0.8
Partnership profit	1,778,072,000	1,678,072,000	-5.6
Dividends	11,778,072,000	11,678,072,000	-0.8
Interest	11,778,072,000	11,678,072,000	-0.8
Capital gains	11,778,072,000	11,678,072,000	-0.8
Other income	11,778,072,000	11,678,072,000	-0.8
Taxes	\$11,778,072,000	\$11,678,072,000	-0.8
Income tax	11,778,072,000	11,678,072,000	-0.8
Excise tax	11,778,072,000	11,678,072,000	-0.8
Gift tax	11,778,072,000	11,678,072,000	-0.8
Estate tax	11,778,072,000	11,678,072,000	-0.8

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

Table A indicates the amount of change in the major sources of income, taxable income, and taxes for 1963. Most major sources of income rose, thus boosting adjusted gross income \$20 billion over 1962 to a total of \$369 billion. Salaries and wages paralleled the 6 percent rise in adjusted gross income by attaining a new high of \$300 billion, an increase of \$16 billion over the previous year. Business and farm profit and partnership profit all declined slightly. Capital gains increased \$678 million but failed to reach the high set in 1961. Presented for the first time as a component of adjusted gross income are separate figures for farm net profit and net loss. In the past, farm income information had been combined with other business income and was published under the heading, "business or profession."

Taxable income (that part of adjusted gross income remaining after allowable exemptions and deductions) increased by \$14 billion (7 percent) to \$209 billion for 1963. Income tax after credits rose slightly more than 7 percent to a level of \$48 billion. This represents an increase of more than \$3 billion.

A rate increase on self-employment income from 4.7 percent to 5.4 percent accounted in large part for the \$115 million increase in amount of self-employment tax for 1963. This rate will remain effective through 1965, will rise to 6.2 percent for 1966 and 1967, and will again rise to 6.9 percent for 1968 and after.

Chart 2 shows the proportion of adjusted gross income for 1963 attributable to each major source of income.

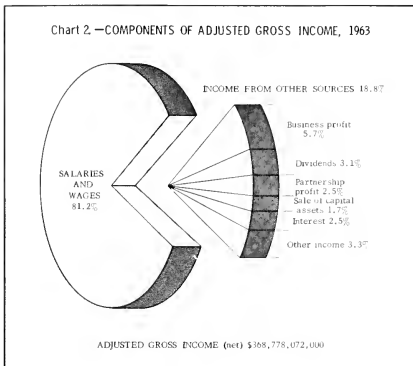


Table B.—NUMBER OF RETURNS, NUMBER OF TAXPAYERS, AND NUMBER OF PERSONS REPRESENTED ON TAX RETURNS, BY STATES

(Table and schedule not shown.)

State	Number of returns	Number of taxpayers	Persons represented on returns
	(1)	(2)	(3)
All States	63,943,001	100,177,691	176,156,149
Alabama	899,175	1,324,329	2,214,334
Alaska	89,813	115,264	207,234
Arizona	666,743	793,472	1,176,313
Arkansas	552,078	836,277	1,432,130
California	6,415,254	10,179,573	17,641,930
Colorado	665,273	1,176,241	1,866,119
Connecticut	1,339,377	1,912,287	2,744,281
Delaware	168,948	269,287	422,731
District of Columbia	330,241	459,649	746,609
Florida	1,777,193	2,756,189	4,727,527
Georgia	1,151,618	1,914,196	3,294,564
Idaho	246,343	377,474	621,667
Illinois	2,181,511	3,069,361	5,179,338
Indiana	3,369,629	6,001,881	10,184,713
Iowa	1,683,646	2,654,113	4,284,025
Kansas	398,006	1,375,726	2,665,873
Kentucky	752,038	1,255,679	2,124,609
Louisiana	893,408	1,497,028	2,468,107
Maine	882,794	1,469,303	2,636,240
Maryland	341,304	537,172	897,732
Massachusetts	1,241,433	2,127,813	3,715,322
Michigan	2,460,944	4,113,228	7,131,233
Minnesota	2,669,103	4,418,135	7,533,182
Mississippi	1,209,635	1,766,784	3,265,763
Missouri	4,625,472	7,512,556	12,773,658
Montana	1,505,035	4,434,031	3,998,707
Nebraska	233,740	377,114	669,651
Nevada	524,455	789,669	1,234,623
New Hampshire	151,719	239,877	392,907
New Jersey	245,311	371,274	626,276
New Mexico	441,371	709,116	6,452,018
New York	4,464,114	6,464,044	11,464,044
North Carolina	1,644,111	2,644,111	17,309,869
North Dakota	1,643,375	2,643,375	4,015,135
Ohio	2,143,736	3,643,736	6,143,736
Oklahoma	3,641,461	5,641,461	7,363,363
Oregon	713,394	1,213,394	2,113,394
Pennsylvania	4,643,461	7,643,461	10,859,303
Rhode Island	326,254	5,643,151	830,151
South Carolina	651,675	1,046,675	1,934,303
South Dakota	231,264	369,264	607,264
Tennessee	1,143,668	1,823,111	3,399,354
Texas	2,143,736	3,643,736	6,143,736
Utah	312,474	469,474	803,983
Vermont	150,269	215,269	395,662
Virginia	1,375,211	2,112,211	3,553,478
Washington	1,375,211	2,112,211	3,553,478
West Virginia	1,375,211	2,112,211	3,553,478
Wisconsin	1,621,311	2,621,311	4,621,311
Wyoming	115,269	186,269	315,269

The above table is based on the 1963 Federal Income Tax Returns of individuals, estates, and trusts. It does not include the 1963 Federal Income Tax Returns of corporations, partnerships, and trusts. It also does not include the 1963 Federal Income Tax Returns of individuals, estates, and trusts who are not taxpayers.

OVER 176 MILLION PERSONS REPRESENTED ON TAX RETURNS

A little over 176 million taxpayers and dependents were accounted for on individual income tax returns for 1963. Table B presents a distribution by States of number of returns, number of taxpayers, and number of individuals covered by tax returns.

The total number of returns varies slightly from the total shown in Table A because of the application of a different set of weights for State tables. This is explained more fully under the "Description of the Sample and Limitations of the Data."

A heavy concentration of returns and individuals was evidenced in four States, California, Illinois, New York and Pennsylvania, which together accounted for 33 percent of total returns and 32 percent of the individuals covered by them.

EXCLUDABLE SICK PAY REPORTED ON 138 THOUSAND MORE RETURNS THAN FOR 1962

According to table C, excludable sick pay was reported on 1.9 million individual income tax returns, Forms 1040, for 1963. This was almost 138 thousand more returns than for 1962. The 12 percent increase in the total amount of the deduction to \$877 million is also reflected in the average deduction per return which climbed nearly 4 percent from \$452 for 1962 to \$469 for 1963.

Excludable sick pay was deducted from gross salaries and wages by taxpayers who received compensation for periods of absence from work because of sickness or injury. When covered by an employer-provided wage continuation plan, the employee was allowed a deduction, not to exceed \$100 per week, for sick pay received in lieu of wages. Sick pay could be deducted only on Form 1040.

Table C.—EXCLUDABLE SICK PAY BY ADJUSTED GROSS INCOME CLASSES

	Percentage of total		
	Number of returns	Amount (Thousands of dollars)	Individuals (Thousands of dollars)
	(1)	(2)	(3)
Total	1,977,761	14,876,578	87,442,319
By State			
CA	417,713	3,182,863	19,247,517
IL	218,889	1,647,934	10,267,317
NY	218,889	1,647,934	10,267,317
PA	218,889	1,647,934	10,267,317
Other States	1,122,270	8,397,837	57,659,868
By adjusted gross income class			
Under \$1,000	1,000,000	1,000,000	1,000,000
\$1,000 under \$2,000	500,000	500,000	500,000
\$2,000 under \$3,000	250,000	250,000	250,000
\$3,000 under \$4,000	125,000	125,000	125,000
\$4,000 under \$5,000	62,500	62,500	62,500
\$5,000 under \$6,000	31,250	31,250	31,250
\$6,000 under \$7,000	15,625	15,625	15,625
\$7,000 under \$8,000	7,812	7,812	7,812
\$8,000 under \$9,000	3,906	3,906	3,906
\$9,000 under \$10,000	1,953	1,953	1,953
\$10,000 under \$15,000	976,500	9,765,000	60,000,000
\$15,000 under \$20,000	488,250	4,882,500	30,000,000
\$20,000 under \$25,000	244,125	2,441,250	15,000,000
\$25,000 under \$30,000	122,062	1,220,625	7,500,000
\$30,000 under \$35,000	61,031	610,312	3,750,000
\$35,000 under \$40,000	30,516	305,156	1,875,000
\$40,000 under \$45,000	15,258	152,578	937,500
\$45,000 under \$50,000	7,629	76,289	468,750
\$50,000 under \$75,000	3,814	381,447	2,343,750
\$75,000 under \$100,000	1,907	190,723	1,171,875
\$100,000 and over	953,500	9,535,000	60,000,000
Total	1,977,761	14,876,578	87,442,319
By amount of deduction			
Under \$100	1,000,000	1,000,000	1,000,000
\$100 under \$200	500,000	500,000	500,000
\$200 under \$300	250,000	250,000	250,000
\$300 under \$400	125,000	125,000	125,000
\$400 under \$500	62,500	62,500	62,500
\$500 under \$600	31,250	31,250	31,250
\$600 under \$700	15,625	15,625	15,625
\$700 under \$800	7,812	7,812	7,812
\$800 under \$900	3,906	3,906	3,906
\$900 under \$1,000	1,953	1,953	1,953
\$1,000 under \$2,000	976,500	9,765,000	60,000,000
\$2,000 under \$3,000	488,250	4,882,500	30,000,000
\$3,000 under \$4,000	244,125	2,441,250	15,000,000
\$4,000 under \$5,000	122,062	1,220,625	7,500,000
\$5,000 under \$6,000	61,031	610,312	3,750,000
\$6,000 under \$7,000	30,516	305,156	1,875,000
\$7,000 under \$8,000	15,258	152,578	937,500
\$8,000 under \$9,000	7,629	76,289	468,750
\$9,000 under \$10,000	3,814	381,447	2,343,750
\$10,000 under \$15,000	1,907	190,723	1,171,875
\$15,000 and over	953,500	9,535,000	60,000,000
Total	1,977,761	14,876,578	87,442,319

See text for description of sample and limitations of the data and for explanation of classification of returns. *Adjusted gross income less deduction. **States listed separately because of high sample variability. However, the data are included in the aggregate totals. N/A: Not available. () : Less than \$100. () : Less than \$100. () : Less than \$100.

Table D.—SELF-EMPLOYMENT PENSION DEDUCTION AND SELF-EMPLOYMENT TAX NUMBER OF RETURNS, AMOUNT OF DEDUCTION, AMOUNT OF TAX, AND RETURNS WITH BOTH DEDUCTION AND TAX, BY ADJUSTED GROSS INCOME CLASSES

	Number of returns		Amount of deduction		Amount of tax		Returns with both deduction and tax		Amount of deduction and tax	
	Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Total	1,977,761	14,876,578	1,171,875	11,718,750	1,171,875	11,718,750	1,171,875	11,718,750	1,171,875	11,718,750
By State										
CA	417,713	3,182,863	250,000	2,500,000	250,000	2,500,000	250,000	2,500,000	250,000	2,500,000
IL	218,889	1,647,934	125,000	1,250,000	125,000	1,250,000	125,000	1,250,000	125,000	1,250,000
NY	218,889	1,647,934	125,000	1,250,000	125,000	1,250,000	125,000	1,250,000	125,000	1,250,000
PA	218,889	1,647,934	125,000	1,250,000	125,000	1,250,000	125,000	1,250,000	125,000	1,250,000
Other States	1,122,270	8,397,837	671,875	6,718,750	671,875	6,718,750	671,875	6,718,750	671,875	6,718,750
By adjusted gross income class										
Under \$1,000	1,000,000	1,000,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
\$1,000 under \$2,000	500,000	500,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
\$2,000 under \$3,000	250,000	250,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
\$3,000 under \$4,000	125,000	125,000	62,500	62,500	62,500	62,500	62,500	62,500	62,500	62,500
\$4,000 under \$5,000	62,500	62,500	31,250	31,250	31,250	31,250	31,250	31,250	31,250	31,250
\$5,000 under \$6,000	31,250	31,250	15,625	15,625	15,625	15,625	15,625	15,625	15,625	15,625
\$6,000 under \$7,000	15,625	15,625	7,812	7,812	7,812	7,812	7,812	7,812	7,812	7,812
\$7,000 under \$8,000	7,812	7,812	3,906	3,906	3,906	3,906	3,906	3,906	3,906	3,906
\$8,000 under \$9,000	3,906	3,906	1,953	1,953	1,953	1,953	1,953	1,953	1,953	1,953
\$9,000 under \$10,000	1,953	1,953	976,500	9,765,000	976,500	9,765,000	976,500	9,765,000	976,500	9,765,000
\$10,000 under \$15,000	976,500	9,765,000	488,250	4,882,500	488,250	4,882,500	488,250	4,882,500	488,250	4,882,500
\$15,000 under \$20,000	488,250	4,882,500	244,125	2,441,250	244,125	2,441,250	244,125	2,441,250	244,125	2,441,250
\$20,000 under \$25,000	244,125	2,441,250	122,062	1,220,625	122,062	1,220,625	122,062	1,220,625	122,062	1,220,625
\$25,000 under \$30,000	122,062	1,220,625	61,031	610,312	61,031	610,312	61,031	610,312	61,031	610,312
\$30,000 under \$35,000	61,031	610,312	30,516	305,156	30,516	305,156	30,516	305,156	30,516	305,156
\$35,000 under \$40,000	30,516	305,156	15,258	152,578	15,258	152,578	15,258	152,578	15,258	152,578
\$40,000 under \$45,000	15,258	152,578	7,629	76,289	7,629	76,289	7,629	76,289	7,629	76,289
\$45,000 under \$50,000	7,629	76,289	3,814	381,447	3,814	3,814,447	3,814	3,814,447	3,814	3,814,447
\$50,000 under \$75,000	3,814	381,447	1,907	190,723	1,907	1,907,23	1,907	1,907,23	1,907	1,907,23
\$75,000 under \$100,000	1,907	190,723	953,500	9,535,000	953,500	9,535,000	953,500	9,535,000	953,500	9,535,000
\$100,000 and over	953,500	9,535,000	488,250	4,882,500	488,250	4,882,500	488,250	4,882,500	488,250	4,882,500
Total	1,977,761	14,876,578	1,171,875	11,718,750	1,171,875	11,718,750	1,171,875	11,718,750	1,171,875	11,718,750

See text for description of sample and limitations of the data and for explanation of classification of returns. *Adjusted gross income less deduction. **States listed separately because of high sample variability. However, the data are included in the aggregate totals. N/A: Not available. () : Less than \$100. () : Less than \$100. () : Less than \$100.

DATA SHOWN FOR NEW SELF-EMPLOYMENT
PENSION DEDUCTION

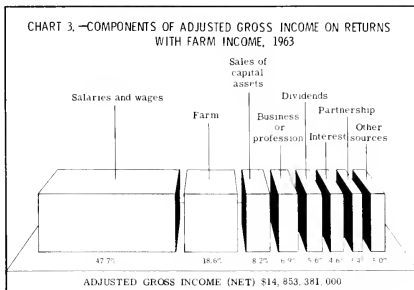
There were 29 thousand returns of taxpayers who took advantage of the provisions of Public Law 87-792 allowing self-employed individuals to deduct a limited amount from gross income for contributions to a qualified retirement plan. This deduction is explained more fully under "Changes in Law" and in the explanation of classifications and terms.

Table D shows that approximately half of the returns with the self-employment pension deduction had no self-employment tax. Certain persons, such as doctors and ministers, were allowed to participate in pension plans although they were not subject to the self-employment tax. More than 6 million returns that showed self-employment tax had no self-employment pension deduction. There were almost 14 thousand returns that showed both the self-employment pension deduction and self-employment tax.

INFORMATION ABOUT FARM INCOME RETURNS
PRESENTED FOR FIRST TIME

An aggregate \$2.8 billion profit from farm business activity was reported on more than 3 million returns for 1963 according to table E. Approximately twice as many returns showed a net profit as showed a net loss. While only 57 percent of returns with farm net profit or loss had a tax liability, they accounted for 88 percent of the adjusted gross income on all such returns.

Chart 3 summarizes some of the information available in basic table 8 on page 47. The chart shows that the composition of adjusted gross income on returns with farm income differs significantly from that on all returns (see also Chart 2). While salaries and wages comprised 81.2 percent of income on all returns, that source accounted for only 47.7 percent on farm income returns. Business (including farm) profit on all returns was only 5.7 percent of adjusted gross income but farm income alone on returns with that source was 18.6 percent. Nonfarm sole proprietorship activity added 6.9 percent for total business income of more than 25 percent of adjusted gross income.



DIVIDENDS INCREASED 7.6 PERCENT

Table F shows that some \$12.0 billion total foreign and domestic dividends were reported by individuals for 1963. Of this amount, \$11.5 billion (an increase of 7.6 percent over 1962) was included in adjusted gross income.

Dividend exclusions from gross income amounted to \$517 million and the tax credit for dividends received totaled \$369 million.

Supporting data not presented in this report show that for 1963 there were 1.5 million returns with dividends of \$703 million eligible for tax credit that did not show any credit for dividends received. Some 782 thousand of these returns were taxable with reported eligible dividends of \$147 million for which no credit was applied to income tax before credits.

DIVIDEND RECIPIENTS INDICATED AVERAGE
OWNERSHIP IN TWO CORPORATIONS

Table G presents number of returns with dividends and amount of dividends classified by size of this source and cross-classified by number of corporations paying the dividends. According to this table, the dividend receiving

Table E.—RETURNS WITH FARM NET PROFIT OR LOSS BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income classes	Number of returns with farm net profit or net loss	Adjusted gross income (Dollars)	Farm				Taxable income (Dollars)	Income tax after credits (Dollars)	Total tax (Dollars)
			Net profit		Net loss				
			Number of returns	Amount (Dollars)	Number of returns	Amount (Dollars)			
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
Unpaid taxes	1,144,739	\$1,853,371	2,107,956	4,659,947	1,036,318	1,342,147	\$1,494,164	1,444,337	1,569,295
Under \$100	1,311,951	1,310,297	1,191,137	3,493,272	643,433	95,949	3,725,426	1,444,337	1,569,295
\$100 under \$200	182,994	229,433	152,891	131,867	59,988	41,226	59,988	11,126	11,126
\$200 under \$500	799,229	2,535,959	476,494	933,876	233,229	79,416	1,043,291	179,426	179,426
\$500 under \$1,000	693,303	4,794,497	416,299	1,305,073	379,708	291,667	2,603,430	444,266	444,266
\$1,000 under \$2,500	314,253	3,076,943	136,665	949,986	82,048	183,129	2,223,233	249,947	249,947
\$2,500 under \$5,000	33,429	1,969,260	15,656	13,058	16,776	10,323	860,313	291,430	291,430
\$5,000 under \$10,000	7,413	602,663	3,335	52,739	2,776	44,274	409,867	394,996	395,103
\$10,000 and over	2,014	66,369	719	19,667	2,776	55,149	427,077	227,199	247,302
\$25,000 and over	29	37,894	14	424	69	4,134	127,607	127,607	127,607
Nonfarm returns	1,375,732	11,991,114	937,815	1,311,124	4,073,741	967,411	1,098,667	-	661
3-d used gross income	126,686	545,119	8,109	11,311	166,256	59,191	-	-	235
Under \$100	230,773	91,491	167,479	56,511	63,303	29,243	-	-	4
\$100 under \$200	564,534	695,109	447,914	243,212	115,505	62,122	-	-	42
\$200 under \$500	971,494	1,129,394	288,641	97,344	85,961	129,221	-	-	175
\$500 and over	31,550	299,114	7,970	128,119	7,700	46,771	-	-	201

1. List for description of the Sample and Limitations of the Data and Explanation of Classifications and Terms.

2. All 3-d gross income, less \$100.

3. Excludes

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

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table F.—DIVIDENDS ELIGIBLE AND INELIGIBLE FOR EXCLUSION, DIVIDENDS ELIGIBLE FOR TAX CREDIT, AND TAX CREDIT FOR DIVIDENDS RECEIVED, BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income class	Dividends eligible for exclusion		Dividends eligible for tax credit		Tax credit for dividends received		Dividends not eligible for exclusion, tax credit, or tax credit	Number of returns	Amount of dividends (Thousand dollars)
	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)			
Total	1,000,000	11,111,111	1,000,000	11,111,111	1,000,000	11,111,111	1,000,000	11,111,111	
Under \$500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$500 under \$1,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$1,000 under \$1,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$1,500 under \$2,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$2,000 under \$2,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$2,500 under \$3,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$3,000 under \$3,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$3,500 under \$4,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$4,000 under \$4,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$4,500 under \$5,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$5,000 under \$5,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$5,500 under \$6,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$6,000 under \$6,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$6,500 under \$7,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$7,000 under \$7,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$7,500 under \$8,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$8,000 under \$8,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$8,500 under \$9,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$9,000 under \$9,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$9,500 under \$10,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$10,000 under \$10,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$10,500 under \$11,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$11,000 under \$11,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$11,500 under \$12,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$12,000 under \$12,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$12,500 under \$13,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$13,000 under \$13,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$13,500 under \$14,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$14,000 under \$14,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$14,500 under \$15,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$15,000 under \$15,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$15,500 under \$16,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$16,000 under \$16,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$16,500 under \$17,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$17,000 under \$17,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$17,500 under \$18,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$18,000 under \$18,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$18,500 under \$19,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$19,000 under \$19,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$19,500 under \$20,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	
\$20,000 and over	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	

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

Table G.—RETURNS WITH DIVIDENDS BY NUMBER OF PAYER CORPORATIONS AND SIZE OF DIVIDENDS (Domestic and foreign returns)

Size of dividends (total domestic and foreign)	Returns with 1 or 2 payer corporations		Returns with 3 or more payer corporations		Returns classified		Returns with 10 or more payer corporations	
	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total	1,000,000	11,111,111	1,000,000	11,111,111	1,000,000	11,111,111	1,000,000	11,111,111
Under \$500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$500 under \$1,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$1,000 under \$1,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$1,500 under \$2,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$2,000 under \$2,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$2,500 under \$3,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$3,000 under \$3,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$3,500 under \$4,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$4,000 under \$4,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$4,500 under \$5,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$5,000 under \$5,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$5,500 under \$6,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$6,000 under \$6,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$6,500 under \$7,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$7,000 under \$7,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$7,500 under \$8,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$8,000 under \$8,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$8,500 under \$9,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$9,000 under \$9,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$9,500 under \$10,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$10,000 under \$10,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$10,500 under \$11,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$11,000 under \$11,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$11,500 under \$12,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$12,000 under \$12,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$12,500 under \$13,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$13,000 under \$13,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$13,500 under \$14,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$14,000 under \$14,500	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$14,500 under \$15,000	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111
\$15,000 and over	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111	100,000	1,111,111

See text for "Description of the Sample and Limitations of the Data" and "Explanation of Classifications and Terms."
NOTE: Detail may not add to total because of rounding.

population who listed their holdings indicated an average (median) ownership in almost two corporations per tax return.

The table also shows that 49 percent of the 198,068 returns with dividends of \$10,000 or more indicated 20 or more payer corporations as dividend sources. The dividends on these returns amounted to \$3 billion or 51 percent of total dividends on returns with dividends over \$10,000.

While only 4 percent of all returns with dividends showed 20 or more payer corporations, these returns accounted for more than a third of total domestic and foreign dividends reported. Only a relatively small number of returns did not specify any dividends payer and most of these had dividends under \$100 per return.

Similar information distributed by size of adjusted gross income can be found in basic table 13 on page 55.

MORE THAN \$85 MILLION ORDINARY GAIN FROM SALES OF DEPRECIABLE PROPERTY SHOWN ON 152,000 RETURNS

Some 151,521 returns showed more than \$85 million ordinary gain from sales of depreciable property according to table H. Most of this amount was concentrated on returns with adjusted gross income between \$2,000 and \$25,000.

Table H.—RETURNS WITH ORDINARY GAIN FROM SALES OF DEPRECIABLE PROPERTY: NUMBER OF RETURNS AND AMOUNT OF ORDINARY GAIN BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income class (Thousand dollars)	Number of returns		Ordinary gain from sales of depreciable property (Thousand dollars)	
	(1)	(2)	(3)	(4)
Total	151,521	14,564,660	85,200	85,200
Under \$2,000	9,640	756,901	14,233	14,233
\$2,000 under \$5,000	15,114	17,977	5,711	5,711
\$5,000 under \$10,000	27,410	132,239	11,709	11,709
\$10,000 under \$15,000	43,229	301,461	17,138	17,138
\$15,000 under \$20,000	24,157	523,599	22,962	22,962
\$20,000 under \$25,000	6,820	242,871	6,777	6,777
\$25,000 under \$50,000	7,820	667,377	5,144	5,144
\$50,000 and over	613	277,660	1,470	1,470

* See part of "Description of the Sample and Limitations of the Data" and "Explanation of Classification, and Terms," Adjusted gross income less deficits.

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

This is the first time this item has been shown in *Statistics of Income*. It represents gain from sales of certain depreciable property which was treated as a capital gain prior to enactment of the Revenue Act of 1962. Gain from dispositions of such property after 1962 were treated as ordinary income to the extent of depreciation deducted after 1961. See "Changes in Law" for a description of the types of property involved.

Table I.—RETURNS WITH NO ADJUSTED GROSS INCOME: SOURCES OF INCOME AND LOSS, EXEMPTIONS, AND TAX ITEMS, BY SIZE OF DEFICIT

Item	Size of deficit											
	Total		Under \$50		\$50 under \$1,000		\$1,000 under \$5,000		\$5,000 under \$10,000		\$10,000 or more	
	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Returns with no adjusted gross income	431,992	31,202,746	132,281	1,297,714	76,099	154,564	141,797	1,329,038	32,891	1,229,004	4,724	885,123
Salaries and wages (net)	111,246	286,344	35,073	53,460	17,389	25,127	37,276	80,470	10,807	39,104	10,010	88,184
Business or profession	22,921	69,742	7,943	16,312	3,532	4,099	6,713	14,404	1,939	6,033	2,792	28,985
Ret. prof.	163,221	753,932	6,585	37,237	27,050	47,524	24,852	145,312	17,111	145,098	12,990	318,777
Ret. prof.	8,109	11,332	2,873	2,477	1,110	1,250	2,548	3,852	1,233	2,518	439	914
Ret. loss	16,580	880,893	61,676	4,571	30,843	40,734	56,419	200,236	9,273	79,089	8,170	211,104
Partnership	10,937	40,198	2,217	3,713	1,621	2,413	3,306	6,349	1,703	3,322	2,050	7,281
Ret. prof.	42,977	376,023	7,136	12,338	7,144	13,026	16,106	60,977	4,704	46,888	5,978	220,776
Sales of capital assets	87,034	169,797	25,443	18,113	13,334	11,018	30,043	43,124	8,111	22,110	10,949	76,881
Ret. gain	31,758	25,816	10,839	7,503	6,552	5,267	4,788	7,281	2,112	3,471	1,672	2,309
Ordinary gain from sales of depreciable property	6,544	46,488	1,618	1,500	485	2,926	1,738	1,334	1,400	1,400	1,400	1,303
Sales of property other than capital assets	3,670	3,145	(2)	(2)	(2)	(2)	1,889	1,343	(2)	(2)	(2)	537
Ret. gain	257,277	129,114	38,796	7,793	3,265	3,299	9,275	29,216	1,334	3,068	3,022	86,499
Dividends (after deduction)	46,041	90,121	18,776	6,883	6,232	4,214	12,997	19,488	6,506	8,488	7,058	23,821
Interest received	140,413	79,982	49,071	16,217	21,877	8,834	48,838	29,111	10,683	6,070	17,985	13,305
Dividends and interests	4,548	1,840	1,503	728	(2)	(2)	1,940	1,294	(2)	(2)	1,400	292
Net loss	73,775	632,270	25,885	8,829	7,776	11,400	19,469	17,564	4,877	7,281	5,106	17,776
Ret. loss	74,489	10,122	37,554	12,960	10,137	9,702	14,004	38,748	4,264	2,203	3,781	40,608
Net income	11,820	19,091	4,220	4,952	4,713	3,785	3,723	3,176	1,623	1,311	2,074	8,818
Income	1,777	7,257	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	3,33	1,177
Excess and deficit	1,199	11,103	(2)	(2)	(2)	(2)	1,547	2,190	(2)	(2)	2,237	7,293
Income	3,778	181,318	(2)	(2)	(2)	(2)	1,211	1,211	(2)	(2)	1,113	13,113
Other items	(3)	747,111	(3)	33,522	(3)	3,281	(3)	5,207	(3)	5,206	(3)	42,719
Exemption	1,121,769	727,869	567,950	2,077,770	500,917	120,510	529,236	927,548	513,182	244,111	244,111	7,032
Loss from re-adopted prior year investment credit	6,622	668	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)
Self-employment tax	97,548	7,848	42,227	1,974	11,000	769	23,552	1,869	5,000	5,000	2,336	11,244
Loss with respect to	2,940	1,767	2,911	3,375	10,823	2,457	24,896	6,246	1,138	1,138	1,138	11,244
Returns with one or more exempt items	2,912	48	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	113
Payments on 1042 deferrals	12,241	4,119	11,191	1,065	6,703	6,716	19,036	12,111	6,409	6,409	7,400	16,411
Tax due at time of filing	16,326	1,000	16,326	1,000	16,326	1,000	16,326	1,000	16,326	1,000	16,326	1,000
Net loss	16,326	8,367	16,326	1,000	16,326	1,000	16,326	1,000	16,326	1,000	16,326	1,000

* See part of "Description of the Sample and Limitations of the Data" and "Explanation of Classification, and Terms," Details.

† Amounts are shown separately because of high sampling variability. However, the data are included in the appropriate totals.

‡ Not tabulated.

§ Negative amount.

|| This frequency is a number of companies instead of number of returns.

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

Table J.—TOTAL PERSONAL DEDUCTIONS FOR RETURNS WITH STANDARD DEDUCTION AND RETURNS WITH ITEMIZED DEDUCTIONS, BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income class	Standard deduction returns		Itemized deduction returns		Total personal deductions (Thousands of dollars)	Total personal deductions per return (Thousands of dollars)
	Number of returns	Amount of exemption (Thousands of dollars)	Number of returns	Amount of exemption (Thousands of dollars)		
Under \$1,000	11,220,000	10,375,213	1,079,000	1,079,000	11,454,213	1.02
1,000 under \$2,000	15,252,000	15,252,000	2,175,000	2,175,000	17,427,000	1.14
2,000 under \$3,000	1,905,000	1,905,000	1,350,000	1,350,000	3,255,000	1.66
3,000 under \$4,000	1,467,706	1,467,706	1,121,335	1,121,335	2,589,041	1.76
4,000 under \$5,000	1,215,700	1,215,700	970,000	970,000	2,185,700	1.80
5,000 under \$6,000	979,500	979,500	780,000	780,000	1,759,500	1.99
6,000 under \$7,000	811,100	811,100	650,000	650,000	1,461,100	2.02
7,000 under \$8,000	700,000	700,000	570,000	570,000	1,270,000	2.00
8,000 under \$9,000	610,000	610,000	500,000	500,000	1,110,000	1.93
9,000 under \$10,000	530,000	530,000	440,000	440,000	970,000	1.81
10,000 under \$11,000	460,000	460,000	390,000	390,000	850,000	1.74
11,000 under \$12,000	400,000	400,000	350,000	350,000	750,000	1.65
12,000 under \$13,000	350,000	350,000	320,000	320,000	670,000	1.57
13,000 under \$14,000	310,000	310,000	290,000	290,000	600,000	1.50
14,000 under \$15,000	280,000	280,000	270,000	270,000	550,000	1.43
15,000 under \$16,000	250,000	250,000	250,000	250,000	500,000	1.36
16,000 under \$17,000	230,000	230,000	230,000	230,000	460,000	1.30
17,000 under \$18,000	210,000	210,000	210,000	210,000	420,000	1.24
18,000 under \$19,000	190,000	190,000	190,000	190,000	380,000	1.18
19,000 under \$20,000	180,000	180,000	180,000	180,000	360,000	1.17
20,000 under \$21,000	170,000	170,000	170,000	170,000	340,000	1.12
21,000 under \$22,000	160,000	160,000	160,000	160,000	320,000	1.06
22,000 under \$23,000	150,000	150,000	150,000	150,000	300,000	1.00
23,000 under \$24,000	140,000	140,000	140,000	140,000	280,000	0.93
24,000 under \$25,000	130,000	130,000	130,000	130,000	260,000	0.85
25,000 under \$26,000	120,000	120,000	120,000	120,000	240,000	0.78
26,000 under \$27,000	110,000	110,000	110,000	110,000	220,000	0.73
27,000 under \$28,000	100,000	100,000	100,000	100,000	200,000	0.68
28,000 under \$29,000	90,000	90,000	90,000	90,000	180,000	0.63
29,000 under \$30,000	80,000	80,000	80,000	80,000	160,000	0.59
30,000 under \$31,000	70,000	70,000	70,000	70,000	140,000	0.54
31,000 under \$32,000	60,000	60,000	60,000	60,000	120,000	0.50
32,000 under \$33,000	50,000	50,000	50,000	50,000	100,000	0.47
33,000 under \$34,000	40,000	40,000	40,000	40,000	80,000	0.44
34,000 under \$35,000	30,000	30,000	30,000	30,000	60,000	0.41
35,000 under \$36,000	20,000	20,000	20,000	20,000	40,000	0.38
36,000 under \$37,000	10,000	10,000	10,000	10,000	20,000	0.35
37,000 under \$38,000	5,000	5,000	5,000	5,000	10,000	0.32
38,000 under \$39,000	2,000	2,000	2,000	2,000	4,000	0.29
39,000 under \$40,000	1,000	1,000	1,000	1,000	2,000	0.26
40,000 under \$41,000	500	500	500	500	1,000	0.23
41,000 under \$42,000	200	200	200	200	400	0.20
42,000 under \$43,000	100	100	100	100	200	0.17
43,000 under \$44,000	50	50	50	50	100	0.14
44,000 under \$45,000	20	20	20	20	40	0.11
45,000 under \$46,000	10	10	10	10	20	0.08
46,000 under \$47,000	5	5	5	5	10	0.06
47,000 under \$48,000	2	2	2	2	4	0.04
48,000 under \$49,000	1	1	1	1	2	0.03
49,000 under \$50,000	0	0	0	0	0	0.01
50,000 under \$51,000	0	0	0	0	0	0.00
51,000 under \$52,000	0	0	0	0	0	0.00
52,000 under \$53,000	0	0	0	0	0	0.00
53,000 under \$54,000	0	0	0	0	0	0.00
54,000 under \$55,000	0	0	0	0	0	0.00
55,000 under \$56,000	0	0	0	0	0	0.00
56,000 under \$57,000	0	0	0	0	0	0.00
57,000 under \$58,000	0	0	0	0	0	0.00
58,000 under \$59,000	0	0	0	0	0	0.00
59,000 under \$60,000	0	0	0	0	0	0.00
60,000 under \$61,000	0	0	0	0	0	0.00
61,000 under \$62,000	0	0	0	0	0	0.00
62,000 under \$63,000	0	0	0	0	0	0.00
63,000 under \$64,000	0	0	0	0	0	0.00
64,000 under \$65,000	0	0	0	0	0	0.00
65,000 under \$66,000	0	0	0	0	0	0.00
66,000 under \$67,000	0	0	0	0	0	0.00
67,000 under \$68,000	0	0	0	0	0	0.00
68,000 under \$69,000	0	0	0	0	0	0.00
69,000 under \$70,000	0	0	0	0	0	0.00
70,000 under \$71,000	0	0	0	0	0	0.00
71,000 under \$72,000	0	0	0	0	0	0.00
72,000 under \$73,000	0	0	0	0	0	0.00
73,000 under \$74,000	0	0	0	0	0	0.00
74,000 under \$75,000	0	0	0	0	0	0.00
75,000 under \$76,000	0	0	0	0	0	0.00
76,000 under \$77,000	0	0	0	0	0	0.00
77,000 under \$78,000	0	0	0	0	0	0.00
78,000 under \$79,000	0	0	0	0	0	0.00
79,000 under \$80,000	0	0	0	0	0	0.00
80,000 under \$81,000	0	0	0	0	0	0.00
81,000 under \$82,000	0	0	0	0	0	0.00
82,000 under \$83,000	0	0	0	0	0	0.00
83,000 under \$84,000	0	0	0	0	0	0.00
84,000 under \$85,000	0	0	0	0	0	0.00
85,000 under \$86,000	0	0	0	0	0	0.00
86,000 under \$87,000	0	0	0	0	0	0.00
87,000 under \$88,000	0	0	0	0	0	0.00
88,000 under \$89,000	0	0	0	0	0	0.00
89,000 under \$90,000	0	0	0	0	0	0.00
90,000 under \$91,000	0	0	0	0	0	0.00
91,000 under \$92,000	0	0	0	0	0	0.00
92,000 under \$93,000	0	0	0	0	0	0.00
93,000 under \$94,000	0	0	0	0	0	0.00
94,000 under \$95,000	0	0	0	0	0	0.00
95,000 under \$96,000	0	0	0	0	0	0.00
96,000 under \$97,000	0	0	0	0	0	0.00
97,000 under \$98,000	0	0	0	0	0	0.00
98,000 under \$99,000	0	0	0	0	0	0.00
99,000 under \$100,000	0	0	0	0	0	0.00
100,000 and over	1,115,000	1,115,000	1,115,000	1,115,000	2,230,000	2.00
Total	115,000,000	115,000,000	11,500,000	11,500,000	126,500,000	1.10

BUSINESS AND FARM ACTIVITIES ACCOUNT FOR BULK OF DEFICIT ON RETURNS WITH NO ADJUSTED GROSS INCOME

The combined profit and loss figures for business or profession and farm activities represented \$1.2 billion of the \$1.5 billion total deficit on returns with no adjusted gross income as shown in table I. Well over half of the net loss on returns with those business activities was on returns with individual deficits of less than \$10,000. Contributing heavily to the total deficit was a net loss from partnerships of \$354 million.

The largest sources of positive income on deficit returns were salaries and wages of \$286 million and net gain from sales of capital assets which amounted to 170 million.

TOTAL PERSONAL DEDUCTION EXCEEDED INCOME ON 12 MILLION RETURNS

A considerable number of persons filing tax returns have personal deductions in excess of their adjusted gross income. According to table J, 11.5 million individual income tax returns showed \$7.4 billion of personal deductions in excess of income. Personal deductions were

defined as the sum of exemptions and standard or itemized deductions.

Actually, the above amount understates the full amount of the excess of personal deductions because taxpayers need not have reported more deductions than the minimum amount necessary to have made their returns nontaxable. A further understatement occurred because data for returns with no adjusted gross income were not included in this table.

The bulk of personal deductions exceeding income was on standard deduction returns which accounted for more than \$6 billion of the excess. There were 9.5 million standard deduction returns with personal deductions in excess of income.

The total reported personal deduction amounted to almost \$169 billion. Some \$109 billion of this was attributable to exemptions, the remainder being split up \$13 billion in the standard deduction and \$46 billion in itemized deductions.

ALMOST 99,000 EXEMPTIONS FOR BLINDNESS CLAIMED

Table K shows that 98,547 exemptions for blindness were claimed on 95,946 returns. This exemption could

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table J.—TOTAL PERSONAL DEDUCTIONS FOR RETURNS WITH STANDARD DEDUCTION AND RETURNS WITH ITEMIZED DEDUCTIONS, BY ADJUSTED GROSS INCOME CLASSES—Continued

Adjusted gross income classes	Charitable contribution (Standard deduction)				Charitable contribution (Itemized deduction)				Exemption for State and local taxes			
	With personal exemptions not exceeding 4000		With personal exemptions exceeding 4000		With personal exemptions not exceeding 4000		With personal exemptions exceeding 4000		With personal exemptions not exceeding 4000		With personal exemptions exceeding 4000	
	Number of returns	Amount of deduction (Thousands of dollars)	Number of returns	Amount of deduction (Thousands of dollars)	Number of returns	Amount of deduction (Thousands of dollars)	Number of returns	Amount of deduction (Thousands of dollars)	Number of returns	Amount of deduction (Thousands of dollars)	Number of returns	Amount of deduction (Thousands of dollars)
Grand total.....	5,564,089	47,922,236	5,511,113	11,988,696	6,097,652	20,139,311	95,128,775	2,614,567	1,751,882	1,834,131		
Taxable returns, total.....	2,549,353	17,207,745	-	-	-	45,827,921	764,581,922	-	-	-	-	
\$400 under \$1,000.....	1,395,238	952,585	-	-	-	66,676	51,267	-	-	-	-	
\$1,000 under \$2,000.....	5,701,897	1,976,716	-	-	-	239,341	235,434	-	-	-	-	
\$2,000 under \$3,000.....	1,679,669	1,527,752	-	-	-	776,773	473,167	-	-	-	-	
\$3,000 under \$4,000.....	1,752,773	2,059,129	-	-	-	346,729	181,704	-	-	-	-	
\$4,000 under \$5,000.....	1,298,638	2,369,795	-	-	-	727,537	1,264,770	-	-	-	-	
\$5,000 under \$6,000.....	1,570,287	2,633,313	-	-	-	885,665	1,311,623	-	-	-	-	
\$6,000 under \$7,000.....	1,495,338	2,866,794	-	-	-	1,036,896	2,366,976	-	-	-	-	
\$7,000 under \$8,000.....	1,623,989	3,126,757	-	-	-	1,175,636	2,419,391	-	-	-	-	
\$8,000 under \$9,000.....	1,567,921	3,156,369	-	-	-	1,148,762	2,463,333	-	-	-	-	
\$9,000 under \$10,000.....	4,256,866	5,879,574	-	-	-	3,626,252	4,611,565	-	-	-	-	
\$10,000 under \$15,000.....	2,282,299	5,596,868	-	-	-	3,181,213	11,135,792	-	-	-	-	
\$15,000 under \$20,000.....	1,643,361	4,389,318	-	-	-	2,816,771	11,830,240	-	-	-	-	
\$20,000 under \$25,000.....	1,239,936	3,453,337	-	-	-	2,297,181	7,186,433	-	-	-	-	
\$25,000 under \$30,000.....	874,313	2,496,384	-	-	-	1,769,514	7,326,327	-	-	-	-	
\$30,000 under \$35,000.....	118,955	1,794,479	-	-	-	1,386,394	5,916,773	-	-	-	-	
\$35,000 under \$40,000.....	37,817	1,699,616	-	-	-	1,430,313	6,666,116	-	-	-	-	
\$40,000 under \$45,000.....	266,761	699,678	-	-	-	763,436	3,601,422	-	-	-	-	
\$45,000 under \$50,000.....	156,990	432,774	-	-	-	553,191	2,336,174	-	-	-	-	
\$50,000 under \$55,000.....	462,766	251,283	-	-	-	465,188	1,756,623	-	-	-	-	
\$55,000 under \$60,000.....	198,211	563,363	-	-	-	1,036,558	5,361,398	-	-	-	-	
\$60,000 under \$25,000.....	51,291	149,715	-	-	-	68,879	2,378,336	-	-	-	-	
\$75,000 under \$80,000.....	44,456	117,616	-	-	-	552,684	4,419,210	-	-	-	-	
\$80,000 under \$100,000.....	3,960	10,034	-	-	-	125,511	1,067,613	-	-	-	-	
\$100,000 under \$150,000.....	230	6,000	-	-	-	17,161	117,999	-	-	-	-	
\$150,000 under \$200,000.....	57	130	-	-	-	5,260	396,545	-	-	-	-	
\$200,000 under \$250,000.....	12	162	-	-	-	9,399	76,760	-	-	-	-	
\$250,000 under \$1,000,000.....	4	10	-	-	-	806	131,438	-	-	-	-	
\$1,000,000 or more.....	3	7	-	-	-	346	166,527	-	-	-	-	
Nonreturnable returns, total.....	356,789	656,491	5,511,333	11,888,999	6,097,652	311,304	938,818	2,614,567	5,851,882	1,368,131		
Under \$600.....	-	-	2,516,758	12,721,151	1,982,857	-	-	-	-	15,493	65,417	
\$600 under \$1,000.....	56,871	37,882	1,287,921	6,777,802	86,802	2,279	1,807,813	171,215	36,266	165,996		
\$1,000 under \$1,500.....	32,754	36,468	1,267,947	1,656,037	695,241	5,908	7,259	271,511	156,670	153,114		
\$1,500 under \$2,000.....	39,444	79,485	928,817	1,629,438	695,241	31,916	51,908	295,470	445,198	343,953		
\$2,000 under \$2,500.....	39,444	79,143	652,677	1,043,697	485,987	4,671	6,823	297,645	796,146	137,656		
\$2,500 under \$3,000.....	52,459	113,641	676,757	1,287,496	346,730	42,519	93,769	234,135	686,411	166,319		
\$3,000 under \$3,500.....	36,262	99,678	310,622	1,125,976	251,952	45,313	117,291	183,481	546,390	47,311		
\$3,500 under \$4,000.....	19,210	51,636	267,612	1,036,440	166,236	36,779	116,242	366,123	566,173	69,572		
\$4,000 under \$5,000.....	46,192	111,425	311,425	558,289	100,679	67,736	96,866	186,615	327,731	81,907		
\$5,000 under \$6,000.....	10,385	36,866	93,366	438,126	61,426	22,560	85,185	95,679	452,640	43,838		
\$6,000 or more.....	21,666	81,686	95,002	561,357	69,647	52,827	275,648	205,676	1,509,966	526,631		
Returns under \$5,000.....	13,697,228	20,872,326	9,516,311	11,367,222	5,988,600	6,623,539	16,333,032	1,808,811	4,342,212	1,056,697		
Returns \$5,000 under \$10,000.....	6,564,266	23,886,816	6,564,622	581,337	69,667	13,223,408	45,767,547	196,306	1,186,093	132,970		
Returns \$10,000 or more.....	1,854,795	15,162,102	-	-	-	16,362,747	33,683,181	117,972	329,575	119,436		

See text for "Description of the sample and limitations of the data" and "Explanation of Classification and Terms."
 *Personal deductions represent the sum of exemption and deductions, both standard and itemized.
 †Includes returns with no adjusted gross income.
 ‡WEP: Detail may not add to total because of rounding.

Table K.—INCOME AND EXEMPTION CHARACTERISTICS ON RETURNS WITH AT LEAST ONE EXEMPTION FOR BLINDNESS, BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income classes	Number of returns	Survivors and wages		Dividends in adjusted gross income		Interest received		Pension and annuities		Other income and loss (Thousands of dollars)	Exemption						
		Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)		Number of taxpayer exemptions	Number of blindness exemptions	Age 65 or over	Number of dependents	Number of exemptions		
																(1)	(2)
Grand total.....	5,564	1,104,424	27,985	668,906	25,721	88,637	52,621	47,919	10,800	10,170	118,489	68,247	6,400	14,007	23,161	33,557	
Married returns, total.....	56,991	458,654	34,387	138,289	14,443	73,860	39,350	31,148	3,987	6,698	107,269	67,721	58,086	5,384	24,409	15,001	32,123
\$400 under \$1,000.....	17,027	89,465	16,086	36,744	6,034	6,179	24,598	5,303	-	118,927	20,915	20,456	6,293	10,187	4,881	6,939	
\$1,000 under \$2,000.....	13,991	156,003	17,191	115,113	5,333	9,605	11,216	7,092	3,895	5,944	20,295	30,624	20,994	5,423	6,411	9,221	17,711
\$2,000 under \$3,000.....	10,213	174,461	5,271	93,638	5,068	37,130	8,146	1,873	-	51,181	19,613	10,766	5,210	3,210	3,746	6,711	
\$3,000 or more.....	661	692,686	1,839	9,986	816	2,966	650	1,238	-	416	14,666	7,744	376	62	89	362	
Nonreturnable returns, total.....	38,955	393,122	17,985	30,422	9,278	14,877	22,263	26,771	89,811	8,668	26,210	11,645	20,215	7,711	17,311	21,874	
Under \$5,000.....	(2)	(2)	(2)	(2)	-	(2)	(2)	(2)	-	-	(2)	(2)	(2)	(2)	(2)	(2)	
\$5,000 under \$10,000.....	14,596	21,293	10,767	11,116	4,643	8,161	9,298	1,070	7,891	8,661	4,950	26,465	18,198	11,140	16,226	16,861	
\$10,000 under \$20,000.....	17,462	26,793	6,668	16,041	4,643	13,637	10,609	1,779	10,779	13,671	36,311	18,609	13,609	5,881	7,244	17,244	
\$20,000 or more.....	11,895	16,046	1,050	2,263	4,635	6,719	12,399	3,279	-	11	8,131	13,588	6,550	3,128	89	3,660	

See text for "Description of the sample and limitations of the data" and "Explanation of Classification and Terms."
 †Adjusted amount less joint deficit.
 ‡Returns with 0 shown separately because of high sampling variability. However, the data are included in the appropriate totals.
 †WEP: Detail may not add to total because of rounding.

be claimed only for a taxpayer or his spouse, not for dependents. More than 46,000 of these returns also showed an exemption for a taxpayer age 65 or over. Again, this exemption was limited to a taxpayer or his spouse.

Adjusted gross income on returns with an exemption for blindness amounted to \$552 million. While dividends and interest together accounted for nearly one-quarter of the income on these returns, less than half of the adjusted gross income was attributable to salaries and wages. This varied considerably from the income distribution of all returns which had a predominance of salaries and wages.

Table L.—RETURNS WITH TAX RESULTING FROM THE RECOMPUTATION OF PRIOR YEAR INVESTMENT CREDIT BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income class ¹	Number of returns	Adjusted gross income (Thousand dollars)	Tax resulting from recomputation of prior year investment credit ² (Thousand dollars)	Total tax ³ (Thousand dollars)
Grand total.....	11,488	1,216,364	4,711	24,411
Taxable returns, total.....	6,797	1,183,891	3,784	24,411
\$600 under \$2,000.....	1,968	31,013	—	2,264
\$2,000 under \$4,000.....	3,243	132,000	1,259	16,117
\$4,000 under \$10,000.....	1,476	40,117	1,259	4,913
\$10,000 under \$20,000.....	5,687	221,233	1,113	3,946
\$20,000 under \$50,000.....	1,131	168,620	—	1,819
\$50,000 under \$100,000.....	136	404,042	—	2,167
\$100,000 or more.....	3	79,911	—	32,835
Nontaxable returns, total.....	4,691	332,473	1,000	1,000
No adjusted gross income.....	2,062	79,007	—	—
\$600.....	3,719	242,8	1,000	1,000
\$600 under \$2,000.....	1,422	17,798	—	—
\$2,000 under \$10,000.....	3,221	68,672	—	—

See text for "Description of the Sample and Limitations of the Data" and "Explanation of Classifications and Terms."

¹Adjusted gross income less deficit.

²Deficit.

³NOTE: Detail may not add to total because of rounding.

NEW DATA ON TAX FROM RECOMPUTATION OF PRIOR YEAR INVESTMENT CREDIT

Taxpayers on 78,000 returns, who in a prior year had taken a credit against their tax for investment in certain depreciable property, adhered to the "recapture rule" which provided that the current year's tax be increased if such property were disposed of in less than 4 years from the year in which the credit was taken.

Table L indicates that the additional tax resulting from the recomputation of prior year investment credit amounted to nearly \$10 million. The total tax on returns with the recomputation was \$296 million. Over 30 percent of the additional tax was on taxable returns with adjusted gross income between \$10,000 and \$25,000.

STANDARD AND ITEMIZED DEDUCTIONS RETURNS COMPARED

Table M presents a comparison of returns with the standard deduction and returns with itemized deductions. For 1963 there were 35.4 million standard deduction

Table M.—RETURNS WITH STANDARD DEDUCTION AND WITH ITEMIZED DEDUCTIONS: SELECTED SOURCES OF INCOME AND LOSS, DEDUCTIONS, EXEMPTIONS, TAXABLE INCOME, AND INCOME TAX

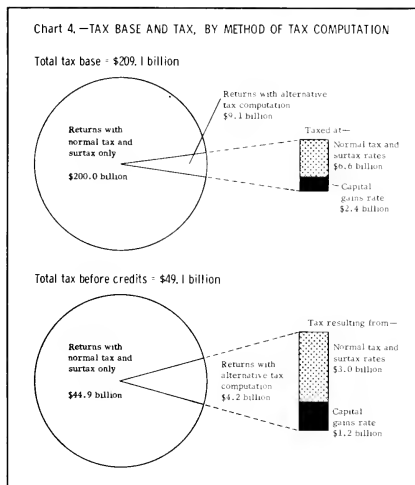
Item	Returns with standard deduction		Returns with itemized deductions	
	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)
(1)	(2)	(3)	(4)	(5)
Adjusted gross income.....	35,400,000	4,111,184	21,113,000	4,811,111
Exemption for blindness.....	46,000	552,000	46,000	552,000
Charitable contributions.....	21,113,000	117,764,476	2,726,441	151,233,912
Interest on wages, interest, dividends, and interest on bonds.....	35,400,000	117,764,476	35,400,000	117,764,476
Gift tax and net long-term capital gains.....	35,400,000	1,277,247	35,400,000	1,277,247
Forfeiture of net prior year net gain.....	35,400,000	2,274,252	35,400,000	2,274,252
Change of capital asset net gain and net loss.....	35,400,000	1,274,252	35,400,000	1,274,252
Change in property other than capital assets.....	35,400,000	1,274,252	35,400,000	1,274,252
Net capital loss.....	35,400,000	1,274,252	35,400,000	1,274,252
Adjusted gross income.....	35,400,000	4,111,184	35,400,000	4,811,111
Standard deduction.....	35,400,000	1,274,252	35,400,000	1,274,252
Itemized and optional, taxable net gain and net loss.....	35,400,000	1,274,252	35,400,000	1,274,252
Standard deduction and net gain and net loss.....	35,400,000	1,274,252	35,400,000	1,274,252
State and local income and property taxes.....	35,400,000	1,274,252	35,400,000	1,274,252
Charitable contributions.....	35,400,000	1,274,252	35,400,000	1,274,252
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Charitable contributions.....	35,400,000	1,274,252	35,400,000	1,274,252
State and local income and property taxes.....	35,400,000	1,274,252	35,400,000	1,274,252

Table O.—NUMBER OF RETURNS, INCOME, AND TAX—100 LARGEST STANDARD METROPOLITAN STATISTICAL AREAS COMPARED WITH ALL RETURNS FILED (Taxable and exemptable returns)

Item	Total for all returns filed	Returns for 100 largest standard metropolitan statistical areas	
		Number of returns	Percent of total returns
	(1)	(2)	(3)
Number of returns.....	17,742,217	1,064,217	6.0%
Number of IRS returns.....	17,742,217	1,064,217	6.0%
Total number of exemptable returns.....	2,812,100	172,338	6.1%
Number of exemptions after change and business.....	1,712,100	97,338	5.7%
	(Thousands of dollars)		
Adjusted gross income less deficits.....	\$24,222,250	\$1,667,879	6.9%
Salaries and wages.....	13,429,220	1,000,138	7.4%
Business net profit and loss.....	1,029,708	104,912	10.2%
Farm net profit and loss.....	1,121,299	112,778	10.1%
Net gain and loss from sales of capital assets.....	6,541,823	549,051	8.4%
Dividends in adjusted gross income.....	1,229,946	103,798	8.4%
Interest received.....	1,011,879	103,223	10.2%
Rent net income and loss.....	1,121,299	112,778	10.1%
Royalty net income and loss.....	1,121,299	112,778	10.1%
Partnership net profit and loss.....	1,121,299	112,778	10.1%
Taxable income.....	19,183,323	1,376,562	7.2%
Income tax after credits.....	\$209,100,000	\$200,000,000	95.6%

data, the State totals in table 38 are used for comparison with the totals for the 100 metropolitan areas.

Of the United States totals, the 100 areas have 57 percent of the returns, 63 percent of the adjusted gross income, and 67 percent of the income tax liability. These areas also showed 72 percent of the dividend income, 65 percent of the interest received, and 64 percent of the salaries and wages.



TAX BASE AND TAX SHOWN BY METHOD OF COMPUTATION

Chart 4 reveals that of a total tax base of \$209.1 billion for 1963, \$200.0 billion was reported on returns

of taxpayers using the "regular" computation (normal tax and surtax only). This yielded income tax before credits of \$44.9 billion.

The remaining \$9.1 billion of tax base for 1963 was reported on returns of taxpayers who elected the alternative tax computation. This amount of tax base generated \$4.2 billion of income tax before credits.

The tax base for the alternative computation was divided into \$6.6 billion which was subject to "regular" rates and \$2.4 billion which was taxed at the capital gains rate. The portion taxed at "regular" rates produced tax of \$3.0 billion and the portion taxed at the capital gains rate yielded income tax before credits of \$1.2 billion.

More information of this nature is contained in basic table 35 on page 90.

SOURCES OF DATA

Individual income tax data were estimated from a sample of unaudited tax returns, Forms 1040 and 1040A, filed by citizens and residents during the calendar year 1964 in the district offices of the Internal Revenue Service, and with the Director of International Operations in the National Office. The sample was designed to represent all returns for the income year 1963 regardless of when filed. Most of the returns were filed by taxpayers with calendar-year accounting periods, but a small number had noncalendar-year accounting periods. Tentative returns were excluded from the sample. Returns with no information regarding income and tax were included in the sample for purposes of obtaining a count of returns filed, but were excluded from the tables. Amended returns were included in the sample only if the original could be located and excluded.

An individual income tax return was required of (1) every citizen, resident alien, and bona fide resident of Puerto Rico under 65 years of age (including minors) who had \$600 or more of gross income for the year, (2) every citizen or resident 65 years or over who had \$1,200 or more gross income for the year, and (3) every person regardless of age or gross income who had self-employment income of \$400 or more during the tax year. Gross income, for purposes of filing, included income earned from sources outside the United States, even though the income was exempt from tax. However, in the case of individuals who were residents of Puerto Rico, gross income, for purposes of filing, did not include income derived from sources within Puerto Rico except amounts received for services performed as an employee of the United States Government.

Individuals who had tax withheld from wages, but whose income was less than that required for filing, usually filed to obtain a refund of tax withheld, although they were not otherwise required to file.

Taxpayers had a choice of two return forms for reporting their income for 1963. Form 1040A, the card-form, was available to individuals who had less than \$10,000 adjusted gross income consisting of wages reported on withholding statements (Form W-2) and not more than \$200 of dividends, interest, and wages not subject to income tax withholding.

The Form 1040 was a two-page form with attached schedules. If an individual's income was entirely from

salaries and wages he needed only to file the principal two-page form. If, in addition to salaries and wages, an individual had only interest income, he could also file the two-page form with an attachment listing the sources of his interest income. Individuals who had income from sources other than salaries and wages and interest were required to report that income on supplementary schedules.

gross income" and appear as a separate class. Whenever taxable and nontaxable data are combined by size of income, the nontaxable data are distributed in the class denoted by the amount of adjusted gross income reported, although when shown separately, data from nontaxable returns with \$5,000 or more adjusted gross income are grouped in one class.

Table P.—NUMBER OF RETURNS BY FORM OF RETURN: 1962 AND 1963

Form of return, type of adjusted gross income, and itemized deductions	Taxable and nontaxable returns		
	1962	1963	% change
Total	41,312,287	43,765,201	+5.9
Individuals	37,754,281	39,732,281	+5.2
Married couples	2,557,996	4,032,920	+56.3
Widows and widowers	401,411	484,736	+20.8
Unmarried dependents (including those who used the family allowance exemption)	1,694,874	2,780,444	+63.7
Form 1040a	17,200,227	17,361,201	+0.9
Total	17,200,227	17,361,201	+0.9
Adjusted gross income \$5,000 or more	16,985,711	17,343,281	+2.1
Adjusted gross income \$1,000 or more	12,211,496	12,484,736	+2.3
Form 1040	24,116,060	26,404,000	+9.5
Total	24,116,060	26,404,000	+9.5
Adjusted gross income under \$5,000	17,106,026	17,422,000	+1.8
Adjusted gross income \$1,000 or more	12,211,496	12,484,736	+2.3
Adjusted gross income \$500 or more	7,709,074	7,911,736	+2.6
Adjusted gross income under \$1,000	9,396,952	9,570,264	+1.9
Adjusted gross income under \$500	1,687,878	1,662,900	-1.5
Adjusted gross income \$100 or more	7,709,200	7,911,736	+2.6
Adjusted gross income under \$100	1,687,878	1,662,900	-1.5
Adjusted gross income \$5,000 or more	16,985,711	17,343,281	+2.1
Adjusted gross income \$1,000 or more	12,211,496	12,484,736	+2.3
Adjusted gross income \$500 or more	7,709,200	7,911,736	+2.6
Adjusted gross income under \$500	9,396,952	9,570,264	+1.9
Adjusted gross income under \$100	1,687,878	1,662,900	-1.5

Note: For the "Description of the Sample and Limitations of the Data" and "Explanation of Classification Terms."
 * Excludes returns classified "No adjusted gross income" which do not have a standard deduction and are not included in the "No adjusted gross income" category.
 ** Detail was not available for this category of reporting.

Table P presents a comparison of the number of returns for the current year with those for 1962 by form of return filed, size of adjusted gross income, and type of deduction reported. Forms 1040 for 1963 numbered 46.4 million, an increase of 1.9 million returns over 1962. Forms 1040a numbered 17.6 million, a decrease of 635 thousand returns from 1962.

The standard deduction was elected on 35.4 million returns, Forms 1040 and 1040a. Individuals who had income under \$5,000 and desired the standard deduction were required to use the optional tax table to obtain the deduction and compute their tax, except for a few who had their tax computed for them. There were 24.9 million returns of taxpayers using the optional tax table for 1963, 517 thousand fewer than for 1962.

Taxable and nontaxable returns

Taxable returns had an income tax remaining after the allowable tax credits were deducted. If the tax after credits was greater than zero, the return was classified as a taxable return.

Nontaxable returns had no income tax remaining after tax credits. Some nontaxable returns had income tax before credits which was eliminated by the tax credits. Many nontaxable returns showed an amount of self-employment tax; however, the self-employment tax was disregarded for this classification.

Returns with standard deduction or with itemized deductions

Standard deduction returns included (1) Form 1040a returns, (2) Form 1040 returns with adjusted gross income under \$5,000 on which the income tax was determined from the tax table, and (3) Form 1040 returns with adjusted gross income of \$5,000 or more on which the taxpayer elected to use the standard deduction.

Returns with "No adjusted gross income", classified as standard deduction returns in years prior to 1961, have been classified separately since 1961.

Returns with itemized deductions were Form 1040 returns with adjusted gross income against which itemized nonbusiness deductions were claimed by the taxpayer in the computation of his taxable income. A relatively few separate returns of married persons who had neither standard nor itemized deductions were included in this classification because it was assumed that the other spouse itemized.

Size of selected sources of income or loss

For distributions of the number of returns with selected sources of income or loss in adjusted gross income, returns were divided into categories according to the size of a specific income or loss. The size intervals are narrow at the lower end of the scale so that small amounts are adequately classified.

Marital status of taxpayer

Marital status was determined by the taxpayer as of the last day of his tax year or the date of the death of a spouse. The five marital classifications--joint returns of husbands and wives, separate returns of husbands and wives, returns of heads of household, returns of surviving spouse, and returns of other single persons--were based on the marital condition indicated by the taxpayer with regard to name (or names) of taxpayer, joint signatures, exemption for the taxpayer or for himself and spouse, check mark denoting status as head of household or surviving spouse, and any other relevant data.

EXPLANATION OF CLASSIFICATIONS AND TERMS

Classifications

Adjusted gross income classes

The amount of adjusted gross income reported by the taxpayer on his return was the basis for classifying data for the size of income. Deficit and a breakeven in adjusted gross income were considered "No adjusted

Joint returns of husbands and wives were those on which a married couple reported their combined income, or were returns of married couples only one of which had income but, nevertheless, exemptions for both could be claimed.

Separate returns of husbands and wives were returns of married persons, each of whom filed a return independent of his spouse and reported only his own income, exemptions, and tax. Returns with community income divided between husband and wife were given this classification. Also included under this classification, were returns of married taxpayers electing not to file a joint return, but to claim the spouse's exemption where the spouse had no income and was not the dependent of another taxpayer.

Returns of heads of household were returns of unmarried persons (or one married to a nonresident alien) who furnished more than half the maintenance of a home which was his residence and which he shared with any related persons for whom he was entitled to the deduction for an exemption (except multiple support), or shared with his unmarried child, grandchild, or stepchild even though not a dependent, or who paid over half the cost of maintaining a household which was the principal abode of his parents, if either of them qualified as a dependent.

Returns of surviving spouse were returns of widows and widowers who indicated this status. A surviving spouse is a taxpayer whose spouse died during either of two preceding tax years and who had not remarried, but who had maintained as his home a household which was also the principal abode of his child or stepchild for whom the taxpayer was entitled to the deduction for exemption.

Returns of single persons not head of household or surviving spouse were those of other unmarried individuals.

Tax rate schedules

The three tax rate schedules designed for individual income tax apply to (1) joint returns and returns of surviving spouse, (2) separate returns of husbands and wives and returns of single persons not head of household or surviving spouse, and (3) returns of heads of household. These schedules are reproduced at the end of this report.

Tax rate classes

This classification applied to the percentage rates used in computing income tax before credits based on the amount of taxable income. The class intervals coincide with the percentage rates of the three income tax rate schedules mentioned above.

States

Classification by States was based on the district in which the returns were filed. Internal Revenue districts, or groups of districts, are identical with State boundaries, except that the District of Columbia was a part of the Baltimore, Maryland, Internal Revenue District. The Office of International Operations had charge of returns with addresses outside the 50 States. These returns included those from Puerto Rico, Virgin Islands,

Panama Canal Zone, and returns with foreign addresses, all of which were classified as "Other areas."

Standard metropolitan statistical areas

The district in which the taxpayer filed, and his post-office address were the criteria upon which the return was classified for inclusion in a standard metropolitan statistical area. There are 100 standard metropolitan areas included in this publication. These 100 areas are those, within the 50 States, having the largest population based on the 1960 Census and conforming to the 1963 definitions for standard metropolitan statistical areas developed by the Bureau of the Budget.

Sources Comprising Adjusted Gross Income

Salaries and wages (net)

Net salaries and wages were amounts of compensation for personal services reported in adjusted gross income, except for amounts not exceeding \$200 per return included in other income on Form 1040A returns. In addition to actual salaries and wages, this source is comprised of commissions, bonuses, tips, fees, excess reimbursement over employee business expenses, and the value of nonmonetary payments for services, e.g. merchandise, accommodations, property, etc. Excluded from this source were tax exempt portions of both salaries earned abroad and sick pay receipts, and certain expenses connected with employment that were deductible from total salaries and wages in computing adjusted gross income.

Dividends in adjusted gross income

Dividends in adjusted gross income were distributions of cash, property, services, accommodations, etc., by a corporation from its earnings to individual taxpayers, excepting dividends not exceeding \$200 per return in other income on Forms 1040A and an exclusion of qualifying dividends not exceeding \$50 per taxpayer. On joint returns, if both husband and wife received qualifying dividends, each excluded up to \$50 against his respective dividend income. All dividends qualified for the exclusion unless they fell under Section 116 (b) of the Internal Revenue Code of 1954.

Dividends did not include the so-called dividends on deposits or withdrawal accounts in mutual savings banks, cooperative banks, domestic building and loan or savings and loan associations, nor credit unions. This type of income was considered interest for income tax purposes.

Interest received

Interest received was the taxable portion of interest from bonds, debentures, notes, mortgages and personal loans, interest received or credited on bank deposits, savings accounts, and deposits in organizations listed above, as well as partially tax-exempt interest and interest from tax-free covenant bonds received directly or through partnerships and fiduciaries. Excluded were small amounts of interest (not more than \$200 per return) reported in other income on Form 1040A returns.

Business or profession net profit or net loss

This source was reported by individuals who were sole proprietors of a business or members of a profession, and who did not elect to be taxed as a corporation. When there were two or more sole proprietorship businesses operated by the taxpayer, the single amount of profit or loss included in adjusted gross income represented the combined profits and losses from all business activities. The sole proprietor was required to exclude dividends from the business receipts and to report them with dividend income for the purpose of dividend exclusions and tax credit.

Business expenses deductible from business receipts included such items as cost of goods sold, salaries and wages paid employees, interest on business indebtedness, taxes on business and business property, bad debts arising from sales or services, depreciation, obsolescence, depletion, casualty losses on business property, rent, repairs, supplies, advertising, selling expense, insurance, and other costs of operating the business. Compensation of the sole proprietor was not allowed as a business deduction and the net operating loss deduction was not reported among the business expenses.

Farm net profit or net loss

This source was reported by individuals who were sole proprietors of a farm and who did not elect to be taxed as a corporation. When there were two or more sole proprietorship farms operated by the taxpayer, the single amount of profit or loss included in adjusted gross income represented the combined profits and losses from all farm business activities.

Farm business receipts included sales of market livestock and produce raised and held primarily for sale and other farm income including such items as merchandise received for produce, machine work, breeding fees, wood and lumber, other forest products, patronage dividends, rebates or refunds, agricultural program payments and other farm items.

Farm business expenditures deductible from farm business receipts were the ordinary and necessary costs of operating a farm for profit. These included such items as labor hired, feed bought, seeds and plants bought, machine work hired, supplies bought, tying material, containers, insect and disease control, machinery expense, farm building and fence repairs, livestock expenses, fertilizer bought, veterinary, fuel, light, power, taxes, insurance, premiums, interest paid, rent, cash, hauling hired, auto and truck, and other.

Partnership net profit or net loss

Partnership net profit or loss was reported by persons who were members of a partnership, syndicate, joint venture, or association that did not elect to be taxed as a corporation. The taxpayer's profit or loss from such a partnership was his share of the ordinary income or loss of the enterprise together with payments made to him as salary or for the use of capital. If the individual was a member of more than one partnership, the single amount of partnership profit or loss reported in adjusted gross income was the combination of all his shares, whether actually received or not. The ordinary income of the partnership did not include dividends qualifying for

the exclusion, net short- and long-term capital gain or loss, interest on tax-free covenant bonds, nor partially tax-exempt interest. The partner's share of each of these items was reported by him in its respective source.

Net gain from sales of capital assets

Such gain included in adjusted gross income was the amount of gain from sales or exchanges of property treated as capital assets. In computing this gain, the net short-term gain or loss was combined with the net long-term gain or loss and the resultant gain if long-term was reduced 50 percent. For the determination of net short- and long-term gain and loss, the taxpayer included with his personal, current year transactions, his 5-year capital loss carryover as a short-term loss, and his share of (1) net short- and long-term gain or loss received through fiduciaries and from partnerships, (2) distributed and undistributed long-term gain from regulated investment companies, and (3) the excess net long-term gain over net short-term loss distributed by small business corporations that elected not to be taxed as corporations. The amount of net gain in adjusted gross income conforms to one of several conditions, namely, (a) 50 percent of the excess net long-term gain over net short-term loss occurring on certain returns, (b) on returns with only a net long-term gain, 50 percent thereof, (c) on returns with both net short- and long-term gain, the entire amount of net short-term gain combined with 50 percent of the net long-term gain, (d) on returns with only net short-term gain, the entire net gain, and (e) the entire excess of net short-term gain over net long-term loss on other returns.

Net loss from sales of capital assets

This source reported as a component of adjusted gross income was the deductible loss resulting from sales or exchanges of property treated as capital assets. To determine the deductible loss, all short-term gains and losses were merged with the long-term gains and losses, and the excess loss was allowed to the extent of the smallest of (1) amount of capital loss, (2) taxable income (adjusted gross income if tax table was used) computed without regard to capital gains and losses and the deduction for personal exemptions, or (3) \$1,000. In merging the capital gains and losses, the taxpayer combined his current year gains and losses and his 5-year capital loss carryover with his share of (1) net short- and long-term gain or loss received through fiduciaries and from partnerships, (2) distributed and undistributed long-term gain from regulated investment companies, and (3) the excess net long-term gain over net short-term loss distributed by small business corporations that elected not to be taxed as a corporation. Any part of the capital loss incurred in the current year which was not deductible because of the limitation may be carried forward for 5 succeeding years as a short-term capital loss to the extent that it is not absorbed by capital gains in the intervening years. Current year losses must be offset against gains before the carryover becomes available. If a capital loss carryover is not eliminated in the 5-year period, the remaining loss cannot be used.

Ordinary gain from the sale of depreciable property

Gain from the sale of certain depreciable property which is either personal property or other tangible property (not including a building or its structural components) was taxed as ordinary income in 1963 to the extent of the depreciation taken in 1962. (See "Changes in Law".)

Net gain or loss from sales of property other than capital assets

The amount of this source in adjusted gross income resulted from sales or exchanges of property which was either not a capital asset or was not treated as a capital asset. Each taxpayer included his share of such gain or loss received through partnerships and fiduciaries. Net gain from these transactions was included in its entirety and the net loss was fully deducted in computing adjusted gross income. Losses on sales or exchanges of small business investment company stock were ordinary losses rather than capital losses. Also, losses on small business stock were ordinary losses to the original holders; however, this ordinary loss is limited to \$25,000 on separate returns and to \$50,000 on joint returns.

Pensions and annuities

Pensions and annuities were the taxable portion of amounts received during the year. The full amount of a pension or annuity received by a retired employee who contributed nothing toward the cost was taxable. If the annuitant contributed to the cost, methods were provided for computing the taxable amount to be reported. The method used depended upon the type of pension or annuity but, in general, an exclusion of a portion of the receipts was provided as recovery of cost.

Net income or loss from rents

This source, although reported in a schedule that included royalty income, was separated from the latter in order that each source might be shown independently. Rent income (or loss) constituted a part of adjusted gross income to the extent that the gross rents received exceeded the deductions for depreciation, repairs, maintenance, interest, taxes, commissions, advertising, fuel, insurance, janitor service, and other allowable expenses related to the rented property. Income from rents when combined with income from royalties will not be equivalent to the rents and royalties income published prior to 1960 due to the different procedure for arriving at a net figure.

Net income or loss from royalties

This income or loss was separated from the rent income so that the net income from royalties reported in adjusted gross income would be known. Gross royalties included revenues from oil, gas, and other mineral rights, timber royalties, revenue from patents, copyrights on literary works, trademarks, formulas, and so on. Deductions against gross royalties were made for depletion, depreciation, office rent, legal fees, clerical help, interest, taxes, and similar items. As stated above, income from

royalties when combined with income from rents will not be comparable with income from rents and royalties for years prior to 1960.

Income or loss from estates and trusts

This source was the taxpayer's share of fiduciary income from any estate or trust under which he was a beneficiary. Income from estates and trusts included amounts required to be distributed and amounts credited to the beneficiary's account from current year fiduciary income, whether or not actually received by him, as well as amounts paid to him. It also included his share of any accumulation distribution made by the fiduciary of a complex trust which distributed income accumulated in prior tax years. The beneficiary's share of these distributions from estate and trust income was reduced by his share of depletion and depreciation before reporting the amount as part of his adjusted gross income. The taxpayer also excluded from his fiduciary income his share of capital gain, dividends qualifying for exclusion, and partially tax-exempt interest, each of which was reported in its respective source. A loss from estates and trusts was distributed to the beneficiary only upon termination of a trust or an estate which has a net operating loss carryover, or a capital loss carryover, or for its last tax year had deductions (other than exemption and charitable deduction) in excess of gross income.

Other sources

Included here were such items as alimony received, prizes, awards, sweepstakes winnings, gambling profits, recovery of bad debts and taxes deducted in a prior year, insurance received as reimbursement for medical expenses taken in a previous year, the taxpayer's share of distributed or undistributed current year taxable income (exclusive of long-term capital gain) received from a small business corporation which elected not to be taxed as a corporation, net operating loss deduction where that item is not shown separately, and any other income subject to tax for which no entry was provided on the return form. Also included is a total \$174,556,000 consisting of interest, dividends (after exclusions), and wages not subject to income tax withholding (not exceeding \$200 per return) reported on 2,610,000 returns, Form 1040A.

Self-Employment Pension Deduction

Beginning in 1963, self-employed individuals could contribute to a qualified retirement plan in much the same manner as a corporate employee and could deduct such contributions when computing adjusted gross income.

In general, all self-employed individuals currently subject to the self-employment tax were eligible for this deduction. For purpose of the deduction, self-employed individuals were further distinguished by the law as being employees or owner-employees, the latter being a sole proprietor of an unincorporated trade or business, or a partner who owns more than 10 percent of either the capital interest or the profits interest in the partnership.

The amount of the allowable deduction was measured by earned income. An owner-employee might contribute annually to a pension plan 10 percent of his earned income, or \$2,500, whichever was the lesser. The deduction itself was limited to 50 percent of the contribution but could not exceed \$1,250. Self-employed individuals other than owner-employees were not bound by the \$2,500 limit on contributions, but they were subject to the same limitations regarding the amount of the deduction.

One further limitation was imposed on owner-employees. If they wished to participate in a retirement plan, all employees (excluding part-time and seasonal) with 3 or more years of service must also have been included in the plan.

Capital Gains and Losses

Short-term capital gain or loss

Gains and losses from sales or exchanges of assets held six months or less and treated as capital assets were considered to be short-term. Such gains and losses for the current year and the capital loss carryovers from five preceding years (used as short-term losses) were combined to obtain the net short-term gain or loss. In this combination, the net short-term capital gain or loss from partnerships and the net short-term capital gain from fiduciaries were also included.

Long-term capital gain or loss

Gains and losses from sales or exchanges of assets held more than six months which were treated as capital assets were considered to be long-term. Such current gains and losses, taken into account at 100 percent, were combined with net long-term capital gain or loss received through partnerships and the net long-term gain received through fiduciaries to obtain the net long-term gain or loss for the year.

Capital loss carryover from 1958-1962

This carryover was that portion of the net capital loss sustained in this 5-year period which the taxpayer had been unable to offset against his capital gains or the \$1,000 deduction allowed for capital loss in computing adjusted gross income in tax years subsequent to the year in which the capital loss arose. The carryover was reported with and treated as a short-term capital loss in the current year.

Net loss from sales of capital assets before limitation

This was the entire loss, resulting from sales of property treated as capital assets, which was reported on returns having a capital loss in adjusted gross income. The loss was a combination of current year short-term gains and losses, the 5-year capital loss carryover, and the current year long-term gains and losses, and was without regard to the statutory limitation on the deductible loss.

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

Included was the entire excess of net long-term capital gain over net short-term capital loss reported on returns with alternative tax. Only one-half of this excess long-term gain was included in adjusted gross income. However, since the tax on this portion of the excess cannot exceed 50 percent, the maximum rate on the excess long-term gain is in effect 25 percent.

One-half excess long-term gain

This was 50 percent of the excess net long-term capital gain over net short-term capital loss reported on returns with alternative tax. This was the amount of long-term capital gain that was included in adjusted gross income, but was deducted from statutory taxable income to obtain taxable income for partial tax when the alternative tax was computed.

Total Itemized Deductions

Only the total of nonbusiness deductions, allowed against adjusted gross income and itemized on 1040 returns, is presented this year. Total deductions included contributions, interest paid, taxes, medical deduction, and other authorized deductions for which no specific line or schedule was provided on the return form, such as casualty losses, loss from theft, alimony payments, child care, and amortization of bond premium; expenses connected with the taxpayer's employment, for example, dues to unions or professional societies, cost of tools for the job, and fees to employment agencies; allowable expenses of the taxpayer in connection with his employer's business which were in excess of the reimbursed amounts deducted from gross salaries; and expenses, in excess of the employer's reimbursement, incurred for education undertaken to maintain or improve skills required to perform duties in present employment status.

Exemptions

In the computation of taxable income, exemptions were allowed for the taxpayers and their dependents, and additional exemptions were allowed for taxpayers who were 65 or over and for taxpayers who were blind.

A \$600 exemption was allowed for the taxpayer, the taxpayer's spouse, and for each child (including a step-child or an adopted child) who was under 19 years of age, or who was a student regardless of age, if the taxpayer furnished more than half the support. If the child was 19 or over and not a student, an exemption was allowed only if the child had less than \$600 gross income for the year and the taxpayer furnished more than half the support.

An exemption of \$600 was also allowed for any dependent who had less than \$600 gross income, and who received more than half his support from the

taxpayer if the dependent was (1) a close relative as outlined in Section 152 of the Internal Revenue Code, or (2) any person who lived in the taxpayer's home for the entire year and who was a member of his household, whether or not related to the taxpayer.

An exception to the support test for a dependent provided that where the individual was supported by several persons, none of whom contributed more than half the support, any one of the group who had contributed more than 10 percent of the support could claim the exemption, if each of the others who contributed more than 10 percent declared in writing that he would not claim the exemption for the year.

To qualify as a dependent, an individual must have been either a citizen or resident of the United States; a resident of Canada, Mexico, the Republic of Panama, or the Canal Zone; or an alien child adopted by and living with a United States citizen abroad.

The birth or death of a dependent during the year did not affect the exemption for him, if the support and other tests were met for the part of the year during which the dependent lived.

Besides the "personal" exemption for the taxpayer and spouse, an additional \$600 exemption was allowed for each taxpayer or spouse who was age 65 or over, and each taxpayer or spouse who was blind. A taxpayer could file a separate return and claim the exemptions for the spouse (including those for age and blindness) only if the spouse had no gross income and was not a dependent of another taxpayer. Exemptions for age and blindness were not allowed for any dependents.

The total number of exemptions shown in this report includes a duplication of exemptions for certain individuals and for age and blindness. These individuals were (1) dependents (of another individual) who had less than \$600 gross income, but filed a return to obtain a refund of tax withheld on wages, and (2) child dependents (under 19 or a student) who were required to file a return because their gross incomes were \$600 or more. This particular group of individuals is counted twice, as a dependent on another taxpayer's return, and as a taxpayer on their own return.

Measures of Individual Income

Adjusted gross income

Adjusted gross income was gross income from all sources that are subject to income tax minus (1) ordinary and necessary expenses of operating a trade or business, (2) expense deductions attributable to rents and royalties, (3) expenses of outside salesmen attributable to earning salary or other compensation, (4) expenses of travel, meals, and lodging while away from home overnight paid by an employee with respect to services rendered, (5) transportation cost related to the performance of services as an employee, (6) expenses for education required to maintain salary, status, or present employment, (7) expenses paid or incurred in connection with service as an employee under a reimbursed or other expense allowance arrangement with the employer, (8) exclusion of allowable sick pay if the sick pay was included in gross salary, (9) depre-

ciation and depletion allowed life tenants and income beneficiaries of property held in trust, (10) deductible losses from sales of capital assets, and other property, (11) deduction equal to 50 percent of the excess of net long-term capital gain over net short-term capital loss, (12) net operating loss deduction, and (13) contributions to a retirement fund by the self-employed. (See "Changes in Law".)

Deficit (in adjusted gross income)

This deficit occurred when the deductions allowed for the computation of adjusted gross income, as stated above, exceeded the gross income.

Taxable income

This measure was adjusted gross income minus deductions, standard or itemized, and personal exemptions; however, the amount shown in this report is only the positive amount upon which the income tax before credits was computed. Whenever taxable income was a negative amount (producing no tax), it was disregarded. This occurred on some, but not all, nontaxable returns.

Taxable income was reported on itemized deductions returns, and on standard deduction returns with \$5,000 or more adjusted gross income, and transcribed if it was a positive amount. Taxable income was mechanically computed for each return which did not show this item, but disregarded if found to be a negative amount. Returns which did not show taxable income were (1) those Form 1040 and 1040A returns with adjusted gross income under \$5,000 on which the tax table was used, and (2) those Form 1040A returns with adjusted gross income of \$5,000 under \$10,000 on which the tax was computed by the taxpayer using the standard deduction and regular tax rates in a tax computation schedule that he retained. The taxable income was not required to be transferred to the card-form itself.

Taxable income for taxpayers who used the tax table was computed by (1) using the midpoint of the income bracket of the tax table into which the taxpayer's adjusted gross income fell as the amount of adjusted gross income, (2) providing a 10 percent standard deduction based on the midpoint, and (3) allowing \$600 for each exemption claimed. This formula produced the amount of taxable income upon which the taxpayer's tax was based by way of the tax table.

Taxable income for taxpayers using Form 1040A with adjusted gross income of \$5,000 under \$10,000 was computed by (1) using the total income reported, (2) deducting 10 percent of the total income as standard deduction but limited to \$1,000 or \$500 in the case of a separate return of husband or wife, and (3) allowing \$600 for each exemption. This formula provided the amount of taxable income used by the taxpayer in his retained tax computation schedule.

Tax Items

Income tax rates remained unchanged for 1963. They were 20 percent of the first \$2,000 of taxable income, and increased to 91 percent on taxable income in excess of \$200,000 for all persons other than heads of household.

in which case the maximum rate applied to taxable income in excess of \$300,000. Under the split-income provision, the 91 percent rate was effective only on taxable income in excess of \$400,000 on joint returns and returns of surviving spouse. In any case, the maximum income tax before credits was limited to 87 percent of taxable income.

Income tax before credits

Tax before credits was based on the taxable income and computed at the prescribed rates. It was either the regular combined normal tax and surtax including tax from the tax table, or the tax computed under the alternative method, before such amounts were reduced by tax credits. It did not include the self-employment tax.

Normal tax and surtax

The income tax imposed upon the taxable income of individuals by the Internal Revenue Code of 1954 is divided into two sections. The first section is a normal tax of 3 percent of taxable income. All taxpayers with taxable income pay the first part of their tax liability at this rate. The second section of the income tax is the surtax which is levied on a scale graduated in relation to size of taxable income. To facilitate computation, the normal tax and surtax rates are combined in the tax tables furnished the public.

Alternative computation of tax liability

An alternative computation of the tax was afforded taxpayers on the long-term capital gains portion of their income. This alternative computation limited the tax on net long-term capital gains in excess of any net short-term capital losses to 25 percent. The portion of the income deemed ordinary income was still taxed at the normal tax and surtax rates. Under the alternative computation, half the excess described above was included in taxable income and the tax before credits was half of the included portion of the excess plus an amount calculated by applying the normal tax and surtax rates to the balance of taxable income.

Providing there were some capital gains, the alternative computation of tax was advantageous if taxable income other than capital gains exceeded \$36,000 on joint returns and returns of surviving spouse, \$24,000 on returns of heads of household, or \$18,000 on separate returns of other persons. These were the points at which the marginal combined normal tax and surtax rates on the different rate schedules exceeded 50 percent.

Recomputation of prior year investment credit

The investment credit taken for 1962 on assets disposed of in 1963 was recomputed and added to the 1963 liability. (See "Changes in Law".)

Tax credit for dividends received

This credit was allowed against the income tax for qualifying domestic dividends included in adjusted gross income. The tax credit was the lesser of 4 percent of such dividends or 4 percent of the taxable income, but could not exceed the income tax reduced by foreign tax credit.

Tax credit for retirement income

The retirement income credit was allowed if the taxpayer received earned income in excess of \$600 in each of any 10 calendar years before the current taxable year. This tax credit was 20 percent of the retirement income, as defined in the Code, with a maximum credit of \$304.80 (\$240 for taxable years ending before October 25, 1962) for each retiree. The credit could not exceed the tax liability after being reduced by (1) the credit for tax withheld at source on tax-free covenant bonds, (2) the foreign tax credit, (3) the dividends received credit, and (4) the credit for partially tax-exempt interest.

Tax credit for investment in certain depreciable property

The investment credit was 7 percent of a taxpayer's qualified investment in new and used tangible personal property and certain other tangible property which had a useful life of over 8 years. The cost or basis was reduced by (1) one third if the useful life was at least 6 years but less than 8 years, or (2) two thirds if the useful life was at least 4 years but less than 6 years. The cost or basis was reduced 4/7 if the investment was in public utility property. If the tax liability exceeded \$25,000 the tax credit was limited to \$25,000 plus 25 percent of the tax liability over that amount. Tax liability was reduced by (1) the foreign tax credit, (2) the credit for partially tax-exempt interest, and (3) the retirement income credit before figuring the limitations on the investment credit.

Other tax credits

The other tax credits against income tax were those for foreign tax paid, for partially tax-exempt interest and for tax paid at source on interest from tax-free covenant bonds, but allowed only if nonbusiness deductions were itemized. Also included was the "throwback tax credit" allowed the recipient of an accumulation distribution from a complex trust, whether claimed on a standard or itemized deduction return.

The partially tax-exempt interest credit, allowed for interest on certain securities of the United States, was 3 percent of the amount of partially exempt interest included in adjusted gross income, reduced by the itemized deduction for amortization of bond premium on the bonds. However, the credit could not exceed the smaller of (1) 3 percent of the taxable income, or (2) income tax reduced by credits for foreign tax paid and for dividends received.

Tax credit was allowed for tax withheld at source on tax-free covenant bond interest. The issuing corporation withheld as tax 2 percent of the total interest earned. The taxpayer also included his share of this tax credit allotted to him through partnerships and fiduciaries.

The throwback tax credit was the recipient's pro rata share of taxes paid by a complex trust in preceding tax years which would not have been payable by the trust had the trust in fact made distributions of income currently to the beneficiaries. Income tax paid on accumulation distributions deemed distributed in prior years was not refunded to the trust but was allowed as a credit against the income tax liability of the recipients. Credit in excess of the total tax was treated as an overpayment and as such was refundable.

Income tax after credits

Tax after credits was the income tax liability excluding the self-employment tax and was the criterion upon which taxable and nontaxable returns were classified. It was after the deduction for income tax credits, but prior to the year-end adjustments for tax withheld from wages and payments on declaration which determined the overpayment or tax due status.

Tax from recomputed prior year investment credit

This tax was part of an investment credit taken in a prior year on property that was disposed of in the current year before its useful life ended. The credit added back was the amount previously claimed, less the credit that would have been allowable if the actual useful life had been used in computing the credit.

Total tax

Total tax was the sum of income tax after credits and the tax from recomputed prior year investment credit.

Self-employment tax

This tax was reported by each individual who had self-employment income of at least \$400 derived from solely owned trade or business and from his share of partnership profits even though these enterprises elected to be taxed as corporations. Citizens employed by foreign governments or international organizations were subjected to self-employment tax on salaries for 1960 and subsequent years. Certain types of income and deductions were not allowed in computing self-employment earnings, such as investment income, capital gain or loss, net operating loss deduction, and casualty losses. The maximum amount subject to social security self-employment tax for 1963 was \$4,800 although this maximum amount was reduced by the amount of wages received on which the social security employee tax had been withheld by an employer. The maximum tax payable was \$259.20. No exemption was allowed against the self-employment income subject to tax and no tax credits applied to this tax. The self-employment tax rate for 1963 was 5.4 percent. This tax was paid regardless of the taxpayer's age and even though social security benefits were received by the taxpayer.

Tax withheld

The tax withheld included the income tax withheld from salaries and wages by employers, the income tax paid by regulated investment companies on undistributed capital gain, and the excess withholding of social security employee tax. These items were considered to be taxpayments. The amount of income tax withheld by employers from wages subject to income tax withholding was withheld as prescribed in withholding tables or by the exact computation method and could have been increased by agreement between employer and employee. Income tax on capital gain retained by regulated investment companies was paid by the company and the taxpayer allotted his pro rata share of the tax paid. Excess social security tax is described below.

Excess social security tax

This excess tax, reported with tax withheld, was the overwithholding of social security employee tax which occurred in some cases when the employee worked for more than one employer during the year. The employee social security tax rate for 1963 was 3 5/8 percent on \$4,800 of wages, with a maximum of \$174 tax. The amount withheld in excess of the maximum was reported with income tax withheld and used by the taxpayer as a payment on total tax liability and to the extent not used was refundable.

Payments on 1963 declaration of estimated income tax

Such payments were reported on returns, Form 1040. The payments, received with the 1963 Declaration of Estimated Income Tax, Form 1040ES, also included any credit which was applied against the estimated tax by reason of an overpayment of the 1962 tax liability.

Tax due at time of filing

This amount was reported on returns where the tax withheld and the payments on declaration (together with other items reported with them) plus the income tax credits were insufficient to cover the total of both the income tax before credits and the self-employment tax. The balance of tax due was required to be paid when the return was filed.

Overpayment

An overpayment of tax occurred when the sum of the tax withheld and payments on declaration exceeded the combined income tax after credits and the self-employment tax. Overpayment on Form 1040A gave rise to a refund. On Forms 1040, overpayment could be elected as a refund, or as a credit on the subsequent year's estimated tax, or could be requested as part refund and part credit on the estimated tax.

Refund

A refund of tax included the portion of overpayment requested as refund by taxpayers filing Forms 1040, and all overpayments on Form 1040A. The refund could be requested in cash or a combination of cash and United States Savings Bonds, Series E. When bonds and cash were both checked on the return, the refund was made entirely in cash. The refund had to be at least \$18.75 before the bond election could be made.

Credit on 1964 tax

This credit, requested on Forms 1040, was that part of the overpayment of 1963 tax which taxpayers specifically requested be credited to their estimated income tax for 1964.

Tax Rate Classifications

Data in tables 30 through 35 are classified by marginal tax rates, the maximum rate applied to any part of the tax base. The explanations which follow use the illustrations appearing on the following page to show how the tax return data presented in table 35 are derived from information available in the return.

b. 50 percent (alternative tax computation returns with capital gains tax only) - This is the rate applicable to returns which show the amount of one-half the excess long-term capital gain equal to or greater than the taxable income. The one-half excess, therefore, is the tax base instead of taxable income.

c. 50 percent (alternative tax computation returns with capital gains tax and normal tax and surtax) - This is the rate applicable to returns where a portion of the tax base is taxed at the capital gains rate (50 percent), and a portion at normal tax and surtax rates.

d. 87 percent (returns eligible for 87 percent limitation) - This limitation of tax is 87 percent of the tax base subject to the regular normal and surtax rates. This rate is applicable when the tax base reaches: (1) \$629,500 or more on a separate return, (2) \$1,259,000 or more on a joint return and a surviving spouse return, and (3) \$938,000 or more on a head of household return.

Marginal rate is the maximum rate applied to any part of the tax base. For example, a joint return with \$11,000 of tax base (for normal tax and surtax rates) has a marginal tax rate of 26 percent. (See example.) Returns with a tax base subject to both the capital gains rate and the normal tax and surtax rates were classified in their marginal surtax rate classes.

Total tax base (column 3) is the entire tax base of each return classified by the marginal tax rate of the return.

Total income tax before credits (column 4) is the reported tax before credits of each return classified by the marginal tax rate of the return.

Tax base taxed at marginal rate (column 5) is that portion of the tax base that is taxed only at the marginal tax rate. For example, a joint return with \$11,000 of tax base (for normal tax and surtax rates) would have \$3,000 taxed at a marginal rate of 26 percent. The remaining tax base was taxed at lower rates.

Tax generated at marginal rate (column 6) is that portion of the tax liability of each return that is taxed at the maximum rate. It is obtained by applying the tax rate in the stub to the amount in column.

Number of returns with any tax at tax rate (column 10) is a distribution of returns by applicable tax rates. It includes each return which had some portion of the tax base taxed at the tax rate shown in the stub. For example, a joint return with \$11,000 tax base (for normal tax and surtax rates) would have some tax base taxed at the 20 percent, 22 percent, and 26 percent rates.

Tax base at tax rate (column 11) is the tax base spread among the applicable tax rates. For example, a joint return with \$11,000 tax base (for normal tax and surtax rates) would have \$4,000 taxed at 20 percent, \$4,000 taxed at 22 percent, and \$3,000 taxed at 26 percent.

Tax generated at tax rate (column 12) is the total tax generated at each tax rate and is obtained by applying the tax rate in the stub to the tax base amount in column 11. This amount is the recalculated income tax before credits and minor differences occurred between this total and the total for income tax before credits reported by the taxpayers for 1963 (column 4) because of the method used in statistically processing unaudited returns.

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TABLE 2.—SOURCES OF INCOME AND LOSS, ADJUSTED GROSS INCOME, STANDARD DEDUCTIONS, AND TOTAL ITEMIZED DEDUCTIONS, BY ADJUSTED GROSS INCOME CLASSES—Continued

Adjusted gross income class	Sub- or property other than capital asset		Dividend income		Interest income		Rental income		Capital gains		Social Security		Retirement		Total
	Number of returns	Net gain (Thousand dollars)	Number of returns	Net gain (Thousand dollars)	Number of returns	Net gain (Thousand dollars)	Number of returns	Net gain (Thousand dollars)	Number of returns	Net gain (Thousand dollars)	Number of returns	Net gain (Thousand dollars)	Number of returns	Net gain (Thousand dollars)	
Under \$1,000	9,541	3,389	18,246	13,424	6,659	4,461	11,251	3,264	1,277	12	1,277	1,277	1,277	1,277	61,482
\$1,000 to \$1,999	3,477	1,201	19,446	13,424	77,468	41,961	19,627	6,169	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$2,000 to \$2,999	3,147	1,146	27,096	17,569	141,961	81,961	41,961	13,424	1,018	1,018	1,018	1,018	1,018	1,018	31,148
\$3,000 to \$3,999	2,098	1,500	6,964	4,961	113,024	61,961	31,961	10,182	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$4,000 to \$4,999	1,425	1,045	5,051	3,655	138,727	78,134	48,727	15,134	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$5,000 to \$5,999	6,679	3,774	6,615	4,615	144,961	75,961	44,961	14,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$6,000 to \$6,999	4,999	3,523	4,199	3,199	137,961	72,961	42,961	13,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$7,000 to \$7,999	2,999	2,199	3,199	2,199	136,961	71,961	41,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$8,000 to \$8,999	2,999	2,199	3,199	2,199	135,961	70,961	40,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$9,000 to \$9,999	2,999	2,199	3,199	2,199	134,961	69,961	39,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$10,000 to \$10,999	2,999	2,199	3,199	2,199	133,961	68,961	38,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$11,000 to \$11,999	2,999	2,199	3,199	2,199	132,961	67,961	37,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$12,000 to \$12,999	2,999	2,199	3,199	2,199	131,961	66,961	36,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$13,000 to \$13,999	2,999	2,199	3,199	2,199	130,961	65,961	35,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$14,000 to \$14,999	2,999	2,199	3,199	2,199	129,961	64,961	34,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$15,000 to \$15,999	2,999	2,199	3,199	2,199	128,961	63,961	33,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$16,000 to \$16,999	2,999	2,199	3,199	2,199	127,961	62,961	32,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$17,000 to \$17,999	2,999	2,199	3,199	2,199	126,961	61,961	31,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$18,000 to \$18,999	2,999	2,199	3,199	2,199	125,961	60,961	30,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$19,000 to \$19,999	2,999	2,199	3,199	2,199	124,961	59,961	29,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$20,000 to \$20,999	2,999	2,199	3,199	2,199	123,961	58,961	28,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$21,000 to \$21,999	2,999	2,199	3,199	2,199	122,961	57,961	27,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$22,000 to \$22,999	2,999	2,199	3,199	2,199	121,961	56,961	26,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$23,000 to \$23,999	2,999	2,199	3,199	2,199	120,961	55,961	25,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$24,000 to \$24,999	2,999	2,199	3,199	2,199	119,961	54,961	24,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$25,000 to \$25,999	2,999	2,199	3,199	2,199	118,961	53,961	23,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$26,000 to \$26,999	2,999	2,199	3,199	2,199	117,961	52,961	22,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$27,000 to \$27,999	2,999	2,199	3,199	2,199	116,961	51,961	21,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$28,000 to \$28,999	2,999	2,199	3,199	2,199	115,961	50,961	20,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$29,000 to \$29,999	2,999	2,199	3,199	2,199	114,961	49,961	19,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$30,000 to \$30,999	2,999	2,199	3,199	2,199	113,961	48,961	18,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$31,000 to \$31,999	2,999	2,199	3,199	2,199	112,961	47,961	17,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$32,000 to \$32,999	2,999	2,199	3,199	2,199	111,961	46,961	16,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$33,000 to \$33,999	2,999	2,199	3,199	2,199	110,961	45,961	15,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$34,000 to \$34,999	2,999	2,199	3,199	2,199	109,961	44,961	14,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$35,000 to \$35,999	2,999	2,199	3,199	2,199	108,961	43,961	13,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$36,000 to \$36,999	2,999	2,199	3,199	2,199	107,961	42,961	12,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$37,000 to \$37,999	2,999	2,199	3,199	2,199	106,961	41,961	11,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$38,000 to \$38,999	2,999	2,199	3,199	2,199	105,961	40,961	10,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$39,000 to \$39,999	2,999	2,199	3,199	2,199	104,961	39,961	9,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$40,000 to \$40,999	2,999	2,199	3,199	2,199	103,961	38,961	8,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$41,000 to \$41,999	2,999	2,199	3,199	2,199	102,961	37,961	7,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$42,000 to \$42,999	2,999	2,199	3,199	2,199	101,961	36,961	6,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$43,000 to \$43,999	2,999	2,199	3,199	2,199	100,961	35,961	5,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$44,000 to \$44,999	2,999	2,199	3,199	2,199	99,961	34,961	4,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$45,000 to \$45,999	2,999	2,199	3,199	2,199	98,961	33,961	3,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$46,000 to \$46,999	2,999	2,199	3,199	2,199	97,961	32,961	2,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$47,000 to \$47,999	2,999	2,199	3,199	2,199	96,961	31,961	1,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$48,000 to \$48,999	2,999	2,199	3,199	2,199	95,961	30,961	95,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$49,000 to \$49,999	2,999	2,199	3,199	2,199	94,961	29,961	94,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$50,000 to \$50,999	2,999	2,199	3,199	2,199	93,961	28,961	93,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$51,000 to \$51,999	2,999	2,199	3,199	2,199	92,961	27,961	92,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$52,000 to \$52,999	2,999	2,199	3,199	2,199	91,961	26,961	91,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$53,000 to \$53,999	2,999	2,199	3,199	2,199	90,961	25,961	90,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$54,000 to \$54,999	2,999	2,199	3,199	2,199	89,961	24,961	89,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$55,000 to \$55,999	2,999	2,199	3,199	2,199	88,961	23,961	88,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$56,000 to \$56,999	2,999	2,199	3,199	2,199	87,961	22,961	87,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$57,000 to \$57,999	2,999	2,199	3,199	2,199	86,961	21,961	86,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$58,000 to \$58,999	2,999	2,199	3,199	2,199	85,961	20,961	85,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$59,000 to \$59,999	2,999	2,199	3,199	2,199	84,961	19,961	84,961	12,961	1,018	1,018	1,018	1,018	1,018	1,018	17,148
\$60,000 to \$60,999	2,999	2,199	3,199	2,199	83										

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 3.—SOURCES OF INCOME AND LOSS: ALL RETURNS, RETURNS WITH STANDARD DEDUCTION, RETURNS WITH ITEMIZED DEDUCTIONS, AND RETURNS WITH AG ADJUSTED GROSS INCOME, BY MARITAL STATUS OF TAXPAYER—Continued

(Taxable and nontaxable returns)

Adjusted gross income or deficit	All returns		Joint returns of husbands and wives		Separate returns of husbands and wives		Returns of heads of household		Returns of surviving spouses		Returns of single persons not heads of household or surviving spouses	
	Number	Amount (Thousands of dollars)	Number	Amount (Thousands of dollars)	Number	Amount (Thousands of dollars)	Number	Amount (Thousands of dollars)	Number	Amount (Thousands of dollars)	Number	Amount (Thousands of dollars)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Returns with itemized deductions												
Adjusted gross income.....	28,153,822	123,115,277	21,648,979	100,799,012	905,270	3,858,981	1,010,232	5,899,679	139,014	586,976	4,421,222	20,714,601
Salaries and wages (net).....	24,926,431	181,839,873	19,546,826	117,744,417	795,389	3,397,100	907,363	6,698,700	116,506	503,197	3,566,835	13,314,647
Business or profession:												
Net profit.....	2,786,494	16,338,036	2,642,241	15,111,916	72,520	322,129	45,062	3,342,542	7,271	48,700	449,773	3,681,077
Net loss.....	456,881	562,933	396,250	548,994	8,710	5,779	8,926	1,232	1,232	4,473	44,731	56,129
Farm:												
Net profit.....	492,830	1,276,854	403,417	1,109,543	1,676	35,433	6,920	13,939	1,824	6,676	63,989	115,876
Net loss.....	371,989	706,851	332,543	641,343	8,789	12,059	3,231	8,247	1,571	1,629	29,854	43,576
Sales of capital assets:												
Net gain.....	3,022,854	5,749,267	2,322,379	4,614,779	46,400	102,575	77,276	126,071	13,122	16,773	363,460	889,067
Net loss.....	1,184,711	779,771	919,805	590,964	7,184	11,863	30,676	21,084	4,227	2,816	158,220	103,061
Ordinary gain from sales of depreciable property.....	80,330	41,944	72,398	37,388	1,966	833	(3)	(3)	154	154	4,733	2,582
Sales of property other than capital assets:												
Net gain.....	56,824	46,028	43,743	39,197	(2)	(2)	(2)	(2)	1,015	91	5,138	4,102
Net loss.....	48,847	135,019	86,554	115,660	3,793	4,204	3,016	3,503	(3)	(3)	1,629	11,204
Dividends in adjusted gross income.....	4,458,835	9,850,165	3,138,281	6,356,042	98,131	299,152	154,830	331,093	30,718	41,790	1,036,833	2,646,086
Interest received.....	13,851,500	6,179,672	10,612,196	4,316,737	302,436	119,606	459,153	29,764	82,198	40,290	2,397,114	1,900,767
Pensions and annuities.....	99,600	1,840,782	607,864	1,228,661	20,723	36,475	27,379	46,360	9,288	11,778	238,386	161,061
Rents:												
Net income.....	21,287,565	4,619,946	1,879,151	1,944,941	51,860	36,214	74,077	65,012	16,012	16,048	507,031	764,228
Net loss.....	1,683,215	886,460	1,265,876	739,543	38,400	29,212	40,789	24,932	3,809	1,967	13,072	96,295
Royalties:												
Net income.....	263,825	435,914	193,776	339,314	3,767	13,467	7,361	11,801	3,022	3,162	3,699	87,167
Net loss.....	23,146	41,698	17,607	37,817	(3)	(3)	(3)	(3)	(3)	(3)	3,875	5,951
Partnerships:												
Net profit.....	991,697	8,113,408	862,502	7,497,468	20,279	139,989	15,489	49,881	8,241	11,170	46,556	378,197
Net loss.....	271,223	566,978	332,783	511,847	8,186	14,434	5,652	7,032	(3)	(3)	23,641	33,985
Estates and trusts:												
Income.....	307,477	1,012,265	181,931	299,977	3,790	10,548	6,549	33,266	3,264	1,221	107,067	201,174
Loss.....	15,711	35,721	14,567	31,567	(2)	(2)	(2)	(2)	(2)	(2)	4,226	8,297
Other sources.....	(3)	1,774,263	-	1,528,799	(2)	67,906	(3)	67,171	(2)	12,380	(2)	21,674
Returns with no adjusted gross income												
Adjusted gross income.....	431,990	71,262,346	472,214	1,131,234	24,760	468,227	6,929	51,001	3,482	61,389	146,824	772,073
Salaries and wages (net).....	113,266	389,344	83,229	249,200	4,279	5,801	1,044	1,773	(3)	289	21,954	29,267
Business or profession:												
Net profit.....	23,921	67,742	17,467	61,107	1,038	3,319	(3)	(3)	(3)	(3)	6,112	4,661
Net loss.....	163,221	743,932	159,660	997,239	8,197	28,499	3,138	(7,711)	(3)	(3)	40,726	108,930
Farm:												
Net profit.....	3,109	11,332	4,256	9,279	(2)	(2)	(2)	(2)	(2)	(2)	1,661	1,336
Net loss.....	166,980	586,893	118,697	487,667	10,436	24,034	2,411	(4,179)	1,764	(2,476)	33,889	42,704
Sales of capital assets:												
Net gain.....	87,034	166,979	66,107	137,081	4,762	8,276	1,263	(973)	(3)	(3)	16,770	33,217
Net loss.....	31,758	79,816	18,413	14,997	1,907	1,216	(2)	(2)	(2)	(2)	11,633	9,836
Ordinary gain from sales of depreciable property.....	4,446	16,326	7,301	15,547	(2)	(2)	(2)	(2)	-	-	-	(3)
Sales of property other than capital assets:												
Net gain.....	(2)	(2)	(2)	(2)	(2)	7,466	(3)	(3)	(3)	(3)	(2)	(2)
Net loss.....	70,239	126,124	14,517	79,323	(3)	(3)	(3)	(3)	(3)	(3)	4,274	7,073
Dividends in adjusted gross income.....	44,881	90,521	27,991	39,261	1,314	668	(2)	(2)	(2)	(2)	15,676	6,676
Interest received.....	147,415	73,962	96,469	49,081	4,262	1,931	1,602	1,607	(2)	(2)	22,778	21,941
Pensions and annuities.....	4,762	1,840	2,810	6,028	-	-	-	-	-	-	2,776	1,636
Rents:												
Net income.....	59,273	1,070	4,204	49,868	1,900	962	(3)	(3)	(3)	(3)	1,062	17,726
Net loss.....	36,469	107,252	24,836	67,710	3,030	1,840	(2)	(2)	(2)	(2)	26,667	27,222
Royalties:												
Net income.....	11,508	1,071	8,799	3,766	(3)	-	-	-	-	-	1,616	2,379
Net loss.....	(3)	(3)	(3)	(3)	-	-	-	-	-	-	(3)	(3)
Partnerships:												
Net profit.....	16,909	1,108	5,234	11,496	(2)	(2)	(2)	(2)	(2)	(2)	1,297	1,676
Net loss.....	47,767	67,603	62,751	87,603	1,117	16,661	(3)	(3)	(3)	(3)	-	1,676
Estates and trusts:												
Income.....	7,166	11,101	6,018	11,722	(2)	(2)	-	-	-	-	1,247	1,367
Loss.....	(3)	(3)	(3)	(3)	(3)	(3)	-	-	-	-	(3)	(3)
Other sources.....	(3)	5,071,11	(3)	7,612,198	(3)	511,94	(3)	8,171	(3)	(3)	(3)	7,128

See page 10 for the instructions to the schedule and instructions to the Form 1041 and 1042, and the instructions to the Form 1041 and 1042.

Adjusted gross income is reported on Form 1041 or 1042.

Royalties are reported on Form 1041 or 1042.

Salaries and wages are reported on Form 1041 or 1042. Note that the data are included in the appropriate column.

Dividends are reported on Form 1041 or 1042.

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

Table 4. — SOURCES OF INCOME AND LOSS, ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income class	Dividend income		Interest income		Rental income		Royalty income		Capital gains		Other income		Total		Exemptions		Taxable income		Tax items			
	(Thousands of dollars)	(Percentage of total)	(Thousands of dollars)	(Percentage of total)	(Thousands of dollars)	(Percentage of total)	(Thousands of dollars)	(Percentage of total)	(Thousands of dollars)	(Percentage of total)	(Thousands of dollars)	(Percentage of total)	(Thousands of dollars)	(Percentage of total)	(Thousands of dollars)	(Percentage of total)	(Thousands of dollars)	(Percentage of total)	(Thousands of dollars)	(Percentage of total)	(Thousands of dollars)	(Percentage of total)
All adjusted gross income	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0
Under \$10,000	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0
\$10,000 to \$24,999	250,000	25.0	250,000	25.0	250,000	25.0	250,000	25.0	250,000	25.0	250,000	25.0	250,000	25.0	250,000	25.0	250,000	25.0	250,000	25.0	250,000	25.0
\$25,000 to \$49,999	500,000	50.0	500,000	50.0	500,000	50.0	500,000	50.0	500,000	50.0	500,000	50.0	500,000	50.0	500,000	50.0	500,000	50.0	500,000	50.0	500,000	50.0
\$50,000 to \$74,999	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0
\$75,000 to \$99,999	50,000	5.0	50,000	5.0	50,000	5.0	50,000	5.0	50,000	5.0	50,000	5.0	50,000	5.0	50,000	5.0	50,000	5.0	50,000	5.0	50,000	5.0
\$100,000 and over	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0	100,000	10.0
Total	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0	1,000,000	100.0

Table 4. — SOURCES OF INCOME AND LOSS, ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES

Table 4. — SOURCES OF INCOME AND LOSS, ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES—Continued

Adjusted gross income class	Savings bonds		Dividends		Interest on U.S. Government securities		Interest on other securities		Interest on other debt		Rents		Royalties		Capital gains		Retirement		Other		Total	Number of returns	Meaning of symbols	
	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)				
Under \$100	131	1,271	200	4,431	162	1,237	162	1,237	162	1,237	162	1,237	162	1,237	162	1,237	162	1,237	162	1,237	162	1,237	162	1,237
\$100 to under \$200	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$200 to under \$300	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$300 to under \$400	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$400 to under \$500	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$500 to under \$600	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$600 to under \$700	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$700 to under \$800	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$800 to under \$900	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$900 to under \$1,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$1,000 to under \$1,500	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$1,500 to under \$2,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$2,000 to under \$2,500	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$2,500 to under \$3,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$3,000 to under \$3,500	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$3,500 to under \$4,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$4,000 to under \$4,500	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$4,500 to under \$5,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$5,000 to under \$5,500	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$5,500 to under \$6,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$6,000 to under \$6,500	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$6,500 to under \$7,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$7,000 to under \$7,500	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$7,500 to under \$8,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$8,000 to under \$8,500	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$8,500 to under \$9,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$9,000 to under \$9,500	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$9,500 to under \$10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000
\$10,000 and over	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000	1,000	10,000

Source: U.S. Census Bureau, "Sources of Income and Loss, Adjusted Gross Income, Exemptions, Taxable Income, and Tax Items, by Adjusted Gross Income Class," 1963.

Table 5 —JOINT RETURNS OF HUSBANDS AND WIVES AND RETURNS OF SURVIVING SPOUSE. SOURCES OF INCOME AND LOSS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED CROSS-INCOME CLASSES

Adjusted cross-income class	Wages		Dividends		Interest		Rents		Royalties		Capital gains		Retirement		Other		Total		Total (Thousand dollars)	Percentage of total (Percent)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)			
Spouse's return	17,476,792	11,777,749	1,888,528	32,848,776	2,002,219	2,515,439	7,434,313	1,973,378	93,116	1,973,378	14,133,111	1,411,111	1,411,111	1,411,111	1,411,111	1,411,111	1,411,111	1,411,111	1,411,111	231,111	
Wages	17,476,792	11,777,749	1,888,528	32,848,776	2,002,219	2,515,439	7,434,313	1,973,378	93,116	1,973,378	14,133,111	1,411,111	1,411,111	1,411,111	1,411,111	1,411,111	1,411,111	1,411,111	1,411,111	231,111	
Dividends																					
Interest																					
Rents																					
Royalties																					
Capital gains																					
Retirement																					
Other																					
Total	17,476,792	11,777,749	1,888,528	32,848,776	2,002,219	2,515,439	7,434,313	1,973,378	93,116	1,973,378	14,133,111	1,411,111	1,411,111	1,411,111	1,411,111	1,411,111	1,411,111	1,411,111	1,411,111	231,111	
Percentage of total	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Source: U.S. Department of the Treasury, Bureau of Economic Analysis, "Individual Income Tax Returns for 1963," Table 1.1, "Detailed Characteristics of Taxpayers and Taxpayers' Returns," p. 11.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 5. — JOINT RETURNS OF HUSBANDS AND WIVES AND RETURNS OF SURVIVING SPOUSE, SOURCES OF INCOME AND LOSS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES—Continued

Adjusted gross income by class	Total joint returns of husbands and wives			Returns of surviving spouse			Total						Returns on 1042		Returns of 1042 filers		Returns on 1041			Total on 1041 (Thousand dollars)
	Number of returns			Number of returns			Number of returns			Number of returns		Number of returns		Number of returns		Number of returns				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	
Amount of return (Thousand dollars)	7,379,226	862,727	15,474,127	31,642,683	2,791,030	1,736,385	3,614,443	9,626,392	31,326,402	1,316,868	1,120,868	1,478,052	26,884,511	5,467,413	4,816,679	4,728,638	81,213	47,267	1,786,644	523,477
Number of returns	1,211,792	793,293	3,036,602	3,079,332	1,379,382	1,379,413	4,651,733	10,426,197	30,336,407	1,069,607	969,807	1,279,414	27,076,993	6,484,816	6,048,796	6,136,936	79,459	47,267	1,786,644	523,477
Amount of return (Thousand dollars)	2,245,201	1,173,420	3,394,734	2,730,729	1,573,072	1,573,072	4,303,801	10,426,197	30,336,407	1,069,607	969,807	1,279,414	27,076,993	6,484,816	6,048,796	6,136,936	79,459	47,267	1,786,644	523,477
Number of returns	398,628	247,979	646,607	652,225	302,524	302,524	954,749	2,679,613	7,893,222	263,961	263,961	327,922	7,629,301	1,865,852	1,865,852	1,901,773	16,494	16,494	628,700	167,983
Amount of return (Thousand dollars)	2,245,201	1,173,420	3,394,734	2,730,729	1,573,072	1,573,072	4,303,801	10,426,197	30,336,407	1,069,607	969,807	1,279,414	27,076,993	6,484,816	6,048,796	6,136,936	79,459	47,267	1,786,644	523,477
Number of returns	398,628	247,979	646,607	652,225	302,524	302,524	954,749	2,679,613	7,893,222	263,961	263,961	327,922	7,629,301	1,865,852	1,865,852	1,901,773	16,494	16,494	628,700	167,983
Amount of return (Thousand dollars)	2,245,201	1,173,420	3,394,734	2,730,729	1,573,072	1,573,072	4,303,801	10,426,197	30,336,407	1,069,607	969,807	1,279,414	27,076,993	6,484,816	6,048,796	6,136,936	79,459	47,267	1,786,644	523,477
Number of returns	398,628	247,979	646,607	652,225	302,524	302,524	954,749	2,679,613	7,893,222	263,961	263,961	327,922	7,629,301	1,865,852	1,865,852	1,901,773	16,494	16,494	628,700	167,983

* The number of returns of 1041 filers is included in the total number of returns for each class.

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TABLE 6.—SEPARATE RETURNS OF HUSBANDS AND WIVES AND RETURNS OF SINGLE PERSONS: SOURCES OF INCOME AND LOSS, EXEMPTIONS, TAXABLE INCOME, AND TAX LIES, BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income class	1950-1959								1960-1969								Total	
	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963	1960-69	Total		
	Source of income		Exemptions		Taxable income		Tax lies		Adjusted gross income		Taxable income		Tax lies					
	Number	(Thousands of dollars)	Number	(Thousands of dollars)	Number	(Thousands of dollars)	Number	(Thousands of dollars)	Number	(Thousands of dollars)	Number	(Thousands of dollars)	Number	(Thousands of dollars)	Number	(Thousands of dollars)		
Single persons	10,543,396	22,484,874	10,386,579	21,352,681	10,488,162	22,585,173	10,605,058	23,024,608	10,736,882	23,617,108	10,878,331	24,202,344	10,982,840	24,765,110	107,520,263	227,431,190		
Widows and widowers	12,528,176	27,961,479	12,294,289	27,153,246	12,447,136	27,848,271	12,593,308	28,521,842	12,745,513	29,214,137	12,897,685	29,906,937	13,049,840	30,604,314	116,670,218	244,786,162		
Divorced persons	5,117,078	11,262,506	5,035,483	11,043,858	5,102,289	11,229,012	5,169,145	11,415,034	5,236,077	11,604,998	5,303,049	11,795,633	5,370,040	11,986,261	49,445,511	106,282,231		
Married persons	27,089,815	58,301,535	26,892,616	57,809,310	27,099,661	58,316,376	27,306,706	58,833,699	27,513,751	59,341,643	27,720,796	59,848,587	27,927,841	60,355,530	234,124,383	495,063,674		
Married persons filing jointly	10,403,967	22,247,679	10,308,589	21,962,206	10,414,250	22,446,349	10,519,911	22,930,494	10,625,572	23,424,596	10,731,233	23,908,698	10,836,894	24,402,799	103,375,746	216,830,871		
Married persons filing separately	16,685,848	36,053,856	16,584,027	35,847,104	16,685,411	35,870,027	16,786,795	35,903,205	16,888,179	35,917,047	16,989,563	35,940,889	17,090,947	35,952,731	130,748,637	278,232,803		
Married persons filing as head of household	2,745,650	5,814,850	2,719,739	5,796,789	2,745,650	5,814,850	2,771,595	5,833,205	2,797,504	5,851,596	2,823,413	5,870,000	2,849,322	5,888,430	12,581,130	26,120,596		
Married persons filing as surviving spouse	8,935,350	19,245,950	8,879,261	19,201,211	8,935,350	19,245,950	8,991,444	19,289,200	9,047,538	19,333,449	9,103,632	19,377,691	9,159,726	19,421,932	37,279,873	78,930,907		
Married persons filing as dependent	2,920,200	6,203,600	2,920,200	6,203,600	2,920,200	6,203,600	2,920,200	6,203,600	2,920,200	6,203,600	2,920,200	6,203,600	2,920,200	6,203,600	23,270,300	48,370,700		
Married persons filing as other	1,005,150	2,195,550	1,005,150	2,195,550	1,005,150	2,195,550	1,005,150	2,195,550	1,005,150	2,195,550	1,005,150	2,195,550	1,005,150	2,195,550	4,010,300	8,379,600		
Total	54,375,420	117,056,764	53,906,544	115,568,685	54,375,420	117,056,764	54,844,667	118,568,346	55,313,553	119,656,686	55,782,439	120,745,024	56,251,325	121,833,364	432,960,955	905,983,057		

Source: U.S. Department of the Treasury, Bureau of Economic Analysis, "Individual Income Tax Returns for 1963," Report No. 1-73, Washington, D.C., 1964.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 6.—SEPARATE RETURNS OF HUSBANDS AND WIVES AND RETURNS OF SINGLE PERSONS. SOURCES OF INCOME AND LOSS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED INCOME CLASSIFICATION

Table with multiple columns including Adjusted Gross Income, Exemptions (Number and Amount), Taxable Income, and Taxes (Federal, State, Local). Rows are categorized by income groups: \$10,000 or more, \$5,000 to \$9,999, and \$1,000 to \$4,999.

Source: Internal Revenue Service, U.S. Department of the Treasury, U.S. Individual Income Tax Returns, 1963, U.S. Government Printing Office, Washington, D.C., 1964. Figures are in thousands unless otherwise indicated.

Table 6—SEPARATE RETURNS OF HUSBANDS AND WIVES AND RETURNS OF SINGLE PERSONS: SOURCES OF INCOME AND LOSS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES—Continued

Source of income and loss	1963		1962		1961		1960		1959		1958		Total (Thousand dollars)	No. of returns
	Ad. gross income (Thousand dollars)	Percentage	Ad. gross income (Thousand dollars)	Percentage	Ad. gross income (Thousand dollars)	Percentage	Ad. gross income (Thousand dollars)	Percentage	Ad. gross income (Thousand dollars)	Percentage	Ad. gross income (Thousand dollars)	Percentage		
Dividends, interest, etc.	8,532,131	1.8	10,075,473	2.2	11,791,507	2.6	13,632,555	3.1	15,443,436	3.5	17,218,510	3.9	68,393,612	1.5
Other income	471,216	0.1	504,645	0.1	552,297	0.1	613,865	0.1	681,734	0.2	758,333	0.2	3,004,535	0.1
Exemptions	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2	6,000,000	0.1
Losses	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2	1,000,000	0.2	6,000,000	0.1
Income after exemptions and losses	8,531,131	1.8	10,074,473	2.2	11,790,507	2.6	13,631,555	3.1	15,442,436	3.5	17,217,510	3.9	68,387,612	1.5
Income tax	1,234,567	0.3	1,345,678	0.3	1,456,789	0.3	1,567,890	0.4	1,678,901	0.4	1,789,012	0.4	7,234,567	0.2
State income tax	234,567	0.05	245,678	0.05	256,789	0.06	267,890	0.06	278,901	0.06	289,012	0.06	1,234,567	0.03
Local income tax	12,345	0.003	13,456	0.003	14,567	0.003	15,678	0.004	16,789	0.004	17,890	0.004	78,901	0.002
Other taxes	98,765	0.02	109,876	0.02	120,987	0.03	132,098	0.03	143,209	0.03	154,320	0.03	612,345	0.01
Total tax	1,475,904	0.3	1,604,632	0.3	1,732,423	0.4	1,865,578	0.4	1,996,810	0.4	2,126,032	0.5	8,160,370	0.2
Net income	7,055,227	1.5	8,469,841	1.9	10,058,084	2.2	11,765,977	2.7	13,445,626	3.1	15,091,478	3.4	60,227,242	1.3
Income tax credit	1,234,567	0.3	1,345,678	0.3	1,456,789	0.3	1,567,890	0.4	1,678,901	0.4	1,789,012	0.4	7,234,567	0.2
State income tax credit	234,567	0.05	245,678	0.05	256,789	0.06	267,890	0.06	278,901	0.06	289,012	0.06	1,234,567	0.03
Local income tax credit	12,345	0.003	13,456	0.003	14,567	0.003	15,678	0.004	16,789	0.004	17,890	0.004	78,901	0.002
Other tax credit	98,765	0.02	109,876	0.02	120,987	0.03	132,098	0.03	143,209	0.03	154,320	0.03	612,345	0.01
Total tax credit	1,475,904	0.3	1,604,632	0.3	1,732,423	0.4	1,865,578	0.4	1,996,810	0.4	2,126,032	0.5	8,160,370	0.2
Net income after tax	5,579,323	1.2	6,865,209	1.6	8,325,661	1.8	9,900,399	2.3	11,566,716	2.7	13,065,446	2.9	52,066,872	1.1

Source: Internal Revenue Service, "Individual Income Tax Returns for 1963," Table 1.

1. The number of returns in each income class is shown in the "No. of returns" column. The percentages are based on the total number of returns.

2. The percentages are based on the total number of returns in each income class.

3. The percentages are based on the total number of returns in each income class.

4. The percentages are based on the total number of returns in each income class.

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12. The percentages are based on the total number of returns in each income class.

13. The percentages are based on the total number of returns in each income class.

14. The percentages are based on the total number of returns in each income class.

15. The percentages are based on the total number of returns in each income class.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 7.—FORM 1041A RETURNS: INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASS

Adjusted gross income class	Total		Exemptions		Taxable income		Total income		Total tax	
	(Thousand dollars)	(Thousand dollars)	(Thousand dollars)	(Thousand dollars)	(Thousand dollars)	(Thousand dollars)	(Thousand dollars)	(Thousand dollars)	(Thousand dollars)	(Thousand dollars)
All returns	172,773,311	4,111,711	2,822,271	4,111,711	172,773,311	172,773,311	172,773,311	172,773,311	172,773,311	172,773,311
Under \$1,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$1,000 to \$2,499	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$2,500 to \$4,999	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$5,000 to \$9,999	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$10,000 to \$14,999	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$15,000 to \$19,999	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$20,000 to \$24,999	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$25,000 to \$29,999	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$30,000 to \$34,999	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$35,000 to \$39,999	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$40,000 to \$44,999	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$45,000 to \$49,999	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$50,000 or more	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Total	172,773,311	4,111,711	2,822,271	4,111,711	172,773,311	172,773,311	172,773,311	172,773,311	172,773,311	172,773,311

Source: Internal Revenue Service, Office of Statistics, "Individual Income Tax Returns for 1963," Table 7. Excludes returns for which the taxpayer is a nonresident alien, a resident alien with a limited liability company, or a partner in a partnership. Excludes returns for which the taxpayer is a partner in a partnership. Excludes returns for which the taxpayer is a partner in a partnership.

TABLE 8.—RETURNS WITH FARM NET PROFIT OR LOSS—SOURCES OF INCOME AND LOSS, EXEMPTIONS, TAXABLE INCOME, AND TAX TURNS, BY ADJUSTED GROSS INCOME CLASS

Adjusted gross income class	Farm net profit or loss		Other income		Total income		Exemptions		Taxable income		Tax turns	
	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total	Number of returns	Percent of total
Under \$1,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$1,000 to under \$2,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$2,000 to under \$3,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$3,000 to under \$4,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$4,000 to under \$5,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$5,000 to under \$6,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$6,000 to under \$7,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$7,000 to under \$8,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$8,000 to under \$9,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$9,000 to under \$10,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$10,000 to under \$12,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$12,000 to under \$14,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$14,000 to under \$16,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$16,000 to under \$18,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$18,000 to under \$20,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$20,000 to under \$25,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$25,000 to under \$30,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$30,000 to under \$35,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$35,000 to under \$40,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$40,000 to under \$45,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$45,000 to under \$50,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$50,000 to under \$60,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$60,000 to under \$70,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$70,000 to under \$80,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$80,000 to under \$90,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$90,000 to under \$100,000	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
\$100,000 and over	1,000	1.0	1,000	1.0	2,000	2.0	1,000	1.0	1,000	1.0	1,000	1.0
Total	100,000	100.0	100,000	100.0	200,000	200.0	100,000	100.0	100,000	100.0	100,000	100.0

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TABLE 6.—RETURNS WITH FARM NET PROFIT OR LOSS SOURCES OF INCOME AND LOSS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADMISTED SOURCE INCOME CLASSES—Continued

Admitted source	Farm net profit or loss		Other income		Total income		Exemptions		Taxable income		Other tax items		Total tax		Number of returns
	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
1. Farm net profit or loss	1,000	100.0	0	0.0	1,000	100.0	0	0.0	1,000	100.0	0	0.0	0	0.0	1,000
2. Other income	0	0.0	1,000	100.0	1,000	100.0	0	0.0	1,000	100.0	0	0.0	0	0.0	1,000
3. Total income	1,000	100.0	1,000	100.0	2,000	200.0	0	0.0	2,000	200.0	0	0.0	0	0.0	2,000
4. Exemptions	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
5. Taxable income	1,000	100.0	1,000	100.0	2,000	200.0	0	0.0	2,000	200.0	0	0.0	0	0.0	2,000
6. Other tax items	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0
7. Total tax	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0

Source: U.S. Internal Revenue Service, "Individual Income Tax Returns for 1963," Table 6.

TABLE 9.—RETURNS WITH FARM NET PROFIT OR LOSS AND SALARIES AND WAGES—NUMBER OF RETURNS BY SIZE OF EACH SOURCE AND BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income class	Farm net profit or loss		Salaries and wages		Other sources		Total
	Number of returns	Percentage of total returns	Number of returns	Percentage of total returns	Number of returns	Percentage of total returns	
Under \$1,000	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$1,000 to \$2,499	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$2,500 to \$4,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$5,000 to \$9,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$10,000 to \$14,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$15,000 to \$19,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$20,000 to \$24,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$25,000 to \$29,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$30,000 to \$34,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$35,000 to \$39,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$40,000 to \$44,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$45,000 to \$49,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$50,000 to \$54,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$55,000 to \$59,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$60,000 to \$64,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$65,000 to \$69,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$70,000 to \$74,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$75,000 to \$79,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$80,000 to \$84,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$85,000 to \$89,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$90,000 to \$94,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$95,000 to \$99,999	1,000	1.0	1,000	1.0	1,000	1.0	3,000
\$100,000 and over	1,000	1.0	1,000	1.0	1,000	1.0	3,000
Total	100,000	100.0	100,000	100.0	100,000	100.0	300,000

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 10.—RETURNS WITH FARM INCOME: FARM NET PROFIT AS A PERCENT OF ALL OTHER GROSS INCOME BY SOCIOECONOMIC GROUP (THOUSAND RETURNS)

Socioeconomic Group	Percentage of Returns					
	10% or more	5% to 10%	1% to 5%	Less than 1%	None	Total
All returns	1.2	1.8	1.2	1.2	94.6	16.4
White	1.2	1.8	1.2	1.2	94.6	16.4
Black	1.2	1.8	1.2	1.2	94.6	16.4
Hispanic	1.2	1.8	1.2	1.2	94.6	16.4
Other	1.2	1.8	1.2	1.2	94.6	16.4
Male	1.2	1.8	1.2	1.2	94.6	16.4
Female	1.2	1.8	1.2	1.2	94.6	16.4
Married	1.2	1.8	1.2	1.2	94.6	16.4
Unmarried	1.2	1.8	1.2	1.2	94.6	16.4
Under \$10,000	1.2	1.8	1.2	1.2	94.6	16.4
\$10,000-\$20,000	1.2	1.8	1.2	1.2	94.6	16.4
\$20,000-\$30,000	1.2	1.8	1.2	1.2	94.6	16.4
\$30,000-\$40,000	1.2	1.8	1.2	1.2	94.6	16.4
\$40,000-\$50,000	1.2	1.8	1.2	1.2	94.6	16.4
\$50,000-\$60,000	1.2	1.8	1.2	1.2	94.6	16.4
\$60,000-\$70,000	1.2	1.8	1.2	1.2	94.6	16.4
\$70,000-\$80,000	1.2	1.8	1.2	1.2	94.6	16.4
\$80,000-\$90,000	1.2	1.8	1.2	1.2	94.6	16.4
\$90,000-\$100,000	1.2	1.8	1.2	1.2	94.6	16.4
\$100,000+	1.2	1.8	1.2	1.2	94.6	16.4
Under \$10,000	1.2	1.8	1.2	1.2	94.6	16.4
\$10,000-\$20,000	1.2	1.8	1.2	1.2	94.6	16.4
\$20,000-\$30,000	1.2	1.8	1.2	1.2	94.6	16.4
\$30,000-\$40,000	1.2	1.8	1.2	1.2	94.6	16.4
\$40,000-\$50,000	1.2	1.8	1.2	1.2	94.6	16.4
\$50,000-\$60,000	1.2	1.8	1.2	1.2	94.6	16.4
\$60,000-\$70,000	1.2	1.8	1.2	1.2	94.6	16.4
\$70,000-\$80,000	1.2	1.8	1.2	1.2	94.6	16.4
\$80,000-\$90,000	1.2	1.8	1.2	1.2	94.6	16.4
\$90,000-\$100,000	1.2	1.8	1.2	1.2	94.6	16.4
\$100,000+	1.2	1.8	1.2	1.2	94.6	16.4

Table 11.—SELECTED PATTERNS OF INCOME, NUMBER OF RETURNS AND AMOUNT OF INCOME BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income class	Calculated net income (or loss)			From net (or loss) (or loss)			Bank net income (or loss)			Other income (or loss)			Dividend and interest (net) and trust net profit (or loss)			Estate and other income		
	Number of returns	Amount (Thousands of dollars)	% of total	Number of returns	Amount (Thousands of dollars)	% of total	Number of returns	Amount (Thousands of dollars)	% of total	Number of returns	Amount (Thousands of dollars)	% of total	Number of returns	Amount (Thousands of dollars)	% of total	Number of returns	Amount (Thousands of dollars)	% of total
Under \$2,000	1,111,000	11,000,000	11.1	1,111,000	11,000,000	11.1	1,111,000	11,000,000	11.1	1,111,000	11,000,000	11.1	1,111,000	11,000,000	11.1	1,111,000	11,000,000	11.1
\$2,000 to \$4,999	1,234,500	24,690,000	24.7	1,234,500	24,690,000	24.7	1,234,500	24,690,000	24.7	1,234,500	24,690,000	24.7	1,234,500	24,690,000	24.7	1,234,500	24,690,000	24.7
\$5,000 to \$9,999	567,800	56,780,000	56.8	567,800	56,780,000	56.8	567,800	56,780,000	56.8	567,800	56,780,000	56.8	567,800	56,780,000	56.8	567,800	56,780,000	56.8
\$10,000 to \$14,999	234,500	351,750,000	351.8	234,500	351,750,000	351.8	234,500	351,750,000	351.8	234,500	351,750,000	351.8	234,500	351,750,000	351.8	234,500	351,750,000	351.8
\$15,000 to \$19,999	123,400	2,345,000,000	2,345.1	123,400	2,345,000,000	2,345.1	123,400	2,345,000,000	2,345.1	123,400	2,345,000,000	2,345.1	123,400	2,345,000,000	2,345.1	123,400	2,345,000,000	2,345.1
\$20,000 to \$24,999	67,800	13,560,000,000	13,560.2	67,800	13,560,000,000	13,560.2	67,800	13,560,000,000	13,560.2	67,800	13,560,000,000	13,560.2	67,800	13,560,000,000	13,560.2	67,800	13,560,000,000	13,560.2
\$25,000 to \$29,999	34,500	10,350,000,000	10,350.3	34,500	10,350,000,000	10,350.3	34,500	10,350,000,000	10,350.3	34,500	10,350,000,000	10,350.3	34,500	10,350,000,000	10,350.3	34,500	10,350,000,000	10,350.3
\$30,000 to \$34,999	18,900	16,620,000,000	16,620.4	18,900	16,620,000,000	16,620.4	18,900	16,620,000,000	16,620.4	18,900	16,620,000,000	16,620.4	18,900	16,620,000,000	16,620.4	18,900	16,620,000,000	16,620.4
\$35,000 to \$39,999	9,450	37,020,000,000	37,020.5	9,450	37,020,000,000	37,020.5	9,450	37,020,000,000	37,020.5	9,450	37,020,000,000	37,020.5	9,450	37,020,000,000	37,020.5	9,450	37,020,000,000	37,020.5
\$40,000 to \$44,999	4,725	83,820,000,000	83,820.6	4,725	83,820,000,000	83,820.6	4,725	83,820,000,000	83,820.6	4,725	83,820,000,000	83,820.6	4,725	83,820,000,000	83,820.6	4,725	83,820,000,000	83,820.6
\$45,000 to \$49,999	2,362	189,660,000,000	189,660.7	2,362	189,660,000,000	189,660.7	2,362	189,660,000,000	189,660.7	2,362	189,660,000,000	189,660.7	2,362	189,660,000,000	189,660.7	2,362	189,660,000,000	189,660.7
\$50,000 to \$54,999	1,181	379,020,000,000	379,020.8	1,181	379,020,000,000	379,020.8	1,181	379,020,000,000	379,020.8	1,181	379,020,000,000	379,020.8	1,181	379,020,000,000	379,020.8	1,181	379,020,000,000	379,020.8
\$55,000 to \$59,999	590	758,040,000,000	758,040.9	590	758,040,000,000	758,040.9	590	758,040,000,000	758,040.9	590	758,040,000,000	758,040.9	590	758,040,000,000	758,040.9	590	758,040,000,000	758,040.9
\$60,000 to \$64,999	295	1,516,080,000,000	1,516,081.0	295	1,516,080,000,000	1,516,081.0	295	1,516,080,000,000	1,516,081.0	295	1,516,080,000,000	1,516,081.0	295	1,516,080,000,000	1,516,081.0	295	1,516,080,000,000	1,516,081.0
\$65,000 to \$69,999	147	3,032,160,000,000	3,032,161.1	147	3,032,160,000,000	3,032,161.1	147	3,032,160,000,000	3,032,161.1	147	3,032,160,000,000	3,032,161.1	147	3,032,160,000,000	3,032,161.1	147	3,032,160,000,000	3,032,161.1
\$70,000 to \$74,999	73	6,064,320,000,000	6,064,321.2	73	6,064,320,000,000	6,064,321.2	73	6,064,320,000,000	6,064,321.2	73	6,064,320,000,000	6,064,321.2	73	6,064,320,000,000	6,064,321.2	73	6,064,320,000,000	6,064,321.2
\$75,000 to \$79,999	36	12,128,640,000,000	12,128,641.3	36	12,128,640,000,000	12,128,641.3	36	12,128,640,000,000	12,128,641.3	36	12,128,640,000,000	12,128,641.3	36	12,128,640,000,000	12,128,641.3	36	12,128,640,000,000	12,128,641.3
\$80,000 to \$84,999	18	24,257,280,000,000	24,257,281.4	18	24,257,280,000,000	24,257,281.4	18	24,257,280,000,000	24,257,281.4	18	24,257,280,000,000	24,257,281.4	18	24,257,280,000,000	24,257,281.4	18	24,257,280,000,000	24,257,281.4
\$85,000 to \$89,999	9	48,514,560,000,000	48,514,561.5	9	48,514,560,000,000	48,514,561.5	9	48,514,560,000,000	48,514,561.5	9	48,514,560,000,000	48,514,561.5	9	48,514,560,000,000	48,514,561.5	9	48,514,560,000,000	48,514,561.5
\$90,000 to \$94,999	4	97,029,120,000,000	97,029,121.6	4	97,029,120,000,000	97,029,121.6	4	97,029,120,000,000	97,029,121.6	4	97,029,120,000,000	97,029,121.6	4	97,029,120,000,000	97,029,121.6	4	97,029,120,000,000	97,029,121.6
\$95,000 to \$99,999	2	194,058,240,000,000	194,058,241.7	2	194,058,240,000,000	194,058,241.7	2	194,058,240,000,000	194,058,241.7	2	194,058,240,000,000	194,058,241.7	2	194,058,240,000,000	194,058,241.7	2	194,058,240,000,000	194,058,241.7
\$100,000 and over	1	388,116,480,000,000	388,116,481.8	1	388,116,480,000,000	388,116,481.8	1	388,116,480,000,000	388,116,481.8	1	388,116,480,000,000	388,116,481.8	1	388,116,480,000,000	388,116,481.8	1	388,116,480,000,000	388,116,481.8
Total	10,000,000	100,000,000,000,000	100.0	10,000,000	100,000,000,000,000	100.0	10,000,000	100,000,000,000,000	100.0	10,000,000	100,000,000,000,000	100.0	10,000,000	100,000,000,000,000	100.0	10,000,000	100,000,000,000,000	100.0

Source: U.S. Department of the Treasury, Bureau of Economic Analysis, "Individual Income Tax Returns for 1963," Table 11, "Selected Patterns of Income, Number of Returns and Amount of Income by Adjusted Gross Income Classes," p. 11.

Table 11.—SELECTED PATTERNS OF INCOME, NUMBER OF RETURNS AND AMOUNT OF INCOME BY ADJUSTED GROSS INCOME CLASSES—Continued

Adjusted gross income class	Returns		Total income		Average income		Percentage of returns		Percentage of income		Percentage of income	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Grand total	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
Towards returns, 604,341	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$0 under \$1,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$1,000 under \$2,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$2,000 under \$3,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$3,000 under \$4,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$4,000 under \$5,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$5,000 under \$6,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$6,000 under \$7,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$7,000 under \$8,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$8,000 under \$9,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$9,000 under \$10,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$10,000 under \$15,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$15,000 under \$20,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$20,000 under \$25,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$25,000 under \$30,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$30,000 under \$35,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$35,000 under \$40,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$40,000 under \$45,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$45,000 under \$50,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$50,000 under \$75,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$75,000 under \$100,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$100,000 under \$150,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$150,000 under \$200,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$200,000 under \$500,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$500,000 or more	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
Non-adjusted gross income	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
Under \$500	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$500 under \$1,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$1,000 under \$2,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
\$2,000 or more	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
Returns under \$1,000	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
Returns \$1,000 or more	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0
Returns \$100,000 or more	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	1,702,427	100.0	100.0	100.0	100.0	100.0	100.0

For notes at end of table, see back of publication.

Table 12.—TOTAL FOREIGN AND DOMESTIC DIVIDENDS, NUMBER OF RETURNS, ADJUSTED GROSS INCOME, AMOUNT OF DIVIDENDS, AND DIVIDENDS AS A PERCENT OF ADJUSTED GROSS INCOME, BY ADJUSTED GROSS INCOME CLASSES

(Table 12 includes nonresident alien returns.)

Adjusted gross income classes	Number of returns		Total dividends received		Number of returns		Adjusted gross income		Amount of dividends		Dividends as a percent of adjusted gross income	
	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Total	142,777	11,872,277	142,777	11,872,277	142,777	11,872,277	142,777	11,872,277	142,777	11,872,277	142,777	11,872,277
Under \$2,000	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477
Under \$2,000 to \$2,499	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477
\$2,500 to \$4,999	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249
\$5,000 to \$9,999	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249
\$10,000 to \$14,999	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249
\$15,000 to \$19,999	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249
\$20,000 or more	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249

Dividends received as a percent of adjusted gross income—(Continued)

Adjusted gross income classes	Under 1 percent		5 under 1 percent		10 under 1 percent		15 under 1 percent		20 under 1 percent		30 or more percent	
	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Total	142,777	11,872,277	142,777	11,872,277	142,777	11,872,277	142,777	11,872,277	142,777	11,872,277	142,777	11,872,277
Under \$2,000	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477
Under \$2,000 to \$2,499	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477
\$2,500 to \$4,999	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249
\$5,000 to \$9,999	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249
\$10,000 to \$14,999	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249
\$15,000 to \$19,999	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249
\$20,000 or more	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249

Source: Statistics of Income for the United States and Possessions, 1963, Part I, Table 12, "Dividends Received as a Percent of Adjusted Gross Income."

Adjusted gross income includes:

(1) Dividends.

(2) Interest on U.S. Government securities.

(3) Annuities.

(4) Rents.

(5) Salaries.

Table 13.—RETURNS WITH DIVIDENDS BY NUMBER OF PAYER CORPORATIONS AND ADJUSTED GROSS INCOME CLASSES

(Table 13 includes tax-exempt returns.)

Adjusted gross income classes	Returns with dividends from 1 payer corporation		Returns with dividends from 2 or more payer corporations		Total returns with dividends		Dividends as a percent of adjusted gross income	
	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)	Number of returns	Amount of dividends (Thousand dollars)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Total	142,777	11,872,277	142,777	11,872,277	142,777	11,872,277	142,777	11,872,277
Under \$2,000	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477
Under \$2,000 to \$2,499	10,581	22,477	10,581	22,477	10,581	22,477	10,581	22,477
\$2,500 to \$4,999	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249
\$5,000 to \$9,999	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249
\$10,000 to \$14,999	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249
\$15,000 to \$19,999	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249
\$20,000 or more	11,781	40,249	11,781	40,249	11,781	40,249	11,781	40,249

Source: Statistics of Income for the United States and Possessions, 1963, Part I, Table 13, "Dividends Received as a Percent of Adjusted Gross Income by Number of Payer Corporations."

Adjusted gross income includes: (1) Dividends; (2) interest on U.S. Government securities; (3) annuities; (4) rents; (5) salaries.

(6) Dividends received from 1 payer corporation.

(7) Dividends received from 2 or more payer corporations.

(8) Total dividends received.

Table 14.—ALL RETURNS AND JOINT RETURNS WITH DIVIDENDS ELIGIBLE FOR EXCLUSION—NUMBER OF RETURNS BY SIZE OF DIVIDENDS ELIGIBLE FOR EXCLUSION AND BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income class	Number of returns	Dividends eligible for exclusion		Dividends not eligible for exclusion		Total dividends		Number of returns with dividends eligible for exclusion		Number of returns with dividends not eligible for exclusion		Number of returns with total dividends	
		(Dollars)	(Percentage)	(Dollars)	(Percentage)	(Dollars)	(Percentage)	(1)	(2)	(3)	(4)	(5)	(6)
Under \$1,000	8,469,274	1,220,342	14.3%	7,248,932	85.7%	8,469,274	100.0%	1,220,342	14.3%	7,248,932	85.7%	8,469,274	100.0%
\$1,000 to \$2,499	7,030,348	867,334	12.3%	6,163,014	87.7%	7,030,348	100.0%	867,334	12.3%	6,163,014	87.7%	7,030,348	100.0%
\$2,500 to \$4,999	3,714,847	1,040,117	28.0%	2,674,730	72.0%	3,714,847	100.0%	1,040,117	28.0%	2,674,730	72.0%	3,714,847	100.0%
\$5,000 to \$9,999	1,814,817	314,746	17.3%	1,500,071	82.7%	1,814,817	100.0%	314,746	17.3%	1,500,071	82.7%	1,814,817	100.0%
\$10,000 to \$14,999	860,122	114,744	13.3%	745,378	86.7%	860,122	100.0%	114,744	13.3%	745,378	86.7%	860,122	100.0%
\$15,000 to \$19,999	516,082	73,246	14.2%	442,836	85.8%	516,082	100.0%	73,246	14.2%	442,836	85.8%	516,082	100.0%
\$20,000 to \$24,999	274,524	41,246	15.0%	233,278	85.0%	274,524	100.0%	41,246	15.0%	233,278	85.0%	274,524	100.0%
\$25,000 to \$29,999	147,712	22,246	15.1%	125,466	84.9%	147,712	100.0%	22,246	15.1%	125,466	84.9%	147,712	100.0%
\$30,000 to \$34,999	78,412	11,246	14.3%	67,166	85.7%	78,412	100.0%	11,246	14.3%	67,166	85.7%	78,412	100.0%
\$35,000 to \$39,999	41,212	6,246	15.2%	34,966	84.8%	41,212	100.0%	6,246	15.2%	34,966	84.8%	41,212	100.0%
\$40,000 to \$44,999	21,212	3,246	15.3%	17,966	84.7%	21,212	100.0%	3,246	15.3%	17,966	84.7%	21,212	100.0%
\$45,000 to \$49,999	11,212	1,746	15.6%	9,466	84.4%	11,212	100.0%	1,746	15.6%	9,466	84.4%	11,212	100.0%
\$50,000 to \$54,999	6,212	946	15.2%	5,266	84.8%	6,212	100.0%	946	15.2%	5,266	84.8%	6,212	100.0%
\$55,000 to \$59,999	3,212	446	13.9%	2,766	86.1%	3,212	100.0%	446	13.9%	2,766	86.1%	3,212	100.0%
\$60,000 to \$64,999	1,712	246	14.4%	1,466	85.6%	1,712	100.0%	246	14.4%	1,466	85.6%	1,712	100.0%
\$65,000 to \$69,999	912	126	13.8%	786	86.2%	912	100.0%	126	13.8%	786	86.2%	912	100.0%
\$70,000 to \$74,999	412	56	13.6%	356	86.4%	412	100.0%	56	13.6%	356	86.4%	412	100.0%
\$75,000 to \$79,999	212	26	12.3%	186	87.7%	212	100.0%	26	12.3%	186	87.7%	212	100.0%
\$80,000 to \$84,999	112	16	14.3%	96	85.7%	112	100.0%	16	14.3%	96	85.7%	112	100.0%
\$85,000 to \$89,999	62	8	12.9%	54	87.1%	62	100.0%	8	12.9%	54	87.1%	62	100.0%
\$90,000 to \$94,999	32	4	12.5%	28	87.5%	32	100.0%	4	12.5%	28	87.5%	32	100.0%
\$95,000 to \$99,999	12	2	16.7%	10	83.3%	12	100.0%	2	16.7%	10	83.3%	12	100.0%
\$100,000 and over	1,212	126	10.4%	1,086	89.6%	1,212	100.0%	126	10.4%	1,086	89.6%	1,212	100.0%
Total	23,212,122	3,212,122	13.8%	20,000,000	86.2%	23,212,122	100.0%	3,212,122	13.8%	20,000,000	86.2%	23,212,122	100.0%

* THIS TABLE IS SUBJECT TO THE

* FEDERAL BUREAU OF INVESTIGATION

* AND THE DEPARTMENT OF JUSTICE

* IN CONNECTION WITH THE

* INVESTIGATION OF THE

* ACTIVITY OF THE

* COMMUNIST PARTY OF

* THE UNITED STATES

* AND ITS AFFILIATES

* AND ASSOCIATES

* IN THE UNITED STATES

* AND POSSESSORIES

* THEREOF AND IN

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Table 15.—CAPITAL GAINS AND LOSSES, SHORT- AND LONG-TERM, AND CAPITAL LOSS CARRYOVER, BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income class	Returns with paid tax (1) From "100" (1) capital gain										Returns with no paid tax (2) From "100" (1) capital gain		
	Number of returns (thousands)	Number of returns (thousands)	Net long-term gain (thousands)	Net long-term loss (thousands)	Net long-term capital gain (thousands)	Net long-term capital loss (thousands)	Net long-term capital gain (thousands)	Net long-term capital loss (thousands)	Net long-term capital gain (thousands)	Net long-term capital loss (thousands)	Net long-term capital gain (thousands)	Net long-term capital loss (thousands)	Net long-term capital gain (thousands)
Grand total	6,562,779	1,775,319	3,331,636	9,766	451,941	37,474	3,892	1,375	3,428	1,375	3,428	1,375	3,428
Under \$1,000	3,432,254	1,377,231	1,123,777	6,583	53,467	37,474	3,892	1,375	3,428	1,375	3,428	1,375	3,428
\$1,000 under \$2,000	1,275,425	478,561	248,463	1,275	19,750	1,275	1,275	1,275	1,275	1,275	1,275	1,275	1,275
\$2,000 under \$3,000	1,045,825	378,561	213,463	1,045	15,750	1,045	1,045	1,045	1,045	1,045	1,045	1,045	1,045
\$3,000 under \$4,000	690,000	250,000	140,000	690	10,000	690	690	690	690	690	690	690	690
\$4,000 under \$5,000	490,000	170,000	90,000	490	7,000	490	490	490	490	490	490	490	490
\$5,000 under \$6,000	330,000	110,000	60,000	330	4,500	330	330	330	330	330	330	330	330
\$6,000 under \$7,000	230,000	75,000	40,000	230	3,000	230	230	230	230	230	230	230	230
\$7,000 under \$8,000	170,000	55,000	30,000	170	2,200	170	170	170	170	170	170	170	170
\$8,000 under \$9,000	130,000	40,000	20,000	130	1,600	130	130	130	130	130	130	130	130
\$9,000 under \$10,000	100,000	30,000	15,000	100	1,200	100	100	100	100	100	100	100	100
\$10,000 under \$11,000	80,000	25,000	12,000	80	900	80	80	80	80	80	80	80	80
\$11,000 under \$12,000	65,000	20,000	10,000	65	700	65	65	65	65	65	65	65	65
\$12,000 under \$13,000	55,000	17,000	8,000	55	550	55	55	55	55	55	55	55	55
\$13,000 under \$14,000	45,000	14,000	7,000	45	450	45	45	45	45	45	45	45	45
\$14,000 under \$15,000	35,000	11,000	5,500	35	350	35	35	35	35	35	35	35	35
\$15,000 under \$20,000	1,200,000	420,000	210,000	1,200	12,000	1,200	1,200	1,200	1,200	1,200	1,200	1,200	1,200
\$20,000 under \$25,000	800,000	260,000	130,000	800	8,000	800	800	800	800	800	800	800	800
\$25,000 under \$30,000	600,000	200,000	100,000	600	6,000	600	600	600	600	600	600	600	600
\$30,000 under \$35,000	450,000	150,000	75,000	450	4,500	450	450	450	450	450	450	450	450
\$35,000 under \$40,000	350,000	115,000	57,500	350	3,500	350	350	350	350	350	350	350	350
\$40,000 under \$45,000	250,000	85,000	42,500	250	2,500	250	250	250	250	250	250	250	250
\$45,000 under \$50,000	180,000	60,000	30,000	180	1,800	180	180	180	180	180	180	180	180
\$50,000 under \$55,000	130,000	45,000	22,500	130	1,300	130	130	130	130	130	130	130	130
\$55,000 under \$60,000	100,000	35,000	17,500	100	1,000	100	100	100	100	100	100	100	100
\$60,000 under \$75,000	500,000	160,000	80,000	500	5,000	500	500	500	500	500	500	500	500
\$75,000 under \$100,000	300,000	100,000	50,000	300	3,000	300	300	300	300	300	300	300	300
\$100,000 under \$125,000	200,000	65,000	32,500	200	2,000	200	200	200	200	200	200	200	200
\$125,000 under \$150,000	150,000	50,000	25,000	150	1,500	150	150	150	150	150	150	150	150
\$150,000 under \$200,000	800,000	260,000	130,000	800	8,000	800	800	800	800	800	800	800	800
\$200,000 under \$250,000	500,000	160,000	80,000	500	5,000	500	500	500	500	500	500	500	500
\$250,000 under \$300,000	300,000	100,000	50,000	300	3,000	300	300	300	300	300	300	300	300
\$300,000 under \$400,000	200,000	65,000	32,500	200	2,000	200	200	200	200	200	200	200	200
\$400,000 under \$500,000	150,000	50,000	25,000	150	1,500	150	150	150	150	150	150	150	150
\$500,000 under \$750,000	800,000	260,000	130,000	800	8,000	800	800	800	800	800	800	800	800
\$750,000 under \$1,000,000	500,000	160,000	80,000	500	5,000	500	500	500	500	500	500	500	500
\$1,000,000 and over	100,000	35,000	17,500	100	1,000	100	100	100	100	100	100	100	100

Source: U.S. Department of the Treasury, Bureau of Economic Analysis, "Individual Income Tax Returns, 1963," Table 15.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 15.—CAPITAL GAINS AND LOSSES, SHORT- AND LONG-TERM, AND CAPITAL LOSS CARRYOVER, BY ADJUSTED GROSS INCOME CLASSES.—Continued

Adjusted gross income class	Total gain or loss		Short-term gain		Long-term gain		Short-term loss		Long-term loss		Capital loss carryover		Total gain or loss
	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	
Under \$2,500	4,847,412	7,448,124	4,847,412	389,212	331,124	274,264	4,779,303	14,494,658	34,314	3,694	78,072	14,572,730	
\$2,500 to \$4,999	4,139,331	6,734,724	36,731	342,247	169,753	247,893	3,884,193	11,131,611	31,446	4,123	79,772	11,211,383	
\$5,000 to \$7,499	403,771	547,671	7,623	1,404	1,413	2,143	343,027	493,285	1,217	1,084	2,495	495,779	
\$7,500 to \$9,999	177,623	247,971	3,562	1,789	1,819	79,120	106,077	148,008	1,119	1,084	2,495	150,502	
\$10,000 to \$14,999	130,784	199,897	4,773	1,979	1,979	95,650	116,018	138,237	1,071	1,071	2,142	140,359	
\$15,000 to \$19,999	64,479	94,470	5,325	1,215	1,215	48,254	63,039	70,823	1,071	1,071	2,142	72,965	
\$20,000 to \$24,999	131,813	177,489	6,190	2,613	2,613	104,629	138,464	156,141	1,071	1,071	2,142	158,283	
\$25,000 to \$29,999	121,442	161,197	5,096	2,662	2,662	96,032	128,032	148,032	1,071	1,071	2,142	150,174	
\$30,000 to \$34,999	205,139	282,041	12,013	7,070	7,070	177,969	245,836	281,836	1,071	1,071	2,142	283,978	
\$35,000 to \$39,999	185,516	254,916	11,873	6,526	6,526	173,643	247,119	281,643	1,071	1,071	2,142	283,790	
\$40,000 to \$44,999	205,245	282,041	12,013	7,070	7,070	177,969	245,836	281,836	1,071	1,071	2,142	283,978	
\$45,000 to \$49,999	203,749	277,334	11,873	6,526	6,526	173,643	247,119	281,643	1,071	1,071	2,142	283,790	
\$50,000 to \$54,999	247,713	333,044	15,044	9,012	9,012	232,671	324,022	373,022	1,071	1,071	2,142	375,164	
\$55,000 to \$59,999	185,516	254,916	11,873	6,526	6,526	173,643	247,119	281,643	1,071	1,071	2,142	283,790	
\$60,000 to \$64,999	238,088	324,022	15,044	9,012	9,012	232,671	324,022	373,022	1,071	1,071	2,142	375,164	
\$65,000 to \$69,999	248,506	333,044	15,044	9,012	9,012	232,671	324,022	373,022	1,071	1,071	2,142	375,164	
\$70,000 to \$74,999	133,268	185,516	8,454	4,814	4,814	124,754	180,254	213,254	1,071	1,071	2,142	215,396	
\$75,000 to \$79,999	145,114	205,139	9,012	5,073	5,073	136,066	191,066	226,066	1,071	1,071	2,142	228,208	
\$80,000 to \$84,999	185,516	254,916	11,873	6,526	6,526	173,643	247,119	281,643	1,071	1,071	2,142	283,790	
\$85,000 to \$89,999	248,506	333,044	15,044	9,012	9,012	232,671	324,022	373,022	1,071	1,071	2,142	375,164	
\$90,000 to \$94,999	133,268	185,516	8,454	4,814	4,814	124,754	180,254	213,254	1,071	1,071	2,142	215,396	
\$95,000 to \$99,999	145,114	205,139	9,012	5,073	5,073	136,066	191,066	226,066	1,071	1,071	2,142	228,208	
\$100,000 and over	4,111,681	6,387,681	4,111,681	22,077	22,077	4,089,604	6,365,527	6,365,527	4,111,681	4,111,681	4,111,681	6,387,681	
Total	22,747,811	34,747,811	22,747,811	1,071	1,071	22,746,740	34,746,740	34,746,740	22,747,811	22,747,811	22,747,811	34,747,811	

Source: U.S. Department of the Treasury, Bureau of Economic Analysis, "Individual Income Tax Returns for 1963."

Table 15.—CAPITAL GAINS AND LOSSES, SHORT- AND LONG-TERM, AND CAPITAL LOSS CARRYOVER, BY ADJUSTED GROSS INCOME CLASSES—Continued

Adjusted gross income classes	Returns with normal tax rate										Returns with alternative tax rates										
	Short-term (after approval)					Long-term					Short-term (after approval)					Long-term (after approval)					
	Number of returns	Number of gains	Number of losses	Number of carryovers	Net long-term capital gain	Number of gains	Number of losses	Number of carryovers	Net long-term capital gain	Number of gains	Number of losses	Number of carryovers	Net long-term capital gain	Number of gains	Number of losses	Number of carryovers	Net long-term capital gain	Number of gains	Number of losses	Number of carryovers	
Under \$1,000	(17)	(8)	(29)	(3)	(3)	144,88	102,236	3,700,896	4,099,299	31,441	1,807	(25)	1,807	(25)	1,807	(25)	1,807	1,807	(25)	1,807	
\$1,000 to \$2,499	3,991,68	4,125,08	384,431	58,428	3,933,69	4,070,49	3,879,574	4,216,478	31,441	27,554	9,776	27,554	9,776	27,554	9,776	27,554	27,554	9,776	27,554	9,776	
\$2,500 to \$4,999	11,255	12,055	3,094	374	11,081	11,781	10,980,43	12,355,47	46,571	3,104	1,109	3,104	1,109	3,104	1,109	3,104	3,104	1,109	3,104	1,109	
\$5,000 to \$7,499	92,731	100,312	24,919	3,326	97,006	103,986	7,000,000	7,600,000	46,571	7,011	3,326	7,011	3,326	7,011	3,326	7,011	7,011	3,326	7,011	3,326	
\$7,500 to \$9,999	239,781	258,899	64,779	7,979	241,920	250,920	16,000,000	16,000,000	46,571	7,979	7,979	7,979	7,979	7,979	7,979	7,979	7,979	7,979	7,979	7,979	
\$10,000 to \$14,999	1,205,001	1,296,001	326,000	43,331	1,161,670	1,252,670	80,000,000	80,000,000	46,571	43,331	43,331	43,331	43,331	43,331	43,331	43,331	43,331	43,331	43,331	43,331	43,331
\$15,000 to \$19,999	2,124,441	2,247,441	574,441	75,441	2,049,000	2,174,000	120,000,000	120,000,000	46,571	75,441	75,441	75,441	75,441	75,441	75,441	75,441	75,441	75,441	75,441	75,441	75,441
\$20,000 and over	10,000,001	10,500,001	2,500,000	320,000	9,680,001	10,180,001	600,000,000	600,000,000	46,571	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000
Total returns with normal tax rate	14,441,441	15,241,441	3,841,441	500,000	14,041,441	14,741,441	800,000,000	800,000,000	46,571	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	
\$1,000 to \$2,499	11,255	12,055	3,094	374	11,081	11,781	10,980,43	12,355,47	46,571	3,104	1,109	3,104	1,109	3,104	1,109	3,104	3,104	1,109	3,104	1,109	
\$2,500 to \$4,999	92,731	100,312	24,919	3,326	97,006	103,986	7,000,000	7,600,000	46,571	7,011	3,326	7,011	3,326	7,011	3,326	7,011	7,011	3,326	7,011	3,326	
\$5,000 to \$7,499	239,781	258,899	64,779	7,979	241,920	250,920	16,000,000	16,000,000	46,571	7,979	7,979	7,979	7,979	7,979	7,979	7,979	7,979	7,979	7,979	7,979	
\$7,500 to \$9,999	1,205,001	1,296,001	326,000	43,331	1,161,670	1,252,670	80,000,000	80,000,000	46,571	43,331	43,331	43,331	43,331	43,331	43,331	43,331	43,331	43,331	43,331	43,331	
\$10,000 to \$14,999	2,124,441	2,247,441	574,441	75,441	2,049,000	2,174,000	120,000,000	120,000,000	46,571	75,441	75,441	75,441	75,441	75,441	75,441	75,441	75,441	75,441	75,441	75,441	
\$15,000 and over	10,000,001	10,500,001	2,500,000	320,000	9,680,001	10,180,001	600,000,000	600,000,000	46,571	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000	320,000
Total returns with alternative tax rates	14,441,441	15,241,441	3,841,441	500,000	14,041,441	14,741,441	800,000,000	800,000,000	46,571	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	

1. The number of returns with normal tax rate includes returns with alternative tax rates if the taxpayer elects to pay the normal tax rate. The number of returns with alternative tax rates includes returns with normal tax rate if the taxpayer elects to pay the alternative tax rate.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 16.—RETURNS WITH A CAPITAL LOSS: SHORT- AND LONG-TERM CAPITAL GAINS AND LOSSES FOR RETURNS WITH CAPITAL LOSS COMPLETELY DEDUCTED AND FOR RETURNS WITH CAPITAL LOSS PARTIALLY DEDUCTED, BY ADJUSTED GROSS INCOME CLASSES

Income Class	Returns with a capital loss completely deducted		Returns with a capital loss partially deducted		Returns with a capital loss completely deducted		Returns with a capital loss partially deducted		Returns with a capital loss completely deducted		Returns with a capital loss partially deducted	
	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
100,000 and over	1	1	1	1	1	1	1	1	1	1	1	1
75,000-99,999	1	1	1	1	1	1	1	1	1	1	1	1
50,000-74,999	1	1	1	1	1	1	1	1	1	1	1	1
25,000-49,999	1	1	1	1	1	1	1	1	1	1	1	1
Under 25,000	1	1	1	1	1	1	1	1	1	1	1	1
Total	5	5	5	5	5	5	5	5	5	5	5	5
100,000 and over	1	1	1	1	1	1	1	1	1	1	1	1
75,000-99,999	1	1	1	1	1	1	1	1	1	1	1	1
50,000-74,999	1	1	1	1	1	1	1	1	1	1	1	1
25,000-49,999	1	1	1	1	1	1	1	1	1	1	1	1
Under 25,000	1	1	1	1	1	1	1	1	1	1	1	1
Total	5	5	5	5	5	5	5	5	5	5	5	5

Source: Bureau of Economic Analysis, Department of Commerce, "Survey of Current Business," 1964, p. 101.

TABLE 17.—RETURNS WITH STANDARD DEDUCTION—SOURCES OF INCOME AND LOSS, DEDUCTIONS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES—continued

Adjusted gross income classes	Total income		Retained		Married		Single		Married—joint				Married—separate				Single					
	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)		
	(13)	(13)	(18)	(19)	(18)	(19)	(41)	(42)	(41)	(42)	(44)	(45)	(41)	(42)	(44)	(45)	(47)	(48)	(47)	(48)		
Total	1,497,296	1,282,643	501,428	222,529	167,616	163,541	7,671	10,118	146,252	163,529	6,275	3,762	91,427	3,184	11,854	28,477,134	9,456,268	270,379	152,974	56,261	21,117	
Married—joint	823,315	878,761	305,504	166,497	115,204	103,521	5,569	7,193	116,297	144,351	5,166	2,864	367,737	4,829	11,850	29,472,513	9,986,626	189,965	108,961	39,885	14,519	
Married—separate	673,981	403,882	195,924	55,832	52,412	60,020	2,102	2,925	30,955	19,178	1,100	998	54,690	6,025	4,994	10,504,621	3,469,642	80,414	44,013	26,976	10,598	
Single	133,000	100,000	100,000	50,000	100,000	50,000	100,000	50,000	100,000	50,000	100,000	50,000	100,000	50,000	100,000	50,000	100,000	100,000	100,000	100,000	100,000	100,000
Number of returns	(13)	(13)	(18)	(19)	(18)	(19)	(41)	(42)	(41)	(42)	(44)	(45)	(41)	(42)	(44)	(45)	(47)	(48)	(47)	(48)	(47)	(48)
Thousand dollars	(13)	(13)	(18)	(19)	(18)	(19)	(41)	(42)	(41)	(42)	(44)	(45)	(41)	(42)	(44)	(45)	(47)	(48)	(47)	(48)	(47)	(48)

Source: U.S. Internal Revenue Service, "Individual Income Tax Returns for 1963," published by the U.S. Government Printing Office, Washington, D.C., 1964. Figures are in thousands unless otherwise indicated.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 17.—RETURNS WITH STANDARD DEDUCTION: SOURCES OF INCOME AND LOSS, DEDUCTIONS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES—Continued

Adjusted gross income	Taxable income		Tax credit for					Other tax credits					Total (Thousands of dollars)			
	Number of returns	Amount (Thousands of dollars)	Estate tax credits		Retirement		Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)	Number of returns		Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)
			Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)										
25,750-30	53	71,339,642	16,386,333	1,337,352	49,668	51,997	628,941	99,778	13,213	19,577	16,296,650	30,533	2,830	16,239,143		
30-35	102	118,261,218	29,827,490	2,830,326	110	1,246,856	1,256,337	10,500	20,648	33	368,253	1,211	71	1,211,365		
35-40	151	169,357,905	42,579,186	3,952,106	165	1,875,370	1,884,841	14,313	30,016	67	729,520	1,603	111	1,614,831		
40-45	203	222,518,236	58,545,972	5,112,331	218	2,428,021	2,437,492	18,283	39,354	128	1,418,812	2,323	163	2,323,175		
45-50	257	282,223,455	77,876,983	6,647,793	283	3,225,272	3,234,743	23,403	49,318	169	2,032,571	3,145	223	3,145,714		
50-55	311	311,671,811	94,246,294	8,111,104	354	4,095,628	4,105,100	28,435	60,479	218	2,799,387	4,003	293	4,003,680		
55-60	364	326,833,217	108,567,427	9,350,957	426	4,880,467	4,890,000	34,421	73,652	272	3,303,820	4,632	346	4,632,466		
60-65	417	338,743,637	121,562,850	10,267,429	500	5,704,445	5,714,000	40,435	87,861	336	4,068,880	5,111	400	5,111,990		
65-70	468	348,128,111	129,226,507	11,119,608	583	6,253,805	6,263,300	45,441	97,823	403	4,448,998	5,441	426	5,441,824		
70-75	519	355,725,885	136,401,168	11,916,070	666	6,805,258	6,814,750	50,455	107,542	478	4,889,779	5,625	451	5,625,926		
75-80	569	361,293,571	141,974,491	12,485,957	750	7,194,442	7,203,900	55,469	117,455	567	5,199,400	6,000	480	6,000,880		
80-85	618	366,132,826	146,778,814	12,904,261	834	7,553,438	7,562,900	60,483	124,385	646	5,572,426	6,432	519	6,432,945		
85-90	666	370,390,235	151,617,589	13,277,716	919	7,966,629	7,976,100	65,500	132,333	724	5,800,938	6,772	557	6,772,795		
90-95	713	374,479,793	156,397,154	13,611,203	1,004	8,316,091	8,325,600	70,513	137,318	809	6,041,100	7,106	606	7,106,906		
95-100	759	378,342,814	160,967,143	13,914,912	1,090	8,694,628	8,704,100	75,520	142,262	894	6,278,358	7,411	656	7,411,915		
All returns	5,113	5,113,113,113	1,623,113,113	131,113,113	99,323	1,113,113,113	1,123,113,113	1,113,113,113	1,113,113,113	4,113,113,113	1,113,113,113	1,113,113,113	1,113,113,113	1,113,113,113		

Footnotes: * See page 59 for definition of "Adjusted Gross Income" and "Estate tax credit for Federal income tax." † Includes 167 returns with a refund of Federal income tax.

‡ Includes 41 returns with a refund of Federal income tax and 11 returns with a refund of State income tax.

§ Includes 10 returns with a refund of Federal income tax and 10 returns with a refund of State income tax.

|| Includes 10 returns with a refund of Federal income tax and 10 returns with a refund of State income tax.

¶ Includes 10 returns with a refund of Federal income tax and 10 returns with a refund of State income tax.

‡‡ Includes 10 returns with a refund of Federal income tax and 10 returns with a refund of State income tax.

‡‡‡ Includes 10 returns with a refund of Federal income tax and 10 returns with a refund of State income tax.

‡‡‡‡ Includes 10 returns with a refund of Federal income tax and 10 returns with a refund of State income tax.

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‡‡‡‡‡‡‡‡‡‡‡‡ Includes 10 returns with a refund of Federal income tax and 10 returns with a refund of State income tax.

Table 19.—RETURNS WITH ITEMIZED DEDUCTIONS.—SOURCES OF INCOME AND LOSS, DEDUCTIONS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income class	Sources of income and loss										Business or profession										Farm										Rental																																																																																																																																																																											
	Number of returns	Amount (Thousand dollars)	Range of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Range of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Range of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Range of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Range of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Range of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Range of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Range of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Range of returns																																																																																																																																																																					
Under \$1,000	22,475	14.1	0-1,000	14.1	1,000-1,999	31.7	2,000-2,999	16.7	3,000-3,999	11.7	4,000-4,999	7.4	5,000-5,999	4.7	6,000-6,999	3.0	7,000-7,999	1.9	8,000-8,999	1.2	9,000-9,999	.8	10,000-10,999	.5	11,000-11,999	.3	12,000-12,999	.2	13,000-13,999	.1	14,000-14,999	.1	15,000-15,999	.1	16,000-16,999	.1	17,000-17,999	.1	18,000-18,999	.1	19,000-19,999	.1	20,000-20,999	.1	21,000-21,999	.1	22,000-22,999	.1	23,000-23,999	.1	24,000-24,999	.1	25,000-25,999	.1	26,000-26,999	.1	27,000-27,999	.1	28,000-28,999	.1	29,000-29,999	.1	30,000-30,999	.1	31,000-31,999	.1	32,000-32,999	.1	33,000-33,999	.1	34,000-34,999	.1	35,000-35,999	.1	36,000-36,999	.1	37,000-37,999	.1	38,000-38,999	.1	39,000-39,999	.1	40,000-40,999	.1	41,000-41,999	.1	42,000-42,999	.1	43,000-43,999	.1	44,000-44,999	.1	45,000-45,999	.1	46,000-46,999	.1	47,000-47,999	.1	48,000-48,999	.1	49,000-49,999	.1	50,000-50,999	.1	51,000-51,999	.1	52,000-52,999	.1	53,000-53,999	.1	54,000-54,999	.1	55,000-55,999	.1	56,000-56,999	.1	57,000-57,999	.1	58,000-58,999	.1	59,000-59,999	.1	60,000-60,999	.1	61,000-61,999	.1	62,000-62,999	.1	63,000-63,999	.1	64,000-64,999	.1	65,000-65,999	.1	66,000-66,999	.1	67,000-67,999	.1	68,000-68,999	.1	69,000-69,999	.1	70,000-70,999	.1	71,000-71,999	.1	72,000-72,999	.1	73,000-73,999	.1	74,000-74,999	.1	75,000-75,999	.1	76,000-76,999	.1	77,000-77,999	.1	78,000-78,999	.1	79,000-79,999	.1	80,000-80,999	.1	81,000-81,999	.1	82,000-82,999	.1	83,000-83,999	.1	84,000-84,999	.1	85,000-85,999	.1	86,000-86,999	.1	87,000-87,999	.1	88,000-88,999	.1	89,000-89,999	.1	90,000-90,999	.1	91,000-91,999	.1	92,000-92,999	.1	93,000-93,999	.1	94,000-94,999	.1	95,000-95,999	.1	96,000-96,999	.1	97,000-97,999	.1	98,000-98,999	.1	99,000-99,999	.1

Source: Internal Revenue Service, Statistical Section, "Characteristics of Taxpayers."

Table 18. — RETURNS WITH ITEMIZED DEDUCTIONS: SOURCES OF INCOME AND LOSS, DEDUCTIONS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES—continued

Table with columns for income classes (e.g., \$10,000 or more, \$5,000 to \$10,000, etc.), sources of income (e.g., wages, salaries, dividends, interest), deductions (e.g., state taxes, local taxes, mortgage interest), exemptions (e.g., dependent, spouse), taxable income, and tax items (e.g., tax on capital gains, tax on dividends). Rows are grouped by adjusted gross income class and source of income.

1. Figures are in thousands of dollars, unless otherwise indicated. Total figures are rounded to the nearest thousand dollars.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

TABLE 19—ALL RETURNS: ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND INCOME TAX AFTER CREDITS, BY ADJUSTED GROSS INCOME CLASSES AND BY MARITAL STATUS OF THE TAXPAYER

Adjusted gross income class	Married joint returns											Married separate returns										
	Returns of heads of families											Returns of other persons										
	Number of returns	Adjusted gross income (Thousand dollars)	Exemption (Thousand dollars)	Taxable income (Thousand dollars)	Income tax credits (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Exemption (Thousand dollars)	Taxable income (Thousand dollars)	Income tax after credit (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Exemption (Thousand dollars)	Taxable income (Thousand dollars)	Income tax after credit (Thousand dollars)							
Grand total	11,423,220	36,379,072	11,403,026	36,020,548	48,253,328	17,851,226	56,279,126	17,787,811	55,779,611	73,874,297	17,851,226	56,279,126	17,787,811	55,779,611	73,874,297							
Table returns, total	11,423,220	36,379,072	11,403,026	36,020,548	48,253,328	17,851,226	56,279,126	17,787,811	55,779,611	73,874,297	17,851,226	56,279,126	17,787,811	55,779,611	73,874,297							
Under \$2,000	5,777,476	7,824,343	3,898,457	4,216,413	5,971,767	2,979,334	4,279,941	1,920,781	2,215,898	2,900,000	2,979,334	4,279,941	1,920,781	2,215,898	2,900,000							
\$2,000 under \$4,000	3,048,063	12,514,415	6,198,102	7,936,453	7,700,363	3,779,723	7,769,517	4,099,138	4,665,364	5,156,200	3,779,723	7,769,517	4,099,138	4,665,364	5,156,200							
\$4,000 under \$6,000	5,866,287	27,637,317	9,043,776	12,616,777	8,278,229	3,419,284	12,657,247	9,561,633	11,077,126	12,497,100	3,419,284	12,657,247	9,561,633	11,077,126	12,497,100							
\$6,000 under \$8,000	29,407	13,253,688	11,258,738	15,011,647	4,277,329	8,124,227	7,934,743	11,628,215	10,606,841	11,881,500	8,124,227	7,934,743	11,628,215	10,606,841	11,881,500							
\$8,000 under \$10,000	2,424,131	22,856,676	17,856,676	23,788,826	3,789,244	6,814,227	8,514,675	12,778,166	12,427,872	13,296,480	6,814,227	8,514,675	12,778,166	12,427,872	13,296,480							
\$10,000 under \$12,000	2,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$12,000 under \$14,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$14,000 under \$16,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$16,000 under \$18,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$18,000 under \$20,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$20,000 under \$25,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$25,000 under \$30,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$30,000 under \$40,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$40,000 under \$50,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$50,000 under \$75,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$75,000 under \$100,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$100,000 under \$125,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$125,000 under \$150,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$150,000 under \$200,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$200,000 under \$500,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$500,000 under \$1,000,000	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							
\$1,000,000 or more	1,424,131	23,050,500	17,856,676	24,142,600	3,789,244	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600	6,814,227	8,514,675	13,173,519	12,778,166	13,736,600							

Source: U.S. Internal Revenue Service, Department of the Treasury, Bureau of Economic Analysis, "Individual Income Tax Returns for 1963," U.S. Department of the Treasury, Bureau of Economic Analysis, Washington, D.C., 1964.

Table 22 - ALL RETURNS, EXEMPTIONS BY TYPE, AND NUMBER OF RETURNS BY NUMBER OF TAXPAYERS' DEPENDENTS, BY ADJUSTED GROSS INCOME CLASSES

Table with columns for income class, exemption type (e.g., dependent child, dependent adult), and number of returns. Includes sub-headers for 'Number of returns by number of taxpayers' and 'Number of exemptions by type of exemption'.

Table 23 - JOINT RETURNS OF HUSBANDS AND WIVES, EXEMPTIONS BY TYPE, AND NUMBER OF RETURNS BY NUMBER OF TAXPAYERS' DEPENDENTS, BY ADJUSTED GROSS INCOME CLASSES

Table with columns for income class, exemption type, and number of returns. Includes sub-headers for 'Number of returns by number of taxpayers' and 'Number of exemptions by type of exemption'.

* 50,000 and 100,000 represent means of high sampling variability. NOTE: Detail may not add to total because of rounding.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 26.—RETURNS OF SURVIVING SPOUSE. EXEMPTIONS BY TYPE, AND NUMBER OF RETURNS BY NUMBER OF TAXPAYERS' DEPENDENTS, BY ADJUSTED GROSS INCOME CLASSES

Table with columns for Number of exemptions by type (C1-C8), Number of returns by number of taxpayers' dependents (D1-D8), and Eight or more dependents. Rows include Total, Married, Widowed, Divorced, and Separated, with various income and exemption class breakdowns.

Table 27.—RETURNS OF SINGLE PERSONS NOT HEAD OF HOUSEHOLD OR SURVIVING SPOUSE. EXEMPTIONS BY TYPE, AND NUMBER OF RETURNS BY NUMBER OF TAXPAYERS' DEPENDENTS, BY ADJUSTED GROSS INCOME CLASSES

Table with columns for Number of exemptions by type (C1-C8), Number of returns by number of taxpayers' dependents (D1-D8), and Eight or more dependents. Rows include Total, Married, Widowed, Divorced, and Separated, with various income and exemption class breakdowns.

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

Table 26.—RETURNS WITH TAXABLE INCOME AND SURPLUS ONLY: ADJUSTED GROSS INCOME, DEDUCTIONS, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS BY ADJUSTED GROSS INCOME CLASSES

[Levels are based on the entire sample]

	Domestic corporations				Foreign corporations				Sole proprietorships				Partnerships				Trusts, estates, and other entities				Total tax payers					
	Number of returns	Adjusted gross income (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)
\$10,000 or more	51,795	\$10,000.0	11,413	\$35,425.0	13,815	\$46,317.0	11,524	\$30,822.0	13,473	\$48,342.0	1,031	\$1,812.0	1,031	\$1,812.0	1,031	\$1,812.0	1,031	\$1,812.0	1,031	\$1,812.0	1,031	\$1,812.0	1,031	\$1,812.0	1,031	\$1,812.0
\$7,500 under \$10,000	2,650	\$7,500.0	1,379	\$10,327.0	1,536	\$8,759.0	1,379	\$10,327.0	1,379	\$10,327.0	1,379	\$10,327.0	1,379	\$10,327.0	1,379	\$10,327.0	1,379	\$10,327.0	1,379	\$10,327.0	1,379	\$10,327.0	1,379	\$10,327.0	1,379	\$10,327.0
\$5,000 under \$7,500	1,010	\$5,000.0	500	\$6,609.0	510	\$5,101.0	500	\$6,609.0	500	\$6,609.0	500	\$6,609.0	500	\$6,609.0	500	\$6,609.0	500	\$6,609.0	500	\$6,609.0	500	\$6,609.0	500	\$6,609.0	500	\$6,609.0
\$2,500 under \$5,000	5,150	\$2,500.0	2,445	\$3,851.0	2,705	\$2,999.0	2,445	\$3,851.0	2,445	\$3,851.0	2,445	\$3,851.0	2,445	\$3,851.0	2,445	\$3,851.0	2,445	\$3,851.0	2,445	\$3,851.0	2,445	\$3,851.0	2,445	\$3,851.0	2,445	\$3,851.0
\$1,000 under \$2,500	14,040	\$1,000.0	7,363	\$1,471.0	8,195	\$1,168.0	7,363	\$1,471.0	7,363	\$1,471.0	7,363	\$1,471.0	7,363	\$1,471.0	7,363	\$1,471.0	7,363	\$1,471.0	7,363	\$1,471.0	7,363	\$1,471.0	7,363	\$1,471.0	7,363	\$1,471.0
\$500 or less	41,230	\$500.0	17,515	\$707.0	19,232	\$591.0	17,515	\$707.0	17,515	\$707.0	17,515	\$707.0	17,515	\$707.0	17,515	\$707.0	17,515	\$707.0	17,515	\$707.0	17,515	\$707.0	17,515	\$707.0	17,515	\$707.0
Total	106,825	\$3,165,000.0	57,316	\$2,267,328.0	66,487	\$2,178,940.0	57,316	\$2,267,328.0	57,316	\$2,267,328.0	57,316	\$2,267,328.0	57,316	\$2,267,328.0	57,316	\$2,267,328.0	57,316	\$2,267,328.0	57,316	\$2,267,328.0	57,316	\$2,267,328.0	57,316	\$2,267,328.0	57,316	\$2,267,328.0

Source: U.S. Department of the Treasury, Bureau of Economic Analysis, "Returns and Adjusted Gross Income of Taxpayers with Taxable Income and Surplus Only, 1963," in "The Federal Tax Statistics of 1963," Washington, D.C., 1964.

Table 30.—ALL RETURNS AND RETURNS WITH TAXABLE INCOME: SELECTED SOURCES OF INCOME AND LOSS, DEDUCTIONS, EXEMPTIONS, TAXABLE INCOME, AND TAX, BY MARGINAL TAX RATE CLASSES

Marginal tax rate class	Returns with taxable income		Adverse tax effect (loss)		Substantive tax effect (loss)		Benefit (cost)		Benefit (cost)		Benefit (cost)		Number of returns	Average (dollars)	Total (dollars)
	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)	Number of returns	Amount (dollars)			
Grand total	13	543,236	13	543,236	13	543,236	13	543,236	13	543,236	13	543,236	13	543,236	5,432,360
Return with no taxable income	12	432,276	12	432,276	12	432,276	12	432,276	12	432,276	12	432,276	12	432,276	4,322,760
Income with taxable income	1	110,960	1	110,960	1	110,960	1	110,960	1	110,960	1	110,960	1	110,960	1,109,600
20 percent	20	129,499	20	129,499	20	129,499	20	129,499	20	129,499	20	129,499	20	129,499	1,294,990
25 percent	14	179,287	14	179,287	14	179,287	14	179,287	14	179,287	14	179,287	14	179,287	1,792,870
30 percent	15	275,969	15	275,969	15	275,969	15	275,969	15	275,969	15	275,969	15	275,969	2,759,690
35 percent	20	462,869	20	462,869	20	462,869	20	462,869	20	462,869	20	462,869	20	462,869	4,628,690
40 percent	3	477,421	3	477,421	3	477,421	3	477,421	3	477,421	3	477,421	3	477,421	4,774,210
45 percent	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	10,000,000
50 percent	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	10,000,000
55 percent	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	10,000,000
60 percent	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	10,000,000
65 percent	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	10,000,000
70 percent	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	10,000,000
75 percent	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	10,000,000
80 percent	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	10,000,000
85 percent	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	10,000,000
90 percent	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	10,000,000
95 percent	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	10,000,000
100 percent	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	1	1,000,000	10,000,000

Source: Statistics of Income, 1963, Part I, Table 1.1, "Returns with Taxable Income, by Marginal Tax Rate Class." Data are in thousands of dollars.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 30 - All Returns and Returns with Taxable Income	Taxpayers		Spouses		Dependents		Federal Res. Inc.		Standard Deduct.		Exemptions		Income tax payable		Income tax after credits	
	Number	Average (Thousand dollars)	Number	Average (Thousand dollars)	Number	Average (Thousand dollars)	Number	Average (Thousand dollars)	Number	Average (Thousand dollars)	Number	Average (Thousand dollars)	Number	Average (Thousand dollars)	Number	Average (Thousand dollars)
1. All returns	120,247	3,442	120,247	3,442	120,247	3,442	120,247	3,442	120,247	3,442	120,247	3,442	120,247	3,442	120,247	3,442
2. Returns with taxable income	100,178	3,442	100,178	3,442	100,178	3,442	100,178	3,442	100,178	3,442	100,178	3,442	100,178	3,442	100,178	3,442
3. Returns with taxable income and loss deductions, exemptions, taxable income, and tax	75,145	3,442	75,145	3,442	75,145	3,442	75,145	3,442	75,145	3,442	75,145	3,442	75,145	3,442	75,145	3,442
4. Returns with taxable income, loss deductions, exemptions, taxable income, and tax, and income tax payable	55,178	3,442	55,178	3,442	55,178	3,442	55,178	3,442	55,178	3,442	55,178	3,442	55,178	3,442	55,178	3,442
5. Returns with taxable income, loss deductions, exemptions, taxable income, and tax, and income tax payable, and income tax after credits	40,178	3,442	40,178	3,442	40,178	3,442	40,178	3,442	40,178	3,442	40,178	3,442	40,178	3,442	40,178	3,442
6. Returns with taxable income, loss deductions, exemptions, taxable income, and tax, and income tax payable, and income tax after credits, and income tax after credits	25,178	3,442	25,178	3,442	25,178	3,442	25,178	3,442	25,178	3,442	25,178	3,442	25,178	3,442	25,178	3,442
7. Returns with taxable income, loss deductions, exemptions, taxable income, and tax, and income tax payable, and income tax after credits, and income tax after credits, and income tax after credits	15,178	3,442	15,178	3,442	15,178	3,442	15,178	3,442	15,178	3,442	15,178	3,442	15,178	3,442	15,178	3,442
8. Returns with taxable income, loss deductions, exemptions, taxable income, and tax, and income tax payable, and income tax after credits, and income tax after credits, and income tax after credits, and income tax after credits	10,178	3,442	10,178	3,442	10,178	3,442	10,178	3,442	10,178	3,442	10,178	3,442	10,178	3,442	10,178	3,442
9. Returns with taxable income, loss deductions, exemptions, taxable income, and tax, and income tax payable, and income tax after credits, and income tax after credits, and income tax after credits, and income tax after credits, and income tax after credits	5,178	3,442	5,178	3,442	5,178	3,442	5,178	3,442	5,178	3,442	5,178	3,442	5,178	3,442	5,178	3,442
10. Returns with taxable income, loss deductions, exemptions, taxable income, and tax, and income tax payable, and income tax after credits, and income tax after credits, and income tax after credits, and income tax after credits, and income tax after credits, and income tax after credits	1,178	3,442	1,178	3,442	1,178	3,442	1,178	3,442	1,178	3,442	1,178	3,442	1,178	3,442	1,178	3,442

Source: Statistics of Income for 1963, U.S. Department of the Treasury, Bureau of Internal Revenue. Figures are rounded to the nearest million dollars.

Table 31.—ALL RETURNS WITH TAXABLE INCOME NUMBER OF RETURNS AND AMOUNT OF TAXABLE INCOME BY ADJUSTED GROSS INCOME CLASSES AND BY MARGINAL TAX RATE CLASSES—Continued

Total returns	Returns with taxable income											
	15 to 20 percent		20 to 25 percent		25 to 30 percent		30 to 35 percent		35 to 40 percent		40 to 45 percent	
	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)
50,000 and over	1	14,567	1	1,271	1	1,129	1	1,145	1	1,111	1	1,181
40,000 and over	2	13,769	2	1,314	2	1,142	2	1,308	2	1,197	2	1,248
30,000 and over	4	12,625	4	1,301	4	1,142	4	1,294	4	1,193	4	1,250
20,000 and over	16	11,592	16	1,132	16	1,007	16	1,053	16	1,027	16	1,044
15,000 and over	38	10,691	38	949	38	828	38	836	38	830	38	824
10,000 and over	104	9,877	104	747	104	652	104	658	104	646	104	646
5,000 and over	333	7,851	333	567	333	493	333	496	333	481	333	481
All returns with taxable income	1,000	76,552	1,000	6,575	1,000	5,658	1,000	5,658	1,000	5,487	1,000	5,487
Total tax	1,000	12,450	1,000	1,271	1,000	1,129	1,000	1,145	1,000	1,111	1,000	1,181
15 to 20 percent	1	14,567	1	1,271	1	1,129	1	1,145	1	1,111	1	1,181
20 to 25 percent	2	13,769	2	1,314	2	1,142	2	1,308	2	1,197	2	1,248
25 to 30 percent	4	12,625	4	1,301	4	1,142	4	1,294	4	1,193	4	1,250
30 to 35 percent	16	11,592	16	1,132	16	1,007	16	1,053	16	1,027	16	1,044
35 to 40 percent	38	10,691	38	949	38	828	38	836	38	830	38	824
40 to 45 percent	104	9,877	104	747	104	652	104	658	104	646	104	646
All returns with taxable income	1,000	76,552	1,000	6,575	1,000	5,658	1,000	5,658	1,000	5,487	1,000	5,487
Total tax	1,000	12,450	1,000	1,271	1,000	1,129	1,000	1,145	1,000	1,111	1,000	1,181

Source: U.S. Department of the Treasury, Bureau of Economic Analysis, "Income Tax Returns for 1963," published in "Monthly Labor Review," Vol. 86, No. 1, February 1963, p. 102.

Table 31.—ALL RETURNS WITH TAXABLE INCOME. NUMBER OF RETURNS AND AMOUNT OF TAXABLE INCOME BY ADJUSTED GROSS INCOME CLASSES, AND BY MARGINAL TAX RATE CLASSES—Continued

	15 per cent		20 per cent		25 per cent		30 per cent		35 per cent		40 per cent		45 per cent		50 per cent	
	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)	Number of returns	(Thousand dollars)
Under \$1,000	14,000	14,000	15,000	15,000	16,000	16,000	17,000	17,000	18,000	18,000	19,000	19,000	20,000	20,000	21,000	21,000
\$1,000 to under \$2,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$2,000 to under \$3,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$3,000 to under \$4,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$4,000 to under \$5,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$5,000 to under \$6,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$6,000 to under \$7,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$7,000 to under \$8,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$8,000 to under \$9,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$9,000 to under \$10,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$10,000 to under \$12,500	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$12,500 to under \$15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$15,000 to under \$20,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$20,000 to under \$25,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$25,000 to under \$30,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$30,000 to under \$40,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$40,000 to under \$50,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$50,000 to under \$75,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$75,000 to under \$100,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$100,000 and over	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000

By State: 15 per cent, 15,000; 20 per cent, 15,000; 25 per cent, 15,000; 30 per cent, 15,000; 35 per cent, 15,000; 40 per cent, 15,000; 45 per cent, 15,000; 50 per cent, 15,000.

Table 33.—SEPARATE RETURNS OF HUSBANDS AND WIVES AND OF SINGLE PERSONS NOT HEAD OF HOUSEHOLD ON SURVIVING SPOUSE. NUMBER OF RETURNS AND AMOUNT OF TAXABLE INCOME BY ADJUSTED GROSS INCOME CLASSES, AND BY MARGINAL TAX RATE CLASSES.

	Marginal tax rate											
	20 percent		22 percent		24 percent		30 percent		34 percent		36 percent	
	Number of returns (1)	Amount of taxable income (thousands of dollars) (2)	Number of returns (3)	Amount of taxable income (thousands of dollars) (4)	Number of returns (5)	Amount of taxable income (thousands of dollars) (6)	Number of returns (7)	Amount of taxable income (thousands of dollars) (8)	Number of returns (9)	Amount of taxable income (thousands of dollars) (10)	Number of returns (11)	Amount of taxable income (thousands of dollars) (12)
GRAND TOTAL	17,557,342	52,979,634	19,122,929	5,979,320	3,979,130	1,979,407	9,423,677	3,765,958	185,460	3,662,784	79,711	885,421
Under \$1,000	3,786,948	42,819,419	6,553,477	9,976,725	16,451,207	1,955,159		3,965,650	186,226	3,662,784	79,711	885,421
\$1,000 under \$2,000	4,748,726	33,336,477	2,725,477	2,725,477	3,445,167							
\$2,000 under \$3,000	6,611,700	18,750,000	1,079,346	1,079,346	2,569,227							
\$3,000 under \$4,000	2,493,466	6,235,863	237,283	2,472,184	6,431,136	(1)	(1)					
\$4,000 under \$5,000	5,972,099	373,299	373,299	2,679,246	6,431,136							
\$5,000 under \$6,000	573,761	77,246	101,869	689,519	2,077,796	107,613	3,256,301					
\$6,000 under \$7,000	1,449,044	1,449,044	1,449,044	1,449,044	3,027,044	3,027,044	3,027,044					
\$7,000 under \$8,000	529,377	6,466	529,377	19,213	1,979,213	1,979,213	1,979,213					
\$8,000 under \$9,000	1,979,377	1,979,377	1,979,377	1,979,377	3,958,754	3,958,754	3,958,754					
\$9,000 under \$10,000	1,979,377	1,979,377	1,979,377	1,979,377	3,958,754	3,958,754	3,958,754					
\$10,000 under \$15,000	288,660	2,663,937	1,267	1,267	9,868	9,868	9,868					
\$15,000 under \$20,000	118,807	9,689,796	397	669	69,119	3,138	6,311	2,428	39,333	7,922	36,002	
\$20,000 under \$25,000	114,824	1,979,377	35	682	7,259	91	5,233	119	6,136	80	10,209	
\$25,000 under \$30,000	31,329	3,329	3	2	5,822	44	6,291	31	5,649	3	5,776	
\$30,000 under \$40,000	1,142	71,115	1	653	2	2	4,891	2	236	1	3,774	
\$40,000 or more	153,966	153,966			9,489		9,489					
Under \$5,000	27,134	172,123	269,391	3,495	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)

	Marginal tax rate—Continued											
	42 percent		48 percent		54 percent		60 percent		66 percent		72 percent	
	Number of returns (13)	Amount of taxable income (thousands of dollars) (14)	Number of returns (15)	Amount of taxable income (thousands of dollars) (16)	Number of returns (17)	Amount of taxable income (thousands of dollars) (18)	Number of returns (19)	Amount of taxable income (thousands of dollars) (20)	Number of returns (21)	Amount of taxable income (thousands of dollars) (22)	Number of returns (23)	Amount of taxable income (thousands of dollars) (24)
GRAND TOTAL	37,882,243	167,484,919	2,022,165	47,482,919	1,240,904	5,620,139	1,107,231	5,061,853	12,128	1,099,105	3,493	47,482,919
\$40,000 under \$50,000	1,142	153,966	1	653	2	2	4,891	2	236	1	3,774	
\$50,000 under \$60,000	31,329	3,329	3	2	5,822	44	6,291	31	5,649	3	5,776	
\$60,000 under \$70,000	118,807	9,689,796	397	669	69,119	3,138	6,311	2,428	39,333	7,922	36,002	
\$70,000 under \$80,000	114,824	1,979,377	35	682	7,259	91	5,233	119	6,136	80	10,209	
\$80,000 under \$90,000	31,329	3,329	3	2	5,822	44	6,291	31	5,649	3	5,776	
\$90,000 or more	1,142	153,966	1	653	2	2	4,891	2	236	1	3,774	

	Marginal tax rate—Continued											
	78 percent		84 percent		90 percent		96 percent		100 percent		Total	
	Number of returns (25)	Amount of taxable income (thousands of dollars) (26)	Number of returns (27)	Amount of taxable income (thousands of dollars) (28)	Number of returns (29)	Amount of taxable income (thousands of dollars) (30)	Number of returns (31)	Amount of taxable income (thousands of dollars) (32)	Number of returns (33)	Amount of taxable income (thousands of dollars) (34)	Number of returns (35)	Amount of taxable income (thousands of dollars) (36)
GRAND TOTAL	1,142	153,966	1	653	2	2	4,891	2	236	1	3,774	
\$100,000 under \$125,000	1,142	153,966	1	653	2	2	4,891	2	236	1	3,774	
\$125,000 or more												

Footnote text at the bottom of the page.

Table 31.—SEPARATE RETURNS OF HUSBANDS AND WIVES AND OF SINGLE PERSONS NOT HEADS OF HOUSEHOLDS OR SERVICE-UNITED STATES. NUMBER OF RETURNS AND AMOUNT OF TAXABLE INCOME BY ADJUSTED GROSS INCOME CLASSES, AND BY MARITAL TAX RATE CLASSES—Continued

Adjusted gross income—Married, separate returns	1st persons		2d persons		3d persons		4th persons		5th persons		6th persons		7th persons		8th persons		9th persons		10th persons	
	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)
10,000 or more	190	11,204	334	3,770	222	1,371	329	2,393	26	174	198	1,313	43	287	26	174	21	152	43	287
7,500	194	11,204	334	3,770	222	1,371	329	2,393	26	174	198	1,313	43	287	26	174	21	152	43	287
5,000	194	11,204	334	3,770	222	1,371	329	2,393	26	174	198	1,313	43	287	26	174	21	152	43	287
2,500	194	11,204	334	3,770	222	1,371	329	2,393	26	174	198	1,313	43	287	26	174	21	152	43	287
Under \$2,500	194	11,204	334	3,770	222	1,371	329	2,393	26	174	198	1,313	43	287	26	174	21	152	43	287
Total	782	43,327	1,163	13,048	763	4,827	1,117	7,994	152	981	1,024	7,002	202	1,313	152	981	78	546	202	1,313
10,000 or more	190	11,204	334	3,770	222	1,371	329	2,393	26	174	198	1,313	43	287	26	174	21	152	43	287
7,500	194	11,204	334	3,770	222	1,371	329	2,393	26	174	198	1,313	43	287	26	174	21	152	43	287
5,000	194	11,204	334	3,770	222	1,371	329	2,393	26	174	198	1,313	43	287	26	174	21	152	43	287
2,500	194	11,204	334	3,770	222	1,371	329	2,393	26	174	198	1,313	43	287	26	174	21	152	43	287
Under \$2,500	194	11,204	334	3,770	222	1,371	329	2,393	26	174	198	1,313	43	287	26	174	21	152	43	287
Total	782	43,327	1,163	13,048	763	4,827	1,117	7,994	152	981	1,024	7,002	202	1,313	152	981	78	546	202	1,313

Roundings may not sum to totals due to rounding. For more information, see the notes on page 4 of the report. NOTE: Levels may not add due to rounding.

Table 34.—RETURNS OF HEADS OF HOUSEHOLD.—NUMBER OF RETURNS AND AMOUNT OF TAXABLE INCOME, BY ADJUSTED GROSS INCOME CLASSES AND BY MARGINAL TAX RATE CLASSES

	30 percent				35 percent				40 percent				45 percent				50 percent				55 percent				60 percent				Total				
	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)	Number of returns (Thousands)	Number of returns (Millions)			
1. Total	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280	1,280			
2. Under \$4,000	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683	683		
3. \$4,000 to \$4,999	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	488	
4. \$5,000 to \$9,999	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	313	
5. \$10,000 to \$14,999	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	243	
6. \$15,000 to \$19,999	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	137	
7. \$20,000 to \$24,999	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	74	
8. \$25,000 to \$29,999	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	41	
9. \$30,000 to \$34,999	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	23	
10. \$35,000 to \$39,999	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	13	
11. \$40,000 to \$44,999	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	7	
12. \$45,000 to \$49,999	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4	4
13. \$50,000 to \$54,999	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2	2
14. \$55,000 to \$59,999	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
15. \$60,000 to \$64,999	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
16. \$65,000 to \$69,999	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
17. \$70,000 to \$74,999	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
18. \$75,000 to \$79,999	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
19. \$80,000 to \$84,999	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
20. \$85,000 to \$89,999	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
21. \$90,000 to \$94,999	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
22. \$95,000 to \$99,999	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
23. \$100,000 or more	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1

Source: Internal Revenue Service, "Individual Income Tax Returns for 1963," p. 17.

Table 34.—RETURNS OF HEADS OF HOUSEHOLD, BY ADJUSTED GROSS INCOME CLASSES AND BY MARGINAL TAX RATE CLASSES—Continued

Adjusted gross income classes	Marginal tax rate—Continued									
	52 percent	54 percent	56 percent	58 percent	60 percent	62 percent	64 percent	66 percent	68 percent	70 percent
	Number of returns (thousand)	Number of returns (thousand)	Number of returns (thousand)	Number of returns (thousand)	Number of returns (thousand)	Number of returns (thousand)	Number of returns (thousand)	Number of returns (thousand)	Number of returns (thousand)	Number of returns (thousand)
Grand total	1,627	1,446	1,218	1,011	770	574	427	309	228	171
Taxable returns, total	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$0 under \$1,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$1,000 under \$2,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$2,000 under \$3,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$3,000 under \$4,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$4,000 under \$5,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$5,000 under \$6,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$6,000 under \$7,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$7,000 under \$8,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$8,000 under \$9,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$9,000 under \$10,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$10,000 under \$15,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$15,000 under \$20,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$20,000 under \$25,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$25,000 under \$30,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$30,000 under \$40,000	1,624	1,443	1,215	1,008	767	571	426	308	227	170
\$40,000 or more	1,624	1,443	1,215	1,008	767	571	426	308	227	170
Notable returns	3	3	3	3	3	3	3	3	3	3

Adjusted gross income classes	Marginal tax rate—Continued									
	70 percent	80 percent	83 percent	87 percent	87 percent (with limitation)	90 percent	93 percent			
	Number of returns (thousand)	Number of returns (thousand)	Number of returns (thousand)	Number of returns (thousand)	Number of returns (thousand)	Number of returns (thousand)	Number of returns (thousand)			
Total	143	130	153	184	156	138	163			
Taxable returns, total	143	130	153	184	156	138	163			
\$0 under \$2,000	143	130	153	184	156	138	163			
\$2,000 under \$3,000	143	130	153	184	156	138	163			
\$3,000 under \$4,000	143	130	153	184	156	138	163			
\$4,000 under \$5,000	143	130	153	184	156	138	163			
\$5,000 under \$6,000	143	130	153	184	156	138	163			
\$6,000 under \$7,000	143	130	153	184	156	138	163			
\$7,000 under \$8,000	143	130	153	184	156	138	163			
\$8,000 under \$9,000	143	130	153	184	156	138	163			
\$9,000 under \$10,000	143	130	153	184	156	138	163			
\$10,000 under \$15,000	143	130	153	184	156	138	163			
\$15,000 under \$20,000	143	130	153	184	156	138	163			
\$20,000 under \$25,000	143	130	153	184	156	138	163			
\$25,000 under \$30,000	143	130	153	184	156	138	163			
\$30,000 or more	143	130	153	184	156	138	163			

See text for "Definition of the Sample and Definition of the Data" and "Explanation of Classifications and Items."
 Figures are not shown for certain income classes of high sampling variability. However, the data are included in the appropriate total.
 Data for 1963 are based on 1964 returns of heads of households.

Table J5.—INCOME TAX GENERATED AT EACH TAX RATE FOR ALL RETURNS AND RETURNS UNDER EACH OF THE THREE TAX RATE SCHEDULES—Continued

	Total tax (Dollars)	Total income tax base (Dollars)	RETURNS WITH TAX THIS ADJUSTED RATE				RETURNS WITH TAX THIS ADJUSTED RATE				RETURNS WITH AND WITHOUT THIS ADJUSTED RATE					
			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
16 persons	57,369,482	253,643,754	161,721,371	37,277,743	16,273,455	37,277,743	37,277,743	123,7	33.3	37,277,743	3,473,373	2,142,722	14,323,022	3,473,373	2,142,722	14,323,022
17 persons	12,592,853	65,256,381	27,754,631	7,274,434	3,309,434	7,274,434	7,274,434	7	1.0	7,274,434	536,312	286,557	1,407,347	536,312	286,557	1,407,347
18 persons	3,829,818	20,589,093	5,814,782	1,515,171	611,171	1,515,171	1,515,171	12	1.5	1,515,171	112,114	59,011	264,811	112,114	59,011	264,811
19 persons	2,789,271	15,297,007	2,935,436	628,721	267,668	628,721	628,721	11.5	1.5	628,721	72,864	40,708	152,620	72,864	40,708	152,620
20 persons	2,776,227	16,134,252	2,264,628	2,896,290	1,814,483	2,896,290	2,896,290	17.5	23.3	2,896,290	479,233	317,111	1,122,932	479,233	317,111	1,122,932
21 persons	1,612,731	9,263,141	1,254,721	943,621	514,231	943,621	514,231	12	12.2	943,621	133,444	71,111	243,331	133,444	71,111	243,331
22 persons	1,084,641	5,334,642	7,212,098	1,174,234	646,231	1,174,234	646,231	21.5	27.3	1,174,234	149,415	82,918	249,318	149,415	82,918	249,318
23 persons	747,871	3,137,871	2,432,412	2,695,036	1,624,036	2,695,036	1,624,036	22.4	26.2	2,695,036	118,224	65,811	178,421	118,224	65,811	178,421
24 persons	502,853	2,296,354	2,896,354	2,154,354	1,314,354	2,154,354	1,314,354	25.6	27.9	2,154,354	117,366	66,111	167,411	117,366	66,111	167,411
25 persons	314,000	1,357,316	2,014,316	1,364,316	804,316	1,364,316	804,316	24.1	26.2	1,364,316	101,411	54,111	135,511	101,411	54,111	135,511
26 persons	212,812	1,114,316	1,624,316	1,114,316	704,316	1,114,316	704,316	27.2	28.2	1,114,316	91,411	48,111	114,511	91,411	48,111	114,511
27 persons	174,212	924,212	1,314,212	924,212	614,212	924,212	614,212	30.7	30.7	924,212	81,411	41,111	98,511	81,411	41,111	98,511
28 persons	114,212	624,212	924,212	624,212	414,212	624,212	414,212	35.2	35.2	624,212	71,411	36,111	78,511	71,411	36,111	78,511
29 persons	74,212	434,212	624,212	434,212	274,212	434,212	274,212	40.7	40.7	434,212	61,411	31,111	64,511	61,411	31,111	64,511
30 persons	54,212	334,212	424,212	334,212	204,212	334,212	204,212	45.2	45.2	334,212	51,411	26,111	53,511	51,411	26,111	53,511
31 persons	44,212	274,212	344,212	274,212	164,212	274,212	164,212	50.7	50.7	274,212	41,411	21,111	44,511	41,411	21,111	44,511
32 persons	34,212	214,212	274,212	214,212	124,212	214,212	124,212	55.2	55.2	214,212	31,411	16,111	34,511	31,411	16,111	34,511
33 persons	24,212	154,212	194,212	154,212	84,212	154,212	84,212	60.7	60.7	154,212	21,411	11,111	24,511	21,411	11,111	24,511
34 persons	18,212	114,212	144,212	114,212	64,212	114,212	64,212	65.2	65.2	114,212	16,411	8,111	18,511	16,411	8,111	18,511
35 persons	14,212	84,212	104,212	84,212	54,212	104,212	54,212	70.7	70.7	84,212	11,411	6,111	13,511	11,411	6,111	13,511
36 persons	10,212	64,212	74,212	64,212	44,212	74,212	44,212	75.2	75.2	64,212	6,411	4,111	9,511	6,411	4,111	9,511
37 persons	6,212	44,212	54,212	44,212	34,212	54,212	34,212	80.7	80.7	44,212	4,411	3,111	6,511	4,411	3,111	6,511
38 persons	4,212	34,212	44,212	34,212	24,212	44,212	24,212	85.2	85.2	34,212	3,411	2,111	5,511	3,411	2,111	5,511
39 persons	3,212	24,212	34,212	24,212	14,212	34,212	14,212	90.7	90.7	24,212	2,411	1,111	4,511	2,411	1,111	4,511
40 persons	2,212	14,212	24,212	14,212	8,212	24,212	8,212	95.2	95.2	14,212	1,411	6,111	3,511	1,411	6,111	3,511
41 persons	1,212	9,212	14,212	9,212	4,212	14,212	4,212	100.7	100.7	9,212	9,212	9,212	9,212	9,212	9,212	9,212

Source: U.S. Department of the Treasury, Bureau of the Census, "Individual Income Tax Returns for 1963," p. 25. 1964 release.

Table 15.—INCOME TAX GENERATED AT EACH TAX RATE FOR ALL RETURNS AND RETURNS UNDER EACH OF THE THREE TAX RATE SCHEDULES—Continued

Taxable income	Returns with tax rate at marginal rate								Returns with tax rate at tax rate			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
	Number of returns	Adjusted gross income (Thousands of dollars)	Total tax (Thousands of dollars)	Total income (Thousands of dollars)	Tax rate at marginal rate (Percentage)	Tax generated at marginal rate (Thousands of dollars)	Total (Thousands of dollars)	At a percent of total gross income (Percentage)	At a percent of total tax base (Percentage)	Number of returns	Tax base (Thousands of dollars)	Tax generated at tax rate (Thousands of dollars)
1. All returns	28,113,130	71,457,411	42,985,451	10,310,518	16,296,015	3,453,133	9,838,376	13.6	22.3	326,133,936	42,985,451	50,111,146
2. Under \$4,000	6,218,288	5,666,702	1,745,429	1,745,429	1,737,777	1,678,937	1,678,937	8.2	19.3	15,679,135	2,849,436	4,913,487
3. \$4,000-\$8,000	10,142,226	20,274,798	8,708,031	2,489,321	4,601,891	4,601,891	4,601,891	13.9	20.2	7,932,517	10,866,430	2,265,040
4. \$8,000-\$12,000	4,979,420	21,017,813	2,489,420	3,449,130	4,601,891	4,601,891	4,601,891	30.2	31.0	5,947,034	12,274,813	2,878,167
5. \$12,000-\$16,000	1,355,465	12,463,777	9,426,022	4,033,217	11,553,312	42,430,132	42,430,132	36.2	21.6	2,035,645	4,962,572	1,886,659
6. \$16,000-\$20,000	721,308	5,714,446	3,940,795	2,416,124	4,542,483	17,469,123	17,469,123	33.2	22.0	1,485,130	2,810,928	1,103,942
7. \$20,000-\$24,000	356,460	2,076,311	1,664,360	421,151	151,977	405,268	405,268	35.6	24.7	425,799	638,550	236,227
8. \$24,000-\$28,000	79,843	1,094,837	866,423	245,689	69,679	235,693	235,693	21.6	26.8	241,320	394,431	141,948
9. \$28,000-\$32,000	64,397	773,277	625,286	189,123	51,717	180,825	180,825	21.3	28.5	162,546	276,261	118,562
10. \$32,000-\$36,000	29,935	375,637	479,738	159,436	26,274	134,584	156,858	24.3	31.9	116,879	202,661	84,311
11. \$36,000-\$40,000	14,652	182,864	257,859	78,254	39,117	30,158	29,731	40.8	41.3	373	66,336	34,158
12. \$40,000-\$44,000	373	72,854	60,316	39,117	39,117	130,395	130,395	45.1	35.4	35,446	64,218	20,240
13. \$44,000-\$48,000	334,764	3,901,027	3,230,338	768,738	626,218	252,019	473,309	38.5	45.1	34,422	86,332	30,450
14. \$48,000-\$52,000	8,192	439,143	371,976	126,051	20,245	15,483	123,312	26.6	32.8	86,332	131,053	79,779
15. \$52,000-\$56,000	34,021	349,494	285,857	164,113	13,266	7,031	99,794	26.3	34.6	65,632	116,436	61,771
16. \$56,000-\$60,000	8,998	269,694	203,112	79,403	7,843	4,448	73,422	29.6	36.1	51,613	93,280	50,132
17. \$60,000-\$64,000	13,626	428,790	332,430	148,856	21,407	14,990	136,462	32.1	36.8	42,617	141,426	81,467
18. \$64,000-\$68,000	9,296	279,326	222,310	104,698	39,312	19,646	59,723	30.8	44.9	57,796	137,061	81,319
19. \$68,000-\$72,000	3,195	187,152	152,312	70,727	9,273	6,397	71,479	38.2	47.0	11,863	67,733	41,206
20. \$72,000-\$76,000	2,362	186,728	120,311	62,669	6,296	4,133	59,866	40.6	47.6	8,168	46,024	31,754
21. \$76,000-\$80,000	2,093	159,864	128,961	79,539	9,426	7,197	67,310	42.1	52.2	6,262	31,845	36,809
22. \$80,000-\$84,000	1,183	118,823	87,467	56,287	5,199	4,038	48,086	44.3	55.0	4,130	31,226	27,776
23. \$84,000-\$88,000	882	81,773	64,932	39,364	3,111	2,461	37,426	46.3	57.3	3,463	24,349	21,664
24. \$88,000-\$92,000	559	70,025	56,903	34,480	2,472	2,079	33,666	47.8	56.8	2,223	19,040	15,694
25. \$92,000-\$96,000	336	48,373	32,857	24,889	1,618	1,262	17,337	48.4	61.3	1,136	13,462	11,617
26. \$96,000-\$100,000	267	39,223	28,010	19,410	1,214	888	12,053	48.8	64.3	822	10,298	8,745
27. \$100,000 and over	288	159,033	98,859	79,112	26,820	29,227	71,051	55.1	76.1	486	15,546	17,881

Figures are in dollars, unless otherwise indicated. See text for description of the base and explanation of Classification and Terms.

Table 35.—INCOME TAX GENERATED BY ALL RETURNS AND RETURNS UNDER EACH OF THE THREE TAX RATE SCHEDULES—Continued

	Returns with tax rate of marginal rate										Returns with any tax rate		
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
THE 15% RATE	Adjusted gross income (thous. dollars)	Total tax (thous. dollars)	Total income tax before credits (thous. dollars)	Tax (exclusive of marginal rate) (thous. dollars)	Total (thous. dollars)	Income tax after credits (thous. dollars)	As a percent of gross income (tax base)	As a percent of net income (tax base)	Index of returns per ret.	The tax rate (thous. dollars)	The tax rate (thous. dollars)	The tax rate (thous. dollars)	
HEAD OF HOUSEHOLD SCHEDULE													
TOTAL.....	3,429,454	9,211,977	3,906,842	1,873,497	3,134,216	1,344,237	33.2	23.1	3,429,454	5,666,842	1,676,728		
0 percent (returns with no tax base).....	109,421	30,887		99,493	99,493	17,316	15.8	15.6	109,421	30,887	17,316		
10 percent.....	59,577	1,433,375	59,577	29,267	29,267	17,316	28.4	28.1	59,577	1,433,375	29,267		
22 percent.....	8,793	4,179,479	1,659,966	1,659,966	1,659,966	1,659,966	18.9	18.9	8,793	4,179,479	1,659,966		
24 percent.....	28,769	3,815,178	1,238,143	26,117	26,117	26,117	31.2	31.1	28,769	3,815,178	26,117		
26 percent.....	9,644	869,743	424,827	138,514	138,514	138,514	31.7	31.4	9,644	869,743	138,514		
30 percent.....	2,926	211,424	107,542	34,223	34,223	34,223	34.1	33.8	2,926	211,424	34,223		
33 percent.....	4,302	142,355	114,157	4,406	4,406	4,406	31.5	31.1	4,302	142,355	4,406		
36 percent.....	1,307	77,225	61,271	1,327	1,327	1,327	32.7	32.1	1,307	77,225	1,327		
42 percent.....	3,623	85,933	70,477	3,722	3,722	3,722	31.5	31.1	3,623	85,933	3,722		
48 percent.....	9,723	61,971	52,161	9,723	9,723	9,723	32.5	32.1	9,723	61,971	9,723		
54 percent.....	4,934	154,332	99,449	9,723	9,723	9,723	32.5	32.1	4,934	154,332	9,723		
60 percent (alternative tax schedule returns with normal rates tax base).....	4,702	79,783	79,783	4,702	4,702	4,702	32.5	32.1	4,702	79,783	4,702		
60 percent (alternative tax schedule returns with normal rates tax base and 50 percent tax rate).....	3,402	122,029	154,779	3,402	3,402	3,402	32.5	32.1	3,402	122,029	3,402		
52 percent.....	1,417	15,412	99,536	19,871	19,871	19,871	31.1	30.1	1,417	15,412	19,871		
53 percent.....	1,024	9,721	39,655	17,421	17,421	17,421	31.1	30.1	1,024	9,721	17,421		
54 percent.....	1,024	9,721	39,655	17,421	17,421	17,421	31.1	30.1	1,024	9,721	17,421		
55 percent.....	1,018	14,209	9,717	6,493	6,493	6,493	31.2	30.2	1,018	14,209	6,493		
55 percent.....													
57 percent.....	79	43,581	33,724	17,725	17,725	17,725	31.5	30.5	79	43,581	17,725		
58 percent.....	82	39,919	25,122	14,629	14,629	14,629	31.6	30.6	82	39,919	14,629		
66 percent.....	27	19,229	29,892	19,107	19,107	19,107	31.8	30.8	27	19,229	19,107		
68 percent.....													
72 percent.....	24	29,284	19,949	12,826	12,826	12,826	31.1	30.1	24	29,284	12,826		
75 percent.....	17	19,652	13,779	7,473	7,473	7,473	31.5	30.5	17	19,652	7,473		
75 percent.....	79	9,473	3,607	4,211	4,211	4,211	31.2	30.2	79	9,473	4,211		
75 percent.....													
78 percent.....	47	7,842	1,974	3,427	3,427	3,427	31.6	30.6	47	7,842	3,427		
78 percent.....	42	32,125	13,342	11,471	11,471	11,471	31.7	30.7	42	32,125	11,471		
78 percent.....													
80 percent (newly adopted 15.5 percent base).....	2	3,822	2,718	2,717	2,717	2,717	31.8	30.8	2	3,822	2,717		
80 percent.....	2	24,728	7,642	14,741	14,741	14,741	31.3	30.3	2	24,728	14,741		
80 percent.....	2	14,025	7,222	5,823	5,823	5,823	31.6	30.6	2	14,025	5,823		
80 percent.....	2	5,281	5,233	4,424	4,424	4,424	31.1	30.1	2	5,281	4,424		

This table is based on the 1963 Federal Income Tax Statistics, published by the Internal Revenue Service, Department of the Treasury, Washington, D.C., 20548.

This table is not the total of all returns with tax base since many returns have a tax base taxed at a rate other than 15%.

This amount is not included in the total for the reason stated in footnote 4.

NOTE: Detail may not add to total because of rounding. A dash (-) in this table means "not applicable" except for last 4 households return with the 57 percent base, which is not applicable.

Table 36.—SOURCES OF RETIREMENT INCOME CREDIT FOR RETURNS WITH AT LEAST ONE AGE EXEMPTION AND FOR RETURNS WITH NO AGE EXEMPTION, BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income class	Retirees with retirement income from IRAs, IRAs, and 401(k) and 408(a) plans only						Retirees with retirement income from IRAs, IRAs, and 401(k) and 408(a) plans and other sources						Retirees with retirement income from IRAs, IRAs, and 401(k) and 408(a) plans only					
	Number of returns	Retirement income from IRAs (Thousand dollars)	Retirement income from IRAs (Thousand dollars)	Retirement income from 401(k) plans (Thousand dollars)	Retirement income from 408(a) plans (Thousand dollars)	Retirement income from other sources (Thousand dollars)	Number of returns	Retirement income from IRAs (Thousand dollars)	Retirement income from IRAs (Thousand dollars)	Retirement income from 401(k) plans (Thousand dollars)	Retirement income from 408(a) plans (Thousand dollars)	Retirement income from other sources (Thousand dollars)	Number of returns	Retirement income from IRAs (Thousand dollars)	Retirement income from IRAs (Thousand dollars)	Retirement income from 401(k) plans (Thousand dollars)	Retirement income from 408(a) plans (Thousand dollars)	Retirement income from other sources (Thousand dollars)
\$7,500 and under	11	68,900	(1)	(1)	60	13,501	30	17,000	19	13,500	4,200	3	13,500	13,500	13,500	13,500	13,500	13,500
\$7,500 to \$9,999	1	7,500				7,500	1	7,500			7,500	1	7,500	7,500	7,500	7,500	7,500	7,500
\$10,000 to \$12,499	3	18,000				18,000	3	18,000			18,000	3	18,000	18,000	18,000	18,000	18,000	18,000
\$12,500 to \$14,999	1	12,500				12,500	1	12,500			12,500	1	12,500	12,500	12,500	12,500	12,500	12,500
\$15,000 to \$19,999	5	64,000				64,000	5	64,000			64,000	5	64,000	64,000	64,000	64,000	64,000	64,000
\$20,000 to \$24,999	2	20,000				20,000	2	20,000			20,000	2	20,000	20,000	20,000	20,000	20,000	20,000
\$25,000 to \$29,999	1	25,000				25,000	1	25,000			25,000	1	25,000	25,000	25,000	25,000	25,000	25,000
\$30,000 to \$34,999	1	30,000				30,000	1	30,000			30,000	1	30,000	30,000	30,000	30,000	30,000	30,000
\$35,000 to \$39,999	1	35,000				35,000	1	35,000			35,000	1	35,000	35,000	35,000	35,000	35,000	35,000
\$40,000 to \$44,999	1	40,000				40,000	1	40,000			40,000	1	40,000	40,000	40,000	40,000	40,000	40,000
\$45,000 to \$49,999	1	45,000				45,000	1	45,000			45,000	1	45,000	45,000	45,000	45,000	45,000	45,000
\$50,000 to \$54,999	1	50,000				50,000	1	50,000			50,000	1	50,000	50,000	50,000	50,000	50,000	50,000
\$55,000 to \$59,999	1	55,000				55,000	1	55,000			55,000	1	55,000	55,000	55,000	55,000	55,000	55,000
\$60,000 to \$64,999	1	60,000				60,000	1	60,000			60,000	1	60,000	60,000	60,000	60,000	60,000	60,000
\$65,000 to \$69,999	1	65,000				65,000	1	65,000			65,000	1	65,000	65,000	65,000	65,000	65,000	65,000
\$70,000 to \$74,999	1	70,000				70,000	1	70,000			70,000	1	70,000	70,000	70,000	70,000	70,000	70,000
\$75,000 to \$79,999	1	75,000				75,000	1	75,000			75,000	1	75,000	75,000	75,000	75,000	75,000	75,000
\$80,000 to \$84,999	1	80,000				80,000	1	80,000			80,000	1	80,000	80,000	80,000	80,000	80,000	80,000
\$85,000 to \$89,999	1	85,000				85,000	1	85,000			85,000	1	85,000	85,000	85,000	85,000	85,000	85,000
\$90,000 to \$94,999	1	90,000				90,000	1	90,000			90,000	1	90,000	90,000	90,000	90,000	90,000	90,000
\$95,000 to \$99,999	1	95,000				95,000	1	95,000			95,000	1	95,000	95,000	95,000	95,000	95,000	95,000
\$100,000 and over	1	100,000				100,000	1	100,000			100,000	1	100,000	100,000	100,000	100,000	100,000	100,000
All returns	164	1,058,300				1,058,300	164	1,058,300			1,058,300	164	1,058,300	1,058,300	1,058,300	1,058,300	1,058,300	1,058,300

Source of retirement income is classified on the basis of the appropriate source of income. Other retirement income includes annuities, life insurance proceeds, and other sources.

Table 38.—RETURNS WITH SELF-EMPLOYMENT TAX: AMOUNT OF SELF-EMPLOYMENT TAX ON RETURNS WITH BUSINESS OR PROFESSION NET PROFIT, RETURNS WITH FARM NET PROFIT, RETURNS WITH NET PROFIT FROM BUSINESS AND FARM, AND ALL OTHER RETURNS, BY ADJUSTED GROSS INCOME CLASSES

All returns with self-employment tax	Returns with self-employment tax on net profit from business and profession (but no farm net profit or loss)			Returns with self-employment tax on net profit from business or profession (but no farm net profit or loss)			Returns with self-employment tax on net profit from business and profession (but no farm net profit or loss)			Returns with self-employment tax on net profit from business and profession (but no farm net profit or loss)																
	Number of returns	Adjusted gross income (thousand dollars)	Self-employment tax Amount (thousand dollars)	Number of returns with adjusted income	Net profit from business and profession (thousand dollars)	Amount (thousand dollars)	Number of returns with net profit	Farm net profit (thousand dollars)	Amount (thousand dollars)	Number of returns with net profit from business or profession	Amount (thousand dollars)	Number of returns with net profit from business and profession	Total amount of net profit from business and profession (thousand dollars)	As a percent of returns from business and profession	Number of returns with net profit from business and profession	Amount (thousand dollars)	As a percent of returns from business and profession	Number of returns with net profit from business and profession	Amount (thousand dollars)	As a percent of returns from business and profession	Number of returns with net profit from business and profession	Amount (thousand dollars)	As a percent of returns from business and profession			
																								(1)	(2)	(3)
Grand total.....	6,422,622	5,742,389	1,002,245	2,319,521	17,553,037	772,279	3,140,437	4,012,756	128,371	4,430,456	997,483	33,703	3.1	1,262,234	218,468	17.3	1,262,234	218,468	17.3	1,262,234	218,468	17.3	1,262,234	218,468	17.3	
taxable returns, total.....	4,665,467	39,756,473	831,734	2,729,769	16,032,269	459,102	3,189,429	2,996,115	122,433	4,142,203	891,862	25,973	3.0	999,416	188,426	18.8	999,416	188,426	18.8	999,416	188,426	18.8	999,416	188,426	18.8	
under \$1,000.....	1,887,118	5,120,620	203,287	473,873	2,138,912	115,723	524,267	472,256	52	533,444	124,895	7,139	5.1	23,984	33,232	139.3	23,984	33,232	139.3	23,984	33,232	139.3	23,984	33,232	139.3	
1,000 under \$2,000.....	1,282,555	6,629,705	233,443	724,005	3,045,237	133,831	523,267	466,780	54	4,238	13,732	746	5.4	23,999	4,879	20.5	23,999	4,879	20.5	23,999	4,879	20.5	23,999	4,879	20.5	
2,000 under \$3,000.....	799,245	33,264,497	801,130	1,770,904	13,362,820	352,289	2,263,677	1,979,760	67,703	3,381,106	733,874	17,762	2.2	647,280	145,346	22.7	647,280	145,346	22.7	647,280	145,346	22.7	647,280	145,346	22.7	
3,000 or more.....	1,612,395	13,666,996	176,311	4,761,633	1,817,268	772,277	5,116,848	1,034,621	55,938	5,593	113,121	6,728	5.6	302,518	30,770	27.0	302,518	30,770	27.0	302,518	30,770	27.0	302,518	30,770	27.0	
Un taxable returns, total.....	1,757,155	1,615,716	170,511	719,758	1,314,800	597,897	3,133,608	1,016,641	185,938	3,288,253	1,005,067	33,730	3.3	262,818	29,942	11.1	262,818	29,942	11.1	262,818	29,942	11.1	262,818	29,942	11.1	
under \$1,000.....	34,213	71,217	2,427	79,8	4,304	236	5,9	15,134	4,564	831	132	6.3	1,263	1,860	147.3	1,263	1,860	147.3	1,263	1,860	147.3	1,263	1,860	147.3		
1,000 under \$2,000.....	118,787	592,829	3,960	456,210	2,626,633	1,276,626	3,776,544	2,670,074	1,798,758	6,473	6.4	1,263	1,263	100.0	1,263	1,263	100.0	1,263	1,263	100.0	1,263	1,263	100.0	1,263	1,263	100.0
2,000 under \$3,000.....	1,039,749	2,366,560	1,124	2,357,866	1,135,950	97,689	3,071,618	1,316,666	36,033	6,1	43,577	4,898	5.7	148,721	1,263	0.8	148,721	1,263	0.8	148,721	1,263	0.8	148,721	1,263	0.8	
3,000 or more.....	14,147,799	67,974,442	3,230	4,156,760	30,563,563	1,459	3,168	14,030	871	5.4	1,009	3,432	192	5.3	5,473	1,133	20.5	5,473	1,133	20.5	5,473	1,133	20.5	5,473	1,133	20.5
\$2,000 under \$3,000.....	12,146	61,863	2,461	4,1	24,306	1,112	3,128	15,480	696	4.2	2,227	15,127	595	3.9	12,648	4,124	32.6	12,648	4,124	32.6	12,648	4,124	32.6	12,648	4,124	32.6
\$3,000 or more.....	179,785	125,968	17,119	179,229	211,233	71,121	3,481	103,798	4,481	4.3	2,227	15,127	595	3.9	12,648	4,124	32.6	12,648	4,124	32.6	12,648	4,124	32.6	12,648	4,124	32.6

The term "Description of the Sample and Explanation of Classifications and Terms" applies to all returns.

*Figures in parentheses are percentages.

†Returns in net shown separately because of high sampling variability. However, the data are included in the appropriate totals.

NOTE: Detail may not add due to rounding.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

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Table 41—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND STATES—Continued
 (taxable and nontaxable returns)

State	Number of returns	Number of joint returns	Adjusted gross income (Thousands of dollars)	Total number of exemptions	Self-employed or other total (Thousands of dollars)	Federal income tax		State income tax		Total tax	
						Number of returns	(Thousands of dollars)	Number of returns	(Thousands of dollars)	Number of returns	(Thousands of dollars)
ARIZONA											
All States	1,075,373	316,713	1,287,812	1,263,122	1,263,122	94,712	41,627	37,066	21,294	337,158	325,363
Alabama	1,375	—	141,420	17,700	17,700	—	—	—	—	(3)	(3)
California	1,071,278	316,713	1,287,812	1,263,122	1,263,122	94,712	41,627	37,066	21,294	337,158	325,363
Colorado	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Florida	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Georgia	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Illinois	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Indiana	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Iowa	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Kansas	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Michigan	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Minnesota	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Mississippi	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Missouri	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Montana	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Nebraska	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Nevada	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
New Hampshire	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
New Jersey	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
New Mexico	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
New York	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
North Carolina	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
North Dakota	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Ohio	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Oklahoma	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Oregon	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Pennsylvania	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Rhode Island	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Texas	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Utah	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Vermont	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Virginia	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Washington	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
West Virginia	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Wisconsin	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
Wyoming	1,375	—	141,420	17,700	17,700	—	—	—	—	—	—
ARIZONA											
Adjusted gross income	1,075,373	316,713	1,287,812	1,263,122	1,263,122	94,712	41,627	37,066	21,294	337,158	325,363
Number of exemptions	1,263,122	316,713	1,263,122	1,263,122	1,263,122	94,712	41,627	37,066	21,294	337,158	325,363
Self-employed or other total	1,263,122	316,713	1,263,122	1,263,122	1,263,122	94,712	41,627	37,066	21,294	337,158	325,363
Federal income tax	94,712	316,713	1,263,122	1,263,122	1,263,122	94,712	41,627	37,066	21,294	337,158	325,363
State income tax	41,627	316,713	1,263,122	1,263,122	1,263,122	41,627	316,713	1,263,122	1,263,122	41,627	316,713
Total tax	37,066	316,713	1,263,122	1,263,122	1,263,122	37,066	316,713	1,263,122	1,263,122	37,066	316,713
Number of returns	21,294	316,713	1,263,122	1,263,122	1,263,122	21,294	316,713	1,263,122	1,263,122	21,294	316,713
(Thousands of dollars)	337,158	316,713	1,263,122	1,263,122	1,263,122	337,158	316,713	1,263,122	1,263,122	337,158	316,713
ARIZONA											
Adjusted gross income	1,075,373	316,713	1,287,812	1,263,122	1,263,122	94,712	41,627	37,066	21,294	337,158	325,363
Number of exemptions	1,263,122	316,713	1,263,122	1,263,122	1,263,122	94,712	41,627	37,066	21,294	337,158	325,363
Self-employed or other total	1,263,122	316,713	1,263,122	1,263,122	1,263,122	94,712	41,627	37,066	21,294	337,158	325,363
Federal income tax	94,712	316,713	1,263,122	1,263,122	1,263,122	94,712	41,627	37,066	21,294	337,158	325,363
State income tax	41,627	316,713	1,263,122	1,263,122	1,263,122	41,627	316,713	1,263,122	1,263,122	41,627	316,713
Total tax	37,066	316,713	1,263,122	1,263,122	1,263,122	37,066	316,713	1,263,122	1,263,122	37,066	316,713
Number of returns	21,294	316,713	1,263,122	1,263,122	1,263,122	21,294	316,713	1,263,122	1,263,122	21,294	316,713
(Thousands of dollars)	337,158	316,713	1,263,122	1,263,122	1,263,122	337,158	316,713	1,263,122	1,263,122	337,158	316,713

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 41.—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND STATES—Continued
[Thousands of dollars]

State	Number of returns	Number of joint returns	Adjusted gross income	Total number of exemptions	Value of other income	Exemptions			Total	Number of returns with tax items	Value of tax items
						Personal	Dependent	Other			
Alabama	1,337,000	12,000	1,325,000	211,000	8,000	1,317,000	1,317,000	1,317,000	1,300,000	2,900,000	
Alaska	1,000	0	1,000	0	0	1,000	1,000	1,000	0	0	
Arizona	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Arkansas	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
California	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Colorado	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Connecticut	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Delaware	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Florida	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Georgia	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Idaho	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Illinois	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Indiana	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Iowa	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Kansas	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Kentucky	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Louisiana	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Maine	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Maryland	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Massachusetts	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Michigan	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Minnesota	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Mississippi	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Missouri	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Montana	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Nebraska	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Nevada	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
New Hampshire	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
New Jersey	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
New Mexico	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
New York	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
North Carolina	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
North Dakota	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Ohio	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Oklahoma	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Oregon	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Pennsylvania	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Rhode Island	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
South Carolina	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
South Dakota	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Tennessee	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Texas	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Utah	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Vermont	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Virginia	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Washington	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
West Virginia	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Wisconsin	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Wyoming	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	
Total	1,000,000	10,000	990,000	150,000	5,000	985,000	985,000	985,000	980,000	2,000,000	

For a complete list of exemptions and limitations on the deductions and "Explanations of the Data" see the instructions to Form 1040.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

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Table #1.—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND STATES—Continued
(Table and Explanations on Page 102)

Adjusted gross income classes	Number of returns	Adjusted gross income (Thousand dollars)	Total number of exemptions	Number of other dependents (Thousand dollars)	Total income (Thousand dollars)	Less: Excess of deductions over adjustments (Thousand dollars)	Less: Excess of credits over tax payments (Thousand dollars)	Total tax (Thousand dollars)	Number of returns	State (Thousand dollars)
All States	59,489	587,334	1,682,476	1,237,477	2,665,701	1,021,547	87,816	138,881	706,907	579,342
Alabama	1,176	10,471	27,999	20,341	42,000	14,001	1,000	1,000	13,000	11,000
Alaska	17	170	475	362	737	262	0	0	737	737
Arizona	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Arkansas	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
California	10,000	80,000	200,000	150,000	400,000	130,000	10,000	10,000	400,000	400,000
Colorado	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Connecticut	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Delaware	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
District of Columbia	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Florida	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Georgia	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Idaho	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Illinois	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Indiana	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Iowa	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Kansas	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Kentucky	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Louisiana	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Maine	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Maryland	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Massachusetts	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Michigan	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Minnesota	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Mississippi	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Missouri	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Montana	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Nebraska	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Nevada	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
New Hampshire	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
New Jersey	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
New Mexico	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
New York	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
North Carolina	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
North Dakota	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Ohio	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Oklahoma	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Oregon	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Pennsylvania	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Rhode Island	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
South Carolina	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
South Dakota	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Tennessee	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Texas	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Utah	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Vermont	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Virginia	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Washington	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
West Virginia	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Wisconsin	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000
Wyoming	1,000	8,000	20,000	15,000	30,000	10,000	0	0	30,000	30,000

Footnotes on page 102. For text for "Explanation of the Symbols and Abbreviations of the Data" and "Explanation of Classifications and Terms."

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 41.—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND STATES—Continued
(Thousands and not a multiple of 1,000)

Adjusted gross income class	Number of returns	Number of joint returns	Adjusted gross income (Thousand dollars)	Total number of exemptions	Number of other than joint filers	Number of persons				Total	
						Under \$5,000	\$5,000 to \$9,999	\$10,000 to \$14,999	\$15,000 or more	Number of persons	Amount (Thousand dollars)
Income tax liability	904,502	32,347	11,779,796	1,397,947	11,217,779	1,776,129	8,949,977	1,111,991	1,129,582	1,762,989	1,786,793
Individual income tax liability	849,458	30,207	11,682,215	1,362,027	11,040,288	1,728,813	8,738,499	1,100,899	1,117,713	1,686,577	1,712,221
Corporate income tax liability	54,944	2,140	997,581	35,920	54,357	47,316	111,478	10,092	11,869	76,000	74,572
Excise tax liability	10,100	1,000	31,993	1,000	10,100	10,100	10,100	10,100	10,100	10,100	10,100
Income tax liability of estates	185,100	6,900	661,586	3,000	182,200	209,498	500,678	10,000	10,000	185,100	185,100
Income tax liability of trusts	23,800	1,000	793,115	1,000	23,800	23,800	23,800	23,800	23,800	23,800	23,800
Income tax liability of partnerships	1,000	1,000	999,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Income tax liability of other entities	10,000	1,000	31,993	1,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Income tax liability of estates	185,100	6,900	661,586	3,000	182,200	209,498	500,678	10,000	10,000	185,100	185,100
Income tax liability of trusts	23,800	1,000	793,115	1,000	23,800	23,800	23,800	23,800	23,800	23,800	23,800
Income tax liability of partnerships	1,000	1,000	999,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Income tax liability of other entities	10,000	1,000	31,993	1,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Income tax liability of estates	185,100	6,900	661,586	3,000	182,200	209,498	500,678	10,000	10,000	185,100	185,100
Income tax liability of trusts	23,800	1,000	793,115	1,000	23,800	23,800	23,800	23,800	23,800	23,800	23,800
Income tax liability of partnerships	1,000	1,000	999,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Income tax liability of other entities	10,000	1,000	31,993	1,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Income tax liability of estates	185,100	6,900	661,586	3,000	182,200	209,498	500,678	10,000	10,000	185,100	185,100
Income tax liability of trusts	23,800	1,000	793,115	1,000	23,800	23,800	23,800	23,800	23,800	23,800	23,800
Income tax liability of partnerships	1,000	1,000	999,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Income tax liability of other entities	10,000	1,000	31,993	1,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000

Footnote at end of table. See text for "Description of the Sample and Limitations of the Data" and "Explanation of Classifications and Form"

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 4 - ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASS AND STATUS - (Continued)

Adjusted gross income class	Number of returns	Number of joint returns	Adjusted gross income (Thousand dollars)	Exemptions (Thousand dollars)	Taxable income (Thousand dollars)	Total tax (Thousand dollars)		Federal income tax (Thousand dollars)	State and local taxes (Thousand dollars)	Other taxes (Thousand dollars)
						(Thousand dollars)	(Thousand dollars)			
Under \$1,000	45,000	24,117	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
\$1,000 under \$2,000	50,000	25,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
\$2,000 under \$3,000	60,000	30,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000	3,000
\$3,000 under \$4,000	70,000	35,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
\$4,000 under \$5,000	80,000	40,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
\$5,000 under \$6,000	90,000	45,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000	6,000
\$6,000 under \$7,000	100,000	50,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
\$7,000 under \$8,000	110,000	55,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
\$8,000 under \$9,000	120,000	60,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000	9,000
\$9,000 under \$10,000	130,000	65,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
\$10,000 under \$11,000	140,000	70,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000	11,000
\$11,000 under \$12,000	150,000	75,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
\$12,000 under \$13,000	160,000	80,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000	13,000
\$13,000 under \$14,000	170,000	85,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000	14,000
\$14,000 under \$15,000	180,000	90,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
\$15,000 under \$16,000	190,000	95,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000	16,000
\$16,000 under \$17,000	200,000	100,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000	17,000
\$17,000 under \$18,000	210,000	105,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
\$18,000 under \$19,000	220,000	110,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000	19,000
\$19,000 under \$20,000	230,000	115,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
\$20,000 under \$25,000	300,000	150,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
\$25,000 under \$30,000	400,000	200,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
\$30,000 under \$35,000	500,000	250,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
\$35,000 under \$40,000	600,000	300,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000	40,000
\$40,000 under \$45,000	700,000	350,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
\$45,000 under \$50,000	800,000	400,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
\$50,000 under \$55,000	900,000	450,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000	55,000
\$55,000 under \$60,000	1,000,000	500,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000	60,000
\$60,000 under \$65,000	1,100,000	550,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000	65,000
\$65,000 under \$70,000	1,200,000	600,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000	70,000
\$70,000 under \$75,000	1,300,000	650,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000
\$75,000 under \$80,000	1,400,000	700,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000	80,000
\$80,000 under \$85,000	1,500,000	750,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000	85,000
\$85,000 under \$90,000	1,600,000	800,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000	90,000
\$90,000 under \$95,000	1,700,000	850,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000	95,000
\$95,000 under \$100,000	1,800,000	900,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000
\$100,000 under \$125,000	2,000,000	1,000,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000	125,000
\$125,000 under \$150,000	2,500,000	1,250,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000	150,000
\$150,000 under \$200,000	4,000,000	2,000,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000	200,000
\$200,000 under \$250,000	5,000,000	2,500,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000
\$250,000 under \$300,000	6,000,000	3,000,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000	300,000
\$300,000 under \$350,000	7,000,000	3,500,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000
\$350,000 under \$400,000	8,000,000	4,000,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000	400,000
\$400,000 under \$450,000	9,000,000	4,500,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000	450,000
\$450,000 under \$500,000	10,000,000	5,000,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000
\$500,000 under \$750,000	15,000,000	7,500,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
\$750,000 under \$1,000,000	20,000,000	10,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$1,000,000 and over	30,000,000	15,000,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000	1,500,000

Source: U.S. Internal Revenue Service, "Individual Income Tax Returns for 1963," and "Tax Expenditures on Income Tax Returns for 1963."

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 41.—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND STATES—Continued

State	Number of returns	Number of persons	Adjusted gross income (Thousand dollars)	Number of exemptions	Number of other persons	Total income		Total income (Thousand dollars)	Total income (Thousand dollars)	Total income (Thousand dollars)	Total income (Thousand dollars)
						Number of returns	(Thousand dollars)				
Alabama	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Alaska	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Arizona	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Arkansas	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
California	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Colorado	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Connecticut	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Delaware	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Florida	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Georgia	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Idaho	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Illinois	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Indiana	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Iowa	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Kansas	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Kentucky	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Louisiana	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Maine	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Maryland	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Massachusetts	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Michigan	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Minnesota	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Mississippi	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Missouri	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Montana	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Nebraska	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Nevada	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
New Hampshire	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
New Jersey	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
New Mexico	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
New York	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
North Carolina	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
North Dakota	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Ohio	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Oklahoma	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Oregon	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Pennsylvania	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Rhode Island	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
South Carolina	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
South Dakota	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Tennessee	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Texas	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Utah	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Vermont	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Virginia	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Washington	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
West Virginia	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Wisconsin	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Wyoming	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

Source: Bureau of Economic Analysis, U.S. Department of Commerce, "Personal Income Tax Returns for 1963," Table 41.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 4 - ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND STATE - continued

State	Number of returns	Number of exempt persons	Adjusted gross income (Thousand dollars)	Total number exempt persons	Total other income (Thousand dollars)	Total income (Thousand dollars)		Exemptions (Thousand dollars)	Taxable income (Thousand dollars)	Total tax (Thousand dollars)
						Total income	Total income			
STATE										
Alabama	30,000	1,000	10,000	1,000	20,000	20,000	20,000	10,000	10,000	1,000
Alaska	500	50	500	50	1,000	1,000	1,000	500	500	50
Arizona	20,000	500	5,000	500	10,000	10,000	10,000	5,000	5,000	500
Arkansas	10,000	300	3,000	300	6,000	6,000	6,000	3,000	3,000	300
California	100,000	3,000	30,000	3,000	60,000	60,000	60,000	30,000	30,000	3,000
Colorado	15,000	400	4,000	400	8,000	8,000	8,000	4,000	4,000	400
Connecticut	25,000	800	8,000	800	16,000	16,000	16,000	8,000	8,000	800
Delaware	5,000	100	1,000	100	2,000	2,000	2,000	1,000	1,000	100
District of Columbia	30,000	1,000	10,000	1,000	20,000	20,000	20,000	10,000	10,000	1,000
Florida	40,000	1,500	15,000	1,500	30,000	30,000	30,000	15,000	15,000	1,500
Georgia	35,000	1,200	12,000	1,200	24,000	24,000	24,000	12,000	12,000	1,200
Idaho	8,000	200	2,000	200	4,000	4,000	4,000	2,000	2,000	200
Illinois	80,000	2,500	25,000	2,500	50,000	50,000	50,000	25,000	25,000	2,500
Indiana	20,000	600	6,000	600	12,000	12,000	12,000	6,000	6,000	600
Iowa	12,000	350	3,500	350	7,000	7,000	7,000	3,500	3,500	350
Kansas	10,000	300	3,000	300	6,000	6,000	6,000	3,000	3,000	300
Kentucky	15,000	450	4,500	450	9,000	9,000	9,000	4,500	4,500	450
Louisiana	25,000	800	8,000	800	16,000	16,000	16,000	8,000	8,000	800
Maine	8,000	200	2,000	200	4,000	4,000	4,000	2,000	2,000	200
Maryland	15,000	450	4,500	450	9,000	9,000	9,000	4,500	4,500	450
Massachusetts	30,000	1,000	10,000	1,000	20,000	20,000	20,000	10,000	10,000	1,000
Michigan	40,000	1,500	15,000	1,500	30,000	30,000	30,000	15,000	15,000	1,500
Minnesota	20,000	600	6,000	600	12,000	12,000	12,000	6,000	6,000	600
Mississippi	10,000	300	3,000	300	6,000	6,000	6,000	3,000	3,000	300
Missouri	35,000	1,200	12,000	1,200	24,000	24,000	24,000	12,000	12,000	1,200
Montana	5,000	100	1,000	100	2,000	2,000	2,000	1,000	1,000	100
Nebraska	10,000	300	3,000	300	6,000	6,000	6,000	3,000	3,000	300
Nevada	8,000	200	2,000	200	4,000	4,000	4,000	2,000	2,000	200
New Hampshire	5,000	100	1,000	100	2,000	2,000	2,000	1,000	1,000	100
New Jersey	30,000	1,000	10,000	1,000	20,000	20,000	20,000	10,000	10,000	1,000
New Mexico	8,000	200	2,000	200	4,000	4,000	4,000	2,000	2,000	200
New York	80,000	2,500	25,000	2,500	50,000	50,000	50,000	25,000	25,000	2,500
North Carolina	30,000	1,000	10,000	1,000	20,000	20,000	20,000	10,000	10,000	1,000
North Dakota	5,000	100	1,000	100	2,000	2,000	2,000	1,000	1,000	100
Ohio	40,000	1,500	15,000	1,500	30,000	30,000	30,000	15,000	15,000	1,500
Oklahoma	10,000	300	3,000	300	6,000	6,000	6,000	3,000	3,000	300
Oregon	15,000	450	4,500	450	9,000	9,000	9,000	4,500	4,500	450
Pennsylvania	50,000	1,800	18,000	1,800	36,000	36,000	36,000	18,000	18,000	1,800
Rhode Island	5,000	100	1,000	100	2,000	2,000	2,000	1,000	1,000	100
South Carolina	10,000	300	3,000	300	6,000	6,000	6,000	3,000	3,000	300
South Dakota	5,000	100	1,000	100	2,000	2,000	2,000	1,000	1,000	100
Tennessee	20,000	600	6,000	600	12,000	12,000	12,000	6,000	6,000	600
Texas	50,000	1,800	18,000	1,800	36,000	36,000	36,000	18,000	18,000	1,800
Utah	8,000	200	2,000	200	4,000	4,000	4,000	2,000	2,000	200
Vermont	5,000	100	1,000	100	2,000	2,000	2,000	1,000	1,000	100
Virginia	15,000	450	4,500	450	9,000	9,000	9,000	4,500	4,500	450
Washington	20,000	600	6,000	600	12,000	12,000	12,000	6,000	6,000	600
West Virginia	8,000	200	2,000	200	4,000	4,000	4,000	2,000	2,000	200
Wisconsin	20,000	600	6,000	600	12,000	12,000	12,000	6,000	6,000	600
Wyoming	5,000	100	1,000	100	2,000	2,000	2,000	1,000	1,000	100
Grand Total	1,000,000	30,000	30,000	30,000	60,000	60,000	60,000	30,000	30,000	3,000

Source: Internal Revenue Service, Statistical Information, 1964, Table 101.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

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Table 41.—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND STATES—Continued
(Thousands and individual returns)

Adjusted gross income classes	Number of returns	Number of joint returns	Adjusted gross income (Thousands of dollars)	Total number of exemptions	Number of exempt persons other than dependent children	State and local taxes		Federal income taxes		Total taxes	
						State and local taxes		Federal income taxes		Total taxes	
						Value added	% of adjusted gross income	Value added	% of adjusted gross income	Value added	% of adjusted gross income
All States											
Total	197,658	117,385	4,979,767	617,669	697,799	17,294	0.35	11,774	0.24	13,508	0.27
Under \$1,000	7,841	4,117	21,253	12,487	12,384	0.09	0.42	0.00	0.00	0.42	1.97
\$1,000 under \$2,000	47,637	14,113	184,117	73,604	67,643	0.07	0.09	0.01	0.01	0.02	1.14
\$2,000 under \$3,000	36,827	11,313	74,219	32,034	29,386	0.04	0.05	0.01	0.01	0.02	1.06
\$3,000 under \$4,000	29,414	9,241	66,241	26,157	23,711	0.03	0.04	0.01	0.01	0.02	1.04
\$4,000 under \$5,000	20,753	6,398	89,668	36,168	33,197	0.02	0.03	0.01	0.01	0.02	0.91
\$5,000 under \$7,500	19,455	12,052	79,471	32,065	31,421	0.03	0.04	0.01	0.01	0.02	1.04
\$7,500 under \$10,000	5,713	3,651	47,526	12,732	12,024	0.08	0.11	0.01	0.01	0.02	1.30
\$10,000 under \$15,000	3,776	2,389	37,977	11,589	11,211	0.11	0.15	0.01	0.01	0.02	1.24
\$15,000 under \$20,000	2,774	1,638	37,776	10,743	10,414	0.14	0.19	0.01	0.01	0.02	1.27
\$20,000 under \$25,000	2,091	1,279	37,000	10,269	10,229	0.13	0.18	0.01	0.01	0.02	1.26
\$25,000 under \$30,000	1,392	824	36,240	9,736	10,186	0.08	0.11	0.01	0.01	0.02	1.23
\$30,000 under \$40,000	714	423	34,451	14,431	14,768	0.09	0.15	0.01	0.01	0.02	1.21
\$40,000 under \$50,000	422	236	32,037	14,117	14,977	0.08	0.16	0.01	0.01	0.02	1.20
\$50,000 under \$75,000	252	148	32,717	13,741	15,733	0.09	0.18	0.01	0.01	0.02	1.25
\$75,000 under \$100,000	127	74	32,111	12,731	14,794	0.08	0.19	0.01	0.01	0.02	1.24
\$100,000 under \$250,000	1,874	1,038	29,777	11,786	13,823	0.12	0.18	0.01	0.01	0.02	1.21
\$250,000 under \$500,000	423	231	23,077	10,129	12,127	0.17	0.21	0.01	0.01	0.02	1.26
\$500,000 under \$1,000,000	1,694	1,003	11,667	4,843	4,497	0.08	0.08	0.01	0.01	0.02	1.07
\$1,000,000 under \$250,000	1,834	1,167	7,142	3,142	3,143	0.04	0.04	0.01	0.01	0.02	1.07
\$250,000 under \$500,000	232	141	4,448	1,974	2,013	0.05	0.05	0.01	0.01	0.02	1.08
\$500,000 under \$1,000,000	1	1	1,000	0	1,000	0.01	0.01	0.01	0.01	0.02	1.08
\$1,000,000 under \$250,000	1	1	1,000	0	1,000	0.01	0.01	0.01	0.01	0.02	1.08
\$250,000 under \$500,000	1	1	1,000	0	1,000	0.01	0.01	0.01	0.01	0.02	1.08
\$500,000 under \$1,000,000	1	1	1,000	0	1,000	0.01	0.01	0.01	0.01	0.02	1.08
\$1,000,000 under \$5,000,000	13,070	7,619	32,000,000	3,000,000	3,014,000	0.07	0.07	0.01	0.01	0.02	1.17
\$5,000,000 under \$10,000,000	38,007	22,741	2,000,000	100,000	100,000	0.01	0.01	0.01	0.01	0.02	1.01
\$10,000,000 under \$50,000,000	1,000	500	10,000,000	1,000,000	1,000,000	0.01	0.01	0.01	0.01	0.02	1.01

Includes joint returns filed jointly.
Federal tax returns only.

Estimate in brackets from separately taxable such joint returns. State and local taxes are based on the adjusted gross income. Federal income taxes are based on taxable income, and State and local taxes are based on taxable income less State and local taxes.
NOTE: Details may not add to total because of rounding.

Table 43.—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND BY 100-LARGEST STANDARD METROPOLITAN AREAS—Continued

Adjusted gross income classes	Number of returns		Adjusted gross income (Thousand dollars)	Exemptions (Thousand dollars)		Taxable income (Thousand dollars)		Income tax after credits (Thousand dollars)		Number of returns		Taxable income (Thousand dollars)		Income tax after credits (Thousand dollars)	
	Total	Age 65 or over		Total	Age 65 or over	Total	Age 65 or over	Total	Age 65 or over	Total	Age 65 or over	Total	Age 65 or over	Total	Age 65 or over
Total:	11,073,213	2,067,881	32,776,915	11,122,272	1,420,277	6,118,918	11,182,119	3,071,111	1,149,271	3,071,111	377,003	7,771	11,182,119	3,071,111	
No adjusted gross income.....	1,000	1,000	0	0	0	0	0	0	0	0	0	0	0	0	
Under \$1,000.....	1,000	1,000	238,132	1,000	1,000	1,000	238,132	1,000	1,000	1,000	1,000	1,000	238,132	1,000	
Under \$1,000 under \$1,000.....	1,000	1,000	21,337	1,000	1,000	21,337	21,337	1,000	1,000	1,000	1,000	1,000	21,337	1,000	
\$1,000 under \$2,000.....	1,000	1,000	213,795	1,000	1,000	213,795	213,795	1,000	1,000	1,000	1,000	1,000	213,795	1,000	
\$2,000 under \$3,000.....	1,000	1,000	236,844	1,000	1,000	236,844	236,844	1,000	1,000	1,000	1,000	1,000	236,844	1,000	
\$3,000 under \$4,000.....	1,000	1,000	217,000	1,000	1,000	217,000	217,000	1,000	1,000	1,000	1,000	1,000	217,000	1,000	
\$4,000 under \$5,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$5,000 under \$6,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$6,000 under \$7,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$7,000 under \$8,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$8,000 under \$9,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$9,000 under \$10,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$10,000 under \$11,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$11,000 under \$12,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$12,000 under \$13,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$13,000 under \$14,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$14,000 under \$15,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$15,000 under \$20,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$20,000 under \$25,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$25,000 under \$30,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$30,000 under \$35,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$35,000 under \$40,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$40,000 under \$45,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$45,000 under \$50,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$50,000 under \$60,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$60,000 under \$70,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$70,000 under \$80,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$80,000 under \$90,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$90,000 under \$100,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
\$100,000 or more.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
Income under \$5,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
Income \$5,000 under \$10,000.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	
Income \$10,000 or more.....	1,000	1,000	213,239	1,000	1,000	213,239	213,239	1,000	1,000	1,000	1,000	1,000	213,239	1,000	

† Figures are in millions of dollars. See text for description of the sample and limitations of the data and explanation of classifications and terms.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table B-3.—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND BY 100 LARGEST STANDARD METROPOLITAN AREAS—Continued
(Table and non-table returns)

Adjusted gross income classes	District of Columbia, D.C.							Detroit, Michigan						
	Number of joint returns	Adjusted gross income (Thousands of dollars)	Exemption status of filers	Number of filers	Taxable income (Thousands of dollars)	Income tax after credits	Number of returns	Number of joint returns	Adjusted gross income (Thousands of dollars)	Exemption status of filers	Number of filers	Taxable income (Thousands of dollars)	Income tax after credits	Number of returns
Total	154,784	64,134,043	756,597	256,666	95,000	29,699	64,136	1,756,827	88,156	3,797,257	1,266,457	3,456,353	1,116,627	
Under \$1,000	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	
Under \$1,000 under \$2,000	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	(2)	
\$1,000 under \$1,000	(577)	6,507	15,023	14,136	3,621	624	113	134,333	10,244	62,823	142,819	3,125		
\$1,000 under \$2,000	1,176	7,519	22,417	18,843	10,556	2,465	1,786	198,331	36,637	82,093	142,819	3,125		
\$2,000 under \$3,000	1,486	25,734	33,836	31,124	10,699	2,128	1,813	359,227	84,047	107,966	173,579	7,552		
\$3,000 under \$4,000	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	
\$4,000 under \$5,000	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	(6)	
\$5,000 under \$6,000	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	(10)	
\$6,000 under \$7,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$7,000 under \$8,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$8,000 under \$9,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$9,000 under \$10,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$10,000 under \$12,000	(6,637)	23,213	30,622	29,625	9,642	1,825	2,258	132,841	28,150	49,544	133,976	4,056		
\$12,000 under \$15,000	11,516	37,874	52,504	47,576	16,023	3,259	3,565	216,079	56,339	97,419	218,598	6,474		
\$15,000 under \$20,000	11,740	41,294	59,619	54,339	18,969	3,708	4,029	255,225	66,712	106,211	274,937	8,294		
\$20,000 under \$25,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$25,000 under \$30,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$30,000 under \$40,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$40,000 under \$50,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$50,000 under \$60,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$60,000 under \$75,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$75,000 under \$100,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$100,000 under \$250,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$250,000 under \$500,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$500,000 under \$1,000,000	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
\$1,000,000 or more	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
Number of returns with tax credits	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with itemized deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with standard deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with both types of deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with tax credits and itemized deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with tax credits and standard deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with tax credits and both types of deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with itemized deductions and standard deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with both types of deductions and no deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions and tax credits	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions and itemized deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions and standard deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions and both types of deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with tax credits and no deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with itemized deductions and no deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with standard deductions and no deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with both types of deductions and no deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions and tax credits and itemized deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions and tax credits and standard deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions and tax credits and both types of deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions and itemized deductions and standard deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions and both types of deductions and no deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions and tax credits and no deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions and itemized deductions and no deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions and standard deductions and no deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	
Number of returns with no deductions and both types of deductions and no deductions	1,434	13,365	10,750	10,750	3,699	669	1,434	1,434	13,365	10,750	10,750	3,699	669	

F. Schultz, et al., eds. See text for "Description of the Sample and Limitation of the Data" and "Explanation of Classifications and Terms."

Table 41.—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND BY 100 LARGEST STANDARD METROPOLITAN AREAS—Continued

Adjusted gross income classes	Total, MICHIGAN				DETROIT, MICHIGAN				GRAND RAPIDS, MICHIGAN				LANSING, MICHIGAN						
	Number of returns	Number of joint returns	Adjusted gross income (Thousand dollars)	Exemptions	Total exemption (age or blindness)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)		
Total	1,019,205	34,261	3,693,696	663,319	470,028	316,624	554,673	117,566	136,766	236,000	383,243	67,373	151,112	166,766	302,869	36,649	184,492	6,341	
No adjusted gross income	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Under \$1,000	1,578	6,762	34,239	16,323	13,463	7,868	4,433	6,896	717	1,174	1,397	1,076	1,356	1,508	1,594	1,749	1,640	1,344	1,344
Under \$1,000 under \$5,000	9,626	33,688	104,388	39,571	32,708	19,726	10,332	9,435	10,701	15,031	20,787	14,243	17,264	13,117	15,123	13,117	14,801	13,117	14,801
Under \$1,000 under \$10,000	25,997	79,867	240,282	79,867	70,877	46,652	23,756	23,756	23,756	23,756	33,984	25,482	35,124	25,482	40,647	33,984	35,124	25,482	35,124
Under \$1,000 under \$5,000	8,670	25,997	87,495	25,997	23,071	15,647	11,647	12,647	12,647	12,647	17,252	13,117	17,252	13,117	17,252	13,117	17,252	13,117	17,252
\$5,000 under \$7,000	1,676	6,864	26,823	8,463	6,447	4,477	3,693	3,693	3,693	3,693	5,125	3,693	5,125	3,693	5,125	3,693	5,125	3,693	5,125
\$7,000 under \$9,000	3,090	11,937	40,881	13,611	10,251	6,280	4,062	4,062	4,062	4,062	5,125	4,062	5,125	4,062	5,125	4,062	5,125	4,062	5,125
\$9,000 under \$10,000	6,180	23,874	77,936	27,222	20,526	13,186	8,718	8,718	8,718	8,718	11,937	8,718	11,937	8,718	11,937	8,718	11,937	8,718	11,937
\$10,000 under \$15,000	9,877	36,660	126,006	40,706	29,774	18,779	11,647	11,647	11,647	11,647	15,804	11,647	15,804	11,647	15,804	11,647	15,804	11,647	15,804
\$15,000 under \$20,000	9,876	36,654	125,979	40,699	29,767	18,742	11,610	11,610	11,610	11,610	15,787	11,610	15,787	11,610	15,787	11,610	15,787	11,610	15,787
\$20,000 under \$25,000	1,742	7,128	24,100	7,128	5,380	3,642	2,882	2,882	2,882	2,882	3,642	2,882	3,642	2,882	3,642	2,882	3,642	2,882	3,642
\$25,000 under \$30,000	1,496	5,984	19,101	5,984	4,536	3,024	2,264	2,264	2,264	2,264	3,024	2,264	3,024	2,264	3,024	2,264	3,024	2,264	3,024
\$30,000 under \$35,000	820	3,240	10,620	3,240	2,430	1,620	1,215	1,215	1,215	1,215	1,620	1,215	1,620	1,215	1,620	1,215	1,620	1,215	1,620
\$35,000 under \$40,000	420	1,680	5,880	1,680	1,260	840	630	630	630	630	840	630	840	630	840	630	840	630	840
\$40,000 under \$45,000	336	1,344	4,608	1,344	1,008	672	504	504	504	504	672	504	672	504	672	504	672	504	672
\$45,000 under \$50,000	252	1,008	3,432	1,008	756	504	378	378	378	378	504	378	504	378	504	378	504	378	504
\$50,000 under \$75,000	24	96	324	96	72	48	36	36	36	36	48	36	48	36	48	36	48	36	48
\$75,000 under \$100,000	11	44	156	44	33	22	16.5	16.5	16.5	16.5	22	16.5	22	16.5	22	16.5	22	16.5	16.5
\$100,000 or more	11	44	156	44	33	22	16.5	16.5	16.5	16.5	22	16.5	22	16.5	22	16.5	22	16.5	16.5
Income under \$5,000	31,628	118,596	390,539	133,319	103,267	64,809	32,545	32,545	32,545	32,545	43,462	32,545	43,462	32,545	43,462	32,545	43,462	32,545	43,462
Income \$5,000 under \$10,000	247,376	800,493	2,652,554	800,493	717,170	468,569	188,956	188,956	188,956	188,956	255,138	188,956	255,138	188,956	255,138	188,956	255,138	188,956	255,138
Income \$10,000 under \$15,000	146,328	515,475	1,546,425	515,475	455,376	300,006	118,596	118,596	118,596	118,596	158,131	118,596	158,131	118,596	158,131	118,596	158,131	118,596	158,131
Income \$15,000 under \$20,000	111,120	370,128	1,110,384	370,128	326,604	217,736	82,854	82,854	82,854	82,854	110,472	82,854	110,472	82,854	110,472	82,854	110,472	82,854	110,472
Income \$20,000 under \$25,000	61,116	203,720	603,660	203,720	179,256	119,504	44,820	44,820	44,820	44,820	59,760	44,820	59,760	44,820	59,760	44,820	59,760	44,820	59,760
Income \$25,000 under \$30,000	42,780	144,180	444,540	144,180	126,756	84,504	31,680	31,680	31,680	31,680	41,576	31,680	41,576	31,680	41,576	31,680	41,576	31,680	41,576
Income \$30,000 under \$35,000	30,816	102,816	308,448	102,816	90,384	60,256	22,128	22,128	22,128	22,128	29,504	22,128	29,504	22,128	29,504	22,128	29,504	22,128	29,504
Income \$35,000 under \$40,000	23,496	77,496	232,488	77,496	68,544	45,696	16,848	16,848	16,848	16,848	22,464	16,848	22,464	16,848	22,464	16,848	22,464	16,848	22,464
Income \$40,000 under \$45,000	17,232	56,736	171,888	56,736	49,632	33,104	12,168	12,168	12,168	12,168	16,024	12,168	16,024	12,168	16,024	12,168	16,024	12,168	16,024
Income \$45,000 under \$50,000	12,816	40,224	128,256	40,224	35,376	23,584	8,664	8,664	8,664	8,664	11,552	8,664	11,552	8,664	11,552	8,664	11,552	8,664	11,552
Income \$50,000 under \$75,000	1,224	4,908	16,368	4,908	3,684	2,456	904	904	904	904	1,224	904	1,224	904	1,224	904	1,224	904	1,224
Income \$75,000 under \$100,000	612	2,448	8,136	2,448	1,842	1,224	456	456	456	456	612	456	612	456	612	456	612	456	612
Income \$100,000 or more	612	2,448	8,136	2,448	1,842	1,224	456	456	456	456	612	456	612	456	612	456	612	456	612
Total	1,019,205	34,261	3,693,696	663,319	470,028	316,624	554,673	117,566	136,766	236,000	383,243	67,373	151,112	166,766	302,869	36,649	184,492	6,341	

Figures at end of table. See text for "Description of the Sample and Limitations of the Data" and "Explanation of Classifications and Terms."

Table 43 — ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND BY 100 LARGEST STANDARD METROPOLITAN AREAS—Continued

Adjusted gross income classes	Table and nontaxable returns										Table and nontaxable returns									
	Number of joint returns	Adjusted gross income (Thousands of dollars)	Total exempt amount in thousands of dollars	Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)	Number of joint returns	Adjusted gross income (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)			
Total.....	139,671	11,057,656	6,116	14,127	1,346,111	1,141	1,077,000	1,141	1,077,000	1,141	1,077,000	1,141	1,077,000	1,141	1,077,000	1,141	1,077,000			
Not adjusted gross income:																				
Under \$1,000.....	3,745	7,766	3,745	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$1,000 under \$2,000.....	10,764	20,903	10,764	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$2,000 under \$3,000.....	16,981	32,425	16,981	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$3,000 under \$4,000.....	17,927	37,851	17,927	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$4,000 under \$5,000.....	11,426	29,771	11,426	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$5,000 under \$6,000.....	13,171	33,924	13,171	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$6,000 under \$7,000.....	11,426	29,771	11,426	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$7,000 under \$8,000.....	13,171	33,924	13,171	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$8,000 under \$9,000.....	11,426	29,771	11,426	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$9,000 under \$10,000.....	13,171	33,924	13,171	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$10,000 under \$11,000.....	11,426	29,771	11,426	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$11,000 under \$12,000.....	13,171	33,924	13,171	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$12,000 under \$13,000.....	11,426	29,771	11,426	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$13,000 under \$14,000.....	13,171	33,924	13,171	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$14,000 under \$15,000.....	11,426	29,771	11,426	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$15,000 under \$20,000.....	13,171	33,924	13,171	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$20,000 under \$25,000.....	11,426	29,771	11,426	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$25,000 under \$50,000.....	13,171	33,924	13,171	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$50,000 under \$100,000.....	11,426	29,771	11,426	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$100,000 under \$200,000.....	13,171	33,924	13,171	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
\$200,000 or more.....	11,426	29,771	11,426	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
Returns under \$9,000.....	9,141	1,052,692	9,141	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
Returns \$9,000 under \$10,000.....	5,911	2,200,000	5,911	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
Returns \$10,000 or more.....	5,911	2,200,000	5,911	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078	1,078			
Total.....	139,671	11,057,656	6,116	14,127	1,346,111	1,141	1,077,000	1,141	1,077,000	1,141	1,077,000	1,141	1,077,000	1,141	1,077,000	1,141	1,077,000			

F. Notes, at end of table, for text for "Description of the Sample and Limitations of the Data" and "Explanation of Classifications and Terms."

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 43.—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND BY 100 LARGEST STANDARD METROPOLITAN AREAS—Continued

Adjusted gross income (class)	Jersey City, New Jersey							Johnstown, Pennsylvania							
	Number of joint return filers	Adjusted income (Thousand dollars)	Exemption filers or exemptions	Taxable income (Thousand dollars)	Number of joint returns	Adjusted income (Thousand dollars)	Exemption filers or exemptions	Taxable income (Thousand dollars)	Number of joint returns	Adjusted income (Thousand dollars)	Exemption filers or exemptions				
Total.....	296,823	11,879,365	976,212	203,251	987,636	399,629	173,762	83,962	48,665	533,963	231,371	65,394	231,118	65,653	8,287
As adjusted gross income.....															
Under \$1,000.....	59,252	1,642	29,827	18,819	31,672	18,619	2,660	35,472	1,511	17,396	17,976	9,799	6,838	9,179	807
\$1,000 under \$2,000.....	230,323	9,928	36,885	18,819	31,672	17,658	3,666	35,472	1,511	17,396	17,976	9,799	6,838	9,179	1,303
\$2,000 under \$3,000.....	35,807	6,052	10,216	5,282	17,594	39,992	4,564	8,183	3,866	29,369	31,681	7,881	14,354	2,361	2,926
\$3,000 under \$4,000.....	24,539	9,442	45,365	29,921	52,823	42,364	12,357	9,164	5,361	53,849	49,479	20,791	14,411	7,946	4,262
\$4,000 under \$5,000.....	16,128	12,676	79,139	27,338	83,922	77,232	13,021	12,385	2,489	23,641	20,218	9,287	19,932	11,185	3,724
\$5,000 under \$6,000.....	7,819	18,223	79,139	27,338	83,922	77,232	13,021	12,385	2,489	23,641	20,218	9,287	19,932	11,185	3,724
\$6,000 under \$7,000.....	28,872	18,428	20,892	14,892	24,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892
\$7,000 under \$8,000.....	14,128	20,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892
\$8,000 under \$9,000.....	14,128	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892
\$9,000 under \$10,000.....	14,128	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892	14,892
\$10,000 under \$15,000.....	7,819	31,681	59,252	35,807	79,139	52,823	23,641	14,892	3,313	83,922	49,479	19,932	19,932	14,892	6,659
\$15,000 under \$20,000.....	7,819	31,681	59,252	35,807	79,139	52,823	23,641	14,892	3,313	83,922	49,479	19,932	19,932	14,892	6,659
\$20,000 under \$25,000.....	7,819	31,681	59,252	35,807	79,139	52,823	23,641	14,892	3,313	83,922	49,479	19,932	19,932	14,892	6,659
\$25,000 under \$30,000.....	7,819	31,681	59,252	35,807	79,139	52,823	23,641	14,892	3,313	83,922	49,479	19,932	19,932	14,892	6,659
\$30,000 under \$40,000.....	7,819	31,681	59,252	35,807	79,139	52,823	23,641	14,892	3,313	83,922	49,479	19,932	19,932	14,892	6,659
\$40,000 under \$50,000.....	7,819	31,681	59,252	35,807	79,139	52,823	23,641	14,892	3,313	83,922	49,479	19,932	19,932	14,892	6,659
\$50,000 or more.....	9	5,659	29	23	31	3,422	1	722	1	155	2	1	33	1	35
Returns under \$5,000.....	118,151	84,909	282,768	83,966	136,629	83,968	49,626	49,626	18,636	113,697	104,217	86,292	49,626	49,626	8,287
Returns \$5,000 to \$10,000.....	167,211	719,519	2,790,280	1,862,266	6,729,936	4,837,977	2,729,821	2,729,821	2,729,821	2,729,821	2,729,821	2,729,821	2,729,821	2,729,821	2,729,821
Returns \$10,000 or more.....	52,784	3,512,963	2,595,523	1,554,254	8,586,687	6,586,687	3,629,615	3,629,615	3,629,615	3,629,615	3,629,615	3,629,615	3,629,615	3,629,615	3,629,615
Total.....	457,938	279,670	12,566,777	3,793,636	13,245,126	362,266	362,266	362,266	362,266	362,266	362,266	362,266	362,266	362,266	362,266
As adjusted gross income.....															
Under \$1,000.....	35,846	8,200	31,937	4,922	4,127	3,846	2,599	336	13,311	3,865	17,976	13,429	6,777	13,429	1,951
\$1,000 under \$2,000.....	329,677	9,877	59,446	23,822	27,937	17,655	29,827	6,613	14,226	6,882	14,618	42,613	13,435	13,435	9,313
\$2,000 under \$3,000.....	31,215	11,275	8,706	5,282	9,282	27,038	12,939	7,426	7,325	19,331	17,621	9,313	14,456	9,313	2,864
\$3,000 under \$4,000.....	79,237	23,368	109,787	39,695	37,459	67,863	37,459	17,331	14,620	7,149	27,621	19,313	20,643	14,620	4,262
\$4,000 under \$5,000.....	47,318	31,546	189,485	166,151	166,151	127,254	45,818	9,125	5,927	26,393	26,516	13,414	16,468	13,414	6,724
\$5,000 under \$6,000.....	45,169	36,388	279,685	196,273	44,913	124,068	44,913	3,324	3,276	10,648	10,923	9,583	11,281	9,583	6,724
\$6,000 under \$7,000.....	29,618	22,813	104,264	77,100	104,264	77,100	45,818	45,818	45,818	45,818	45,818	45,818	45,818	45,818	45,818
\$7,000 under \$8,000.....	29,618	22,813	104,264	77,100	104,264	77,100	45,818	45,818	45,818	45,818	45,818	45,818	45,818	45,818	45,818
\$8,000 under \$9,000.....	29,618	22,813	104,264	77,100	104,264	77,100	45,818	45,818	45,818	45,818	45,818	45,818	45,818	45,818	45,818
\$9,000 under \$10,000.....	29,618	22,813	104,264	77,100	104,264	77,100	45,818	45,818	45,818	45,818	45,818	45,818	45,818	45,818	45,818
\$10,000 under \$15,000.....	23,718	15,864	179,975	62,366	133,569	116,623	23,939	2,466	4,646	29,389	10,916	9,676	3,480	26,135	3,346
\$15,000 under \$20,000.....	11,024	10,447	106,237	37,436	110,326	110,326	44,913	4,655	7,966	27,663	9,917	8,258	10,564	11,951	4,655
\$20,000 under \$25,000.....	11,024	10,447	106,237	37,436	110,326	110,326	44,913	4,655	7,966	27,663	9,917	8,258	10,564	11,951	4,655
\$25,000 under \$30,000.....	11,024	10,447	106,237	37,436	110,326	110,326	44,913	4,655	7,966	27,663	9,917	8,258	10,564	11,951	4,655
\$30,000 under \$40,000.....	11,024	10,447	106,237	37,436	110,326	110,326	44,913	4,655	7,966	27,663	9,917	8,258	10,564	11,951	4,655
\$40,000 under \$50,000.....	11,024	10,447	106,237	37,436	110,326	110,326	44,913	4,655	7,966	27,663	9,917	8,258	10,564	11,951	4,655
\$50,000 or more.....	26	31	4,933	62	62	28	26	2	2	3,827	27	26	7	14,695	7
Returns under \$5,000.....	181,272	49,246	1,930,138	608,111	469,353	362,266	262,266	262,266	262,266	262,266	262,266	262,266	262,266	262,266	262,266
Returns \$5,000 to \$10,000.....	176,272	724,236	2,519,619	1,819,109	6,586,687	4,837,977	2,729,821	2,729,821	2,729,821	2,729,821	2,729,821	2,729,821	2,729,821	2,729,821	2,729,821
Returns \$10,000 or more.....	50,494	3,695,963	3,805,659	2,519,619	6,586,687	6,586,687	3,805,659	3,805,659	3,805,659	3,805,659	3,805,659	3,805,659	3,805,659	3,805,659	3,805,659

Footnote at end of table. See text for "Description of the Sample and Limitations of the Data and Explanation of Classification and Terms."

Table 41.—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND BY 100 LARGEST STANDARD METROPOLITAN AREAS—continued

Adjusted gross income classes	Metropolitan areas			Nonmetropolitan areas			Total			Total		
	Number of returns	Adjusted gross income (Thousand dollars)	Taxable income (Thousand dollars)	Number of joint returns	Amount (Thousand dollars)	Number of returns	Adjusted gross income (Thousand dollars)	Taxable income (Thousand dollars)	Number of joint returns	Amount (Thousand dollars)	Number of returns	Amount (Thousand dollars)
\$0-\$999	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$1,000 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 \$6,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$6,000 under \$7,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$7,000 under \$8,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$8,000 under \$9,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$9,000 under \$10,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$10,000 under \$11,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$11,000 under \$12,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$12,000 under \$13,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$13,000 under \$14,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$14,000 under \$15,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$15,000 under \$16,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$16,000 under \$17,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$17,000 under \$18,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$18,000 under \$19,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$19,000 under \$20,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$20,000 under \$25,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$25,000 under \$30,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$30,000 under \$40,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$40,000 under \$50,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$50,000 under \$75,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$75,000 under \$100,000	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
\$100,000 or more	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)
Total.....	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)	(*)

Footnote at end of table. See text for "Description of the Sample and Limitations of the Data" and "Explanation of Classifications and Terms."

Table 43.—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND BY 100 LARGEST STANDARD METROPOLITAN AREAS—Continued

Adjusted gross income classes	Number of joint returns	Adjusted gross income (Thousands)	Taxable income			Income tax after credits			Number of joint returns	Number of returns	Adjusted tax liability (Thousands)	Tax items, 100 largest metropolitan areas			Number of joint returns	Number of returns	Taxable income (Thousands)	Income tax after credits
			Number of joint returns	Amount (Thousands)	Number of returns	Amount (Thousands)	Number of joint returns	Amount (Thousands)				Number of returns	Amount (Thousands)	Number of joint returns				
Totals.....	109,596	1,168,856	519,141	562,446	349,146	443,773	41,376	109,596	109,596	354,248	59,429	34,153	87,467	104,513	66,497	72,417		
No. adjusted gross income.....	(1)	(1)	(1)	(1)														
Under \$1,000.....	17,894	6,621	2,026	2,678	1,676	2,176												
\$1,000 under \$2,000.....	4,656	8,621	3,664	6,793	3,000	5,679												
\$2,000 under \$3,000.....	3,923	10,233	6,086	10,757	5,191	9,725												
\$3,000 under \$4,000.....	16,812	39,326	21,601	39,940	17,673	38,331												
\$4,000 under \$5,000.....	16,786	77,136	40,186	74,911	35,713	70,811												
\$5,000 under \$6,000.....	21,418	134,664	65,887	134,409	59,779	133,821												
\$6,000 under \$7,000.....	13,177	116,927	55,281	114,151	52,326	111,787												
\$7,000 under \$8,000.....	9,284	94,998	45,998	93,684	44,321	92,189												
\$8,000 under \$10,000.....	54,621	141,761	50,687	139,950	48,566	138,791												
\$10,000 under \$15,000.....	5,938	102,597	37,319	89,287	36,306	87,122												
\$15,000 under \$20,000.....	4,218	103,398	33,306	102,879	32,571	102,549												
\$20,000 under \$25,000.....	2,284	120,311	26,268	119,268	25,950	118,949												
\$25,000 under \$30,000.....	1,921	131,882	23,553	131,876	23,459	131,876												
\$30,000 under \$40,000.....	1,097	197,548	14,446	197,548	14,446	197,548												
\$40,000 under \$50,000.....	1,628	243,332	20,661	243,332	20,661	243,332												
\$50,000 under \$60,000.....	1,285	369,339	28,522	369,339	28,522	369,339												
\$60,000 under \$70,000.....	731	475,239	31,120	475,239	31,120	475,239												
\$70,000 under \$100,000.....	28	4,162	29	4,162	29	4,162												
\$100,000 under \$200,000.....	6	2,292	6	2,292	6	2,292												
\$200,000 or more.....	17	11,792	17	11,792	17	11,792												
Returns under \$5,000.....	95,629	1,068,371	476,868	1,078,906	476,868	1,078,906												
Returns under \$10,000.....	29,433	30,965	24,887	25,810	24,887	25,810												
Returns \$10,000 or more.....	13,534	389,751	36,031	379,256	36,031	379,256												
Totals.....	224,615	2,498,841	1,268,421	1,442,238	1,127,671	1,455,772												
No. adjusted gross income.....	(1)	(1)	(1)	(1)														
Under \$10,000.....	86,274	3,352	27,512	4,207	26,795	4,152												
\$10,000 under \$20,000.....	24,870	41,417	24,870	41,417	24,870	41,417												
\$20,000 under \$30,000.....	13,411	25,685	13,411	25,685	13,411	25,685												
\$30,000 under \$40,000.....	5,841	117,159	5,841	117,159	5,841	117,159												
\$40,000 under \$50,000.....	3,255	223,445	3,255	223,445	3,255	223,445												
\$50,000 under \$60,000.....	2,713	289,811	2,713	289,811	2,713	289,811												
\$60,000 under \$70,000.....	1,432	332,663	1,432	332,663	1,432	332,663												
\$70,000 under \$100,000.....	3,427	338,139	3,427	338,139	3,427	338,139												
\$100,000 under \$150,000.....	41,826	269,056	41,826	269,056	41,826	269,056												
\$150,000 under \$200,000.....	19,178	188,948	19,178	188,948	19,178	188,948												
\$200,000 or more.....	1,908	15,826	1,908	15,826	1,908	15,826												
\$5,000 under \$10,000.....	2,707	16,682	2,707	16,682	2,707	16,682												
\$10,000 under \$15,000.....	1,756	30,171	1,756	30,171	1,756	30,171												
\$15,000 under \$20,000.....	1,168	138,520	1,168	138,520	1,168	138,520												
\$20,000 under \$30,000.....	548	609,656	548	609,656	548	609,656												
\$30,000 under \$40,000.....	137	114,946	137	114,946	137	114,946												
\$40,000 under \$50,000.....	4	12,542	4	12,542	4	12,542												
\$50,000 under \$60,000.....	13	144,734	13	144,734	13	144,734												
Returns under \$5,000.....	108,131	12,736	38,295	24,416	38,295	24,416												
Returns under \$10,000.....	36,282	58,109	36,282	58,109	36,282	58,109												
Returns \$10,000 or more.....	18,202	1,362,712	17,671	1,393,256	17,671	1,393,256												

Excludes at end of table. See text for "Description of the Sample and Limitations of the Data" and "Explanation of Classifications and Terms."

Table 43.—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND BY 100 LARGEST STANDARD METROPOLITAN AREA^(a)—continued

Adjusted gross income classes	Number of returns	Number of gross income returns	Adjusted gross income (thousand dollars)	Tax on gross income ^(b)	Exemptions		Taxable income		Income tax after other credits		Adjusted gross income (thousand dollars)	Taxable income		Income tax after credits	
					Number of returns	Amount (thousand dollars)	Number of returns	Amount (thousand dollars)	Number of returns	Amount (thousand dollars)		Number of returns	Amount (thousand dollars)	Number of returns	Amount (thousand dollars)
Total	218,166	191,836	79,250.6	21,337.5	15,545.1	2,011.4	1,106.4	78,144.2	15,545.1	1,106.4	76,637.8	15,545.1	1,106.4	75,531.4	
No adjusted gross income.....	2,429	2,429	0	0	0	0	0	0	0	0	0	0	0	0	
Under \$1,000.....	28,777	28,777	7,753.3	2,339.9	1,978.4	361.5	211.2	7,541.8	1,978.4	361.5	7,180.3	1,978.4	361.5	6,818.8	
1,000 under 15,000.....	25,374	25,374	28,252.5	7,111.1	5,952.3	1,158.8	656.5	27,103.7	5,952.3	656.5	26,147.2	5,952.3	656.5	25,490.7	
15,000 under 50,000.....	21,453	21,453	137,781.3	22,788.4	13,785.7	9,002.7	5,217.0	132,563.6	13,785.7	5,217.0	127,346.9	13,785.7	5,217.0	122,129.9	
50,000 under 100,000.....	21,907	21,907	1,047,804.6	136,117.9	85,471.9	50,646.0	29,847.0	1,017,957.6	85,471.9	29,847.0	988,109.6	85,471.9	29,847.0	958,262.6	
100,000 under 150,000.....	11,247	11,247	1,317,700.0	248,775.3	162,410.8	86,364.5	49,243.6	1,268,456.4	162,410.8	49,243.6	1,219,212.8	162,410.8	49,243.6	1,169,969.2	
150,000 under 200,000.....	5,913	5,913	2,157,100.0	469,135.2	315,272.0	153,863.2	88,318.4	2,078,786.8	315,272.0	88,318.4	1,990,468.4	315,272.0	88,318.4	1,902,150.0	
200,000 under 250,000.....	3,599	3,599	3,599,000.0	779,327.5	525,885.0	253,442.5	148,212.5	3,345,587.5	525,885.0	148,212.5	3,197,375.0	525,885.0	148,212.5	3,049,162.5	
250,000 under 500,000.....	52	52	12,700,000.0	2,540,000.0	1,700,000.0	850,000.0	475,000.0	12,225,000.0	1,700,000.0	475,000.0	11,750,000.0	1,700,000.0	475,000.0	11,275,000.0	
500,000 under \$100,000,000.....	13,112	13,112	114,140,000.0	23,828,000.0	16,284,000.0	8,144,000.0	4,572,000.0	109,568,000.0	16,284,000.0	4,572,000.0	104,996,000.0	16,284,000.0	4,572,000.0	100,424,000.0	
Return: 11,000 or more.....	14,952	14,952	102,840.0	26,275.2	22,243.2	4,032.0	2,384.0	98,808.0	22,243.2	4,032.0	94,776.0	22,243.2	4,032.0	90,744.0	
Total	145,376	131,826	75,075.5	21,337.5	15,545.1	2,011.4	1,106.4	73,969.1	15,545.1	1,106.4	72,862.7	15,545.1	1,106.4	71,756.3	
100 largest standard metropolitan areas	145,376	131,826	75,075.5	21,337.5	15,545.1	2,011.4	1,106.4	73,969.1	15,545.1	1,106.4	72,862.7	15,545.1	1,106.4	71,756.3	
No adjusted gross income.....	2,429	2,429	0	0	0	0	0	0	0	0	0	0	0	0	
Under \$1,000.....	28,777	28,777	7,753.3	2,339.9	1,978.4	361.5	211.2	7,541.8	1,978.4	361.5	7,180.3	1,978.4	361.5	6,818.8	
1,000 under 15,000.....	25,374	25,374	28,252.5	7,111.1	5,952.3	1,158.8	656.5	27,103.7	5,952.3	656.5	26,147.2	5,952.3	656.5	25,490.7	
15,000 under 50,000.....	21,453	21,453	137,781.3	22,788.4	13,785.7	9,002.7	5,217.0	132,563.6	13,785.7	5,217.0	127,346.9	13,785.7	5,217.0	122,129.9	
50,000 under 100,000.....	21,907	21,907	1,047,804.6	136,117.9	85,471.9	50,646.0	29,847.0	1,017,957.6	85,471.9	29,847.0	988,109.6	85,471.9	29,847.0	958,262.6	
100,000 under 150,000.....	11,247	11,247	1,317,700.0	248,775.3	162,410.8	86,364.5	49,243.6	1,268,456.4	162,410.8	49,243.6	1,219,212.8	162,410.8	49,243.6	1,169,969.2	
150,000 under 200,000.....	5,913	5,913	2,157,100.0	469,135.2	315,272.0	153,863.2	88,318.4	2,078,786.8	315,272.0	88,318.4	1,990,468.4	315,272.0	88,318.4	1,902,150.0	
200,000 under 250,000.....	3,599	3,599	3,599,000.0	779,327.5	525,885.0	253,442.5	148,212.5	3,345,587.5	525,885.0	148,212.5	3,197,375.0	525,885.0	148,212.5	3,049,162.5	
250,000 under 500,000.....	52	52	12,700,000.0	2,540,000.0	1,700,000.0	850,000.0	475,000.0	12,225,000.0	1,700,000.0	475,000.0	11,750,000.0	1,700,000.0	475,000.0	11,275,000.0	
500,000 under \$100,000,000.....	13,112	13,112	114,140,000.0	23,828,000.0	16,284,000.0	8,144,000.0	4,572,000.0	109,568,000.0	16,284,000.0	4,572,000.0	104,996,000.0	16,284,000.0	4,572,000.0	100,424,000.0	
Return: 11,000 or more.....	14,952	14,952	102,840.0	26,275.2	22,243.2	4,032.0	2,384.0	98,808.0	22,243.2	4,032.0	94,776.0	22,243.2	4,032.0	90,744.0	

(a) List of cities. See Part for description of New Sample and tabulations of tax base and Application of Characteristics and Trends.

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 43.—ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND BY 100 LARGEST STANDARD METROPOLITAN AREAS—Continued

Main data table with columns: Adjusted gross income classes, Number of returns, Adjusted gross income, Exemptions, Taxable income, Income tax after credits, Number of returns, Taxable income, Income tax after credits, and Number of returns.

Excludes at end of table. See text for description of the sample and limitations of the data and "Explanation of Classification and Terms."

INDIVIDUAL INCOME TAX RETURNS FOR 1963

Table 41.—DEDUCTIBLE GROSS INCOME, EXEMPTIONS, TAxABLE INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND BY 100 LARGEST STANDARD METROPOLITAN AREAS—Continued

Adjusted gross income classes	Totals, 100 largest MSAs		Totals, Non-MSAs		Totals, Non-MSAs		Total		Number of returns	Number of returns	Number of returns	Number of returns	Number of returns	Number of returns	Number of returns
	Number of returns	Amount (Millions)	Number of returns	Amount (Millions)	Number of returns	Amount (Millions)	Number of returns	Amount (Millions)							
No adjusted gross income.....	136,457	23,938	259,272	44,777	104,053	34,208	363,325	78,985	23,938	104,053	34,208	363,325	78,985	23,938	34,208
Under \$1,000.....	18,702	9,341	28,942	14,211	12,824	6,411	41,754	21,526	9,341	14,211	7,022	48,780	28,548	11,353	7,022
\$1,000 under \$2,000.....	10,827	19,874	20,944	36,700	16,700	32,220	37,624	16,700	36,700	32,220	58,844	54,424	50,924	49,176	49,176
\$2,000 under \$3,000.....	11,750	33,353	22,882	67,428	18,859	52,929	81,287	37,668	67,428	52,929	103,957	141,415	130,853	129,084	129,084
\$3,000 under \$4,000.....	11,876	45,233	17,324	87,721	14,211	75,584	102,935	89,791	87,721	75,584	187,726	263,205	246,375	246,375	246,375
\$4,000 under \$5,000.....	13,096	72,833	16,721	118,747	13,719	74,261	132,468	107,980	118,747	74,261	240,448	327,707	311,639	311,639	311,639
\$5,000 under \$6,000.....	13,321	100,679	16,623	153,879	13,719	83,938	167,817	147,656	153,879	83,938	321,476	491,515	468,595	468,595	468,595
\$6,000 under \$7,000.....	13,064	129,095	17,260	206,467	14,211	102,661	214,228	190,447	206,467	102,661	316,895	516,935	493,112	493,112	493,112
\$7,000 under \$8,000.....	13,846	169,900	18,770	275,320	15,743	138,921	294,241	278,500	275,320	138,921	433,161	703,821	671,651	671,651	671,651
\$8,000 under \$9,000.....	8,846	206,380	14,866	353,432	12,719	240,601	414,033	390,881	353,432	240,601	554,634	968,665	923,801	923,801	923,801
\$9,000 under \$10,000.....	13,870	288,490	17,446	468,579	14,743	285,732	554,311	531,049	468,579	285,732	744,050	1,319,600	1,272,850	1,272,850	1,272,850
\$10,000 under \$11,000.....	8,909	367,490	12,038	634,870	9,843	504,265	839,138	824,422	634,870	504,265	1,043,603	1,864,268	1,829,683	1,829,683	1,829,683
\$11,000 under \$12,000.....	3,745	539,920	5,028	879,190	4,044	717,142	1,196,310	1,176,580	879,190	717,142	1,515,450	2,695,710	2,668,930	2,668,930	2,668,930
\$12,000 under \$13,000.....	1,813	671,920	2,433	1,136,910	1,912	1,020,542	1,568,422	1,547,630	1,136,910	1,020,542	2,186,152	4,134,542	4,107,262	4,107,262	4,107,262
\$13,000 under \$14,000.....	1,413	826,590	1,846	1,386,600	1,413	1,117,142	1,803,742	1,782,950	1,386,600	1,117,142	2,190,692	3,979,642	3,958,102	3,958,102	3,958,102
\$14,000 under \$15,000.....	1,147	1,029,970	1,472	1,491,750	1,147	1,219,780	2,111,530	2,090,740	1,491,750	1,219,780	2,331,480	4,422,230	4,401,260	4,401,260	4,401,260
\$15,000 under \$20,000.....	1,147	1,780,320	1,472	2,634,700	1,147	2,147,470	3,181,970	3,160,300	2,634,700	2,147,470	4,329,270	8,411,270	8,380,300	8,380,300	8,380,300
\$20,000 under \$25,000.....	792	2,588,430	1,056	3,947,500	792	3,155,760	4,604,260	4,573,530	3,947,500	3,155,760	5,759,760	10,703,260	10,671,830	10,671,830	10,671,830
\$25,000 under \$30,000.....	327	3,346,580	436	4,925,700	327	4,212,600	6,138,300	6,107,530	4,925,700	4,212,600	8,345,800	14,984,030	14,952,000	14,952,000	14,952,000
\$30,000 under \$35,000.....	207	4,099,760	276	5,637,400	207	5,449,560	7,987,000	7,966,230	5,637,400	5,449,560	10,414,260	18,441,230	18,409,770	18,409,770	18,409,770
\$35,000 under \$40,000.....	117	4,836,250	156	6,649,500	117	6,162,300	9,051,800	9,030,830	6,649,500	6,162,300	12,214,100	21,665,900	21,644,170	21,644,170	21,644,170
\$40,000 under \$45,000.....	77	5,648,320	103	7,712,600	77	7,919,640	11,632,200	11,611,170	7,712,600	7,919,640	14,531,800	26,193,970	26,172,800	26,172,800	26,172,800
\$45,000 under \$50,000.....	57	6,576,000	76	9,130,200	57	9,487,620	13,919,800	13,900,030	9,130,200	9,487,620	15,467,400	28,667,200	28,646,630	28,646,630	28,646,630
\$50,000 under \$55,000.....	43	7,587,900	57	10,441,700	43	10,929,260	15,951,000	15,930,030	10,441,700	10,929,260	17,458,260	33,115,400	33,094,430	33,094,430	33,094,430
\$55,000 under \$60,000.....	27	8,626,200	36	11,771,500	27	12,201,900	17,481,800	17,460,830	11,771,500	12,201,900	19,683,700	37,807,100	37,785,970	37,785,970	37,785,970
\$60,000 under \$65,000.....	20	9,749,800	27	13,373,100	20	13,895,700	19,877,000	19,856,030	13,373,100	13,895,700	23,791,400	45,598,500	45,577,430	45,577,430	45,577,430
\$65,000 under \$70,000.....	17	10,932,400	23	14,892,900	17	15,437,100	22,014,800	21,993,830	14,892,900	15,437,100	28,928,700	56,526,500	56,505,430	56,505,430	56,505,430
\$70,000 under \$75,000.....	13	12,223,500	17	16,798,700	13	17,365,700	24,481,500	24,460,530	16,798,700	17,365,700	34,846,200	69,377,700	69,356,630	69,356,630	69,356,630
\$75,000 under \$80,000.....	9	13,638,700	12	18,622,800	9	19,264,600	27,137,200	27,116,230	18,622,800	19,264,600	40,481,800	81,898,500	81,877,430	81,877,430	81,877,430
\$80,000 under \$85,000.....	7	15,115,800	9	20,498,900	7	21,181,600	30,129,000	30,108,030	20,498,900	21,181,600	46,363,400	93,551,900	93,530,830	93,530,830	93,530,830
\$85,000 under \$90,000.....	5	16,675,400	7	22,664,400	5	23,349,000	32,781,500	32,760,530	22,664,400	23,349,000	52,112,400	104,864,300	104,843,230	104,843,230	104,843,230
\$90,000 under \$95,000.....	4	18,312,600	5	25,082,300	4	25,796,600	35,533,800	35,512,830	25,082,300	25,796,600	57,909,000	116,773,300	116,752,230	116,752,230	116,752,230
\$95,000 under \$100,000.....	3	19,989,800	4	27,716,700	3	28,454,600	38,386,200	38,365,230	27,716,700	28,454,600	64,363,600	130,136,900	130,115,830	130,115,830	130,115,830
\$100,000 under \$105,000.....	2	21,717,100	3	29,615,300	2	30,331,400	41,328,600	41,307,630	29,615,300	30,331,400	71,663,000	144,792,300	144,771,230	144,771,230	144,771,230
\$105,000 under \$110,000.....	1	23,514,200	2	31,785,800	1	32,524,400	44,462,000	44,441,030	31,785,800	32,524,400	84,187,400	170,979,700	170,958,630	170,958,630	170,958,630
\$110,000 under \$115,000.....	1	25,377,600	1	34,138,700	1	34,896,000	47,786,000	47,765,030	34,138,700	34,896,000	97,083,400	198,118,100	198,097,030	198,097,030	198,097,030
\$115,000 under \$120,000.....	1	27,309,800	1	36,679,600	1	37,460,200	51,287,000	51,266,030	36,679,600	37,460,200	110,548,400	228,687,100	228,666,030	228,666,030	228,666,030
\$120,000 under \$125,000.....	1	29,314,900	1	39,300,300	1	40,091,600	54,966,000	54,945,030	39,300,300	40,091,600	125,640,000	263,987,100	263,966,030	263,966,030	263,966,030
\$125,000 under \$130,000.....	1	31,396,400	1	42,032,600	1	42,904,600	58,930,000	58,909,030	42,032,600	42,904,600	141,544,600	296,531,700	296,510,630	296,510,630	296,510,630
\$130,000 under \$135,000.....	1	33,564,200	1	44,877,100	1	45,789,000	63,182,000	63,161,030	44,877,100	45,789,000	159,333,600	330,310,700	330,289,630	330,289,630	330,289,630
\$135,000 under \$140,000.....	1	35,824,800	1	47,839,600	1	48,800,000	67,804,000	67,783,030	47,839,600	48,800,000	179,133,600	370,144,300	370,123,230	370,123,230	370,123,230
\$140,000 under \$145,000.....	1	38,174,500	1	50,926,100	1	51,947,000	72,826,000	72,805,030	50,926,100	51,947,000	199,060,600	409,069,300	409,048,230	409,048,230	409,048,230
\$145,000 under \$150,000.....	1	40,712,600	1	54,163,600	1	55,239,000	78,160,000	78,139,030	54,163,600	55,239,000	219,299,600	447,318,300	447,297,230	447,297,230	447,297,230
\$150,000 under \$155,000.....	1	43,444,800	1	57,553,100	1	58,688,000	83,812,000	83,791,030	57,553,100	58,688,000	239,987,600	486,806,300	486,785,230	486,785,230	486,785,230
\$155,000 under \$160,000.....	1	46,377,100	1	61,103,600	1	62,301,000	89,944,000	89,923,030	61,103,600	62,301,000	261,291,600	537,909,300	537,888,230	537,888,230	537,888,230
\$160,000 under \$165,000.....	1	49,518,900	1	64,822,100	1	66,067,000	96,476,000	96,455,030	64,822,100	66,067,000	284,809,600	602,718,300	602,697,230	602,697,230	602,697,230
\$165,000 under \$170,000.....	1	52,871,600	1	68,741,600	1	69,998,000	103,498,000	103,477,030	68,741,600	69,998,000	309,807,600	673,115,300	673,094,230	673,094,230	673,094,230
\$170,000 under \$175,000.....	1	56,445,600	1	72,859,600	1	74,157,000	111,030,000	111,009,030	72,859,600	74,157,000	336,964,600	744,074,300	744,053,230	744,053,230	744,053,230
\$175,000 under \$180,000.....	1	60,151,100	1	77,083,600	1	78,424,000	119,172,000	119,151,030	77,083,600	78,424,000	366,088,600	823,157,300	823,136,230	823,136,230	823,136,230
\$180,000 under \$185,000.....	1	64,000,600	1	81,534,100	1	82,913,000	128,024,000	128,003,030	81,534,100	82,913,000	400,001,600	911,071,300	911,050,230	911,050,230	911,050,230
\$185,000 under \$190,000.....	1	68,000,600	1	86,323,600	1										

Table 43.—ADJUSTED GROSS INCOME, EXEMPTIONS, TABULAR INCOME, AND TAX ITEMS, BY ADJUSTED GROSS INCOME CLASSES AND BY 100 LARGEST STANDARD METROPOLITAN AREAS—Continued

Adjusted gross income classes	Chicago, Ill., M.S.A. metropolitan area										
	Number of joint returns	Number of exemptions	Total exempted persons	Tabular income (Thousands of dollars)	Income tax after credits (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)	Number of returns	Amount (Thousands of dollars)
Total.....	96,764	59,428	279,294	81,412	79,796	524,242	16,343	524,242	3,653,953	71,433	699,167
No adjusted gross income.....											
Under \$1,000.....	9,736	7,175	11,641	1,038	9,635	72,432	82	72,432	5,824	2,139	37
\$1,000 under \$1,500.....	10,564	8,009	13,608	1,316	10,543	73,734	73	73,734	5,970	2,127	47
\$1,500 under \$2,000.....	10,564	8,009	13,608	1,316	10,543	73,734	73	73,734	5,970	2,127	47
\$2,000 under \$2,500.....	10,826	8,269	14,114	1,385	10,749	77,239	74	77,239	6,020	2,140	46
\$2,500 under \$3,000.....	11,831	9,043	15,643	1,521	11,722	83,805	77	83,805	6,463	2,151	45
\$3,000 under \$3,500.....	12,837	9,856	17,183	1,657	12,728	91,977	78	91,977	6,904	2,162	44
\$3,500 under \$4,000.....	13,842	10,869	18,722	1,793	13,733	100,149	79	100,149	7,346	2,173	43
\$4,000 under \$4,500.....	14,848	11,882	20,262	1,929	14,734	108,321	80	108,321	7,788	2,184	42
\$4,500 under \$5,000.....	15,853	12,895	21,802	2,065	15,725	116,493	81	116,493	8,230	2,195	41
\$5,000 under \$5,500.....	16,859	13,908	23,342	2,201	16,616	124,665	82	124,665	8,672	2,206	40
\$5,500 under \$6,000.....	17,864	14,921	24,882	2,337	17,523	132,837	83	132,837	9,114	2,217	39
\$6,000 under \$6,500.....	18,870	15,934	26,422	2,473	18,380	141,009	84	141,009	9,556	2,228	38
\$6,500 under \$7,000.....	19,875	16,947	27,962	2,609	19,237	149,181	85	149,181	10,000	2,239	37
\$7,000 under \$7,500.....	20,881	17,960	29,502	2,745	20,094	157,353	86	157,353	10,442	2,250	36
\$7,500 under \$8,000.....	21,886	18,973	31,042	2,881	20,951	165,525	87	165,525	10,884	2,261	35
\$8,000 under \$8,500.....	22,892	19,986	32,582	3,017	21,808	173,697	88	173,697	11,326	2,272	34
\$8,500 under \$9,000.....	23,897	20,999	34,122	3,153	22,665	181,869	89	181,869	11,768	2,283	33
\$9,000 under \$9,500.....	24,903	22,012	35,662	3,289	23,522	190,041	90	190,041	12,210	2,294	32
\$9,500 under \$10,000.....	25,908	23,025	37,202	3,425	24,379	198,213	91	198,213	12,652	2,305	31
\$10,000 under \$10,500.....	26,914	24,038	38,742	3,561	25,236	206,385	92	206,385	13,094	2,316	30
\$10,500 under \$11,000.....	27,919	25,051	40,282	3,697	26,093	214,557	93	214,557	13,536	2,327	29
\$11,000 under \$11,500.....	28,925	26,064	41,822	3,833	26,950	222,729	94	222,729	13,978	2,338	28
\$11,500 under \$12,000.....	29,930	27,077	43,362	3,969	27,807	230,901	95	230,901	14,420	2,349	27
\$12,000 under \$12,500.....	30,936	28,090	44,902	4,105	28,664	239,073	96	239,073	14,862	2,360	26
\$12,500 under \$13,000.....	31,941	29,103	46,442	4,241	29,521	247,245	97	247,245	15,304	2,371	25
\$13,000 under \$13,500.....	32,947	30,116	47,982	4,377	30,378	255,417	98	255,417	15,746	2,382	24
\$13,500 under \$14,000.....	33,952	31,129	49,522	4,513	31,235	263,589	99	263,589	16,188	2,393	23
\$14,000 under \$14,500.....	34,958	32,142	51,062	4,649	32,092	271,761	100	271,761	16,630	2,404	22
\$14,500 under \$15,000.....	35,963	33,155	52,602	4,785	32,949	279,933	101	279,933	17,072	2,415	21
\$15,000 under \$15,500.....	36,969	34,168	54,142	4,921	33,806	288,105	102	288,105	17,514	2,426	20
\$15,500 under \$16,000.....	37,974	35,181	55,682	5,057	34,663	296,277	103	296,277	17,956	2,437	19
\$16,000 under \$16,500.....	38,979	36,194	57,222	5,193	35,520	304,449	104	304,449	18,398	2,448	18
\$16,500 under \$17,000.....	39,985	37,207	58,762	5,329	36,377	312,621	105	312,621	18,840	2,459	17
\$17,000 under \$17,500.....	40,990	38,220	60,302	5,465	37,234	320,793	106	320,793	19,282	2,470	16
\$17,500 under \$18,000.....	41,996	39,233	61,842	5,601	38,091	328,965	107	328,965	19,724	2,481	15
\$18,000 under \$18,500.....	42,999	40,246	63,382	5,737	38,948	337,137	108	337,137	20,166	2,492	14
\$18,500 under \$19,000.....	43,996	41,259	64,922	5,873	39,805	345,309	109	345,309	20,608	2,503	13
\$19,000 under \$19,500.....	44,991	42,272	66,462	6,009	40,662	353,481	110	353,481	21,050	2,514	12
\$19,500 under \$20,000.....	45,986	43,285	68,002	6,145	41,519	361,653	111	361,653	21,492	2,525	11
\$20,000 under \$20,500.....	46,981	44,298	69,542	6,281	42,376	369,825	112	369,825	21,934	2,536	10
\$20,500 under \$21,000.....	47,976	45,311	71,082	6,417	43,233	377,997	113	377,997	22,376	2,547	9
\$21,000 under \$21,500.....	48,971	46,324	72,622	6,553	44,090	386,169	114	386,169	22,818	2,558	8
\$21,500 under \$22,000.....	49,966	47,337	74,162	6,689	44,947	394,341	115	394,341	23,260	2,569	7
\$22,000 under \$22,500.....	50,961	48,350	75,702	6,825	45,804	402,513	116	402,513	23,702	2,580	6
\$22,500 under \$23,000.....	51,956	49,363	77,242	6,961	46,661	410,685	117	410,685	24,144	2,591	5
\$23,000 under \$23,500.....	52,951	50,376	78,782	7,097	47,518	418,857	118	418,857	24,586	2,602	4
\$23,500 under \$24,000.....	53,946	51,389	80,322	7,233	48,375	427,029	119	427,029	25,028	2,613	3
\$24,000 under \$24,500.....	54,941	52,402	81,862	7,369	49,232	435,201	120	435,201	25,470	2,624	2
\$24,500 under \$25,000.....	55,936	53,415	83,402	7,505	50,089	443,373	121	443,373	25,912	2,635	1
\$25,000 under \$25,500.....	56,931	54,428	84,942	7,641	50,946	451,545	122	451,545	26,354	2,646	0
\$25,500 under \$26,000.....	57,926	55,441	86,482	7,777	51,803	459,717	123	459,717	26,796	2,657	0
\$26,000 under \$26,500.....	58,921	56,454	88,022	7,913	52,660	467,889	124	467,889	27,238	2,668	0
\$26,500 under \$27,000.....	59,916	57,467	89,562	8,049	53,517	476,061	125	476,061	27,680	2,679	0
\$27,000 under \$27,500.....	60,911	58,480	91,102	8,185	54,374	484,233	126	484,233	28,122	2,690	0
\$27,500 under \$28,000.....	61,906	59,493	92,642	8,321	55,231	492,405	127	492,405	28,564	2,701	0
\$28,000 under \$28,500.....	62,901	60,506	94,182	8,457	56,088	500,577	128	500,577	29,006	2,712	0
\$28,500 under \$29,000.....	63,896	61,519	95,722	8,593	56,945	508,749	129	508,749	29,448	2,723	0
\$29,000 under \$29,500.....	64,891	62,532	97,262	8,729	57,802	516,921	130	516,921	29,890	2,734	0
\$29,500 under \$30,000.....	65,886	63,545	98,802	8,865	58,659	525,093	131	525,093	30,332	2,745	0
\$30,000 under \$30,500.....	66,881	64,558	100,342	9,001	59,516	533,265	132	533,265	30,774	2,756	0
\$30,500 under \$31,000.....	67,876	65,571	101,882	9,137	60,373	541,437	133	541,437	31,216	2,767	0
\$31,000 under \$31,500.....	68,871	66,584	103,422	9,273	61,230	549,609	134	549,609	31,658	2,778	0
\$31,500 under \$32,000.....	69,866	67,597	104,962	9,409	62,087	557,781	135	557,781	32,100	2,789	0
\$32,000 under \$32,500.....	70,861	68,610	106,502	9,545	62,944	565,953	136	565,953	32,542	2,800	0
\$32,500 under \$33,000.....	71,856	69,623	108,042	9,681	63,801	574,125	137	574,125	32,984	2,811	0
\$33,000 under \$33,500.....	72,851	70,636	109,582	9,817	64,658	582,297	138	582,297	33,426	2,822	0
\$33,500 under \$34,000.....	73,846	71,649	111,122	9,953	65,515	590,469	139	590,469	33,868	2,833	0
\$34,000 under \$34,500.....	74,841	72,662	112,662	10,089	66,372	598,641	140	598,641	34,310	2,844	0
\$34,500 under \$35,000.....	75,836	73,675	114,202	10,225	67,229	606,813	141	606,813	34,752	2,855	0
\$35,000 under \$35,500.....	76,831	74,688	115,742	10,361	68,086	614,985	142	614,985	35,194	2,866	0
\$35,500 under \$36,000.....	77,826	75,701	117,282	10,497	68,943	623,157	143	623,157	35,636	2,877	0
\$36,000 under \$36,500.....	78,821	76,714	118,822	10,633	69,800	631,329	144	631,329	36,078	2,888	0
\$36,500 under \$37,000.....	79,816	77,727	120,362	10,769	70,657	639,501	145	639,501	36,520	2,899	0
\$37,000 under \$37,500.....	80,811	78,740	121,902	10,905	71,514	647,673	146	647,673	36,962	2,910	0
\$37,500 under \$38,000.....	81,806	79,753	123,442	11,041	72,371	655,845	147	655,845	37,404	2,921	0
\$38,000 under \$38,500.....	82,801	80,766	124,982	11,177	73,228	664,017	148	664,017	37,846	2,932	0
\$38,500 under \$39,000.....	83,796	81,779	126,522	11,313	74,085	672,189	149	672,189	38,288	2,943	0
\$39,000 under \$39,500.....	84,791	82,792	128,062	11,449	74,942	680,361					

HISTORICAL TABLES
INDIVIDUAL RETURNS, 1954-1963

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These historical data for years 1954 through 1963 are not precisely comparable among all years, for the data span a period of years during which there were changes in law, return forms, and methods of obtaining data.

INDIVIDUAL INCOME TAX RETURNS, 1954-1963

Table 43. NUMBER OF RETURNS AND ADJUSTED GROSS INCOME BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income	Number of returns	Number of returns					Adjusted gross income (Thousands of dollars)				
		1954	1955	1956	1957	1958	1954	1955	1956	1957	1958
Under \$100	2,583,713	2,583,713	2,583,713	2,583,713	2,583,713	2,583,713	2,583,713	2,583,713	2,583,713	2,583,713	2,583,713
\$100-200	1,583,713	1,583,713	1,583,713	1,583,713	1,583,713	1,583,713	1,583,713	1,583,713	1,583,713	1,583,713	1,583,713
\$200-300	1,183,713	1,183,713	1,183,713	1,183,713	1,183,713	1,183,713	1,183,713	1,183,713	1,183,713	1,183,713	1,183,713
\$300-400	883,713	883,713	883,713	883,713	883,713	883,713	883,713	883,713	883,713	883,713	883,713
\$400-500	683,713	683,713	683,713	683,713	683,713	683,713	683,713	683,713	683,713	683,713	683,713
\$500-600	583,713	583,713	583,713	583,713	583,713	583,713	583,713	583,713	583,713	583,713	583,713
\$600-700	483,713	483,713	483,713	483,713	483,713	483,713	483,713	483,713	483,713	483,713	483,713
\$700-800	383,713	383,713	383,713	383,713	383,713	383,713	383,713	383,713	383,713	383,713	383,713
\$800-900	283,713	283,713	283,713	283,713	283,713	283,713	283,713	283,713	283,713	283,713	283,713
\$900-1,000	183,713	183,713	183,713	183,713	183,713	183,713	183,713	183,713	183,713	183,713	183,713
\$1,000-1,250	143,713	143,713	143,713	143,713	143,713	143,713	143,713	143,713	143,713	143,713	143,713
\$1,250-1,500	103,713	103,713	103,713	103,713	103,713	103,713	103,713	103,713	103,713	103,713	103,713
\$1,500-2,000	63,713	63,713	63,713	63,713	63,713	63,713	63,713	63,713	63,713	63,713	63,713
\$2,000-2,500	43,713	43,713	43,713	43,713	43,713	43,713	43,713	43,713	43,713	43,713	43,713
\$2,500-3,000	23,713	23,713	23,713	23,713	23,713	23,713	23,713	23,713	23,713	23,713	23,713
\$3,000-4,000	13,713	13,713	13,713	13,713	13,713	13,713	13,713	13,713	13,713	13,713	13,713
\$4,000-5,000	8,713	8,713	8,713	8,713	8,713	8,713	8,713	8,713	8,713	8,713	8,713
\$5,000-7,500	4,713	4,713	4,713	4,713	4,713	4,713	4,713	4,713	4,713	4,713	4,713
\$7,500-10,000	2,713	2,713	2,713	2,713	2,713	2,713	2,713	2,713	2,713	2,713	2,713
\$10,000-15,000	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713	1,713
\$15,000-20,000	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113	1,113
\$20,000-25,000	713	713	713	713	713	713	713	713	713	713	713
\$25,000-30,000	413	413	413	413	413	413	413	413	413	413	413
\$30,000-40,000	213	213	213	213	213	213	213	213	213	213	213
\$40,000-50,000	113	113	113	113	113	113	113	113	113	113	113
\$50,000-75,000	63	63	63	63	63	63	63	63	63	63	63
\$75,000-100,000	33	33	33	33	33	33	33	33	33	33	33
\$100,000 and over	13	13	13	13	13	13	13	13	13	13	13
Total	11,813,713	11,813,713	11,813,713	11,813,713	11,813,713	11,813,713	11,813,713	11,813,713	11,813,713	11,813,713	11,813,713

Source: Internal Revenue Service, Department of the Treasury, Washington, D.C.

INDIVIDUAL INCOME TAX RETURNS, 1964-1963

Table 47. — SOURCES OF INCOME BY TYPE
(Table and non-taxable returns)

Source of income	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954
	(Thousand dollars)										
Total	2,071,177	1,643,337	1,677,642	1,875,216	2,011,074	2,054,099	2,174,662	2,219,814	2,247,014	2,247,014	2,247,014
Employment income, full- and part-time employees	1,116,733	1,045,471	1,077,000	1,147,184	1,215,416	1,268,669	1,319,779	1,369,779	1,419,779	1,469,779	1,519,779
Dividend income, including dividends from mutual funds	187,566	180,715	174,981	167,717	160,557	153,400	146,243	139,086	131,929	124,772	117,615
Interest on U.S. Government securities	1,070,860	1,059,843	1,048,821	1,037,900	1,026,979	1,016,058	1,005,137	994,216	983,295	972,374	961,453
Interest on other securities	—	—	—	—	—	—	—	—	—	—	—
Interest on real estate mortgages	—	—	—	—	—	—	—	—	—	—	—
Income from partnerships	906,000	869,000	832,000	795,000	758,000	721,000	684,000	647,000	610,000	573,000	536,000
Income from other sources	85,340	78,128	71,000	63,872	56,744	49,616	42,488	35,360	28,232	21,104	13,976
Retirement pay	30,34,000	2,915,000	2,826,000	2,737,000	2,648,000	2,559,000	2,470,000	2,381,000	2,292,000	2,203,000	2,114,000
Partnership interest	9,000,000	8,500,000	8,000,000	7,500,000	7,000,000	6,500,000	6,000,000	5,500,000	5,000,000	4,500,000	4,000,000
Net gain from sale of capital assets	3,734,800	3,100,000	2,464,200	1,828,400	1,192,600	556,800	0	0	0	0	0
Net gain from sale of other property	107,811	80,000	52,000	24,000	0	0	0	0	0	0	0
Net income from rental property	1,536,000	1,400,000	1,264,000	1,128,000	992,000	856,000	720,000	584,000	448,000	312,000	176,000
Net income from royalties	890,611	770,000	650,000	530,000	410,000	290,000	170,000	50,000	0	0	0
Other sources	—	—	—	—	—	—	—	—	—	—	—
Income, total	3,475,300	3,240,000	3,210,000	3,200,000	3,190,000	3,180,000	3,170,000	3,160,000	3,150,000	3,140,000	3,130,000
Excess of income over tax liability	1,008,200	910,000	820,000	730,000	640,000	550,000	460,000	370,000	280,000	190,000	100,000
Partnership interest	478,000	440,000	400,000	360,000	320,000	280,000	240,000	200,000	160,000	120,000	80,000
Net loss from sale of capital assets	379,600	300,000	220,000	140,000	60,000	0	0	0	0	0	0
Net loss from sale of other property	35,000	25,000	15,000	5,000	0	0	0	0	0	0	0
Net loss from rental property	425,000	380,000	340,000	300,000	260,000	220,000	180,000	140,000	100,000	60,000	20,000
Net loss from royalties	5,800	5,000	4,000	3,000	2,000	1,000	0	0	0	0	0
Net operating loss from other sources	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000

Inclusive wages for 1954-57 have the \$300 and the \$300-499 per return, not subject to income tax withholding, reported on other income on Form 1040. Beginning 1958, wages and wages are after exclusion of 100 per cent allowable employer expense.

Dividend, reported on Form 1099-DIV, for 1960-63, Form 1040-9, beginning 1954, includes dividend taxable for inclusion received through partnerships and fiduciaries. All included amounts, however, are after-tax income. For 1964, exclude dividends reported with other income on page 1, Form 1040, but not specifically identified in separate Schedule.

Interest reported on Form 1040-INT, for 1960-63, Form 1040-9. Includes interest, except interest received through partnerships and fiduciaries. For 1964, includes interest reported with other income on page 1, Form 1040, but not specifically identified in separate Schedule.

Includes wages not subject to income tax withholding, dividend, and interest not exceeding \$100 per return for 1964-67 on Form 1040-9, reported on other income on Form 1040-9. Reported on net operating loss deduction on page 1, Form 1040, but not specifically identified in separate Schedule.

For 1954-57 and 1960-63, net operating loss deduction on page 1, Form 1040, but not specifically identified in separate Schedule.

Table 48. — ITEMIZED DEDUCTIONS ON RETURNS WITH ADJUSTED GROSS INCOME, BY TYPE

Type of deduction	1964	1963	1962	1961	1960	1959	1958	1957	1956	1955	1954
	(Thousand dollars)										
Total	1,440,000	1,340,000	1,240,000	1,140,000	1,040,000	940,000	840,000	740,000	640,000	540,000	440,000
Direct paid	3,000,000	2,800,000	2,600,000	2,400,000	2,200,000	2,000,000	1,800,000	1,600,000	1,400,000	1,200,000	1,000,000
State and local taxes	1,000,000	950,000	900,000	850,000	800,000	750,000	700,000	650,000	600,000	550,000	500,000
Medical and dental expenses	1,000,000	950,000	900,000	850,000	800,000	750,000	700,000	650,000	600,000	550,000	500,000
Charitable contributions	1,000,000	950,000	900,000	850,000	800,000	750,000	700,000	650,000	600,000	550,000	500,000
Other deductions	1,000,000	950,000	900,000	850,000	800,000	750,000	700,000	650,000	600,000	550,000	500,000

Table 49.—SELECTED SOURCES OF INCOME BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income classes	Source of income									
	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
(Thousand dollars)										
CALIFORNIA STATE										
Grand total	119,782,000	122,710,000	117,643,400	121,779,000	126,947,000	131,411,000	135,282,000	139,250,000	143,210,000	147,170,000
Returns with adjusted gross income below:	100,000,000	102,500,000	101,000,000	103,500,000	107,000,000	110,000,000	113,000,000	116,000,000	119,000,000	122,000,000
Under \$500	3,117,000	3,107,000	3,109,000	3,105,000	3,115,000	3,120,000	3,125,000	3,130,000	3,135,000	3,140,000
\$500 under \$1,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000	17,000,000
\$1,000 under \$2,500	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000
\$2,500 under \$5,000	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000	32,000,000
\$5,000 under \$10,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
\$10,000 under \$25,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
\$25,000 under \$50,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
\$50,000 under \$100,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Returns with no adjusted gross income	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
DIVIDENDS										
Grand total	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Returns with adjusted gross income below:	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Under \$500	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$500 under \$1,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$1,000 under \$2,500	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$2,500 under \$5,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$5,000 under \$10,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$10,000 under \$25,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$25,000 under \$50,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$50,000 under \$100,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Returns with no adjusted gross income	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
INTEREST INCOME										
Grand total	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Returns with adjusted gross income below:	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Under \$500	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$500 under \$1,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$1,000 under \$2,500	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$2,500 under \$5,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$5,000 under \$10,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$10,000 under \$25,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$25,000 under \$50,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
\$50,000 under \$100,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Returns with no adjusted gross income	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000

Footnotes at end of table.

*Description of the Sample
and Limitations of
the Data*

DESCRIPTION OF THE SAMPLE AND LIMITATIONS OF THE DATA

The data presented for individual income tax returns for 1963 were based on a stratified systematic sample of all Forms 1040 and 1040A filed during 1964. The total sample consisted of 525,272 returns, about 0.82 percent of the total number filed for the year.

SAMPLE SELECTION

Returns were grouped by type of return, presence or absence of business income, size class of adjusted gross income, taxpayment status, and by the 58 district offices and the Office of International Operations in Washington, D. C. The grouping procedures were employed to facilitate the processing of returns for revenue collection and audit purposes.

For sample purposes, the groups were combined in sample strata, primarily on the basis of adjusted gross income which correlates well with the principal income and tax characteristics being estimated.

The sample was selected by withdrawing from each stratum all returns with designated account number endings for that stratum.

Table Q shows the number of returns filed, the number of returns in the sample, and the prescribed sampling rate by sampling strata.

17,631,640. The primary sources of population data were counts made and submitted by the district offices and the Office of International Operations showing the number of Form 1040 and 1040A returns filed during the calendar year 1964.

A comparison of the estimated number of returns shown in the national tables of this report with the number of returns reported filed in the district offices, as shown in table Q, will disclose slight differences. These differences occur for the following reasons: (1) An estimated 238,000 returns were excluded from the tables because they showed no income information, (2) returns were classified in the proper adjusted gross income size class regardless of the sampling strata to which they were assigned in the field offices, and (3) weights were rounded.

One set of weighting factors was used for national tabulations, and separate sets, one for each internal Revenue district, were used for State and Metropolitan Area tabulations. The achieved sampling rates varied sufficiently among districts to warrant using district weights for State and Metropolitan Area tables. As a result, the totals for "United States" in the State tables show slight difference from the corresponding totals, based on national weights, shown in other tables of this report.

Table Q.—NUMBER OF INDIVIDUAL INCOME TAX RETURNS FILED, NUMBER IN SAMPLE, AND THE PRESCRIBED RATE BY SAMPLING STRATUM, 1963

Sample stratum [Excludes and non-taxable returns]	Number of	Number of	Prescribed
	returns filed (1)	returns in sample (2)	rate (3)
Total all returns	54,173,436	54,173,436	
Income tax returns	17,631,640	35,757	2/1000
Form 1040, adjusted gross income—			
Under \$10,000	29,836,567	1,139	2/1000
From \$10,000 to under \$20,000	24,210,779	41,760	1/250
\$20,000 under \$30,000, including Form 1040A	1,063,361	1,828	2/100
\$30,000 under \$40,000, including Form 1040A	1,707,600	2,708	2/100
\$40,000 under \$50,000, including Form 1040A	1,046,811	1,524	2/100
\$50,000 under \$100,000, including Form 1040A	429,435	710	2/100
\$100,000 and over	15,087	1,043	4/1
Non-taxable	34,000	34,000	1/1
Excluded from sample			
Adjusted gross income \$10,000 and over	42,913	5,277	1/200
Adjusted gross income \$10,000 and over	427	427	1/1

SAMPLING VARIABILITY

The data from returns showing adjusted gross income of \$100,000 or more are not subject to sampling variability since all such returns were included in the sample. However, the estimates which include data from returns

Table R.—RELATIVE SAMPLING VARIABILITY AT THE ONE STANDARD DEVIATION LEVEL¹ FOR SELECTED ITEMS, BY ADJUSTED GROSS INCOME CLASSES

Adjusted gross income class ²	Rate of variation					
	All returns		Set gain		Set loss	
	Adjusted gross income	Relative sampling variability	Amount	Relative sampling variability	Amount	Relative sampling variability
	(Thousand dollars)	(Percent)	(Thousand dollars)	(Percent)	(Thousand dollars)	(Percent)
	(1)	(2)	(3)	(4)	(5)	(6)
Returns under \$5,000	71,429,000	0.15	1,000,000	1.1	100,000	6.79
Returns \$5,000 under \$10,000	176,102,900	0.11	1,000,000	1.1	1,000,000	1.11
Returns \$10,000 and over	13,420,000	0.15	1,000,000	1.1	1,000,000	1.11
	District offices		Total in strata		Income tax returns	
	Amount	Relative sampling variability	Amount	Relative sampling variability	Amount	Relative sampling variability
	(Thousand dollars)	(Percent)	(Thousand dollars)	(Percent)	(Thousand dollars)	(Percent)
	(1)	(2)	(3)	(4)	(5)	(6)
Returns under \$5,000	71,429,000	0.15	1,000,000	1.1	100,000	6.79
Returns \$5,000 under \$10,000	176,102,900	0.11	1,000,000	1.1	1,000,000	1.11
Returns \$10,000 and over	13,420,000	0.15	1,000,000	1.1	1,000,000	1.11

¹ Applicable table in previous years will be for two standard deviations.

METHOD OF ESTIMATION

Estimates for all returns filed were determined by multiplying the sample data by "weighting factors" obtained by dividing the number of sample returns received by each sampling stratum into the total number of returns filed in that stratum. For instance, the "weighting factor" of 496.01 for Form 1040A returns was obtained by dividing the number of returns in the sample, 35, 547, into the total number of returns filed,

Table S.—RELATIVE SAMPLING VARIABILITY AT THE ONE STANDARD DEVIATION LEVEL OF ESTIMATED NUMBER OF RETURNS

Adjusted gross income class	1963		1964	
	Estimated number of returns	Relative sampling variability (Percent)	Estimated number of returns	Relative sampling variability (Percent)
Under \$10,000	1,000,000	1.8	1,000,000	1.8
\$10,000 to \$50,000	2,500,000	1.8	2,500,000	1.8
Over \$50,000	1,000,000	1.8	1,000,000	1.8
Total	4,500,000	1.8	4,500,000	1.8

1.8 = 1.8 percent. 1.8 percent is the relative sampling variability at the one standard deviation level of estimated number of returns.

showing adjusted gross income under \$100,000 are subject to sampling variability. Table R shows, for selected amount estimates, the range in percent which would not be exceeded in 2 out of 3 estimates based on similar sampling systems.

Table S shows, for frequency estimated in general, a conservative range in percent that would not be exceeded in 2 out of 3 estimates, prepared from similarly selected samples. Sampling variability patterns are presented separately for three adjusted gross income classes. For instance, if data from returns showing adjusted gross income under \$10,000 reveal 100,000 returns having a certain characteristic, then the relative sampling variability will be less than 7 percent. As another example, if data from returns showing adjusted gross income of \$10,000 under \$50,000 reveal 100,000 returns having a certain characteristic, then the relative sampling variability of this estimate will be less than 1.8 percent.

In the previous annual report, each relative sampling variability at the one standard deviation level was multiplied by two to provide a range in percent that would not be exceeded in 19 out of 20 estimates based on similar sampling plans. The change to a one standard deviation level follows a recommendation made by the Treasury-Internal Revenue Service Committee on Statistics and makes our presentations of relative sampling variabilities comparable with other Government agencies.

Data have been deleted from the tables where the estimated relative sampling variability was judged to be excessive. Where such a deletion has been made, the applicable cells have been appropriately footnoted.

RESPONSE AND OTHER NONSAMPLING ERRORS

In processing returns for collection purposes in the district offices and, later, in processing the sample of such returns for statistical purposes, several steps were taken to reduce taxpayer-reporting errors and other errors introduced in data processing operations. Over 90 percent of all individual returns filed during 1964 were mathematically verified before they were made available for sample selection. Any corrections resulting from mathematical verification of the taxpayer's entries are reflected in the data tabulated.

In transcribing and tabulating the information from the sampled returns, additional checks were imposed to improve the quality of the resulting estimates. Returns which showed data in accompanying schedules but not on appropriate return lines, community property returns on which the "halving" of income was incorrectly computed, and returns with other obvious errors were edited and recording errors amended. Mechanical transcribing was verified by the process of repeat card punching and, prior to tabulating, numerous tests for consistency were applied using an electronic computer, to assure that proper balance and relationship between return items and statistical classification were maintained.

An intensive system of sample management and control was used to insure the selection of the prescribed sample and prevent any serious undercoverage. Sample controls were maintained on a district basis by the most detailed sampling strata. In addition, a name control file for internal use only, containing a historical record of tax return information for certain taxpayers who annually report large incomes, provided a further check on the completeness of the sample.

Coverage was improved also by the inclusion of prior-year delinquent returns in the sample for the purpose of estimating data for 1963 returns that were filed after December 31, 1964. It was felt that the characteristics of 1963 returns filed too late to be included could best be represented by a sample of previous year delinquent returns filed during 1964. As can be seen in table Q, the number of delinquent returns filed during 1964 was 427,000.

However, the controls maintained over the selection of the sample and the processing of the source data in the field offices did not completely eliminate the possibility of error. Also, practical operating considerations necessitated allowance of reasonable tolerance in controlling the processing of these data within the Statistics Division.

Table 1 — RELATIVE SAMPLING VARIABILITY AT THE 95 PERCENT CONFIDENCE LEVELS: TOTAL NUMBER OF RETURNS, ADJUSTED GROSS INCOME, AND SELECTED ITEMS, BY ADJUSTED GROSS INCOME CLASSES

AGI Class	Number of Returns		Adjusted Gross Income		Total Number of Items		Adjusted Gross Income		Total Number of Items		Adjusted Gross Income		Total Number of Items	
	1963		1962		1963		1962		1963		1962		1963	
	(Percent)	(Thousand dollars)	(Percent)	(Thousand dollars)	(Percent)	(Thousand dollars)	(Percent)	(Thousand dollars)	(Percent)	(Thousand dollars)	(Percent)	(Thousand dollars)	(Percent)	(Thousand dollars)
Under \$5,000	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$5,000-\$9,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$10,000-\$14,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$15,000-\$19,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$20,000-\$24,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$25,000-\$29,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$30,000-\$34,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$35,000-\$39,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$40,000-\$44,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$45,000-\$49,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$50,000-\$54,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$55,000-\$59,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$60,000-\$64,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$65,000-\$69,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$70,000-\$74,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$75,000-\$79,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$80,000-\$84,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$85,000-\$89,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$90,000-\$94,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$95,000-\$99,999	100	100	100	100	100	100	100	100	100	100	100	100	100	100
\$100,000 and over	100	100	100	100	100	100	100	100	100	100	100	100	100	100

Source: Bureau of Economic Analysis, Department of Commerce.

Table U —RELATIVE VARIABILITY AT THE ONE STANDARD DEVIATION LEVEL OF NUMBER OF RETURNS, NUMBER OF JOINT RETURNS, ADJUSTED GROSS INCOME, EXEMPTIONS, TAXABLE INCOME, AND INCOME TAX AFTER CREDITS, FOR 100 LARGEST STANDARD METROPOLITAN STATISTICAL AREAS, 1963—Continued

State	Relative variability of number of returns		Relative variability of number of joint returns		Relative variability of adjusted gross income		Relative variability of exemptions		Relative variability of taxable income		Relative variability of income tax after credits	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Ala.	1.30	1.35	1.28	1.29	1.22	1.19	1.19	1.18	1.18	1.18	1.18	1.18
Ark.	1.31	1.34	1.30	1.31	1.24	1.21	1.21	1.20	1.20	1.20	1.20	1.20
Cal.	1.32	1.33	1.31	1.32	1.25	1.22	1.22	1.21	1.21	1.21	1.21	1.21
Col.	1.33	1.34	1.32	1.33	1.26	1.23	1.23	1.22	1.22	1.22	1.22	1.22
Conn.	1.34	1.35	1.33	1.34	1.27	1.24	1.24	1.23	1.23	1.23	1.23	1.23
Del.	1.35	1.36	1.34	1.35	1.28	1.25	1.25	1.24	1.24	1.24	1.24	1.24
Fla.	1.36	1.37	1.35	1.36	1.29	1.26	1.26	1.25	1.25	1.25	1.25	1.25
Ill.	1.37	1.38	1.36	1.37	1.30	1.27	1.27	1.26	1.26	1.26	1.26	1.26
Ind.	1.38	1.39	1.37	1.38	1.31	1.28	1.28	1.27	1.27	1.27	1.27	1.27
Iowa	1.39	1.40	1.38	1.39	1.32	1.29	1.29	1.28	1.28	1.28	1.28	1.28
Kan.	1.40	1.41	1.39	1.40	1.33	1.30	1.30	1.29	1.29	1.29	1.29	1.29
Kent.	1.41	1.42	1.40	1.41	1.34	1.31	1.31	1.30	1.30	1.30	1.30	1.30
La.	1.42	1.43	1.41	1.42	1.35	1.32	1.32	1.31	1.31	1.31	1.31	1.31
Maine	1.43	1.44	1.42	1.43	1.36	1.33	1.33	1.32	1.32	1.32	1.32	1.32
Maryland	1.44	1.45	1.43	1.44	1.37	1.34	1.34	1.33	1.33	1.33	1.33	1.33
Mass.	1.45	1.46	1.44	1.45	1.38	1.35	1.35	1.34	1.34	1.34	1.34	1.34
Mich.	1.46	1.47	1.45	1.46	1.39	1.36	1.36	1.35	1.35	1.35	1.35	1.35
Minn.	1.47	1.48	1.46	1.47	1.40	1.37	1.37	1.36	1.36	1.36	1.36	1.36
Miss.	1.48	1.49	1.47	1.48	1.41	1.38	1.38	1.37	1.37	1.37	1.37	1.37
Mo.	1.49	1.50	1.48	1.49	1.42	1.39	1.39	1.38	1.38	1.38	1.38	1.38
Mont.	1.50	1.51	1.49	1.50	1.43	1.40	1.40	1.39	1.39	1.39	1.39	1.39
Nebr.	1.51	1.52	1.50	1.51	1.44	1.41	1.41	1.40	1.40	1.40	1.40	1.40
Nev.	1.52	1.53	1.51	1.52	1.45	1.42	1.42	1.41	1.41	1.41	1.41	1.41
N.H.	1.53	1.54	1.52	1.53	1.46	1.43	1.43	1.42	1.42	1.42	1.42	1.42
N.J.	1.54	1.55	1.53	1.54	1.47	1.44	1.44	1.43	1.43	1.43	1.43	1.43
N.M.	1.55	1.56	1.54	1.55	1.48	1.45	1.45	1.44	1.44	1.44	1.44	1.44
N.Y.	1.56	1.57	1.55	1.56	1.49	1.46	1.46	1.45	1.45	1.45	1.45	1.45
N.C.	1.57	1.58	1.56	1.57	1.50	1.47	1.47	1.46	1.46	1.46	1.46	1.46
N.D.	1.58	1.59	1.57	1.58	1.51	1.48	1.48	1.47	1.47	1.47	1.47	1.47
Ohio	1.59	1.60	1.58	1.59	1.52	1.49	1.49	1.48	1.48	1.48	1.48	1.48
Ore.	1.60	1.61	1.59	1.60	1.53	1.50	1.50	1.49	1.49	1.49	1.49	1.49
Penn.	1.61	1.62	1.60	1.61	1.54	1.51	1.51	1.50	1.50	1.50	1.50	1.50
R.I.	1.62	1.63	1.61	1.62	1.55	1.52	1.52	1.51	1.51	1.51	1.51	1.51
S.C.	1.63	1.64	1.62	1.63	1.56	1.53	1.53	1.52	1.52	1.52	1.52	1.52
S.D.	1.64	1.65	1.63	1.64	1.57	1.54	1.54	1.53	1.53	1.53	1.53	1.53
Tenn.	1.65	1.66	1.64	1.65	1.58	1.55	1.55	1.54	1.54	1.54	1.54	1.54
Texas	1.66	1.67	1.65	1.66	1.59	1.56	1.56	1.55	1.55	1.55	1.55	1.55
Utah	1.67	1.68	1.66	1.67	1.60	1.57	1.57	1.56	1.56	1.56	1.56	1.56
Va.	1.68	1.69	1.67	1.68	1.61	1.58	1.58	1.57	1.57	1.57	1.57	1.57
Vermont	1.69	1.70	1.68	1.69	1.62	1.59	1.59	1.58	1.58	1.58	1.58	1.58
Wash.	1.70	1.71	1.69	1.70	1.63	1.60	1.60	1.59	1.59	1.59	1.59	1.59
West. Va.	1.71	1.72	1.70	1.71	1.64	1.61	1.61	1.60	1.60	1.60	1.60	1.60
Wis.	1.72	1.73	1.71	1.72	1.65	1.62	1.62	1.61	1.61	1.61	1.61	1.61
Wyo.	1.73	1.74	1.72	1.73	1.66	1.63	1.63	1.62	1.62	1.62	1.62	1.62
D.C.	1.74	1.75	1.73	1.74	1.67	1.64	1.64	1.63	1.63	1.63	1.63	1.63
Total	1.75	1.76	1.74	1.75	1.68	1.65	1.65	1.64	1.64	1.64	1.64	1.64

Synopsis of Laws

SYNOPSIS OF LAWS

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Table I.—REQUIREMENT FOR FILING INDIVIDUAL INCOME TAX RETURNS, EXEMPTION ALLOWANCES, AND MINIMUM AND MAXIMUM TAX RATES, 1954-63

Item	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
	(Dollars)									
Gross income requirement for filing returns ¹	0.00									
Regular exemption for taxpayer and each dependent.....	0									
Additional exemptions for a child or orphan and for blindness ²	0.00									
	(Percent)									
Minimum income tax rate.....	2.00									
Maximum income tax rate.....	91.0									
Maximum income tax credit ³	50.0									

¹For 1954-52, persons under 18 or over 64 with net income \$1,200. Gross income for 1953-52 includes income earned from sources outside the United States, and from the exempt.

²Additional exemptions will be added for taxpayer and spouse.

³Income tax before credits less net exempt taxable income.

Table II.—REQUIREMENT FOR FILING THE SELF-EMPLOYMENT TAX SCHEDULE, AND SELF-EMPLOYMENT TAX RATES, 1954-63

Item	1954	1955	1956	1957	1958	1959	1960	1961	1962	1963
	(Dollars)									
Self-employment net earnings requirement for filing ¹	0	400				400				
Maximum self-employment income subject to self-employment tax.....	0	4,200				4,200				
	(Percent)									
Self-employment tax rate.....	3		3-1/2		3-3/4		4-1/2		4.7	5.4

**1963 Forms and
Instructions**

RETURN FORMS, 1963

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Form 1040A

U.S. INDIVIDUAL INCOME TAX RETURN (Less than \$10,000 total income)

1963

Please print →

1. Name (If a joint return of husband and wife, use first names and middle initials of both)

Home address (Number and street or rural route)

City, town or post office, State and Postal ZIP code

2. Your social security number

3. Wife's number if joint return

4. Check one:

- Single;
- Married filing joint return (even if only one had income);
- Married filing separately—Give name of wife or husband only if also filing separately

5. (a) Federal Income Tax Withheld

(b) Wages and Other Income

EMPLOYER'S NAME. Where employed. Write (W) before name of each of wife's employers

If item 7(b) is \$10,000 or more, or if item 6 is over \$200, use Form 1040.

- Enter total tax withheld in item 7(a).
- Enter total income in item 7(b)

6. INTEREST, DIVIDENDS, AND OTHER WAGES

Yours

Wife's

7(a)

7(b)

8. Enter tax from Tax Table or from tax computation schedule →

9. If item 8 is larger than item 7(a), enter balance due →

10. If item 7(a) is larger than item 8, enter refund →

Enclose Forms W-2, Copy B. If your income was \$5,000 or more, you must compute your tax. However, if your income was less than \$5,000, you may have the Internal Revenue Service compute your tax by omitting items 8, 9, and 10. If you compute your own tax, pay balance (item 9) in full with return to your District Director.

Apply refund to: U.S. Savings Bonds, with excess refunded; or Refund only.

U.S. TREASURY DEPARTMENT • INTERNAL REVENUE SERVICE

(OVER) LIST YOUR EXEMPTIONS AND SIGN ON OTHER SIDE.

11. EXEMPTIONS FOR YOURSELF—AND WIFE (only if all her income is included in this return, or she had no income)

Check boxes which apply.	(a) Regular \$600 exemption	<input type="checkbox"/> Yourself	<input type="checkbox"/> Wife	Enter number of boxes checked →
	(b) Additional \$600 exemption if 65 or over at end of 1963	<input type="checkbox"/> Yourself	<input type="checkbox"/> Wife	
	(c) Additional \$600 exemption if blind at end of 1963	<input type="checkbox"/> Yourself	<input type="checkbox"/> Wife	

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

NAME ▶ Enter figure 1 in the first column to right for each name listed (Give address if different from yours)	Relationship	ANSWER ONLY FOR DEPENDENTS OTHER THAN YOUR CHILDREN			
		Months lived in your home. If born or died during year also write "B" or "D"	Did dependent have income of \$500 or more?	Amount YOU furnished for dependent's support. If 100% write "ALL"	Amount furnished by OTHERS including dependent. See instruction 12
				\$	\$

13. Total exemptions from items 11 and 12 above →

If you had an expense allowance or charged expenses to your employer, see instructions and check here if appropriate.

Did you file a return for 1962? Yes No. If name or address was different than shown in item 1, enter name and address used.

SIGN
HERE →

Under penalties of perjury, I declare that to the best of my knowledge and belief this is a true, correct, and complete return.

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

1963

INSTRUCTIONS FOR FORM 1040A

1963

FOR EMPLOYEES WHO EARNED LESS THAN \$10,000

Card Form 1040A offers an easy way for employees receiving less than \$10,000 total income to file their 1963 U.S. income tax returns.

To use CARD Form 1040A follow these simple steps

- A** Read instructions below. See "Who May Use Form 1040A." If ineligible, use Form 1040.
- B** Fill out the copy on page 3. If you need help, you can ask questions by phone of any Internal Revenue Service office or come in for assistance.
- C** Transfer answers from the copy to the **card**. Keep the copy for your records.
- D** Sign the **card** and mail it together with your Withholding Statements (Forms W-2, Copy B) to your District Director of Internal Revenue.

If your name, address, and social security number are already printed and punched on the card form, please use this card as it will permit high-speed machine handling. Correct the preprinted information, if necessary.

WHO MUST FILE A TAX RETURN.—Every citizen or resident of the United States under 65 who had \$600 or more income; if 65 or over, \$1,200 or more.

WHO MAY USE FORM 1040A.—If your income was less than \$10,000 and consisted entirely of wages reported on Withholding Statements (Forms W-2) and not more than \$200 total of dividends, interest, and other wages not subject to withholding, you may use the card form. A husband and wife may file a joint return if their combined incomes do not exceed these limits.

WHO MAY NOT USE FORM 1040A.—File Form 1040 instead of Form 1040A if—

- (1) you had income from sources other than or in amounts larger than those stated above,
- (2) either husband or wife itemizes deductions,
- (3) you claim the tax status of head of household or surviving husband or wife,
- (4) you claim dividends received credit or retirement income credit,
- (5) you claim an exclusion for "Sick Pay" paid directly to you by your employer and this amount is included in the total wages shown on your Form W-2,
- (6) you claim deductions for travel, transportation, or "outside salesmen" expense (however, see "reimbursed expenses," page 2 of instructions),
- (7) you claim credit for payments on estimated tax or an overpayment from 1962,
- (8) you are a nonresident alien (file Form 1040B, Form 1040NB, or Form 1040NB-a).

WHEN TO FILE.—Please file as early as possible on or after January 1, 1964, but not later than April 15, 1964.

WHERE TO FILE.—With the District Director of Internal Revenue for your district.

WHERE TO GET FORMS.—If you need a Form 1040, you can get one from any Internal Revenue office, and from most banks and some post offices. Your employer will furnish you with a Withholding Statement (Form W-2).

HOW TO PAY.—Checks or money orders should be made payable to "Internal Revenue Service." You need not pay a balance of tax due of less than \$1, and a refund of less than \$1 will not be made unless you apply for it.

SIGNATURE.—Your return is not valid unless you sign it. Both husband and wife must sign a joint return.

COMPUTATION OF TAX ON FORM 1040A:

(1) **If your income was less than \$5,000.**—You may figure your own tax from the Tax Table on page 4, or you may have the Internal Revenue Service do it for you.

The Tax Table allows about 10% of your income as deductions which include charitable contributions, interest, taxes, losses, medical expenses, child care expenses, and certain miscellaneous deductions. If your deductions exceed 10% of your income, it will be to your advantage to use Form 1040 and itemize them.

(2) **If your income was \$5,000 or more and less than \$10,000.**—You must use the standard deduction and compute your own tax. A Tax Computation Schedule is provided on page 3 to make this computation.

MARRIED COUPLE:

(1) **How to prepare a joint return.**—To assure any benefits of the split income provisions, a husband and wife must file a joint return. If a joint return is filed you must include the income of both; however, a joint return may be filed even though one had no income. If your income was under \$5,000 and you choose to have the Internal Revenue Service figure your tax, it will be computed on the combined income or on the separate incomes, whichever results in the smaller tax or larger refund. If you figure your own tax, be sure to make both computations and enter the smaller tax or larger refund on your return. A joint return may not be filed if either husband or wife was a nonresident alien at any time during the taxable year.

(2) **How to prepare a separate return.**—In a separate return each must report his or her separate income and fill in a separate form.

DO YOU OWE A TAX BALANCE?—Under the pay-as-you-go system, your withholding tax and your final income tax should come out about even. This benefits both you and your Government. If you owe a balance on your 1963 return, you should consider changing your Withholding Exemption Certificate (Form W-4).

PAGE 2

INSTRUCTIONS FOR PREPARING FRONT OF FORM 1040A

① ② ③ If you are married and are filing a joint return as husband and wife, be sure to enter the first names and middle initials of yourself and your wife. For example: John F. and Mary L. Doe. Enter both your social security number and your wife's social security number.

⑤ Fill in the information from each of your 1963 Withholding Statements, Forms W-2. If both husband and wife had wages, write "W" before name of each wife's employers. If you lose a Withholding Statement, ask your employer for a new one. If you cannot furnish a statement, attach an explanation.

TWO OR MORE EMPLOYERS.—If a total of more than \$174 of social security (F. I. C. A.) tax was withheld from the wages of either you or your wife because one or both of you worked for more than one employer, you may claim the excess over \$174 as a credit against your income tax.

a. Add up the social security (F. I. C. A.) tax withheld by all your employers from your wages in 1963. If joint return, separate computations must be made for you and your wife.

b. Subtract \$174.
c. Enter the balance in the "Federal Income Tax Withheld" column, item 5 (a), and write "F. I. C. A. tax" under "Employer's Name."

⑥ **INTEREST, DIVIDENDS, AND OTHER WAGES.**—Enter all other taxable income from interest, dividends, and wages not subject to withholding. Read the following instructions before completing this line—

a. **INTEREST.**—Include all interest actually received or credited to your account by a bank, savings and loan association, etc.

b. **DIVIDENDS.**—Include all dividends received except the first \$50 received from domestic corporations. So-called dividends received from mutual savings banks or savings (building) and loan associations on deposits or withdrawable accounts are treated as interest, not dividends. If a joint return is filed and both husband and wife had dividend income, each is entitled to most to a \$50 exclusion and one may not use any portion of

the \$50 exclusion not used by the other. For example, if the husband had \$100 in dividends, and the wife had \$20, only \$70 may be excluded.

c. **WAGES NOT SUBJECT TO WITHHOLDING.**—Enter all wages not included in item 5 (b) whether or not you have received a Form W-2. An example of these wages are those paid to part-time workers on which the employer is not required to withhold income tax.

⑦(b) ⑧ ⑨ ⑩ **COMPUTATION OF TAX**

a. **If your income was less than \$5,000.**—You may figure your own tax from the Tax Table on page 4, or you may have the Internal Revenue Service do it for you. If you figure your own tax, complete items 8, and 9 or 10. If you have the Service figure your tax, you will be sent a bill for the balance due or a check for the refund.

Include interest on savings and other interest and dividends, whether received in cash or credited to your account.

b. **If your income was \$5,000 or more and less than \$10,000.**—You must compute your own tax and use the standard deduction of 10%. (If your itemized deductions are in excess of 10% of your total income, it will be to your advantage to use Form 1040.) See page 3 for computation schedule. Keep it for your records.

PURCHASE OF U.S. SAVINGS BONDS.—If you are entitled to a refund, you may apply it to the purchase of Series E United States Savings Bonds. If you check the first box following line 10, you will be issued as many bonds as your refund will buy in multiples of \$18.75 for each \$25 face value bond, providing it does not leave a balance of less than \$1 to be paid by check. For example, if your refund is \$40 you will receive a \$50 face value bond and a check for \$2.50. Bonds will be issued in the name used in filing your return. If you file a joint return the bonds will be issued only to husband and wife as co-owners.

INSTRUCTIONS FOR PREPARING BACK OF FORM 1040A

⑪ Fill in this item to receive credit for you and your wife's exemptions. A taxpayer cannot claim his wife (husband) as an exemption if the wife (husband) filed a separate return for any purpose (for example, to obtain a refund of income tax withheld). Age and blindness are determined as of December 31, 1963.

MARITAL STATUS.—If married at the end of 1963, you are considered married for the entire year. If divorced or legally separated on or before the end of 1963, you are considered single for the entire year. If your wife or husband died during the year, you are considered married for the year, and may file a joint return.

⑫ Fill in this schedule to receive credit for exemptions for your children, stepchildren, and other dependents. Each dependent must meet all of the following tests:

a. Received more than one-half of his or her support from you (or from wife or husband if a joint return is filed). Support includes all amounts used for the dependent's support whether contributed by the dependent or by others and whether such amounts are taxable or nontaxable income such as social security, gifts, savings, etc.

b. Received less than \$600 income. (This test does not apply to your children or stepchildren who are under 19 or who are full-time students for 5 calendar months of the year; however, you must have provided over one-half of the child's support.)

c. Did not file a joint return with her husband (or his wife).
d. Was either a citizen or resident of the United States or a resident of Canada, Mexico, the Republic of Panama, or the Canal Zone. (An alien child legally adopted by and living with a United States citizen abroad also qualifies as a citizen of the United States for this purpose.)

e. EITHER (1) for the entire year 1963 had your home as his principal place of abode and was a member of your household; OR (2) was related to you (or to husband or wife if a joint return is filed) in one of the following ways:

Child	Sister	Mother-in-law	Related by blood:
Step-child	Grandchild	Father-in-law	Related by blood:
Mother	Stepbrother	Brother-in-law	Uncle
Father	Sister	Sister-in-law	Aunt
Grandparent	Stepmother	Son-in-law	Nephew
Brother	Stepfather	Daughter-in-law	Niece

—Includes a child who is a member of your household if placed with you by an authorized placement agency for legal adoption.

BIRTH OR DEATH OF DEPENDENT.—You can claim a full \$600 exemption for a dependent who was born or died during the year if the tests for claiming an exemption for such dependent are met for the part of the year during which he was alive.

REIMBURSED EXPENSES.—If you account to your employer for business expenses when you travel on business, or he pays for them (either by advances or reimbursements or by allowing you to use a charge account), or he gives you a flat allowance for subsistence and mileage of not more than \$25.00 per day and 15 cents per mile you may file Form 1040A without showing these amounts by simply checking the box under item 13 and the back of Form 1040A. However, if your employer's payments are more than your expenses, you may not use Form 1040A; you must use Form 1040 and report the excess.

YOUR COPY—KEEP FOR YOUR RECORDS

Form 1040A		U.S. INDIVIDUAL INCOME TAX RETURN (Less than \$10,000 total income)		1963
Please print →	1 Name (If a joint return of husband and wife, use first names and middle initials of both) Home address (Number and street or rural route) City, town or post office, State and Postal ZIP code	2 Your social security number 3 Wife's number if joint return	4. Check one: <input type="checkbox"/> Single; <input type="checkbox"/> Married filing joint return (even if only one had income); <input type="checkbox"/> Married filing separately—Give name of wife or husband only if also filing separately	
5 (a) Federal Income Tax Withheld If item 7(b) is \$10,000 or more, or if item 6 is over \$300, use Form 1040. Enter total tax withheld in item 7(a). Enter total income in item 7(b).	(b) Wages and Other income 6. INTEREST, DIVIDENDS, AND OTHER WAGES 7(a) Yours 7(b) Wife's	EMPLOYER'S NAME. Where employed. Write (W) before name of each of wife's employers Enclose Forms W-2, Copy B. If your income was \$5,000 or more, you must compute your tax. However, if your income was less than \$5,000, you may have the Internal Revenue Service compute your tax by omitting items 8, 9, and 10. If you compute your own tax, pay balance (item 9) in full with return to your District Director. Apply refund to: <input type="checkbox"/> U.S. Savings Bonds, with excess refunded; or <input type="checkbox"/> Refund only.		
8. Enter tax from Tax Table or from tax computation schedule → 8 9. If item 8 is larger than item 7(a), enter balance due 9 → 10. If item 7(a) is larger than item 8, enter refund -10 →		U.S. TREASURY DEPARTMENT • INTERNAL REVENUE SERVICE (OVER) LIST YOUR EXEMPTIONS AND SIGN ON OTHER SIDE.		

(11) EXEMPTIONS FOR YOURSELF—AND WIFE (only if all her income is included in this return, or she had no income)

Check boxes which apply:

(a) Regular \$600 exemption Yourself Wife
 (b) Additional \$600 exemption if 65 or over at end of 1963 Yourself Wife
 (c) Additional \$600 exemption if blind at end of 1963 Yourself Wife

Enter number of boxes checked →

(12) EXEMPTIONS FOR YOUR CHILDREN AND OTHER DEPENDENTS (List below)

NAME ▶ Enter figure 1 in the last column to right for each name listed (Give address if different from yours)	Relationship	ANSWER ONLY FOR DEPENDENTS OTHER THAN YOUR CHILDREN Months lived in your home. If born or died during year also write "B" or "D"	Did dependent have income of \$600 or more?	Amount YOU furnished for dependent's support. If 100% write "ALL"	Amount furnished by OTHERS including dependent. See instruction 12.
			\$	\$	

13. Total exemptions from items 11 and 12 above →

If you had an expense allowance or charged expenses to your employer, see instructions and check here if appropriate.
 Did you file a return for 1962? Yes No. If name or address was different than shown in item 1, enter name and address used.

SIGN HERE → Under penalties of perjury, I declare that to the best of my knowledge and belief this is a true, correct, and complete return.

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

TAX COMPUTATION SCHEDULE (Use only if total income, item 7 (b) of Form 1040A, is \$5,000 or more)

1. Enter total income from item 7 (b) of Form 1040A	\$
2. A married person filing a separate return enter \$500; all others enter 10 percent of line 1.
3. Subtract line 2 from line 1.
4. Multiply \$600 by total number of exemptions claimed in item 13 of Form 1040A.
5. Subtract line 4 from line 3.
6. Tax on amount on line 5. Use appropriate tax rate schedule below. Enter here and as item 8 of Form 1040A. (Do not attach this schedule to Form 1040A)

If you are a single taxpayer or a married taxpayer filing a separate return, use this tax rate schedule

If the amount on line 5 is:		Enter on line 6:	
Over	But not over		
\$0	\$2,000	20% of the amount on line 5	
\$2,000	\$4,000	\$400, plus 22% of excess over \$2,000	
\$4,000	\$6,000	\$840, plus 26% of excess over \$4,000	
\$6,000	\$8,000	\$1,360, plus 30% of excess over \$6,000	
\$8,000	\$9,999.99	\$1,960, plus 34% of excess over \$8,000	

If you are married taxpayers filing a joint return, use this tax rate schedule

If the amount on line 5 is:		Enter on line 6:	
Over	But not over		
\$0	\$4,000	20% of the amount on line 5	
\$4,000	\$8,000	\$800, plus 22% of excess over \$4,000	
\$8,000	\$9,999.99	\$1,680, plus 26% of excess over \$8,000	

PAGE 4

TAX TABLE FOR INCOMES UNDER \$5,000

If your total income (item 7(b) on your return) is \$5,000 or more use Tax Computation Schedule on page 3 instead of this Tax Table

To find your tax read down income columns until you find the line covering the total income shown as item 7(b). Then read across to appropriate column headed by number corresponding to number of exemptions claimed on item 13. Enter tax as item 8.

If your total income is—			And the number of exemptions is—				If your total income is—		And the number of exemptions is—								
At least	But less than		1	2	3 If 4 or more there is no tax	At least	But less than	1	2		3		4	5	6	7 If 8 or more there is no tax	
									And you are— Single or a married person—separately	Single or a married couple filing jointly	Single or a married person—separately	Single or a married couple filing jointly					
			Your tax is—							Your tax is—							
\$0	\$675	\$0	\$0	\$0	\$0	\$2,325	\$2,350	\$301	\$181	\$181	\$61	\$61	\$0	\$0	\$0	\$0	
675	700	4	0	0	0	2,350	2,375	305	185	185	65	65	0	0	0	0	
700	725	8	0	0	0	2,375	2,400	310	190	190	70	70	0	0	0	0	
725	750	13	0	0	0	2,400	2,425	314	194	194	74	74	0	0	0	0	
750	775	17	0	0	0	2,425	2,450	319	199	199	79	79	0	0	0	0	
775	800	22	0	0	0	2,450	2,475	323	203	203	83	83	0	0	0	0	
800	825	26	0	0	0	2,475	2,500	328	208	208	88	88	0	0	0	0	
825	850	31	0	0	0	2,500	2,525	332	212	212	92	92	0	0	0	0	
850	875	35	0	0	0	2,525	2,550	337	217	217	97	97	0	0	0	0	
875	900	40	0	0	0	2,550	2,575	341	221	221	101	101	0	0	0	0	
900	925	44	0	0	0	2,575	2,600	346	226	226	106	106	0	0	0	0	
925	950	49	0	0	0	2,600	2,625	350	230	230	110	110	0	0	0	0	
950	975	53	0	0	0	2,625	2,650	355	235	235	115	115	0	0	0	0	
975	1,000	58	0	0	0	2,650	2,675	359	239	239	119	119	0	0	0	0	
1,000	1,025	62	0	0	0	2,675	2,700	364	244	244	124	124	4	0	0	0	
1,025	1,050	67	0	0	0	2,700	2,725	368	248	248	128	128	8	0	0	0	
1,050	1,075	71	0	0	0	2,725	2,750	373	253	253	133	133	13	0	0	0	
1,075	1,100	76	0	0	0	2,750	2,775	377	257	257	137	137	17	0	0	0	
1,100	1,125	80	0	0	0	2,775	2,800	382	262	262	142	142	22	0	0	0	
1,125	1,150	85	0	0	0	2,800	2,825	386	266	266	146	146	26	0	0	0	
1,150	1,175	89	0	0	0	2,825	2,850	391	271	271	151	151	31	0	0	0	
1,175	1,200	94	0	0	0	2,850	2,875	395	275	275	155	155	35	0	0	0	
1,200	1,225	98	0	0	0	2,875	2,900	400	280	280	160	160	40	0	0	0	
1,225	1,250	103	0	0	0	2,900	2,925	405	284	284	164	164	44	0	0	0	
1,250	1,275	107	0	0	0	2,925	2,950	410	289	289	169	169	49	0	0	0	
1,275	1,300	112	0	0	0	2,950	2,975	415	293	293	173	173	53	0	0	0	
1,300	1,325	116	0	0	0	2,975	3,000	420	298	298	178	178	58	0	0	0	
1,325	1,350	121	1	0	0	3,000	3,050	427	305	305	185	185	65	0	0	0	
1,350	1,375	125	5	0	0	3,050	3,100	437	314	314	194	194	74	0	0	0	
1,375	1,400	130	10	0	0	3,100	3,150	447	323	323	203	203	83	0	0	0	
1,400	1,425	134	14	0	0	3,150	3,200	457	332	332	212	212	92	0	0	0	
1,425	1,450	139	19	0	0	3,200	3,250	467	341	341	221	221	101	0	0	0	
1,450	1,475	143	23	0	0	3,250	3,300	476	350	350	230	230	110	0	0	0	
1,475	1,500	148	28	0	0	3,300	3,350	486	359	359	239	239	119	0	0	0	
1,500	1,525	152	32	0	0	3,350	3,400	496	368	368	248	248	128	8	0	0	
1,525	1,550	157	37	0	0	3,400	3,450	506	377	377	257	257	137	17	0	0	
1,550	1,575	161	41	0	0	3,450	3,500	516	386	386	266	266	146	26	0	0	
1,575	1,600	166	46	0	0	3,500	3,550	526	395	395	275	275	155	35	0	0	
1,600	1,625	170	50	0	0	3,550	3,600	536	404	404	284	284	164	44	0	0	
1,625	1,650	175	55	0	0	3,600	3,650	546	414	413	293	293	173	53	0	0	
1,650	1,675	179	59	0	0	3,650	3,700	556	424	422	302	302	182	62	0	0	
1,675	1,700	184	64	0	0	3,700	3,750	566	434	431	311	311	191	71	0	0	
1,700	1,725	188	68	0	0	3,750	3,800	575	443	440	320	320	200	80	0	0	
1,725	1,750	193	73	0	0	3,800	3,850	585	453	449	329	329	209	89	0	0	
1,750	1,775	197	77	0	0	3,850	3,900	595	463	458	338	338	218	98	0	0	
1,775	1,800	202	82	0	0	3,900	3,950	605	473	467	347	347	227	107	0	0	
1,800	1,825	206	86	0	0	3,950	4,000	615	483	476	356	356	236	116	0	0	
1,825	1,850	211	91	0	0	4,000	4,050	625	493	485	365	365	245	125	5	0	
1,850	1,875	215	95	0	0	4,050	4,100	635	503	494	374	374	254	134	14	0	
1,875	1,900	220	100	0	0	4,100	4,150	645	513	503	383	383	263	143	23	0	
1,900	1,925	224	104	0	0	4,150	4,200	655	523	512	392	392	272	152	32	0	
1,925	1,950	229	109	0	0	4,200	4,250	665	533	521	401	401	281	161	41	0	
1,950	1,975	233	113	0	0	4,250	4,300	674	542	530	410	410	290	170	50	0	
1,975	2,000	238	118	0	0	4,300	4,350	684	552	539	420	419	299	179	59	0	
2,000	2,025	242	122	2	4	4,350	4,400	694	562	548	430	428	308	188	68	0	
2,025	2,050	247	127	7	4	4,400	4,450	704	572	557	440	437	317	197	77	0	
2,050	2,075	251	131	11	4	4,450	4,500	714	582	566	450	446	326	206	86	0	
2,075	2,100	256	136	16	4	4,500	4,550	724	592	575	460	455	335	215	95	0	
2,100	2,125	260	140	20	4	4,550	4,600	734	602	584	470	464	344	224	104	0	
2,125	2,150	265	145	25	4	4,600	4,650	744	612	593	480	473	353	233	113	0	
2,150	2,175	269	149	29	4	4,650	4,700	754	622	602	490	482	362	242	122	2	
2,175	2,200	274	154	34	4	4,700	4,750	764	632	611	500	491	371	251	131	11	
2,200	2,225	278	158	38	4	4,750	4,800	773	641	620	509	500	380	260	140	20	
2,225	2,250	283	163	43	4	4,800	4,850	783	651	629	519	509	389	269	149	29	
2,250	2,275	287	167	47	4	4,850	4,900	793	661	638	529	518	398	278	158	38	
2,275	2,300	292	172	52	4	4,900	4,950	803	671	647	539	527	407	287	167	47	
2,300	2,325	296	176	56	4	4,950	5,000	813	681	656	549	536	416	296	176	56	

FORM 1040

U.S. INDIVIDUAL INCOME TAX RETURN—1963

U.S. Treasury Department Internal Revenue Service

or taxable year beginning 1963, ending 19

Your social security number

Occupation

Wife's number if joint return

Occupation

First name and initial

Last name

If joint return of husband and wife, use first names and middle initials of both

Home address

Number and street or rural route

City, town or post office, and State

Postal ZIP code

Did you file a return for 1962? Yes No. If name or address was different than shown above, enter name and address used.

Check one: Single Married filing joint return (even if only one had income) Unmarried Head of Household Surviving widow(er) with

dependent child Married filing separately Give name of wife or husband only if also filing separately

If joint return, include all income of both husband and wife—INCOME—If either you or your wife worked for more than one employer, see page 4 of instructions.

1. Wages, salaries, tips, etc., and excess of allowances over business expenses:

Employer's name

Where employed (city and state)

(a) Federal Income tax withheld

(b) Wages, etc.

\$

\$

2. Totals

3. "Sick pay" if included in line 1 (attach required statement)

4. Subtract line 3 from line 2

5a. Dividends (Schedule B)

b. Interest (Schedule B or list of payers and amounts)

c. Rents, royalties, pensions, etc. (Schedule B)

6a. Business income (Schedule C)

b. Sale or exchange of property (Schedule D)

c. Farm income (Schedule F)

7. Total (add lines 4 through 6c)

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

9. Total income (subtract line 8 from line 7)

10. Tax Table

FIGURE YOUR TAX BY USING EITHER 10 OR 11

11. Tax Rate Schedule

If line 9 is less than \$5,000 and you do not itemize deductions: Complete page 2 exemption schedule.

a. If you itemize deductions, enter total from page 2

If line 9 is \$5,000 or more and you do not itemize, enter 10% of line 9 but not more than \$1,000 (\$500 if married and filing separate returns)

b. Subtract line 11a from line 9

c. Copy total exemptions from page 2 here, multiply by \$600

d. Subtract line 11c from line 11b. (Figure your tax on this amount by using tax rate schedule on page 9 of instructions and enter tax on line 12.)

Copy total exemptions here Find your tax in table on page 10 of instructions. Do not use lines 11a, b, c, or d. Enter tax on line 12.

TAX—CREDITS—PAYMENTS

12. Tax (from either tax table or tax rate schedule)

13a. Dividends received credit

b. Retirement income credit

c. Investment credit (Form 3468)

d. Other credits (Specify—see page 5 of instructions)

e. Total (add lines 13a, b, c, and d)

14. Balance (subtract line 13e from line 12)

15. Tax from recomputing prior year investment credit (attach statement)

16. Total (add lines 14 and 15)

17. Self-employment tax (Schedule C-3 or F-1)

18. Total tax (add lines 16 and 17)

19a. Tax withheld (line 2, column (a) above)

b. 1963 Estimated tax payments and credits

(Office where paid)

c. Total (add lines 19a and b)

TAX DUE OR REFUND

20. If payments (line 19c) are less than tax (line 18), enter Balance Due. Pay in full with this return.

21. If payments (line 19c) are larger than tax (line 18), enter Overpayment.

22. Amount of line 21 you wish credited to 1964 Estimated Tax

23. Subtract line 22 from 21. Apply to: U.S. Savings Bonds, with excess refunded; or Refund only

★ LIST YOUR EXEMPTIONS AND SIGN ON OTHER SIDE

Print or Type

Attach Copy B of Forms W-2 Here

Attach Check or Money Order Here

FORM 1040-1963

SCHEDULE A.—EXEMPTIONS (See page 6 of instructions)

Page 2

1. Exemptions for yourself—and wife (only if all her income is included in this return, or she had no income)

Check boxes which apply:	(a) Regular \$600 exemption	<input type="checkbox"/> Yourself	<input type="checkbox"/> Wife	Enter number of boxes checked →
	(b) Additional \$600 exemption if 65 or over at end of 1963	<input type="checkbox"/> Yourself	<input type="checkbox"/> Wife	
	(c) Additional \$600 exemption if blind at end of 1963	<input type="checkbox"/> Yourself	<input type="checkbox"/> Wife	

2. Exemptions for your children and other dependents (list below)

• If an exemption is based on a multiple-support agreement of a group of persons, attach the declarations described on page 6 of instructions.

NAME Enter figure 1 in the last column to right for each name listed. (Give address if different from yours)	Relationship	ANSWER ONLY FOR DEPENDENTS OTHER THAN YOUR CHILDREN		Amount YOU furnished for dependent's support. If 100% write "ALL"	Amount furnished by OTHERS including dependent
		Months lived in your home. If born or died during year also write "B" or "D"	Did dependent have income of \$600 or more?		
				\$	\$

3. Total exemptions (lines 1 and 2 above). (Enter here and on line 10 or 11c, page 1)

ITEMIZED DEDUCTIONS—If you do not use tax table or standard deduction

If husband and wife (not legally separated) file separate returns and one itemizes deductions, the other must also itemize. If necessary, write more than one item on a line or attach additional sheets. Put name and address on all attachments.

Contributions If other than money, attach required statement—see instructions			
	Total (not to exceed 20% of line 9, page 1, except as described on page 7 of instructions) →		
Interest expense	Home mortgage		
	Other interest expense (specify) _____		
Total interest →			
Taxes	Real estate taxes	State income taxes	
	State and local sales taxes	Other taxes (specify) _____	
Total taxes →			
Medical and dental expense Attach itemized list. Do not enter any expense compensated by insurance or otherwise	NOTE: If you or your wife are 65 or over, or if either has a dependent parent 65 or over, see page 8 of Instructions for possible larger deduction.		
	1. Total cost of medicine and drugs	\$	
	2. Enter 1% of line 9, page 1.		
	3. Subtract line 2 from line 1		
	4. Other medical, dental expenses (Include hospital insurance premiums) •		
	5. Total (add lines 3 and 4)		
	6. Enter 3% of line 9, page 1 (see note above)	\$	
7. Subtract line 6 from line 5; see page 8 of instructions for maximum limitation			
Other deductions See page 8 of instructions			
Total other deductions →			
Total itemized deductions (Enter here and on line 11a, page 1)			\$

EXPENSE ACCOUNT INFORMATION Did you receive an expense allowance or reimbursement, or charge expenses to your employer? Yes No | See page 4, instructions.
If "Yes," did you submit itemized accounting of all such expenses to your employer? Yes No

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 _____ Taxpayer's signature and date If joint return, BOTH HUSBAND AND WIFE MUST SIGN Wife's signature and date

Sign here _____ Signature of preparer other than taxpayer Address Date

SCHEDULE B
 (Form 1040)

 U.S. Treasury Department
 Internal Revenue Service

SUPPLEMENTAL SCHEDULE OF INCOME AND CREDITS

(From all sources other than wages, business, farming, and sale or exchange of property)

1963

Attach this schedule to your income tax return, Form 1040

Name and address as shown on page 1 of Form 1040

Part I.—DIVIDEND INCOME (Income from savings (building) and loan associations and credit unions should be entered as interest in Part II)

- Name of qualifying corporation declaring dividend (more than one entry may be made on a line)
 (Indicate by (H), (W), (J) whether stock is held by husband, wife, or jointly)
- Total
- Exclusion of \$50 (If both husband and wife received dividends, each is entitled to exclude not more than \$50 of his (her) own dividends)
- Subtract line 3 from line 2. Enter here and on line 1, Part VII
- Name of nonqualifying corporation declaring dividend:
 Controlled foreign corporations (attach Form 3646)
- Total (add lines 4 and 5). Enter here and on line 5a, page 1, Form 1040

AMOUNT

Part II.—INTEREST INCOME (This includes interest credited to your account)

Note: A separate attachment may be used if interest is the only income to be reported on this schedule.

- Name of payer (more than one entry may be made on a line)
- Total—Enter here and on line 5b, page 1, Form 1040

AMOUNT

Part III.—PENSION AND ANNUITY INCOME
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) |
|---------------------------|--------------------|---|------------------------------|--|---|
| | | | | | |

AMOUNT

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 IV.—RENT AND ROYALTY INCOME

1. Kind and location of property (Identify whether rent or royalty)	2. Total amount of rents or royalties	3. Depreciation (explain in Part VI) or depletion	4. Repairs (attach itemized list)	5. Other expenses (attach itemized list)

- Totals
- Net income (or loss) from rents and royalties (column 2 less sum of columns 3, 4, and 5)

Part V.—OTHER INCOME OR LOSSES

- Partnerships (name, address, and nature of income)
- Estates or trusts (name and address)
- Other sources (state nature)

Total of Parts III, IV, and V (Enter here and on line 5c, page 1, of Form 1040)

Part VI.—EXPLANATION OF DEDUCTION FOR DEPRECIATION CLAIMED IN PART IV—This schedule is designed for taxpayers using the alternative guidelines and administrative procedures described in Revenue Procedure 62-21 as well as for those taxpayers who wish to continue using procedures authorized prior to the revenue procedure. Where double headings appear use the first heading for the new procedure and the second heading for the older procedure.

1. Group and guideline class 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 (in years) or life	8. Depreciation for this year

Total cost or other basis: _____

- Total depreciation _____
- Amount of additional first-year depreciation included above _____
- Cost or other basis of fully depreciated assets still in use _____

Part VII.—DIVIDENDS RECEIVED CREDIT

- Amount of dividends on line 4, Part I _____
- Tentative credit (4% of line 1) _____
- Tax shown on line 12, page 1 of Form 1040, less amount, if any, of credit for foreign taxes _____
- 4% of taxable income (see below) _____
 - Taxable Income (a) If tax is computed, the amount shown on line 11d, page 1 of Form 1040.
 - (b) If Tax Table is used, the amount shown on line 9, page 1 of Form 1040, less 10% thereof, and less the deduction for exemptions (\$500 multiplied by the number of exemptions claimed on line 3, Schedule A, page 2 of Form 1040).
- Credit. Enter here and on line 13(g), Form 1040, the smallest of the amounts on line 2, 3, or 4, above _____

Part VIII.—RETIREMENT INCOME CREDIT

This credit does not apply if: 1. you received pensions or annuities of \$1,524 or more from Social Security or Railroad Retirement; 2. you are under 62 years of age and had "earned income" of \$4,424 or more; OR 3. you are 62 or over and under 72, and had "earned income" of \$3,974 or more.

- If separate return, use column B only. If joint return, use column A for wife and column B for husband →
- Did you receive earned income in excess of \$600 in each of any 10 calendar years before the taxable year 1963? (Widows or widowers see instructions, page B-4) _____
- | | A | B |
|-------|--|--|
| _____ | <input type="checkbox"/> Yes <input type="checkbox"/> No | <input type="checkbox"/> Yes <input type="checkbox"/> No |

If answer above is "Yes" in either column, furnish all information below in that column.

1. Retirement income for taxable year:
- For taxpayers under 65 years of age:
Enter only income received from pensions and annuities under public retirement systems (e.g. Fed., State Govts., etc.) and included in line 9, page 1, of Form 1040. •
 - For taxpayers 65 years of age or older:
Enter total of pensions and annuities, interest, and dividends included in line 9, page 1 of Form 1040, and gross rents included in column 2, Part IV of this schedule. •
2. Maximum amount of retirement income for credit computation _____
3. Deduct:
- Amounts received in taxable year as pensions or annuities under the Social Security Act, the Railroad Retirement Acts, and certain other exclusions from gross income. •
 - Earned income received in taxable year (Does not apply to persons 72 years of age or over):
 - Taxpayers under 62 years of age, enter amount in excess of \$900. •
 - Taxpayers 62 or over but under 72, enter amount determined as follows:
 - if \$1,200 or less, enter zero _____
 - if over \$1,200 but not over \$1,700, enter 1/2 of amount over \$1,200, or _____
 - if over \$1,700, enter excess over \$1,450. •
4. Total of lines 3(a) and 3(b) _____
5. Balance (line 2 minus line 4) _____
6. Line 5 or line 1, whichever is smaller _____
7. Tentative credit (20% of line 6) _____
8. Total tentative credit (total of amounts on line 7, columns A and B) _____

LIMITATION ON RETIREMENT INCOME CREDIT

- Amount of tax shown on line 12, page 1 of Form 1040 _____
- Less: Total of any amounts shown on lines 13(a) and 13(d), page 1, Form 1040 _____
- Subtract line 10 from line 9 _____
- Credit. Enter here and on line 13(b), Form 1040, the amount on line 8 or line 11, whichever is smaller _____

A Personal Letter to Taxpayers:

In 1963 Americans paid in support of their Government over \$105.9 billion in Federal taxes. Of this, some \$6.5 billion of refunds were made to those who had overpaid their taxes.

As the late Mr. Justice Robert Jackson said: "That a people so numerous, scattered and individualistic annually assesses itself with a tax liability, often in highly burdensome amounts, is a reassuring sign of the stability and vitality of our system of self-government."

We have the American taxpayers' honesty and fairness to thank for this, as well as their industry and creativity. These are the qualities responsible for underwriting the sum total of our democratic system.

To preserve these assets of democracy, we must maintain public confidence that our taxes are fairly shared by all and fairly administered. For this purpose several new procedures, approved by Congress, were advanced this year:

AUTOMATIC DATA PROCESSING (ADP) is being extended nationwide. Performing arithmetic checks at speeds up to 250,000 numbers a second, this electronic computer system detects errors, discloses proper refunds and credits, and maintains a continuing account of your individual tax records.

TAX IDENTIFICATION NUMBER (Social Security number) is required to be entered in the space provided on the return form, exactly as shown on your account card. This will make certain that you are given immediate credit for taxes reported and paid by you, and that any refund will be promptly recorded in your favor in your tax account.

INFORMATION RETURNS are taking on an expanded role. Banks, brokers, and other businesses paying you \$10 or more a year in dividends, or interest, must report them (showing your tax number) to you and to Internal Revenue. These reports—in addition to those for salaries, rents, royalties, and other income—will enable us to verify the amounts reported in your return, and will lessen the need to check with you or examine your records.

Despite these new mechanical aids, we're still striving for the human touch in our tax administration. Our employees are trained to assist you in a courteous manner, and to give fair and straightforward answers to your questions. Telephone or visit them at the nearest Internal Revenue office if you can't find the answer in the enclosed instructions.

Read the instructions carefully: most of you will be able to prepare your own return by doing so. Also, remember to sign your return and file early—ahead of the April 15 deadline.

Mortimer M. Caplin

Commissioner of Internal Revenue

Instructions for Preparing Your Federal Income Tax Return Form 1040 for 1963



HOW TO USE FORM 1040 (To be filed not later than April 15)

Individuals have two return forms to choose from, Form 1040 and card form, Form 1040A. Form 1040 is limited to a single sheet. Supporting schedules may be attached according to the individual needs of each taxpayer.

If your income was entirely from salary and wages, you will need only the 2-page Form 1040. You can use it whether you take the standard deduction or itemize deductions.

If, in addition to salary and wages, you have only interest income, you may also file the 2-page Form 1040. In such case merely attach a list of interest showing payers and amounts and enter the total amount on line 5b, page 1, of your return. You may use Schedule B

(Form 1040) for this purpose if you wish.

If you have income from sources other than salary, wages, and interest, you may need to complete and attach one or more of the following forms:

Schedule B for income from dividends, interest, rents, royalties, pensions, annuities, partnerships, estates, trusts, etc.;

Schedule C for income from a personally owned business;

Schedule D for income from the sale or exchange of property; and

Schedule F for income from farming. These schedules may be obtained

DIVIDENDS? INTEREST? RENTS?
Be sure to report all of your income from all sources. Some taxpayers, while reporting income from wages and other principal sources, tend to forget to report lesser amounts from sources such as interest on savings accounts and other interest, dividends, and rents, particularly when such amounts are credited to their accounts rather than received in cash. Payers of \$10 or more of dividends or interest in a year are required to report the amount to both you and the Internal Revenue Service.

from any Internal Revenue Service office.

WAGE EARNERS WITH LESS THAN \$10,000 INCOME

You can use a simpler return (Form 1040A), printed on a punchcard, if:

1. Your income was less than \$10,000, AND

2. It consisted of wages reported on withholding statements (Forms W-2)

and not more than \$200 total of other wages, interest, and dividends, AND

3. You wish to take the standard deduction (about 10 percent of your income) instead of itemizing deductions.

The special instruction sheet for the

form provides further information about its use. One of the special features is that if your income is less than \$5,000, you can choose to have the Internal Revenue Service figure your tax for you. You can obtain these forms from most banks and some post offices.

LOCATIONS OF DISTRICT DIRECTORS' OFFICES

Following is a list of the District Directors' offices. If there is more than one District Director's office in your State and you are not sure which one to use, consult your local post office.

ALABAMA—Birmingham, Ala., 35203.
ALASKA—Anchorage, Alaska, 99501.
ARIZONA—Phoenix, Ariz., 85025.
ARKANSAS—Little Rock, Ark., 72203.
CALIFORNIA—Los Angeles, Calif., 90012, San Francisco, Calif., 94102.
COLORADO—Denver, Colo., 80202.
CONNECTICUT—Hartford, Conn., 06115.
DELAWARE—Wilmington, Del., 19801.
DISTRICT OF COLUMBIA—Baltimore, Md., 21202.
FLORIDA—Jacksonville, Fla., 32201.
GEORGIA—Atlanta, Ga., 30303.
HAWAII—Honolulu, Hawaii, 96813.
IDAHO—Boise, Idaho, 83701.
ILLINOIS—Chicago, Ill., 60602; Springfield, Ill., 62704.
INDIANA—Indianapolis, Ind., 46204.
IOWA—Des Moines, Iowa, 50309.
KANSAS—Wichita, Kans., 67202.
KENTUCKY—Louisville, Ky., 40202.
LOUISIANA—New Orleans, La., 70130.

MAINE—Augusta, Maine, 04330.
MARYLAND—Baltimore, Md., 21202.
MASSACHUSETTS—Boston, Mass., 02115.
MICHIGAN—Detroit, Mich., 48226.
MINNESOTA—St. Paul, Minn., 55101.
MISSISSIPPI—Jackson, Miss., 39202.
MISSOURI—St. Louis, Mo., 63101.
MONTANA—Helena, Mont., 59601.
NEBRASKA—Omaha, Neb., 68102.
NEVADA—Reno, Nev., 89505.
NEW HAMPSHIRE—Portsmouth, N.H., 03801.
NEW JERSEY—Newark, N.J., 07102.
NEW MEXICO—Albuquerque, N. Mex., 87101.
NEW YORK—Brooklyn, N.Y., 11201; 120 Church Street, New York, N.Y., 10007; Albany, N.Y., 12210; Buffalo, N.Y., 14202.
NORTH CAROLINA—Greensboro, N.C., 27401.
NORTH DAKOTA—Fargo, N. Dak., 58102.
OHIO—Cleveland, Ohio, 44113; Cincinnati, Ohio, 45202.
OKLAHOMA—Oklahoma City, Okla., 73102.
OREGON—Portland, Oreg., 97222.
PANAMA CANAL ZONE—Director of International Operations, Internal Revenue Service, Washington, D.C., 20225.

PENNSYLVANIA—Philadelphia, Pa., 19108; Pittsburgh, Pa., 15219.
PUERTO RICO—Director of International Operations, Internal Revenue Service, 1105 Fernandez Junco Avenue, Santurce, P.R., 00907.
RHODE ISLAND—Providence, R.I., 02907.
SOUTH CAROLINA—Columbia, S.C., 29201.
SOUTH DAKOTA—Aberdeen, S. Dak., 57401.
TENNESSEE—Nashville, Tenn., 37203.
TEXAS—Austin, Tex., 78701; Dallas, Tex., 75201.
UTAH—Salt Lake City, Utah, 84110.
VERMONT—Burlington, Vt., 05401.
VIRGINIA—Richmond, Va., 23240.
VIRGIN ISLANDS—Permanent residents: Department of Finance, Tax Department, Charlotte Amalie, St. Thomas, V.I., 00851; Others: Director of International Operations, Internal Revenue Service, 1105 Fernandez Junco Avenue, Santurce, P.R., 00907.
WASHINGTON—Tacoma, Wash., 98402.
WEST VIRGINIA—Parkersburg, W. Va., 26102.
WISCONSIN—Milwaukee, Wis., 53202.
WYOMING—Cheyenne, Wyo., 82001.
FOREIGN ADDRESSES—Taxpayers with legal residence in Foreign Countries—Director of International Operations, Internal Revenue Service, Washington, D.C., 20225.

WHO MUST FILE A TAX RETURN

Every citizen or resident of the United States—whether an adult or minor—who had \$600 or more income in 1963 must file; if 65 or over, \$1,200 or more.

A person with income of less than these amounts should file a return to get a refund if tax was withheld. A married person with income less than her (his) own personal exemptions should file a joint return with husband or wife to get the smaller tax or larger refund.

Earned Income From Sources Outside the United States.—To determine whether an income tax return must be filed, income must be computed without regard to the exclusion provided for income earned from sources outside the United States. If you received such income and believe it is excludable for income tax purposes, attach Form 2555 to your return.

Social Security Numbers.—Be sure to include your social security number. If you do not have one, file application Form 3227. However, do not delay your return while waiting for it.

MEMBERS OF ARMED FORCES

Members of Armed Forces should give

Advantages of a Joint Return.—Generally it is advantageous for a married couple to file a joint return. There are benefits in figuring the tax on a joint return which often result in a lower tax than would result from separate returns.

How To Prepare a Joint Return.—You must include all income, exemptions and deductions of both husband and wife. In the return heading, list both names including middle initials (for example: "John F. and Mary L. Doe"). Both must sign the return.

A husband and wife may file a joint return even though one of them had no income. A joint return may not be filed if either husband or wife was a nonresident alien at any time during the taxable year.

When a joint return is filed, the couple assumes full legal responsibility for the entire tax, and if one fails to pay, the other must pay it.

How To Prepare a Separate Return.—A separate return may be filed by a husband and wife where each has income

Unmarried Head of Household.—The law provides a special tax rate for any individual who qualifies as a "Head of Household." Only the following persons may qualify: (a) one who is un-

GENERAL INSTRUCTIONS

their name, social security number, permanent home address and serial number.

WHEN AND WHERE TO FILE

Must file as early as possible. You must file not later than April 15. Mail your return to the "District Director of Internal Revenue" for the district in which you live (see page 2). U.S. citizens abroad who have no legal residence or place of business in the United States should file with Director of International Operations, Internal Revenue Service, Washington, D.C., 20225.

WHERE TO GET FORMS

As far as practical, the forms are mailed directly to taxpayers. Additional forms may be obtained from any Internal Revenue Service office, and also at most banks and some post offices.

HOW TO PAY

The balance of tax shown to be due on line 20, page 1, of your return on Form 1040 must be paid in full with your return if it amounts to \$1.00 or more. Make checks or money orders payable to "Internal Revenue Service."

MARRIED PERSONS—JOINT OR SEPARATE RETURNS

of his own. In such case each should report his or her own income, exemptions and deductions in separate returns. Only the name of the filer should be entered in the name and address area of the return. Check the box "married filing separately" on page 1 of the return and give the name of your husband or wife in the space provided. When filing separate returns, the husband and wife should each claim the allowable deductions paid with his or her own funds. (In community property States, deductions resulting from payments made out of funds belonging jointly to husband and wife may be divided half and half.) If one itemizes and claims actual deductions, then both must do so.

A separate return may also be filed where only the husband or wife had income. Enter only the name of the one having income in the name and address area. Check the box on the return for "married filing separately—" and do not enter your wife's (husband's) name. To claim the exemption for your wife or husband check the boxes provided in Schedule A, page 2.

SPECIAL COMPUTATIONS

married (or legally separated) at the end of the taxable year, or (b) one who is married at the end of the year to an individual who was a nonresident alien at any time during the taxable year.

ROUNDING OFF TO WHOLE DOLLARS

The money items on your return and schedules may be shown in whole dollars. This means that you eliminate any amount less than 50 cents, and increase any amount from 50 cents through 99 cents to the next higher dollar.

ATTACHMENTS TO THE RETURN

Attachments may be used if the lines on the form schedules are not sufficient for your needs. The attachment must contain all required information, follow the format of the official schedules and must be attached to the return in the same sequence as the schedules appear on the official forms. If an attachment is used in place of a schedule having a summary line on page 1 of Form 1040, the total need not be entered on the schedule, but must be entered on page 1. This does not apply to Schedules C-3 and F-1 (self-employment tax) which the Service separates from the returns and transmits to the Social Security Administration for the recording of information in benefit accounts, or to any tax computation portion of a form or schedule.

Changes in Marital Status.

—If you are married at the end of your taxable year, you are considered married for the entire year. If you are divorced or legally separated on or before the end of your taxable year, you are considered single for the entire year.

If your wife or husband died during the year, you are considered married for the entire year. Generally a joint return may be filed for the year provided you have not remarried before the end of the year. If an executor or administrator has been appointed, the return should be filed by both you and the executor or administrator. If no executor or administrator has been appointed, you may file the return. Indicate you are filing as a surviving husband or wife in the signature area of the return. If a refund is due, attach Form 1310, Statement of Claimant to Refund Due on Behalf of Deceased Taxpayer. You may also be entitled to the benefits of a joint return for the two years following the death of your husband or wife. See page 4.

In addition, you must have furnished over half of the cost of maintaining as your home a household which during the entire year, except for temporary absence, was occupied as the principal

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place of abode and as a member of such household by (1) any related person other than your unmarried child or stepchild (see list under "Line 2," paragraph 5 on page 6 of these instructions) for whom you are entitled to a deduction for an exemption, unless the deduction arises from a multiple support agreement, or (2) your unmarried child, grandchild, or stepchild, even though such child is not a dependent.

All income in whatever form received which is not specifically exempt must be

Wages, salaries, bonuses, commissions, fees, tips, and gratuities.
Dividends.
Interest on bank deposits, bonds, notes.
Interest on U.S. Savings bonds.
Profits from sales or exchanges of real estate, securities, or other property.

Disability retirement payments and other benefits paid by the Veterans Administration.
Dividends on veterans' insurance.

Line 1.—Wages, Salaries, Etc.—Report the full amount of your wages, salaries, fees, commissions, tips, bonuses, and other payments for your personal services even though taxes and other amounts have been withheld by your employer. All income regardless of where earned must be reported on one Federal tax return.

Payment in Merchandise, etc.—If you are paid in whole or in part in merchandise, services, stock, or other things of value, determine the fair market value of such items and include it in your wages.

Meals and Living Quarters.—Employees who, as a matter of choice, receive meals and lodging from their employers, whether or not designated wages, must include the fair market value in income.

However, if, for the convenience of your employer, your meals are furnished at your place of employment or you are required to accept lodging at your place of employment as a condition of your employment, the value of the meals or lodging is not to be reported.

Two or More Employers.—If more than \$174.00 of Social Security (F.I.C.A.) employees tax was withheld during 1963 because either you or your wife received wages from more than one employer, the excess should be claimed as a credit against income tax. Enter any excess of Social Security tax withheld over \$174.00 on line 1, column (a), and write "F.I.C.A. tax" in the "Where Employed" column. If a joint return, do not add the Social Security tax with-

The home you maintain for your father and mother need not be your residence.

Head of household rates are on page 9.

Widows and Widowers.—Under certain conditions a taxpayer whose husband (or wife) has died during either of her two preceding taxable years may compute her tax by including only her income, exemptions, and deductions, but otherwise computing the tax as if a joint

HOW TO REPORT YOUR INCOME

included in your income tax return, even though it may be offset by

Examples of Income Which Must Be Reported
Industrial, civil service and other pensions, annuities, endowments.
Rents and royalties from property, patents, copyrights.
Profits from business or profession.
Your share of partnership profits.
Your share of estate or trust income.

Examples of Income Which Should Not Be Reported

Workmen's compensation, insurance, damages, etc., for injury or sickness.
Interest on State and municipal bonds.
Life insurance proceeds upon death.

return had been filed. However, the exemption for the decedent may be claimed only for the year of death.

The conditions are that the taxpayer (a) must not have remarried, (b) must maintain as her home a household which is the principal place of abode of her child or stepchild for whom she is entitled to a deduction for an exemption, and (c) must have been entitled to file a joint return with her husband (or wife) for the year of death.

deductions. Examples are given below:

Employer supplemental unemployment benefits.
Alimony, separate maintenance or support payments received from (and deductible by) your husband (or wife). For details see Miscellaneous, page 8.

Federal and State Social Security benefits.
Railroad Retirement Act benefits.
Gifts, inheritances, bequests.

INSTRUCTIONS FOR PAGE 1 OF FORM 1040

held from both husband and wife to figure the excess over \$174.00; compute the credit separately.

Credit for Taxes Paid by Regulated Investment Companies.—If you are entitled to a credit for taxes paid by a regulated investment company on undistributed capital gains, enter the credit on line 1, column (a), and write "Credit from regulated investment company" in the "Where Employed" column. To substantiate the credit claimed attach Copy B of Form 2439.

EMPLOYEE BUSINESS EXPENSES AND EMPLOYER PAYMENTS

Deductible Expenses and Excess Payments.—You may deduct the expenses shown below to the extent they are not paid by your employer. If employer payments exceed the expenses the excess must be reported as income on your return.

(1) **Travel and transportation.**—Bus, taxi, plane, train, etc., fares or the cost of operating an automobile in connection with your duties as an employee.

(2) **Meals and lodging.**—If you are temporarily away on business, at least overnight from the city, town, or other general area which constitutes your principal or regular business location.

(3) **Outside salesmen.**—If you are an "outside salesman," you may generally deduct other expenses which are ordinary and necessary in performing your duties, such as selling expenses, stationery, and postage. An "outside salesman" is one who is engaged in full-

time solicitation of business for his employer away from the employer's place of business. It does not include a person whose principal activities consist of service and delivery as, for example, a milk driver-salesman.

(4) **Other business expenses.**—If you itemize deductions on page 2 of your return, you may also deduct (under the heading "Other Deductions") business expenses other than those described above. Examples of such expenses are professional and union dues, and the cost of tools, materials, etc., not paid for by your employer.

Additional Information.—If you claim a deduction for these expenses you must submit the following information with your return.

(1) The total of all amounts received from or charged to your employer for business expenses,

IMPORTANT NOTICE

New rules on proof of deductions for travel, entertainment, and gift expenses are now in effect. The rules are set forth in detail in Publication No. 463, which can be obtained at any Internal Revenue Service office. For employees, the general rules are: (1) If you have adequately accounted to your employer you will not again be required to provide proof to support your deduction; (2) If you have not made an accounting to your employer you must have complete, accurate, and current records.—Estimates are not acceptable; and (3) Records must be supported by receipts, paid bills or similar substantiating evidence for expenditures of \$25 or more, and generally for lodging while traveling away from home regardless of the amount.

INSTRUCTIONS FOR PAGE 1 OF FORM 1040—Continued

(2) The amount of your business expenses broken down into broad categories, and

(3) The number of days away from home on business.

If you do not claim a deduction you must submit the information unless you were required to and did make an adequate accounting for your expenses to your employer. You have made the equivalent of an adequate accounting to your employer if you received an allowance not in excess of \$25 per

Line 3.—You may exclude from income amounts received under an income continuation plan for the period during which you were absent from work on account of personal injuries or sickness. If both you and your employer contribute to the plan, any benefits attributable to your own contributions are excludable without limit, but there are certain limitations on the exclusion of the benefits attributable to your employer's contributions.

The employer-provided wage continuation payments can be excluded at a rate not to exceed \$100 a week. Where these payments exceed a weekly rate of

Figuring Your Tax

Line 10.—The Tax Table is provided by law and saves you the trouble of itemizing deductions and computing your tax. The table allows for an exemption of \$600 for each person claimed as a dependent, and charitable contributions, interest, taxes, etc., approximating 10 percent of your income.

Line 11.—The tax rate schedules on page 9 are to be used to figure your tax. Be sure to use the right schedule. See pages 3 and 4 for special computations.

Line 13.—Credits.—The following credits may be used to reduce your tax:

a. Dividends received credit.—Part VII of separate Schedule B.

b. Retirement income credit.—Part VIII separate Schedule B.

c. Investment credit from Form 3468.

d. Other credits.—If you itemize deductions on page 2 of the return you may receive credit for foreign income taxes (Form 1116) and tax paid at source on tax-free covenant bonds.

Line 15.—Tax From Recomputing Prior Year Investment Credit.—Enter the amount that the credit taken in a prior year or years exceeds the credit as recomputed due to early disposition of such property. Attach computation.

Line 19.—Payments.—

a. Income Tax Withheld which is reflected on the Forms W-2 which you receive from your employer.

dium in lieu of subsistence, or a mileage allowance not in excess of 15 cents per mile.

Reporting Deductions and Excess Payments.—

Whether or not you are required to submit the additional information described above, the questions on page 2 of Form 1040 must be answered and the expenses and payments reported as follows:

(1) If the employer payments exceed the expenses report the excess on line 1 page 1 as "Excess Reimbursements";

EXCLUSION FOR "SICK PAY"

\$100, the exclusion is figured by multiplying the amount received by 100 and dividing the result by the weekly rate of payment.

If sick, the exclusion does not apply for the first 7 calendar days of each absence. However, if you were (a) hospitalized at least one day at any time during the absence, or (b) injured, the exclusion applies from the first day of absence.

If sick pay is included in your gross wages on Form W-2, enter the gross wages on line 1, and the excluded wages on line 3. Attach Form 2440 or a statement showing your computation, and

TAX—CREDITS—PAYMENTS—BALANCE DUE OR REFUND

b. 1963 estimated tax payments and credits.

Tax Due or Refund Under \$1.—In order to facilitate the processing of collections and refunds, balances due of less than \$1 need not be paid, and overpayments of less than \$1 will be refunded only upon separate application to your District Director.

Purchase of U.S. Savings Bonds.—If you are entitled to a refund, you may apply it to the purchase of Series E United States Savings Bonds by checking the first box on line 23, page 1. You will be issued as many bonds as your refund will buy in multiples of \$18.75 for each \$25 face value bond, provided it does not leave a balance of less than \$1 to be paid by check. The excess will automatically be refunded to you. Do not check the second box on line 23. For example, if your refund is \$40 you will receive a \$50 face value bond and a check for \$2.50. Bonds will be issued in the name used in filing your return. If you file a joint return the bonds will be issued only to husband and wife as co-owners.

Declarations of Estimated Tax.—For many taxpayers the withholding tax on wages is not sufficient to keep them paid up on their income tax. In general, the law requires every citizen or resident of the United States to file a Declaration of Estimated Income Tax, Form 1040-ES, and to make quarterly payments in ad-

(2) If the expenses exceed the payments, the excess expenses for travel and transportation, meals and lodging and those of an "Outside Salesman" may be deducted from the amounts you are required to report on line 1 of your return. If you itemize deductions on page 2 of your return, the excess of other business expenses may be deducted under the heading "Other Deductions"; or

(3) If the expenses equaled the payments, no further entry is required on the form.

indicating the period of absence, nature of sickness or injury, and whether hospitalized.

Amounts received by an employee for a period of absence from work on account of pregnancy are not excludable as sick pay unless a written statement is furnished by a physician that the employee should remain at home because of substantial danger of miscarriage. However, a woman is considered to be "sick" for tax purposes from the beginning of labor and continues as long as she is absent from work on account of being physically incapacitated as a result of childbirth or a miscarriage.

vanage of filing the annual income tax return if his total expected tax exceeds his withholding (if any) by \$40 or more. Farmers and fishermen may postpone filing their 1964 declarations until January 15, 1965. A declaration must be filed if you:

(a) can reasonably expect gross income exceeding—

(1) \$10,000 for a head of a household or a widow or widower entitled to the special tax rates;

(2) \$5,000 for other single individuals;

(3) \$5,000 for a married individual not entitled to file a joint declaration;

(4) \$5,000 for a married individual entitled to file a joint declaration, and the combined income of both husband and wife can reasonably be expected to exceed \$10,000; OR

(b) can reasonably expect to receive more than \$200 from sources other than wages subject to withholding.

Additional Charge for Underpayment of Estimated Tax.—Estimate your tax carefully. Avoid the difficulties of paying a large balance with your return.

Furthermore, there is an additional charge imposed by law for underpayment of any installment of estimated tax. Details of this additional charge, and exceptions to it, are printed on Form 1040-ES and Form 2210. If you had an underpayment and believe one of the exceptions applies, attach a statement or Form 2210 to your return.

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INSTRUCTIONS FOR PAGE 2 OF FORM 1040

SCHEDULE A—Exemptions (\$600 for Each Allowable Exemption as Explained Below)**LINE 1.—YOU AND WIFE**

For You.—You, as the taxpayer, are always entitled to at least one exemption. If, at the end of your taxable year, you were either blind or 65 or over, you get two exemptions. If you were both blind and 65 or over, you get three exemptions. Be sure to check the appropriate boxes. Age and blindness are determined as of December 31, 1963. Your age is determined on the day before your actual birthday and, thus, if your 65th birthday was on January 1, 1964, you get the additional exemption for age on your return for 1963.

For Your Wife.—An exemption is allowed for your wife (or husband) if you and she are filing a joint return. If you file a separate return, you may claim her exemptions only if she had no income and did not receive more than half her support from another taxpayer. You are not entitled to an exemption for your wife on your return if she files a separate return for any reason (for example, to obtain a refund of tax withheld where her income is less than \$600). Otherwise, your wife's exemptions are like your own—one, if she was neither blind nor 65 or over; two, if she was either blind or 65 or over; three, if she was both blind and 65 or over.

In Case of Death.—If your wife or husband died during 1963, the number of her or his exemptions is determined as of the date of death.

Proof of Blindness.—If totally blind, a statement to that effect must be attached to the return. If partially blind, attach a statement from a qualified physician or a registered optometrist that (1) central visual acuity did not exceed 20/200 in the better eye with correcting lenses, or (2) that the widest diameter of the visual field subtends an angle no greater than 20°.

LINE 2.—CHILDREN, OTHER DEPENDENTS

Each child, stepchild and other dependent claimed must meet all of the following tests:

1. Income.—Received less than \$600 income (if the child was under 19 or was a student, this limitation does not apply), and

2. Support.—Received more than half of his or her support from you (or from husband or wife if a joint return is filed), (see definition below of support), and

3. Married Dependents.—Did not file a joint return with her husband (or his wife), and

4. Nationality.—Was either a citizen or resident of the United States or a resident of Canada, Mexico, the Republic of Panama or the Canal Zone; or was an alien child adopted by and living with a United States citizen abroad.

5. Relationship.—EITHER (1) for your entire taxable year had your home as his principal place of abode and was a member of your household; or (2) was related to you (or to husband or wife if a joint return is filed) in one of the following ways:

Child*	Stepbrother	Son-in-law
Stepchild	Stepsister	Daughter-in-law
Mother	Stepmother	The following if
Father	Stepfather	related by blood:
Grandparent	Mother-in-law	Uncle
Brother	Father-in-law	Aunt
Sister	Brother-in-law	Nephew
Grandchild	Sister-in-law	Niece

*Includes a child who is a member of your household if placed with you by an authorized placement agency for legal adoption.

Definition of Support.—Support includes food, shelter, clothing, medical and dental care, education, and the like. Generally, the amount of an item of support will be the amount of expense incurred by the one furnishing such item. If the item of support furnished by an individual is in the form of property or lodging, it will be necessary to measure the amount of such item of support in terms of its fair market value. In computing the amount of support include amounts contributed by the dependent for his own support and also amounts ordinarily excludable from income (for example, social security benefits).

In figuring whether you provide more than half of the support of a student, you may disregard amounts received by him as scholarships.

Definition of Student.—The law defines a student as an individual who,

during each of 5 calendar months during the year, is (a) a full-time student at an educational institution or (b) pursuing a full-time course of institutional on-farm training under the supervision of an accredited agent of an educational institution or of a State, or a political subdivision of a State.

Children under 19 and Students.—If your dependent child is under 19 or is a student and has income of \$600 or over, he must file an income tax return, report the income, and claim his exemption. If you provide over half of your child's support and meet the other qualifications for claiming a dependent, you may also claim the exemption on your return.

Birth or Death of Dependent.—You can claim a full \$600 exemption for a dependent who was born or died during the year if the tests for claiming an exemption for such dependent are met for the part of the year during which he was alive.

Support by More Than One Taxpayer.—If several persons contributed toward the support of an individual during the taxable year, but none contributed over half of the support, they may designate one of their number to claim the exemption if:

(a) They as a group have provided over half of the support of the individual; and

(b) Each of them, had he contributed over half of the support, would have been entitled to claim the individual as a dependent; and

(c) The person claiming the exemption for the individual contributed over 10 percent of the support; and

(d) Each other person in the group who contributed over 10 percent of the individual's support makes a declaration that he will not claim the individual as a dependent for the year. The declarations must be filed with the return of the person claiming the exemption. Form 2120, Multiple Support Declaration, is available at any Internal Revenue Service office.

INSTRUCTIONS FOR PAGE 2 OF FORM 1040—Continued

ITEMIZED DEDUCTIONS—If you do not use Tax Table or Standard Deduction**CONTRIBUTIONS**

If you itemize deductions, you can deduct gifts to religious, charitable, educational, scientific, or literary organizations, and organizations for the prevention of cruelty to children and animals, unless the organization is operated for personal profit, or conducts propaganda or otherwise attempts to influence legislation. You can deduct gifts to fraternal organizations if they are to be used for charitable, religious, etc., purposes. You can also deduct gifts to veterans' organizations, or to a governmental agency which will use the gifts for public purposes including civil defense. Civil defense volunteers may deduct unreimbursed expenses paid for gasoline and other expenses of participation in official civil defense activities. The law does not allow deductions for gifts to individuals, foreign organizations, or to other types of organizations, however worthy.

A contribution may be made in money or property (not services). If in property, attach a description of the property, date of gift, and method of valuation except for securities. In addition, for each gift valued at more than \$200, set forth any conditions attached to gift; manner of acquisition and cost or other basis if owned by you less than 5 years; and attach a signed copy of appraisal, if any. If only a partial interest was given, give details regarding remainder. A special rule is provided to determine the amount deductible in the case of a gift of depreciable property described in section 1245 of the Internal Revenue Code (see instructions for Schedule D for definition of section 1245 property).

The deduction for contributions may not exceed 20 percent of line 9, page 1. An additional 10% is allowable for contributions to churches, a convention or association of churches, tax-exempt educational institutions, tax-exempt hospitals, certain medical research organizations, and certain college or university endowment associations. Attach computation.

If you support a student in your home under a written agreement with a charitable or educational institution, you may be entitled to deduct as a contribution a part or all of the amounts you spend to maintain such a student.

You CAN Deduct Gifts To:
Churches, including assessments
Salvation Army, Red Cross
United Funds and Community Chests
Nonprofit schools and hospitals
Veterans' organizations
Boy Scouts, Girl Scouts, and other similar organizations

Nonprofit organizations primarily engaged in conducting research or education for the alleviation and cure of diseases and disabilities such as cancer, cerebral palsy, cystic fibrosis, diseases of the heart, diabetes, mental illness and mental retardation, multiple sclerosis, muscular dystrophy, poliomyelitis, tuberculosis, etc.

You CANNOT Deduct Gifts To:
Relatives, friends, other individuals
Political organizations or candidates
Social clubs
Labor unions
Chambers of commerce
Propaganda organizations

INTEREST

If you itemize deductions, you can deduct interest you paid on your personal debts, such as bank loans or home mortgages. Interest paid on business debts should be reported in the separate schedule in which your business income is reported. Do not deduct interest paid on money borrowed to buy tax-exempt securities or single-premium life insurance. Interest paid on behalf of another person is not deductible unless you were legally liable to pay it. Do not include as interest such items as carrying charges and insurance, which are not deductible, and taxes which may be deductible but which should be itemized separately.

If interest charges are not stated separately on installment purchases of personal property (such as automobiles, televisions, etc.), you may deduct an amount equal to 6 percent of the average unpaid monthly balance.

You CAN Deduct Interest On:
Your personal note to a bank or an individual
A mortgage on your home
A life insurance loan, if you pay the interest in cash

Delinquent taxes
You CANNOT Deduct Interest On:
Indebtedness of another person, when you are not legally liable for payment of the interest
A gambling debt or other nonenforceable obligation

A life insurance loan, if interest is added to the loan and you report on the cash basis

TAXES

If you itemize deductions, you can deduct most non-Federal taxes paid by you. You can deduct state or local retail sales taxes if under the laws of the state they are imposed directly upon the consumer, or if they are imposed on the retailer (or wholesaler in case of gasoline taxes) and the amount of the tax is separately stated by the retailer. Average general sales tax tables are available for many States. In general, you cannot deduct taxes assessed for pavements or other local improvements, including front-foot benefits, which tend to increase the value of your property.

Do not deduct on page 2 any non-business Federal taxes, or any taxes paid

in connection with a business or profession which are deductible in Part IV of Schedule B, or Schedule C or F.

You CAN Deduct:
Personal property taxes
Real estate taxes
State income taxes
State or local retail sales taxes
Auto license fees
State capitation or poll taxes
State gasoline taxes

You CANNOT Deduct:
Any Federal excise taxes on your personal expenditures, such as taxes on theater admissions, furs, jewelry, cosmetics, transportation, telephone, gasoline, etc.

Federal social security taxes
Hunting licenses, dog licenses
Auto inspection fees
Water taxes
Taxes paid by you for another person

MEDICAL AND DENTAL EXPENSES

If you itemize deductions, you can deduct, within the limits described below, the amount you paid during the year (not compensated by hospital, health or accident insurance) for medical or dental expenses for yourself, your wife, or any dependent who received over half of his support from you whether or not the dependent had \$600 or more income. List on the attachment the name and amount paid to each person or institution.

You can deduct amounts paid for the prevention, cure, correction, or treatment of a physical or mental defect or illness. If you pay someone for both nursing and domestic duties, you can deduct only the nursing cost.

You can deduct amounts paid for transportation primarily for and essential to medical care, but not for any other travel expense even if it benefits your health. Meals and lodging while you are away from home receiving medical treatment may not be treated as medical expense unless they are part of a hospital bill or are included in the cost of care in a similar institution.

Subject to the Limitations Set Forth Below, You CAN Deduct as Medical Expenses Payments To For:

Physicians, dentists, nurses, and hospitals
Drugs or medicines
Transportation necessary to get medical care
Eyeglasses, artificial teeth, medical or surgical appliances, braces, etc.
X-ray examinations or treatment
Premiums on hospital or medical insurance
You CANNOT Deduct Payments For:
Funeral expenses and cemetery plot
Illegal operations or drugs
Travel ordered or suggested by your doctor for rest or change
Premiums on life insurance
Cosmetics

FIGURING THE DEDUCTION

(A) General Rule:

(1) *Medical and dental expenses.*— You can deduct that portion of your

8 INSTRUCTIONS FOR PAGE 2 OF FORM 1040—Continued

medical and dental expenses which exceed 3 percent of line 9, page 1, of Form 1040 and which were paid for: (a) the taxpayer, wife, dependent parent(s), all of whom were under 65 years of age, and (b) all other dependents regardless of age.

(2) *Medicine and drugs.*—The total amount paid for medicine and drugs for the persons listed above must be reduced by 1 percent of line 9, page 1, Form 1040, regardless of age.

(B) **Special Rule For Certain Persons 65 or over:**

The 3 percent reduction does not apply to medical and dental expenses paid by a taxpayer or his wife for:

(a) Himself and his wife if EITHER is 65 years of age or over;

(b) A dependent who is 65 or over and who is the mother or father of the taxpayer or his wife.

If you wish, you may obtain Form 2948 from any Internal Revenue Service office to assist you.

Limitations.—The deduction for medical and dental expenses may not exceed \$5,000 multiplied by the number of exemptions claimed on the return (other than the exemptions for age and blindness). However, in no case may the deduction exceed:

(a) \$10,000 if the taxpayer is single and not a head of household or a widow or widower entitled to the special tax computation;

(b) \$10,000 if the taxpayer is married but files a separate return; or

(c) \$20,000 if the taxpayer files a joint return, or is a head of household or a widow or widower entitled to the special tax computation.

(d) If either you or your wife are disabled and 65 or over, you may qualify for an increased maximum limitation. Consult the nearest Internal Revenue Service office for further information.

OTHER DEDUCTIONS

Care of Children and Other Dependents.—If deductions are itemized, a woman or a widower (including men who are divorced or legally separated under a decree and who have not remarried) may deduct expenses paid, not to exceed a total of \$600, for the care of:

(a) dependent children under 12 years of age; or

(b) dependent persons (excluding husband or wife) physically or mentally incapable of caring for themselves, if such care is to enable the taxpayer to be gainfully employed or to actively seek gainful employment.

Do not deduct any child care payments to a person for whom you claim an exemption.

In the case of a woman who is married, the deduction is allowed if:

(a) she filed a separate return because she has been deserted by her husband, did not know his whereabouts at any time during the year, and has applied to a court to compel him to pay support or otherwise to comply with the law or a judicial order; or

(b) she files a joint return with her husband, in which case, the deduction is reduced by the amount (if any) by which their combined income, line 9, page 1, exceeds \$4,500. *If the husband is incapable of self-support because he is mentally or physically defective, this limitation does not apply.*

If the person who receives the payment performs duties not related to dependent care, only that part of the payment which is for the dependent's care may be deducted.

Attach Form 2441 or a detailed statement showing the amounts expended and the person or persons to whom they were paid.

Casualty Losses and Thefts.—If you itemize deductions, you can deduct a net loss resulting from the destruction of your property in a fire, storm, automobile accident, shipwreck, or other losses caused by natural forces. Damage to your car by collision or accident can be deducted if due merely to faulty driving but cannot be deducted if due to your willful act or negligence. You can also deduct losses due to theft, but not losses due to mislaying or losing articles.

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 other adjusted basis of the property), reduced by any insurance or compensation received. Attach an explanation.

You CAN Deduct Losses On:

Property such as your home, clothing, or automobile destroyed or damaged by fire
Property, including cash, which is stolen from you

Loss or damage of property by flood, lightning, storm, explosion, or freezing

You CANNOT Deduct Losses On:

Personal injury to yourself or another person
Accidental loss by you of cash or other personal property

Property lost in storage or in transit

Damage by rust or gradual erosion

Animals or plants damaged or destroyed by disease

Expenses for Education.—Expenses for education may be deducted if primarily for the purpose of:

(a) Maintaining or improving skills required in your employment or other trade or business, or

(b) Meeting the express requirements of your employer, or the requirements of applicable law or regulations,

imposed as a condition to the retention of your salary, status, or employment.

Expenses incurred for obtaining a new position, meeting minimum requirements, a substantial advancement in position, or for personal purposes are not deductible.

The rules for reporting deductible education expenses are the same as those shown on page 4 for the reporting of "Employee Business Expenses." If you are required therein to attach a statement to your return explaining the nature of the expenses, also include a description of the relationship of the education to your employment or trade or business. If the education was required by your employer, a statement from him would be helpful.

Miscellaneous.—If you itemize deductions, you can deduct several other types of expenses under "Other Deductions."

If you work for wages or a salary, you can deduct your ordinary and necessary employee business expenses which have not been claimed on page 1.

You can deduct all ordinary and necessary expenses connected with the production or collection of income, or for the management or protection of property held for the production of income.

If you are divorced or legally separated and are making periodic payments of alimony or separate maintenance under a court decree, you can deduct these amounts. Periodic payments made under either (a) a written separation agreement entered into after August 16, 1954, or (b) a decree for support entered after March 1, 1954, are also deductible. Such payments must be included in the wife's income. You cannot deduct any voluntary payments not under a court order or a written separation agreement, lump-sum settlements, or specific maintenance payments for support of minor children.

You may deduct gambling losses only to the extent of gambling winnings.

If you are a tenant-stockholder in a cooperative housing corporation, you can deduct your share of its payments for interest and real estate taxes. In addition, if this property is used in a trade or business or for the production of income, you may depreciate a portion of the basis of your investment in such corporation. For details contact any Internal Revenue Service office.

You CAN Deduct Cost Of:

Safety equipment

Dues to unions or professional societies

Entertaining customers

Tools and supplies

Fees to employment agencies

You CANNOT Deduct Cost Of:

Travel to and from work

Entertaining friends

Bribes and illegal payments

TAX RATE SCHEDULE

If you do not use the Tax Table on page 10, then figure your tax on the amount on line 11d, page 1 of your return, by using the appropriate tax rate schedule on this page.

Schedule I. SINGLE TAXPAYERS not qualifying for rates in Schedules II and III, and MARRIED PERSONS FILING SEPARATE RETURNS.

If the amount on

line 11d, page 1, is: Enter on line 12, page 1:

Not over \$2,000 20% of the amount on line 11d.

Over—	But not over—	of excess over—	
\$2,000	\$4,000	\$400, plus 22%	\$2,000
\$4,000	\$6,000	\$840, plus 26%	\$4,000
\$6,000	\$8,000	\$1,360, plus 30%	\$6,000
\$8,000	\$10,000	\$1,960, plus 34%	\$8,000
\$10,000	\$12,000	\$2,640, plus 38%	\$10,000
\$12,000	\$14,000	\$3,400, plus 43%	\$12,000
\$14,000	\$16,000	\$4,260, plus 47%	\$14,000
\$16,000	\$18,000	\$5,200, plus 50%	\$16,000
\$18,000	\$20,000	\$6,200, plus 53%	\$18,000
\$20,000	\$22,000	\$7,260, plus 56%	\$20,000
\$22,000	\$26,000	\$8,380, plus 59%	\$22,000

If the amount on

line 11d, page 1, is: Enter on line 12, page 1:

Over—	But not over—	of excess over—	
\$26,000	\$32,000	\$10,740, plus 62%	\$26,000
\$32,000	\$38,000	\$14,460, plus 65%	\$32,000
\$38,000	\$44,000	\$18,360, plus 69%	\$38,000
\$44,000	\$50,000	\$22,500, plus 72%	\$44,000
\$50,000	\$60,000	\$26,820, plus 75%	\$50,000
\$60,000	\$70,000	\$31,320, plus 78%	\$60,000
\$70,000	\$80,000	\$42,120, plus 81%	\$70,000
\$80,000	\$90,000	\$50,220, plus 84%	\$80,000
\$90,000	\$100,000	\$56,620, plus 87%	\$90,000
\$100,000	\$150,000	\$87,320, plus 89%	\$100,000
\$150,000	\$200,000	\$111,820, plus 90%	\$150,000
\$200,000		\$156,820, plus 91%	\$200,000

Schedule II. MARRIED TAXPAYERS FILING JOINT RETURNS and CERTAIN WIDOWS AND WIDOWERS (See page 4).

If the amount on

line 11d, page 1, is: Enter on line 12, page 1:

Not over \$4,000 20% of the amount on line 11d.

Over—	But not over—	of excess over—	
\$4,000	\$8,000	\$800, plus 22%	\$4,000
\$8,000	\$12,000	\$1,680, plus 26%	\$8,000
\$12,000	\$16,000	\$2,720, plus 30%	\$12,000
\$16,000	\$20,000	\$3,920, plus 34%	\$16,000
\$20,000	\$24,000	\$5,280, plus 38%	\$20,000
\$24,000	\$28,000	\$6,800, plus 43%	\$24,000
\$28,000	\$32,000	\$8,520, plus 47%	\$28,000
\$32,000	\$36,000	\$10,400, plus 50%	\$32,000
\$36,000	\$40,000	\$12,400, plus 53%	\$36,000
\$40,000	\$44,000	\$14,520, plus 56%	\$40,000
\$44,000	\$52,000	\$16,760, plus 59%	\$44,000

If the amount on

line 11d, page 1, is: Enter on line 12, page 1:

Over—	But not over—	of excess over—	
\$52,000	\$64,000	\$21,480, plus 62%	\$52,000
\$64,000	\$76,000	\$28,920, plus 65%	\$64,000
\$76,000	\$88,000	\$36,720, plus 69%	\$76,000
\$88,000	\$100,000	\$45,000, plus 72%	\$88,000
\$100,000	\$120,000	\$53,640, plus 75%	\$100,000
\$120,000	\$140,000	\$68,640, plus 78%	\$120,000
\$140,000	\$160,000	\$84,240, plus 81%	\$140,000
\$160,000	\$180,000	\$100,440, plus 84%	\$160,000
\$180,000	\$200,000	\$117,240, plus 87%	\$180,000
\$200,000	\$300,000	\$134,640, plus 89%	\$200,000
\$300,000	\$400,000	\$223,640, plus 90%	\$300,000
\$400,000		\$313,640, plus 91%	\$400,000

Schedule III. Unmarried (or legally separated) taxpayers who qualify as HEAD OF HOUSEHOLD (See page 3).

If the amount on

line 11d, page 1, is: Enter on line 12, page 1:

Not over \$2,000 20% of the amount on line 11d.

Over—	But not over—	of excess over—	
\$2,000	\$4,000	\$400, plus 21%	\$2,000
\$4,000	\$6,000	\$820, plus 24%	\$4,000
\$6,000	\$8,000	\$1,300, plus 26%	\$6,000
\$8,000	\$10,000	\$1,820, plus 30%	\$8,000
\$10,000	\$12,000	\$2,420, plus 32%	\$10,000
\$12,000	\$14,000	\$3,060, plus 36%	\$12,000
\$14,000	\$16,000	\$3,780, plus 39%	\$14,000
\$16,000	\$18,000	\$4,560, plus 42%	\$16,000
\$18,000	\$20,000	\$5,400, plus 43%	\$18,000
\$20,000	\$22,000	\$6,260, plus 47%	\$20,000
\$22,000	\$24,000	\$7,200, plus 49%	\$22,000
\$24,000	\$28,000	\$8,180, plus 52%	\$24,000

If the amount on

line 11d, page 1, is: Enter on line 12, page 1:

Over—	But not over—	of excess over—	
\$28,000	\$32,000	\$10,260, plus 54%	\$28,000
\$32,000	\$38,000	\$12,420, plus 58%	\$32,000
\$38,000	\$44,000	\$15,900, plus 62%	\$38,000
\$44,000	\$50,000	\$19,620, plus 66%	\$44,000
\$50,000	\$60,000	\$23,580, plus 68%	\$50,000
\$60,000	\$70,000	\$30,380, plus 71%	\$60,000
\$70,000	\$80,000	\$37,480, plus 74%	\$70,000
\$80,000	\$90,000	\$44,880, plus 76%	\$80,000
\$90,000	\$100,000	\$52,480, plus 80%	\$90,000
\$100,000	\$150,000	\$60,480, plus 83%	\$100,000
\$150,000	\$200,000	\$101,980, plus 87%	\$150,000
\$200,000	\$300,000	\$145,480, plus 90%	\$200,000
\$300,000		\$235,480, plus 91%	\$300,000

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TAX TABLE

FOR PERSONS WITH INCOMES UNDER \$5,000 WHO DO NOT ITEMIZE ON PAGE 2 OF FORM 1040

Read down the income columns below until you find the line covering the total income you entered on line 9, page 1, Form 1040. Then read across to the appropriate column headed by the number corresponding to the number of exemptions claimed on line 3, Sch. A, page 2. Enter the tax you find there on line 12, page 1.

If total income on line 9, page 1, is—			And the number of exemptions claimed on line 3, Sch. A, p. 2, is—			If total income on line 3, page 1, is—		And the number of exemptions claimed on line 3, Sch. A, page 2, is—													
At least	But less than	3	1	2	If 4 or more there is no tax	At least	But less than	1			2			3			4	5	6	7	If 8 or more there is no tax
								Single or a married person filing separately	An unmarried head of a household	A (*) Single or a married person filing jointly	Single or a married person filing separately	An unmarried head of a household	A (*) Single or a married person filing jointly	Single or a married person filing separately	An unmarried head of a household	A (*) Single or a married person filing jointly					
Your tax is—																					
\$0	\$675	\$0	\$0	\$0		\$2,325	\$2,350	\$301	\$301	\$181	\$181	\$181	\$61	\$61	\$61	\$0	\$0	\$0	\$0	\$0	
\$75	700	4	0	0		2,350	2,375	305	305	185	185	185	65	65	65	0	0	0	0	0	
700	725	8	0	0		2,375	2,400	310	310	190	190	190	70	70	70	0	0	0	0	0	
725	750	13	0	0		2,400	2,425	314	314	194	194	194	74	74	74	0	0	0	0	0	
750	775	17	0	0		2,425	2,450	319	319	199	199	199	79	79	79	0	0	0	0	0	
775	800	22	0	0		2,450	2,475	323	323	203	203	203	83	83	83	0	0	0	0	0	
800	825	26	0	0		2,475	2,500	328	328	208	208	208	88	88	88	0	0	0	0	0	
825	850	31	0	0		2,500	2,525	332	332	212	212	212	92	92	92	0	0	0	0	0	
850	875	35	0	0		2,525	2,550	337	337	217	217	217	97	97	97	0	0	0	0	0	
875	900	40	0	0		2,550	2,575	341	341	221	221	221	101	101	101	0	0	0	0	0	
900	925	44	0	0		2,575	2,600	346	346	226	226	226	106	106	106	0	0	0	0	0	
925	950	49	0	0		2,600	2,625	350	350	230	230	230	110	110	110	0	0	0	0	0	
950	975	53	0	0		2,625	2,650	355	355	235	235	235	115	115	115	0	0	0	0	0	
975	1,000	58	0	0		2,650	2,675	359	359	239	239	239	119	119	119	0	0	0	0	0	
1,000	1,025	62	0	0		2,675	2,700	364	364	244	244	244	124	124	124	4	0	0	0	0	
1,025	1,050	67	0	0		2,700	2,725	368	368	248	248	248	128	128	128	8	0	0	0	0	
1,050	1,075	71	0	0		2,725	2,750	373	373	253	253	253	133	133	133	13	0	0	0	0	
1,075	1,100	76	0	0		2,750	2,775	377	377	257	257	257	137	137	137	17	0	0	0	0	
1,100	1,125	80	0	0		2,775	2,800	382	382	262	262	262	142	142	142	22	0	0	0	0	
1,125	1,150	85	0	0		2,800	2,825	386	386	266	266	266	146	146	146	26	0	0	0	0	
1,150	1,175	89	0	0		2,825	2,850	391	391	271	271	271	151	151	151	31	0	0	0	0	
1,175	1,200	94	0	0		2,850	2,875	395	395	275	275	275	155	155	155	35	0	0	0	0	
1,200	1,225	98	0	0		2,875	2,900	400	400	280	280	280	160	160	160	40	0	0	0	0	
1,225	1,250	103	0	0		2,900	2,925	405	404	284	284	284	164	164	164	44	0	0	0	0	
1,250	1,275	107	0	0		2,925	2,950	410	409	289	289	289	169	169	169	49	0	0	0	0	
1,275	1,300	112	0	0		2,950	2,975	415	414	293	293	293	173	173	173	53	0	0	0	0	
1,300	1,325	116	0	0		2,975	3,000	420	419	298	298	298	178	178	178	58	0	0	0	0	
1,325	1,350	121	1	0		3,000	3,050	427	426	305	305	305	185	185	185	65	0	0	0	0	
1,350	1,375	125	5	0		3,050	3,100	435	435	314	314	314	194	194	194	74	0	0	0	0	
1,375	1,400	130	10	0		3,100	3,150	447	445	323	323	323	203	203	203	83	0	0	0	0	
1,400	1,425	134	14	0		3,150	3,200	457	454	332	332	332	212	212	212	92	0	0	0	0	
1,425	1,450	139	19	0		3,200	3,250	467	464	341	341	341	221	221	221	101	0	0	0	0	
1,450	1,475	143	23	0		3,250	3,300	476	473	350	350	350	230	230	230	110	0	0	0	0	
1,475	1,500	148	28	0		3,300	3,350	486	482	359	359	359	239	239	239	119	0	0	0	0	
1,500	1,525	152	32	0		3,350	3,400	496	492	368	368	368	248	248	248	128	8	0	0	0	
1,525	1,550	157	37	0		3,400	3,450	506	501	377	377	377	257	257	257	137	17	0	0	0	
1,550	1,575	161	41	0		3,450	3,500	516	511	386	386	386	266	266	266	146	26	0	0	0	
1,575	1,600	166	46	0		3,500	3,550	526	526	395	395	395	275	275	275	155	35	0	0	0	
1,600	1,625	170	50	0		3,550	3,600	536	530	404	404	404	284	284	284	164	44	0	0	0	
1,625	1,650	175	55	0		3,600	3,650	546	539	414	413	413	293	293	293	173	53	0	0	0	
1,650	1,675	179	59	0		3,650	3,700	556	549	424	423	422	302	302	302	182	62	0	0	0	
1,675	1,700	184	64	0		3,700	3,750	566	558	434	432	431	311	311	311	191	71	0	0	0	
1,700	1,725	188	68	0		3,750	3,800	575	567	443	441	440	320	320	320	200	80	0	0	0	
1,725	1,750	193	73	0		3,800	3,850	585	577	453	451	449	329	329	329	209	89	0	0	0	
1,750	1,775	197	77	0		3,850	3,900	595	586	463	460	458	338	338	338	218	98	0	0	0	
1,775	1,800	202	82	0		3,900	3,950	605	596	473	470	467	347	347	347	227	107	0	0	0	
1,800	1,825	206	86	0		3,950	4,000	615	605	483	479	476	356	356	356	236	116	0	0	0	
1,825	1,850	211	91	0		4,000	4,050	625	615	493	489	485	365	365	365	245	125	5	0	0	
1,850	1,875	215	95	0		4,050	4,100	635	624	503	498	494	374	374	374	254	134	14	0	0	
1,875	1,900	220	100	0		4,100	4,150	645	634	513	508	503	383	383	383	263	143	23	0	0	
1,900	1,925	224	104	0		4,150	4,200	655	643	523	517	512	392	392	392	272	152	32	0	0	
1,925	1,950	229	109	0		4,200	4,250	665	653	533	527	521	401	401	401	281	161	41	0	0	
1,950	1,975	233	113	0		4,250	4,300	674	662	542	536	530	410	410	410	290	170	50	0	0	
1,975	2,000	238	118	0		4,300	4,350	684	671	552	545	539	420	419	419	299	179	59	0	0	
2,000	2,025	242	122	2		4,350	4,400	694	681	562	555	548	430	429	428	308	188	68	0	0	
2,025	2,050	247	127	7		4,400	4,450	704	690	572	564	557	440	438	437	317	197	77	0	0	
2,050	2,075	251	131	11		4,450	4,500	714	700	582	574	566	450	448	446	326	206	86	0	0	
2,075	2,100	256	136	16		4,500	4,550	724	709	592	583	575	460	457	455	335	215	95	0	0	
2,100	2,125	260	140	20		4,550	4,600	734	719	602	593	584	470	467	464	344	224	104	0	0	
2,125	2,150	265	145	25		4,600	4,650	744	728	612	602	593	480	476	473	353	233	113	0	0	
2,150	2,175	269	149	29		4,650	4,700	754	738	622	612	602	490	486	482	362	242	122	2	0	
2,175	2,200	274	154	34		4,700	4,750	764	747	632	621	611	500</								

INSTRUCTIONS FOR SCHEDULE B (Form 1040)

DIVIDENDS
INTEREST
RENTS

ROYALTIES
PENSIONS
PARTNERSHIPS

ESTATES
TRUSTS
MISCELLANEOUS

Part I—DIVIDENDS

If you own stock, the payments you receive out of the company's earnings and profits are dividends and must be reported in your tax return. Usually dividends are paid in cash, but if paid in merchandise or other property, they are taxable at their fair market value.

In some cases payers, especially mutual funds and investment club partnerships, distribute both an ordinary dividend and a capital gain at the same time; the check or notice will usually show them separately. You must report the dividend income portion in Part I of this Schedule, and the capital gain portion on line 7, Part I of Schedule D (Form 1040).

There are special rules applicable to stock dividends, partial liquidations, stock rights, and redemptions; call your Internal Revenue Service office for more complete information.

You may exclude from your income \$50 of dividends received from qualifying domestic corporations.

If a joint return is filed and both husband and wife have dividend income, each one may exclude \$50 of dividends received from qualifying corporations, but one may not use any portion of the \$50 exclusion not used by the other. For example, if the husband had \$300 in dividends, and the wife had \$20, only \$70 may be excluded on a joint return.

Use Part I to list your dividends including dividends you receive as a member of a partnership or as a beneficiary of an estate or trust, and to show the amount of the exclusion to which you are entitled. Dividends from mutual insurance companies which are a reduction of premiums are not to be included. So-called "dividends" paid on deposits or withdrawable accounts by the following corporations are considered interest and should be reported as interest in Part II:

Mutual savings banks, cooperative banks, savings and loan associations, and credit unions.

Taxable dividends from the following corporations, which do not qualify for the dividends received exclusion and the dividends received credit, should be reported on line 5 of Part I:

(a) foreign corporations—Enter amount includable by you as a shareholder of a controlled foreign corporation in the space provided on line 5. See Form 3646 for details and computation of amount to be reported on your return.

(b) so-called exempt organizations (charitable, fraternal, etc.) and exempt farmers' cooperative organizations.

(c) regulated investment companies except to the extent designated by the company to be taken into account as a dividend for these purposes.

(d) real estate investment trusts.

(e) China Trade Act corporations.

(f) corporations deriving 80 percent or more of their income from U.S. possessions and 50 percent or more of their income from the active conduct of a business therein.

See page B-4 for an explanation of the dividends received credit.

Part II—INTEREST

You must include in your return any interest you received or which was credited to your account (whether entered in your passbook or not) and can be withdrawn by you. All interest on bonds, debentures, notes, savings accounts, or loans is taxable, except on State and municipal bonds and securities.

If you own United States Savings or War bonds, the gradual increase in value of each bond is considered interest, but you need not report it in your tax return until you cash the bond or until the year of final maturity, whichever is earlier. However, you may at any time elect to report each year the annual increase in value, but if you do so you must report in the first year the entire increase to date on all such bonds and must continue to report the annual increase each year.

Although a separate attachment may be used to report interest, if you have retirement income Part VIII of Schedule B should be completed.

Part III—PENSIONS AND ANNUITIES

Noncontributory Annuities.—If the employee did not contribute to the cost and was not subject to tax on his employer's contributions, the full amount of an annuity or a pension of a retired employee must be included in his income.

However, if there is a death-benefit exclusion, this rule does not apply; consult the Internal Revenue Service.

Other Annuities.—Amounts received from other annuities, pensions, endowments, or life insurance contracts, whether paid for a fixed number of years or for life, may have a portion of the payment excluded from income. The following types come under this rule: (a) pensions where the employee has either contributed to its cost or has been taxed on his employer's contributions, and (b) amounts paid for a reason other than the death of the insured under an annuity, endowment, or life insurance contract.

Part III is provided for reporting the taxable portion of the annuity. If you are receiving payments on more than one pension or annuity, fill out a separate Part III for each one.

General Rule for Annuities.—Generally, amounts received from annuities and pensions are included in income in an amount which is figured upon your life expectancy. This computation and your life expectancy multiple can be found in the regulations covering annuities and pensions. Once you have obtained the multiple it remains unchanged and it will not be necessary to recompute your taxable portion each year unless the payments you receive change in amount. In making this computation you can get help from the Internal Revenue Service as well as from some employers and insurance companies.

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Special Rule for Certain Types of Employees' Annuities.—There is a special rule provided for amounts received as employees' annuities where part of the cost is contributed by the employer and the amount contributed by the employee will be returned within 3 years from the date of the first payment received under the contract. If both of these conditions are met, then all the payments received under the contract during the first 3 years are to be excluded from income until the employee recovers his cost (the amount contributed by him plus the contributions made by the employer on which the employee was previously taxed); thereafter all amounts received are fully taxable. This method of computing taxable income also applies to the employee's beneficiary if the employee died before receiving any annuity or pension payments.

Example: An employee received \$200 a month from an annuity. While he worked, he contributed \$4,925 toward the cost of the annuity. His employer also made contributions toward the cost of the annuity for which the employee was not taxed. The retired employee would be paid \$7,200 during the first 3 years, which amount exceeds his contribution of \$4,925. He would exclude from income all the payments received from the annuity until he has received \$4,925. All payments received thereafter are fully taxable.

Amounts Received Under Life-Insurance Policies by Reason of Death.—Generally, a lump sum payable at the death of the insured under a life insurance policy is excludable from the income of the recipient. For more detailed information, call or visit your Internal Revenue Service office.

Part IV—RENTS AND ROYALTIES

If you are not engaged in selling real estate to customers, but receive rent from property owned or controlled by you, or royalties from copyrights, patents, mineral leases, and similar rights, report the total amount received in Part IV. If property other than money was received as rent, its fair market value should be reported.

In the case of buildings you can deduct depreciation, as explained on page B-3. You can also deduct all or-

inary and necessary expenditures on the property such as taxes, interest, repairs, insurance, agent's commissions, maintenance, and similar items. However, you cannot deduct capital investments or improvements but must add them to the basis of the property for the purpose of depreciation. For example, a landlord can deduct the cost of minor repairs but not the cost of major improvements such as a new roof or remodeling.

If You Rent Part of Your House.—If you rent out only part of your property, you can deduct only that portion of your expenses which relates to the rented portion. If you cannot determine these expenses exactly, you may figure them on a proportionate basis. For example, if you rent out half of your home, and live in the other half, you can deduct only half of the depreciation and other expenses.

Room rent and other space rentals should be reported as business income in separate Schedule C (Form 1040) if services are rendered to the occupant; otherwise, report such income in Part IV. If you are engaged in the business of selling real estate, you should report rentals received in separate Schedule C.

Part V—OTHER INCOME OR LOSSES

Partnerships.—A partnership does not pay income tax unless it elects to be taxed on the same basis as a domestic corporation. It does, however, file an information return on Form 1065. Only one Form 1065 need be filed for each partnership. Each partner must report his share of the partnership's income.

Include in Part V your share of the ordinary income (whether actually received by you or not) or the net loss of a partnership, joint venture, or the like, whose taxable year ends within or with the year covered by your return. Other items of income, deductions, etc., to be carried to the appropriate schedule of your individual return are shown in Schedule K of the partnership return. Your share of income of the following classes should be entered on the appropriate lines and schedules of your return:

- Dividends.
- Interest on tax-free covenant bonds.
- Gains from the sale or exchange of capital assets and other property.

If the partnership is engaged in a trade or business, the individual partner may be subject to the self-employment tax on his share of the self-employment income from the partnership. In this case the partner's share of partnership self-employment net earnings (or loss) should be entered on line 5(b), separate Schedule C-3. Members of farm partnerships should use Schedule F-1 to figure self-employment tax.

Estates and Trusts.—If you are a beneficiary of an estate or trust, report your taxable portion of its income whether you receive it or not. Your share of income of the following classes should be entered on the appropriate lines and schedules of your return:

- Dividends.
- Interest on tax-free covenant bonds.
- Gains from the sale or exchange of capital assets and other property.
- All other taxable income from estates and trusts should be included in Part V. Any depreciation (on estate or trust property) which is allocable to you may be subtracted from estate or trust income so that only the net income received will be included in your return. Information regarding these items may be obtained from the fiduciary.

Small Business Corporations.—If you are a shareholder in a small business corporation which elects to have its current taxable income taxed to its stockholders, you should report your share of both the distributed and undistributed current taxable income as ordinary income in Part V except that portion which is reportable as a long-term capital gain in separate Schedule D. Neither type of income is eligible for the dividends received credit or the exclusion. Your share of any net operating loss should be treated just as if the loss were from a proprietorship.

Other Income.—If you cannot find any specific place on your return to list certain types of income, you should report such income in Part V. Income reported in this part must be identified as to its source. This is the proper place to report amounts received as alimony, support and prizes. Recoveries of bad debts and other items which reduced your tax in a

prior year should also be reported in Part V. A refund of state income tax should be entered here. The general rule is that a refund of state income taxes is income to the taxpayer if a deduction was taken in a prior year which resulted in a Federal tax benefit. Taxpayers using the cash basis report the refund in the year received; taxpayers using the accrual basis report when the claim is allowed (if no claim is filed, report when the taxing authority notifies you of the overpayment).

Net Operating Loss.—If, in 1963, your business or profession lost money instead of making a profit, if you had a casualty loss, or a loss from the sale or other disposition of depreciable property (or real property) used in your trade or business, you can apply the losses against your 1963 income. If the losses exceed your income, the excess is a "net operating loss" which may be used to offset your income for the 3 years prior to and the 5 years following this year. The loss must be first carried back to the third prior year and any remaining balance brought forward to each succeeding year. If a "carryback" entitles you to a refund of prior year taxes, ask the District Director for Form 1045 to claim a quick refund.

If you had a loss in a prior year which may be carried over to 1963, it should be reported on line 3, Part V, and you should attach a statement showing the computation.

Part VI—DEPRECIATION

A reasonable allowance for the exhaustion, wear and tear, and obsolescence of property used in the trade or business or of property held by the taxpayer for the production of income shall be allowed as a depreciation deduction. The allowance does not apply to inventories or stock-in-trade nor to land apart from the improvements or physical development added to it.

The cost (or other basis) to be recovered should be charged off over the expected useful life of the property. Similar assets may be grouped together as one item for reporting purposes.

For purposes of computing depreciation the cost or other basis of property which qualifies for the investment credit shall be reduced by an amount equal to 7 percent (3 percent for public utilities) of the qualified investment.

In computing the basis on which depreciation may be taken for personal property, other than livestock, salvage value need not be taken into account, if it does not exceed 10% of the cost or

other basis of the property. If the salvage value exceeds 10%, only the excess need be taken into account. These provisions apply to property with a useful life of 3 years or more which was acquired after October 16, 1962.

Since ordinary income treatment will be applied to the gain (to the extent of the depreciation taken after December 31, 1961) from the sale or exchange of depreciable property defined in Section 1245 (a) (3) of the Internal Revenue Code, you may elect to change the method of depreciation with respect to such property from the declining balance or sum of the years-digits method to the straight line method on or before the due date of your return for the first taxable year ending after December 31, 1962. No prior permission is required to make this change, you need only attach a statement to your return identifying the assets to which the election applies.

Alternative Depreciation Guidelines and Rules.—Revenue Procedure 62-21, dated July 12, 1962, sets forth alternative standards and procedures for determining depreciation. These guideline lives for guideline classes (broad categories not item-by-item) are in most cases substantially shorter than those previously used. These guideline lives and rules are applicable to all depreciable property including existing assets as well as new acquisitions; however, they do not supersede existing rules and procedures for any taxpayer who wishes to continue to use them.

Taxpayers who wish to use the new provisions must use them for all assets in a particular guideline class. Taxpayers may use class lives equal to or longer than the guideline lives for 3 years and may continue to use them thereafter if certain standards are met and replacement practices are consistent with the lives used.

The depreciation schedule provided on the return is to be used for reporting depreciation under both Revenue Procedure 62-21 and previously prescribed rules and standards. Although depreciation reported under the revenue procedure should be shown on the basis of group and guideline class, it is not necessary to disturb your present depreciation accounts.

Revenue Procedure 62-21 is contained in IRS Publication No. 456 (9-62). Additional information is contained in IRS Publication No. 457. These publications may be obtained from the Superintendent of Docu-

ments, Government Printing Office, Washington, D.C., 20402, for 25 cents and 15 cents, respectively.

Following is a brief description of the various methods of depreciation which may be used under either Revenue Procedure 62-21 or previously prescribed rules and standards.

Straight-Line Method.—To compute, add the cost of improvements to the cost (or other basis) of the property and deduct both the estimated salvage value and the total depreciation allowed or allowable. The depreciation deduction is this amount divided by the number of years of useful life remaining to the asset.

Declining Balance Method.—A uniform rate is applied each year to the remaining cost or other basis of property (without adjustment for salvage value) determined at the beginning of such year, but depreciation must stop when the unrecovered cost is reduced to salvage value. For property acquired before January 1, 1954, or used property whenever acquired, the rate of depreciation under this method may not exceed one and one-half times the applicable straight-line rate.

Special Rules for New Assets Acquired After December 31, 1953.—The cost or other basis of an asset acquired after December 31, 1953, may be depreciated under methods proper before that date; or, it may be depreciated under any of the following methods provided (1) that the asset is tangible, (2) that it has an estimated useful life of 3 years or more, and (3) that the original use of the asset commenced with the taxpayer and commenced after December 31, 1953.

(a) *Declining balance method.*—This method may be used with a rate not in excess of twice the applicable straight-line rate.

(b) *Sum of the years-digits method.*—The deduction for each year is computed by multiplying the cost or other basis of the property (reduced by estimated salvage value) by the number of years of useful life remaining (including the year for which the deduction is computed) and dividing the product by the sum of all the digits corresponding to the years of the estimated useful life of the asset. In the case of a 5-year life this sum would be 15 (5+4+3+2+1). For the first year five-fifths of the cost reduced by estimated salvage value would be allowable, for the second year four-fifths, etc.

(c) *Other methods.*—A taxpayer may use any consistent method which does not result at the end of any year

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in accumulated allowances greater than the total of the accumulated allowances which would have resulted from the use of the declining balance method. This limitation applies only during the first two-thirds of the property's useful life.

Additional First-Year Depreciation.—You may elect to write off, in the year assets are first subject to depreciation, 20 percent of the cost (before adjustments for the investment credit or salvage value) of the assets if they are tangible personal property (e.g., equipment, machinery, etc.) acquired by purchase for use in a trade or business or to be held for the production of income. If the aggregate cost of these assets exceeds \$10,000 (\$20,000 for joint return) the additional depreciation is limited to \$2,000 (\$4,000 for joint return.)

The additional depreciation is limited to property with a remaining useful life of 6 years or more and which is not acquired from a person (other than a brother or sister) whose relationship to the taxpayer would result in the disallowance of losses. Normal depreciation may also be taken on the cost of the asset reduced by the first-year depreciation.

The additional first-year depreciation should be shown on a separate line of the depreciation schedule rather than included on the line used to show the regular depreciation of the asset.

Enter the total depreciation claimed, both additional first-year and other, on the "Total" line of the depreciation schedule. In addition, enter the total additional first-year depreciation in the box provided below the "Total" or "Balance" line.

Part VII—DIVIDENDS RECEIVED CREDIT

The law provides a credit against tax for dividends received from qualifying domestic corporations. This credit is equal to 4 percent of these dividends in excess of those which you may exclude from your income. The credit may not exceed:

- (a) the total income tax reduced by the foreign tax credit; or
- (b) 4% of the taxable income.

Part VIII—RETIREMENT INCOME CREDIT

You may qualify for this credit which is generally 20 percent of retirement income if you received earned income in excess of \$600 in each of any 10 calendar years—not necessarily consecutive—before the beginning of your taxable year.

The term "earned income" means wages, salaries, or professional fees, etc., received as compensation for personal services actually rendered. It does not include any amount received as an annuity or pension. If you were engaged in a trade or business in which both personal services and capital were material income-producing factors, a reasonable allowance as compensation for the personal services rendered by you, not in excess of 30 percent of your share of the net profits of such business, shall be considered as earned income.

If you are a surviving widow (widower) and have not remarried, you may use the earned income of your deceased husband (wife), or you may combine such income with your earned income, for the purpose of determining whether you qualify. If a hus-

band and wife both qualify and each has retirement income, each is entitled to the credit.

Retirement income for the purpose of the credit means—

(a) In the case of an individual who is not 65 before the end of his taxable year, only that income received from pensions and annuities under a public retirement system (one established by the Federal Government, a State, county, city, etc.) which is included in income in his return.

(b) In the case of an individual who is 65 or over before the end of his taxable year, income from pensions, annuities, interest, rents, and dividends, which are included in gross income in his return. (Gross income from rents for this purpose means gross receipts from rents without reduction for depreciation or any other expenses. Royalties are not considered rents for this purpose.)

The amount of the retirement income used for the credit computation may not exceed \$1,524 reduced by:

- (a) any amount received and excluded from income as a pension or annuity under the Social Security Act and Railroad Retirement Acts and by other tax-exempt pensions or annuities. This reduction does not include (1) that part of a pension or annuity which is excluded from income because it represents, in effect, a return of capital or tax-free proceeds of a like nature, or (2) amounts excluded from income received as compensation for injuries or sickness or under accident or health plans; and
- (b) by certain adjustments for earned income.

CUT ALONG THIS LINE

Other Internal Revenue publications containing helpful tax information . . .

They will be available on or about December 1 and may be obtained from your District Director or by mailing this order blank to the Superintendent of Documents, Washington, D.C. 20402.

YOUR FEDERAL INCOME TAX, 1964 Edition. Issued each year to help taxpayers in preparing their income tax returns, this useful booklet contains more detailed information than the instructions which accompany Form 1040. 144 pages with illustrations. Catalog No. T 22.44:964 40 cents per copy

TAX GUIDE FOR SMALL BUSINESS, 1964 Edition. Published annually, this tax guide answers, in plain layman's language, the Federal tax questions of Corporations, Partnerships, and Sole Proprietorships. 144 pages with illustrations. Catalog No. T 22.19/2:Sm 1/964 40 cents per copy

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OFFICIAL BUSINESS

RETURN AFTER 5 DAYS

SCHEDULE C (Form 1040)

U.S. Treasury Department Internal Revenue Service

PROFIT (OR LOSS) FROM BUSINESS OR PROFESSION (Compute social security self-employment tax on Schedule C-3 (Form 1040))

1963

Attach this schedule to your income tax return, Form 1040 — Partnerships, joint ventures, etc., must file on Form 1065

Name and address as shown on page 1, Form 1040

- A. Principal business activity; B. Business name; C. Employer Identification Number; D. Business location; E. Indicate method of accounting; F. Did you file an Employer Quarterly Tax Return; G. Is this business within legal boundaries; H. Did you own this business on December 31, 1963; I. How many months in 1963 did you own this business?

Table with 3 columns: Description (lines 1-9), Amount, and another Amount column. Includes items like Gross receipts, Inventory at beginning/end, Merchandise purchased, Cost of labor, Material and supplies, Other costs, Total of lines 2 through 6, Inventory at end of this year, Cost of goods sold, and Gross profit.

OTHER BUSINESS DEDUCTIONS

Table with 3 columns: Description (lines 11-27), Amount, and another Amount column. Includes items like Depreciation, Taxes on business, Rent on business property, Repairs, Salaries and wages, Insurance, Legal and professional fees, Commissions, Amortization, Retirement plans, Interest on business indebtedness, Bad debts, Losses of business property, Depletion, and Other business expenses.

SCHEDULE C-1. EXPLANATION OF LINES 6, 12, 14, AND 25

Table with 6 columns: Line No., Explanation, Amount, Line No., Explanation, Amount. Includes a small box labeled 'C' in the top right corner.

Schedule C (Form 1040) 1963

Page 2

SCHEDULE C-2. EXPLANATION OF DEDUCTION FOR DEPRECIATION CLAIMED ON LINE 11

This schedule is designed for taxpayers using the alternative guidelines and administrative procedures described in Revenue Procedure 62-21 as well as for those taxpayers who wish to continue using procedures authorized prior to the revenue procedure. Where double headings appear use the first heading for the new procedure and the second heading for the older procedure.

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 ("c") or life	8. Depreciation for this year
1. Totals	<input type="text"/>						
2. Less: Amount of depreciation claimed elsewhere in Schedule C							
3. Balance—Enter here and on line 11, page 1							
4. Amount of additional first-year depreciation included above					<input type="text"/>		
5. Cost or other basis of fully depreciated assets still in use						<input type="text"/>	

INVENTORY QUESTIONS

1. Was inventory valued at—Cost ; lower of cost or market ; other . If other, attach explanation.
2. Have write-downs been made to inventory? Yes No . If "Yes," were the write-downs computed on the basis of:
- (a) Percentage reductions from parts of the inventory
- (b) Percentage reductions from the total inventory
- (c) Valuation of individual items.
- If "a" or "b" is checked, enter the percentage of write-downs%. For "a," "b," or "c" enter the dollar amount of write-downs \$
- (If not available, estimate and indicate that the figure is an estimate.)
3. Was the inventory verified by physical count during the year?
Yes No . If "No," attach explanation of how the closing inventory was determined.
4. Was there any substantial change in the manner of determining quantities, costs or valuations between the opening and closing inventories? Yes No . If "Yes," attach explanation.

NOTE: If a direct answer cannot be given to a question, attach explanation.

EXPENSE ACCOUNT INFORMATION

Enter information with regard to yourself and your five highest paid employees. In determining the five highest paid employees, expense account allowances must be added to their salaries and wages. However, the information need not be submitted for any employee for whom the combined amount is less than \$10,000, or for yourself if your expense account allowance plus line 27, page 1, is less than \$10,000. See separate instructions for Schedule C, for definition of "expense account."

Name	Expense account	Salaries and Wages
Owner		XXXXXXXXXXXXXXX
1.		
2.		
3.		
4.		
5.		

Did you claim a deduction for expenses connected with: (If answer to any question is "YES," check applicable boxes within that question.)

- F.** A hunting lodge , working ranch or farm , fishing camp , resort property , pleasure boat or yacht , or other similar facility ? (Other than where the operation of the facility was your principal business.) YES NO
- G.** Vacations for you or members of your family, or employees or members of their families? (Other than vacation pay reported on Form W-2.) YES NO
- H.** The leasing, renting, or ownership of a hotel room or suite , apartment , or other dwelling , which was used by you, your customers, employees, or members of their families? (Other than use by yourself or employees while in business travel status.) YES NO
- I.** The attendance of members of your family or your employees' families at conventions or business meetings? YES NO

SCHEDULE C-3 (Form 1040) <small>U.S. Treasury Department Internal Revenue Service</small>	COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX Attach this schedule to your income tax return, Form 1040. See instructions on page 2.	1963
<p>▶ If you had wages of \$4,800 or more which were subject to social security taxes, do not fill in this page.</p> <p>▶ Complete only one Schedule C-3; if you had more than one business, combine profits (or losses) from all of your businesses on this Schedule.</p> <p>▶ Each self-employed person must file a separate schedule.</p>		

NAME AND ADDRESS (as shown on page 1 of Form 1040)

NAME OF SELF-EMPLOYED PERSON (as shown on social security card)

Social Security Number

1. Net profit (or loss) shown on line 27 Schedule C (Form 1040) (Enter combined amount if more than one business)			
2. Add to net profit (or subtract from net loss) losses of business property shown on line 23, Schedule C			
3. Total (or difference)			
4. Net income (or loss) from excluded services or sources included on line 3			
Specify excluded services or sources			
5. Net earnings (or loss) from self-employment—			
(a) From business (line 3 less any amount on line 4)			
(b) From partnerships, joint ventures, etc. (other than farming)			
(c) From service as a minister, member of a religious order, or a Christian Science practitioner. Enter only if you have filed or are filing Form 2031			
(d) From farming reported on line 2 (or line 3 if option used), separate Schedule F-1 (Form 1040)			
(e) From service with a foreign government or international organization			
6. Total net earnings (or loss) from self-employment reported on line 5. Enter here and in item F below			
(If line 6 is under \$400, you are not subject to self-employment tax. Do not fill in rest of page.)			
7. The largest amount of combined wages and self-employment earnings subject to social security tax is	\$	4,800	00
8. Total wages, covered by social security, paid to you during the taxable year. (For "Covered" wages see "F.I.C.A. Wages" box on Form W-2.) Enter here and in item G, below			
9. Balance (line 7 less line 8)	\$		
10. Self-employment income—line 6 or 9, whichever is smaller. Enter here and in item H, below			
11. Self-employment tax—If line 10 is \$4,800, enter \$259.20; if less, multiply the amount on line 10 by 5.4%. Enter this amount here and on line 17, page 1, Form 1040			

Do not detach

Important.—The amounts reported on the form below are for your social security account. This account is used in figuring any benefits, based on your earnings, payable to you, your dependents, and your survivors. Fill in each item accurately and completely.

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

U.S. REPORT OF SELF-EMPLOYMENT INCOME
 For crediting to your social security account

1963

Indicate year covered by this return (even though income was received only in part of year):
 A. Calendar year 1963 or other taxable year beginning, 1963, ending,
 if less than 12 months, was short year due to (a) Death, or (b) Change in accounting period,
 or (c) Other.

B. BUSINESS ACTIVITIES SUBJECT TO SELF-EMPLOYMENT TAX (Grocery store, restaurant, etc.)

C. BUSINESS ADDRESS (number and street, city or post office, State)

D. SOCIAL SECURITY ACCOUNT NUMBER OF PERSON NAMED IN ITEM E BELOW

PRINT OR TYPE NAME OF SELF-EMPLOYED PERSON AS SHOWN ON SOCIAL SECURITY CARD

E. PRINT OR TYPE HOME ADDRESS (number and street or rural route)
 (City or post office, State, and postal ZIP code)

PLEASE DO NOT WRITE IN THIS SPACE

F. ENTER AMOUNT
FROM LINE 6

\$

G. ENTER AMOUNT
FROM LINE 8, IF ANY

\$

H. ENTER AMOUNT
FROM LINE 10

\$

S
E

INSTRUCTIONS FOR SOCIAL SECURITY SELF-EMPLOYMENT TAX

Page 2

In general, every individual deriving self-employment income during the taxable year from a trade or business carried on by him or from a partnership of which he is a member is subject to the self-employment tax. This computation is made on lines 1 through 11. This tax must be paid regardless of age and even though the individual is receiving social security benefits.

Ministers, members of religious orders, and Christian Science practitioners.—Duly ordained, commissioned, or licensed ministers of churches, members of religious orders (who have not taken a vow of poverty) and Christian Science practitioners are not automatically covered by the Social Security Act, but may elect to be covered by filing Form 2031. Copies are available in the office of any district director of Internal Revenue. The instructions on the form set out the provisions of the law which permit these forms under certain conditions to be filed to cover ministers, and others mentioned above, and to delay filing your income tax return beyond the due date even though you have not obtained a Form 2031. In such case, complete this Schedule, file it with Form 1040, and then file Form 2031 as promptly as possible to make your election.

Ministers and members of religious orders who desire coverage shall in addition to their other items of income include for the purpose of determining net earnings from self-employment (but not for income tax purposes) the rental value of a parsonage or allowance for the rental value of the parsonage, and the value of meals and lodging furnished them for the convenience of their employers.

U.S. citizens employed by foreign governments or international organizations.—A U.S. citizen employed in the United States, Puerto Rico, Guam, American Samoa, or the Virgin Islands by a foreign government, an instrumentality wholly owned by a foreign government, or an international organization which is organized under the International Organizations Immunities Act, is subject to the social security self-employment tax. These employees should report their income from such employment on line 9(e), of this Schedule, compute their self-employment tax under the schedule with their Form 1040. In item B of Schedule SE, enter "Employee of foreign government, etc."

Farm income.—Farmers report farm income and net earnings from farm self-employment on separate Schedules F and F-1 (Form 1040).

EXCLUSIONS

Income (or loss) from the following sources and deductions attributable thereto are not taken into account in figuring net earnings from self-employment. Use line 4 to exclude any such amounts reported on separate Schedule C (Form 1040) that should not be taken into account in figuring your self-employment income.

Doctors of medicine.—Income from the performance of service as a doctor of medicine or income from the performance of such service by a partnership.

Christian Science practitioners.—Income from the performance of service as a Christian Science practitioner, unless such Christian Science practitioner elects by filing Form 2031 to be covered by the Social Security Act, as explained above.

Religious services.—Income from the performance of service by a duly ordained, commissioned, or licensed minister in church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order, unless such minister or member of a religious order elects by filing Form 2031 to be covered by the Social Security Act, as explained above.

Employees and public officials.—Income (fees, salaries, etc.) from the performance of service as:

- a public official or a notary public;
- an employee or employee representative under the railroad retirement system; or
- an employee (except as indicated above).

Note.—The income of an employee over the age of 18 from the sale of newspapers or magazines to an ultimate consumer is subject to the self-employment tax if the income consists of retained profits from such sales.

Real estate rentals.—Rentals from real estate, except rentals received in the course of a trade or business as a real estate dealer. This includes cash and crop shares received from a tenant or short-term tenant. These amounts should be reported in Part IV, Schedule B (Form 1040). Rental income from a farm is not excluded if the rental arrangement provides for material participation by the landlord and he does participate materially in the production or in the management of the production of one or more farm products on his land. Such income represents farm earnings and should be reported on separate Schedules F and F-1.

Payments for the use of a driveway or room or other space where services are also rendered to the occupant, such as rooms in hotels, boarding houses, apartment houses furnishing hotel services, tourist camps, or homes, or space in parking lots, warehouses, or storage garages do not constitute rentals from real estate and are included in determining net earnings from self-employment on this Schedule.

Interest and dividends.—Dividends on shares of stock, and interest on bonds, debentures, notes, certificates, or other evidences

of indebtedness, issued with interest coupons or in registered form by a corporation, or by a government or political subdivision thereof, unless received in the course of a trade or business as a dealer in stocks. These amounts should be reported in Parts I and II of Schedule B.

Property gains and losses.—Gain or loss: (a) from the sale or exchange of a capital asset; (b) to which sections 631 and 1231 are applicable; or (c) from the sale, exchange, involuntary conversion, or other disposition of property if such property is neither stock in trade or other property of a kind which would properly be includable in inventory if on hand at the close of the taxable year, nor (2) property held primarily for sale to customers in the ordinary course of the trade or business. These amounts should be reported on separate Schedule D (Form 1040).

Net operating losses.—No deduction for net operating losses of other years than that allowed in determining the net earnings from self-employment. Such deduction should be entered on line 3, Part V of Schedule B.

No deductions for personal exemptions.—The deductions for personal exemptions are not allowable in determining net earnings from self-employment.

MORE THAN ONE TRADE OR BUSINESS

If an individual is engaged in more than one trade or business, his net earnings from each trade or business (the combined net earnings from self-employment of all his trades or businesses). Thus, the loss sustained in one trade or business will operate to reduce the income derived from another trade or business. An individual shall fill in and file only one Schedule C-3, including Schedule SE, for any one year.

JOINT RETURNS

When husband and wife file a joint income tax return, Schedule C-3 (Form 1040) should show the name of the one with self-employment income. Where husband and wife each have self-employment income, separate Schedules C and C-3 must be attached for each. In such cases the total of amounts shown on line 27 of each separate Schedule C should be entered on line 6a, page 1, Form 1040, and the aggregate self-employment tax (line 11) of Schedule C-3 should be entered on line 17, page 1, Form 1040.

COMMUNITY INCOME

For the purpose of computing net earnings from self-employment, if any of the income from a trade or business is community income, all the income from such trade or business is considered the income of the husband unless the wife exercises substantially all the management and control of the trade or business, in which case all of such income is considered the income of the wife. (Also see instructions on partnerships below.)

If separate income tax returns are filed by husband and wife, Schedules C and C-3 should be attached to the return of the one with self-employment income. Community income included on Schedule C must be allocated between the two returns (on line 6a, page 1, Form 1040) on the basis of the community property laws.

PARTNERSHIPS

In computing his combined net earnings from self-employment, a partner should include his entire share of such earnings from a partnership including any guaranteed payments. No part of that share may be allocated to the partner's wife (or husband) even though the income may, under State law, be community income. In the case of a husband and wife partnership, like other partnerships, the distributive share of each should be entered in Part V of Schedule B (Form 1040) for income tax purposes. For self-employment tax purposes the distributive share of each partner should be entered on line 5(b), of this Schedule (except that farm partnership earnings are to be reported on line 1(b), Schedule F-1 (Form 1040) rather than on line 5(b) of this schedule).

Note.—If a member of a continuing partnership dies, a portion of the deceased partner's distributive share of the partnership's ordinary income (or loss) for the taxable year of the partnership in which he died must be included in the partner's net earnings from self-employment. In such cases consult your nearest Internal Revenue Service office as to how to report.

SCHEDULE SE (Form 1040)

Schedule SE, which is the lower portion of this Schedule, provides the Social Security Administration with the information on self-employment income necessary for computing benefits.

To assure proper credit to your account, be sure to enter your name and social security account number on Schedule SE (Form 1040) exactly as they are shown on your social security card. If you do not have a social security account number, you must get one. These account numbers are obtainable from any social security district office. Your local post office will give you the address. Do not delay filing your return beyond the due date.

Regardless of whether joint or separate returns are filed by husband and wife, Schedule SE (Form 1040) must show only the name of the one with the self-employment income. However, if you had self-employment income, a separate Schedule SE must be filed by each.

SCHEDULE D
 (Form 1040)

U.S. Treasury Department—Internal Revenue Service

GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY

1963

Attach this schedule to your income tax return, Form 1040

Name and address as shown on page 1 of Form 1040

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

a. Kind of property (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 or March 1, 1913 (attach schedule)	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 capital loss carryover from 5 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

5. Enter gain from line 3, Part II.						
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. Capital gain dividends						
8. Net long-term gain (or loss) from lines 5, 6, and 7.						
9. Combine the amounts shown on lines 4 and 8, and enter the net gain (or loss) here						
10a. If line 9 shows a GAIN —Enter 50% of line 8 or 50% of line 9, whichever is smaller. (Enter zero if there is a loss or no entry on line 8.) (See reverse side for computation of alternative tax)						
b. Subtract line 10a from line 9.						
11. If line 9 shows a LOSS —Enter here the smallest of the following: (a) the amount on line 9; (b) the amount on line 11b, page 1 of Form 1040 computed without regard to capital gains and losses; or (c) \$1,000.						

Part II—GAIN FROM DISPOSITION OF DEPRECIABLE PROPERTY UNDER SECTION 1245

a. Kind of property (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. Cost or other basis, cost of subsequent improvements (if not purchased, attach explanation) and expense of sale
1.				
1. Depreciation allowed (or allowable) since acquisition or March 1, 1913 (attach schedule)				
1-1. Prior to January 1, 1962	1-2. After December 31, 1961			
	g. Adjusted basis (e less sum of 1-1 and 1-2)	h. Total gain (d less g)	i. Ordinary gain (lesser of 1-2 or h)	j. Other gain (h less i)
4. Total ordinary gain. Enter here and on line 3, Part IV				
5. Total other gain. Enter here and on line 5, Part I, 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 on line 1, Part III.				

Part III—PROPERTY OTHER THAN CAPITAL ASSETS

a. Kind of property (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 of March 1, 1913 (attach schedule)	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 line 3, Part II.....						
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 on line 2, Part IV.....						•

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

1. Net gain (or loss) from either line 10b or 11, Part I.....	
2. Net gain (or loss) from line 3, Part III.....	
3. Total ordinary gain from line 3, Part II.....	
4. Total net gain (or loss), combine lines 1, 2, and 3. Enter here and on line 6b, page 1 of Form 1040.....	•

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 \$18,000, or (b) a joint return, or as a surviving husband or wife, with taxable income exceeding \$36,000, or (c) as a head of household with taxable income exceeding \$24,000.

1. Enter the amount from line 11d, page 1 of Form 1040.....	
2. Enter amount from line 10a, Part I on reverse side.....	
3. Subtract line 2 from line 1.....	
4. Enter tax on amount on line 3 (use applicable tax rate schedule on page 9 of Form 1040 instructions).....	
5. Enter 50% of line 2.....	
6. Alternative tax (add lines 4 and 5). If smaller than the tax figured on the amount on line 11d, page 1 of Form 1040, enter this alternative tax on line 12, page 1 of Form 1040.....	

INSTRUCTIONS—(References are to the Internal Revenue Code)

GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY.—Report details in schedule on other side.

"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 one 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 or coal 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.

Gains from section 1245 property (Part II).—Use this part to report any gain from the disposition of 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.

See section 1245 (b) 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; and (f) property distributed by a partnership to a partner.

Basis.—In determining gain or loss in case of property acquired after February 28, 1913, use cost, except as specially provided. The cost or other basis of property which qualifies for the investment credit must be reduced by an amount equal to 7 percent of the qualified investment whether the credit is taken or not. The basis of property acquired by gift after December 31, 1920, is the cost or other basis to the donor in the event of gain, but, in the event of loss, it is the lower of either such donor's basis or the fair market value on date of gift. If a gift tax was paid with respect to property

SCHEDULE D
 (Form 1040)

U.S. Treasury Department—Internal Revenue Service

GAINS AND LOSSES FROM SALES OR EXCHANGES OF PROPERTY

1963

Attach this schedule to your income tax return, Form 1040

Name and address as shown on page 1 of Form 1040

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

a. Kind of property (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 or March 1, 1913 (attach schedule)	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 capital loss carryover from 5 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

5. Enter gain from line 3, Part II						
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. Capital gain dividends						
8. Net long-term gain (or loss) from lines 5, 6, and 7						
9. Combine the amounts shown on lines 4 and 8, and enter the net gain (or loss) here						
10a. If line 9 shows a GAIN —Enter 50% of line 8 or 50% of line 9, whichever is smaller. (Enter zero if there is a loss or no entry on line 8.) (See reverse side for computation of alternative tax)						
b. Subtract line 10a from line 9						
11. If line 9 shows a LOSS —Enter here the smallest of the following: (a) the amount on line 9; (b) the amount on line 11b, page 1 of Form 1040 computed without regard to capital gains and losses; or (c) \$1,000						

Part II—GAIN FROM DISPOSITION OF DEPRECIABLE PROPERTY UNDER SECTION 1245

a. Kind of property (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. 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 or March 1, 1913 (attach schedule)		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)	j. Other gain (h less i)
f-1. Prior to January 1, 1962	f-2. After December 31, 1961					
2. Total ordinary gain. Enter here and on line 3, Part IV						
3. Total other gain. Enter here and on line 5, Part I; 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 on line 1, Part III						

Part III—PROPERTY OTHER THAN CAPITAL ASSETS

a. Kind of property (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 of March 1, 1913 (attach schedule)	f. Cost or other basis, cost of subsequent improvements (if not purchased, attach explanation) and expense of sale	g. Gain or loss (g plus e less f)
1. Enter gain from line 3, Part II						
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 on line 2, Part IV						

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

1. Net gain (or loss) from either line 10b or 11, Part I	
2. Net gain (or loss) from line 3, Part III	
3. Total ordinary gain from line 2, Part II	
4. Total net gain (or loss), combine lines 1, 2, and 3. Enter here and on line 6b, page 1 of Form 1040	

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 \$18,000, or (b) a joint return, or as a surviving husband or wife, with taxable income exceeding \$36,000, or (c) as a head of household with taxable income exceeding \$24,000.

1. Enter the amount from line 11d, page 1 of Form 1040	
2. Enter amount from line 10a, Part I on reverse side	
3. Subtract line 2 from line 1	
4. Enter tax on amount on line 3 (use applicable tax rate schedule on page 9 of Form 1040 instructions)	
5. Enter 50% of line 2	
6. Alternative tax (add lines 4 and 5). If smaller than the tax figured on the amount on line 11d, page 1 of Form 1040, enter this alternative tax on line 12, page 1 of Form 1040	

INSTRUCTIONS (Continued from reverse side of original)

received by gift, see section 1015 (d). Generally, the basis of property acquired by inheritance is the fair market value of the date of death. For special cases involving property acquired from a decedent, see section 1014.

In the case of a sale or exchange of an automobile, personal residence and other property not used in your trade or business, or not used for the production of income, the basis for determining gain is the original cost plus the cost of permanent improvements thereto. No losses are recognized for income tax purposes on the sale and exchange of such properties.

Installment sales.—If you sold personal property for more than \$1,000 or real property regardless of amount, you may be eligible to report any gain under the installment plan if (1) there is no payment in the year of sale, or (2) the payments in the year of sale do not exceed 30% of the selling price. Contact any Internal Revenue Service office for more complete information. See section 453.

Sale of personal residence.—Tax on a portion or all of the gain from the sale of your principal residence may be deferred if:

- (a) within 1 year after (or before) the sale, you purchase another residence and use it as your principal residence; or
- (b) within 1 year after (or before) the sale, you begin construction of a new residence and use it as your principal residence not later than 18 months after the sale.

Contact your nearest Internal Revenue Service office for full details or to obtain Form 2119 which may be used to report the sale or exchange or to figure your new basis.

Losses on securities becoming worthless.—If (a) shares of stock become worthless during the year or (b) corporate securities with interest coupons or in registered form become worthless during the year, and are capital assets, the loss therefrom shall be considered as from the sale or exchange of capital assets as of the last day of such taxable year.

Nonbusiness debts.—If a debt, such as a personal loan, becomes totally worthless within the taxable year, the loss resulting therefrom shall be considered a loss from the sale or exchange, during the taxable year, of a capital asset held for not more than 9 months. Enter such loss in column (g) and describe in column (a) in the schedule of short-term capital gains and losses on other side. This does not apply to: (a) a debt evidenced by a corporate security with interest coupons or in registered form and (b) a debt acquired in your trade or business.

Limitation on allowable capital losses.—If line 9, Part I, shows a net loss, the loss shall be allowed as a deduction, only to the extent of the smaller of (1) line 11b, page 1, Form 1040 computed without capital gains (losses), (or line 9 if tax table is used) or (2) \$1,000. The excess of such allowable loss over the lesser of items (1) and (2) above is called "capital loss carryover." The capital loss carryover of each year should be kept separate, since the law limits the use of such carryover to the five succeeding years. In offsetting your capital gain and income of 1963 by prior year loss carryovers, use any capital loss carryover from 1958 before using any such carryover from 1959 or subsequent years. Any 1958 carryover which cannot be used in 1963 must be excluded in determining total loss carryover to 1964 and later years.

"Wash sales" losses.—Losses from the sale or other disposition of stocks or securities are not deductible (unless sustained in connection with the taxpayer's trade or business) if, within 30 days before or after the date of sale or other disposition, the taxpayer has acquired (by purchase or by an exchange upon which the entire amount of gain or loss was recognized by law), or has entered into a contract or option to acquire, substantially identical stock or securities.

Losses in transactions between certain persons.—No deduction is allowable for losses from sales or exchanges of property directly or indirectly between (a) members of a family, (b) a corporation and an individual (or a fiduciary) owning more than 50 percent of the corporation's stock (liquidations excepted), (c) a grantor and fiduciary of any trust, (d) a fiduciary and a beneficiary of the same trust, (e) a fiduciary and a fiduciary or beneficiary of another trust created by the same grantor, or (f) an individual and a tax-exempt organization controlled by the individual or his family. Partners and partnerships see section 707(b).

Long-term capital gains from regulated investment companies.—Include in income as a long-term capital gain the amount you are notified on Form 2439 which constitutes your share of the undistributed capital gains of a regulated investment company. You are entitled to a credit of 25 percent of this amount which should be claimed on line 1, page 1, Form 1040. Enter such amount in column (a) and write "Credit from regulated investment company" in the "Where employed" column. The remaining 75 percent should be added to the basis of your stock.

SCHEDULE F (Form 1040) U.S. Treasury Department Internal Revenue Service	<h2 style="margin: 0;">SCHEDULE OF FARM INCOME AND EXPENSES</h2> <p style="margin: 0; font-size: small;">(Compute social security self-employment tax on Schedule F-1 (Form 1040)) Attach this schedule to your income tax return, Form 1040</p>	<h1 style="margin: 0;">1963</h1>
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Name and address as shown on Form 1040. _____

Business name and address _____

Location of farm(s) and number of acres in each farm _____

Employer identification number _____

FARM INCOME FOR TAXABLE YEAR—CASH RECEIPTS AND DISBURSEMENTS METHOD

PART I. Report receipts from sale of livestock held primarily for sale in the applicable column below. (Do not include other sales of livestock held for draft, breeding, or dairy purposes; report such sales on Schedule D (Form 1040).)

SALES OF MARKET LIVESTOCK AND PRODUCE RAISED AND HELD PRIMARILY FOR SALE					OTHER FARM INCOME		
Kind	Quantity	1. Amount	Kind	Quantity	2. Amount	Items	3. Amount
Cattle.....		\$.....	Eggs.....		\$.....	Mdse. rec'd for produce.....	\$.....
			Meat products.....			Machine work.....	
Sheep.....			Poultry, dressed.....			Breeding fees.....	
Swine.....			Wool.....			Wood and lumber.....	
Poultry.....			Honey.....			Other forest products.....	
Bees.....			Sirup and sugar.....			Patronage dividends, rebates or refunds.....	
Grain.....			Other (specify):.....			Agricultural program pay- ments.....	
Hay.....						Other (specify):.....	
Cotton.....							
Tobacco.....							
Vegetables.....							
Fruits and nuts.....							
Dairy products.....							
Total of columns 1, 2, and 3. Enter here and on line 1 of Part IV below.....							\$.....

PART II. SALES OF PURCHASED LIVESTOCK AND OTHER ITEMS PURCHASED FOR RESALE

a. Description	b. Date acquired	c. Amount received	d. Cost or other basis	e. Profit (or loss)
.....		\$.....	\$.....	\$.....
.....				
.....				
Totals (enter amount from column e, on line 2 of Part IV below) ..		\$.....	\$.....	\$.....

PART III. FARM EXPENSES FOR TAXABLE YEAR (see instructions)

(Do not include personal or living expenses or expenses not attributable to production of farm income, such as taxes, insurance, repairs, etc., on your dwelling)

Items	1. Amount	Items	2. Amount	Items	3. Amount
Labor hired.....	\$.....	Veterinary, medicine.....	\$.....	Retirement plans, etc. (other than your share— See instructions).....	\$.....
Repairs, maintenance.....		Gasoline, fuel, oil.....		Other (specify):.....	
Interest.....		Storage, warehousing.....			
Feed purchased.....		Taxes.....			
Seed, plants purchased.....		Insurance.....			
Fertilizers, lime.....		Utilities.....			
Machine hire.....		Rent of farm, pasture.....			
Supplies purchased.....		Freight, trucking.....			
Breeding fees.....		Conservation expenses.....			
Total of columns 1, 2, and 3. Enter here and on line 4 of Part IV below (cash method) or line 6, Part VII (accrual method).....					

PART IV. SUMMARY OF INCOME AND DEDUCTIONS—CASH RECEIPTS AND DISBURSEMENTS METHOD

1. Sale of livestock and produce raised and other farm income.....	\$.....	4. Farm expenses (from Part III).....	\$.....
2. Profit (or loss) on sale of purchased livestock and other purchased items.....		5. Depreciation (from Part V).....	
3. Gross profits*.....	\$.....	6. Other farm deductions (specify):.....	
		7. Total deductions.....	\$.....
8. Net farm profit (or loss) (subtract line 7 from line 3). Enter here and on line 6c, page 1, Form 1040. Make your computation of self-employment income and the self-employment tax on Schedule F-1.....			
			\$.....

* Use this amount for optional method of computing net earnings from self-employment. (See line 3, Schedule F-1 (Form 1040))

SCHEDULE F-1 (Form 1040) U.S. Treasury Department Internal Revenue Service	COMPUTATION OF SOCIAL SECURITY SELF-EMPLOYMENT TAX ON FARM EARNINGS (For social security) Attach this schedule to your income tax return, Form 1040 (See instructions—page 2)	1963
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▶ If you had wages of \$4,800 or more which were subject to social security taxes, do not fill in this page.
 ▶ Each self-employed person must file a separate schedule. See instructions, page 2, for joint returns and partnerships.
 ▶ If you had net earnings from self-employment from both farm and nonfarm sources, fill in only lines 1 and 2 (line 3, if applicable), and use separate Schedule C-3 to compute your self-employment tax. Net farm earnings from self-employment should be entered on line 5(d) of separate Schedule C-3 (Form 1040).

NAME AND ADDRESS (as shown on page 1, Form 1040)

NAME OF SELF-EMPLOYED PERSON (as shown on social security card)

Social Security Number

CHOICE OF METHODS.—A farmer must report his net farm earnings for self-employment tax purposes. Net earnings may be computed under the optional method (line 3, below) by a farmer (1) whose GROSS profits are \$1,800 or less, or (2) whose GROSS profits are more than \$1,800 and NET profits are less than \$1,200. If your GROSS profits from farming are not more than \$1,800 and you elect to use the optional method, you need not complete lines 1 and 2.

Computation Under Regular Method

- | | |
|---|----------|
| 1. Net farm profit (or loss) from: | |
| (a) Line 8, page 1, Schedule F (cash method), or line 10, page 2 (accrual method) | \$ |
| (b) Farm partnerships | \$ |
| 2. Net earnings from self-employment from farming. Add lines 1 (a) and (b) | \$ |
| Computation Under Optional Method | |
| 3. If gross profits from farming are:* (a) Not more than \$1,800, enter two-thirds of the gross profits | \$ |
| (b) More than \$1,800 and the net farm profit is less than \$1,200, enter \$1,200 | \$ |

*NOTE.—Gross profits from farming are the total of the gross profits on line 3, Part IV (cash method), or line 5, Part VII of Schedule F (accrual method), plus the distributive share of gross profit from farm partnerships as explained on page 2.

If line 2 (or line 3, if you choose the optional method) is under \$400, do not fill in rest of page.

Computation of Social Security Self-Employment Tax

- | | | |
|--|-------------|--|
| 4. The largest amount of combined wages and self-employment earnings subject to social security tax is | \$ 4,800 00 | |
| 5. Total wages, covered by social security, paid to you during the taxable year. (For "Covered" wages see "F.I.C.A. Wages" box on Form W-2.) Enter here and in item G of Schedule SE below | \$ | |
| 6. Balance (line 4 less line 5) | \$ | |
| 7. Self-employment income. Enter here and in item H of Schedule SE below your choice of EITHER : | | |
| (a) REGULAR METHOD. —The smaller of line 2 or 6 | \$ | |
| (b) OPTIONAL METHOD. —The smaller of line 3 or 6 | \$ | |
| 8. Self-employment tax—if line 7 is \$4,800, enter \$259.20; if less, multiply the amount on line 7 by 5.4%. Enter this amount here and on line 17, page 1, Form 1040 | \$ | |

Do not detach

Important.—The amounts reported on the form below are for your social security account. This account is used in figuring any benefits, based on your earnings, payable to you, your dependents, and your survivors. Fill in each item accurately and completely.

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

U.S. REPORT OF SELF-EMPLOYMENT INCOME
 For crediting to your social security account

1963

<p>Indicate year covered by this return (even though income was received only in part of year): Calendar year 1963 <input type="checkbox"/> or other taxable year beginning _____, 1963, ending _____</p> <p>A. If less than 12 months, was short year due to (a) <input type="checkbox"/> Death, or (b) <input type="checkbox"/> Change in accounting period, or (c) <input type="checkbox"/> Other.</p> <p>B. FARM ACTIVITIES SUBJECT TO SELF-EMPLOYMENT TAX (Raising livestock, custom harvesting, etc.)</p> <p>C. FARM ADDRESS (rural route, post office, State)</p> <p>D. SOCIAL SECURITY ACCOUNT NUMBER OF PERSON NAMED IN ITEM E BELOW ➔ <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/> <input style="width: 40px;" type="text"/></p> <p>E. PRINT OR TYPE NAME OF SELF-EMPLOYED PERSON AS SHOWN ON SOCIAL SECURITY CARD</p> <p>PRINT OR TYPE HOME ADDRESS (number and street, or rural route)</p> <p>(City or town, State and postal ZIP code)</p>	<p style="text-align: center;">PLEASE DO NOT WRITE IN THIS SPACE</p> <hr/> <p style="text-align: center;">CHECK HERE IF YOU USE OPTIONAL METHOD. <input type="checkbox"/></p> <p>F. ENTER AMOUNT FROM LINE 2 (LINE 3 IF OPTION USED)</p> <p>G. ENTER AMOUNT FROM LINE 5, IF ANY</p> <p>H. ENTER AMOUNT FROM LINE 7</p>
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SE

SOCIAL SECURITY SELF-EMPLOYMENT TAX INSTRUCTIONS

Individuals deriving income from farming operations are subject to self-employment tax. See page 1 of this form for computation of earnings from self-employment and self-employment tax. This tax must be paid regardless of age and even though the individual is receiving social security benefits.

Optional method for computing net earnings from self-employment from farming.—If a farmer's gross profits for the year from farming are not more than \$1,800, he may report two-thirds of his gross farm income instead of his actual net earnings from farming. If his gross profits from farm self-employment are more than \$1,800 and his actual net earnings from farming are less than \$1,200, he may report \$1,200. For the purpose of the optional method, a partner should compute his share of gross profits from a farm partnership in accordance with the partnership agreement. In the case of guaranteed payments, his share of the partnership's gross profits is his guaranteed payments plus his share of the gross profits after such gross profits are reduced by all guaranteed payments of the partnership.

SHARE-FARMING ARRANGEMENTS

An individual who undertakes to produce a crop or livestock on land belonging to another for a proportionate share of the crop or livestock produced, or the proceeds thereof, is considered to be an independent contractor and a self-employed person rather than an employee. His net earnings should be reported on Schedules F and F-1 (Form 1040) for income tax and self-employment tax purposes.

Farm rentals.—Rental income from a farm courts for social security purposes if the arrangement provides for material participation by the landlord and he does participate materially in the production of the crop or livestock or in the management of the production of one or more farm products. Such rental income is farm earnings and should be reported on page 1 or 2 of Schedule F. "Material participation" means the taking of an important part in the actual production or in the making of management decisions. If there was no material participation, report such rental income in Part IV of Schedule B (Form 1040).

MORE THAN ONE TRADE OR BUSINESS

If an individual is engaged in farming and in one or more other trades or businesses, his net earnings from self-employment are the combined net earnings from self-employment of all his trades or businesses. Thus, the loss sustained in one trade or business will operate to reduce the income derived from another trade or business. In such cases, use both Schedule F (Form 1040) and Schedule C (Form 1040) to determine net profit from the farm and nonfarm activities, respectively. Make the combined computation of self-employment tax on page 1 of Schedule C-3 (Form 1040). Fill in Schedule F-1 (Form 1040) through line 3.

JOINT RETURNS

Where husband and wife file a joint income tax return, page 1 of this Schedule should show the name of the one with self-employment income from farming. Where husband and wife each had self-employment income, a separate Schedule F-1, or a separate Schedule C-3, whichever is appropriate, must be filed by each. However, the total of the amounts shown as profit (or loss) from all businesses should, for income tax purposes, be reported on line 6a or 6c, on page 1, Form 1040, and the combined self-employment tax should be entered on line 17, page 1, of Form 1040.

COMMUNITY INCOME

For the purpose of computing net earnings from self-employment (but not for income tax), if any of the income from a trade or business is community income, all the income from such trade or business is considered the income of the husband unless the wife exercises substantially all the management and control of the trade or business, in which case all of such income is considered the income of the wife. (Also see instructions on partnerships which follow.)

If separate income tax returns are filed by husband and wife, Schedules F and F-1 or Schedules C and C-3, whichever are appropriate, must be attached to the return of the one with self-employment income. Community income included on such a schedule must, however, be allocated, for income tax purposes between the two returns (on line 6a or line 6c, page 1, Form 1040) on the basis of the community property laws.

PARTNERSHIPS

In computing his combined net earnings from self-employment, a partner should include his entire share of such earnings from a partnership including any guaranteed payments. No part of that share may be allocated to the partner's wife (or husband) even though the income may, under State law, be community income. However, in the case of a husband and wife farm partnership, like other partnerships, the distributive share of each must be entered as partnership income in Part V of Schedule B for income tax purposes, and on line 1(b), page 1, of separate Schedule F-1 for self-employment tax purposes. (Use separate Schedule C-3, to report nonfarm income for social security purposes.)

Note: If a member of a continuing partnership dies, a portion of the deceased partner's distributive share of the partnership's ordinary income (or loss) for the taxable year of the partnership in which he died must be included in the partner's net earnings from self-employment. In such cases consult your nearest Internal Revenue Service office as to how to report.

EXCLUSIONS FROM SELF-EMPLOYMENT

In determining the amount of net farm earnings from self-employment the following items should be excluded:

Real estate rentals.—Rentals from real estate, including any personal property that is leased with the land. This includes rentals received in cash or crop shares. These amounts should be reported in Part IV of Schedule B. See, however, "Farm Rentals" under "Share-Farming Arrangements" on this page.

Property gains and losses.—Gains and losses from the sale, exchange, or involuntary conversion of capital assets and other property which is not held primarily for sale to customers. These amounts should be reported on separate Schedule D (Form 1040).

Net operating losses.—In determining the net earnings from self-employment, no deduction for net operating losses of other years shall be allowed. Such deduction should be entered on line 3, Part V of Schedule B.

Other items.—Any other item of income or expense which was included in line 2 and which does not enter into the computation of net farm earnings from self-employment should be eliminated from line 2 and an explanation attached.

SCHEDULE SE (FORM 1040)

Schedule SE, which is the lower portion of page 1 of Schedule F-1, provides the Social Security Administration with the information on self-employment income necessary for computing benefits under the social security program.

To assure proper credit to your account, enter your name and social security account number on Schedule SE (Form 1040) exactly as they are shown on your social security card. If you do not have a social security account number, you must get one. These account numbers are obtainable from any Social Security district office. Your local post office will give you the address. Do not delay filing your return beyond its due date.

Regardless of whether joint or separate returns are filed by husband and wife, Schedule SE (Form 1040) must show only the name of the one with self-employment income. However, if both had self-employment income, a separate Schedule SE must be filed by each.

U.S. Treasury Department-Internal Revenue Service

INSTRUCTIONS FOR SCHEDULE F (FORM 1040)—1963

The term "farm" does not include the cultivating or operating of a farm for recreation or pleasure, the result of which is a continual loss from year to year.

CASH RECEIPTS AND DISBURSEMENTS METHOD

A farmer using the cash receipts and disbursements method shall include in his income for the taxable year (1) the amount of cash and the value of merchandise or other property received from the sale of livestock and produce which were raised during the taxable year or prior years, (2) the profits received from the sale of any livestock and other items which were purchased, and (3) income received from all other sources. Farm expenses which are actual amounts paid out during the taxable year plus such amounts as depreciation, etc.

ACCRUAL METHOD

For a farmer using an accrual method, the gross profits are obtained as indicated in summary of income and deductions on page 2 of Schedule F. Farm expenses will be the actual expenses incurred during the year, whether paid or not.

Farmers who compute income on an accrual method and use inventories may value their inventories according to the "farm-price method," in addition to other methods, which provides for the valuation of inventories at market price less direct cost of disposition. Farmers raising livestock may value their inventories of animals according to either the "farm-price method" or the "unit-livestock-price method."

INCOME

All farm income from whatever source must be reported in Schedule F or in Schedule D (Form 1040). Anything of value received instead of cash, such as groceries received in exchange for produce, must be treated as income to the extent of its market value. The value of farm produce consumed by the farmer and his family need not be reported as income, but expenses incurred in raising such produce must not be claimed as deductions. Recoveries from insurance on growing crops should be included. If you rent all or a part of your crop land on a crop share basis, report the crop shares received as rental income only for the year in which they are reduced to money, or its equivalent. If you received rental income from the operation of a farm and did not materially participate in its operation, report the income in Part IV of Schedule B of Form 1040.

If a farmer pledges commodities as security for a loan from the Commodity Credit Corporation, income is not considered received until the pledged commodities are sold. However, a farmer may elect to include in income amounts received during the year as loans from the Corporation. If he does so elect he should file with his return a statement showing details of such loans, and must continue to report similar loans as income until he receives permission from the Commissioner to change his method of accounting.

Patronage dividends received from cooperatives in cash or its equivalent are to be included in farm income to the extent of their fair market value in the year received. Documents such as negotiable instruments and capital stock are considered to have a fair market value at the time of receipt unless it is clearly established to the contrary. However, any revolving fund certificate, retain certificate, letter of advice, or similar document, which is payable only in the discretion of the cooperative association, or which is otherwise subject to conditions beyond your control, are to be included in income only in the year cash or other property becomes subject to payment on demand, regardless of your accounting method. Dividends received on purchases of capital assets or depreciable property used in farming are not included in income, but the purchase price of such items must be reduced accordingly. Dividends you receive on nonbusiness purchases are not included in income. With respect to patronage dividends received for patronage occurring in a taxable year of a cooperative organization beginning after December 31, 1962, see section 1365 of the Internal Revenue Code and the regulations thereunder.

Report sales, exchanges, or involuntary conversions of capital assets and other property in separate Schedule D (Form 1040).

EXPENSES AND OTHER DEDUCTIONS

In general, a farmer is entitled to deduct from gross income as necessary expenses all amounts actually expended in carrying on the business of farming, excluding amounts which represent capital investment. Some of these expenses are:

Labor hired.—Amounts paid for regular farm labor, piecework, contract labor, and other forms of hired labor. Do not deduct the value of your own labor or that of your wife or family. Only that part of the board which is purchased for hired labor should be deducted.

The use of products furnished by the farm and used in the household is not deductible. The cost of rations purchased for laborers or sharecroppers is deductible. Do not deduct amounts paid to persons engaged in household work except to the extent that the services of such persons are used in boarding and otherwise caring for farm laborers.

Repairs and maintenance.—Amounts expended for repairs and maintenance of farm buildings (except your dwelling), fences, drains, and other farm improvements and for repairs and maintenance of farm machinery and equipment, cost of ordinary tools of

short life or small cost such as shovels, rakes, etc. Amounts paid for replacements to, or for the repair of, farm machinery, farm buildings, or other farm equipment of a permanent nature are not deductible.

Utilities.—The farm share of the expenditures for water rent, electricity, telephone, etc. Do not deduct personal expenses.

Fertilizers and lime.—These and similar materials may be either capitalized or deducted as an expense.

Supplies purchased.—Cost of twine, spray materials, poisons, disinfectants, coal, kerosene, cements, egg cases, bags, etc.

Taxes.—State and local taxes. Do not deduct Federal income taxes; estate, inheritance, legacy, succession, and gift taxes; nor taxes assessed for any improvement or betterment. Do not deduct taxes on your dwelling or household property and other taxes not related to the business of farming.

Insurance.—Cost of all insurance on farm buildings (except your dwelling) and on improvements, equipment, crops, and livestock.

Rent of farm, part of farm, or pasture.—Rent paid in cash. A tenant farmer paying rent to his landlord in the form of crops raised on the farm (under a crop share agreement) may not deduct as rent the value of the crop given to the landlord, but the tenant may deduct all amounts paid by him in raising the crop.

Consenses.—You may deduct certain expenditures made by you (including any amount paid on an assessment levied by a soil or water conservation or drainage district to defray expenditures made by such district) for soil or water conservation and the prevention of erosion if such expenditures are in respect of land used by you in your business of farming.

The allowable deduction for any one year may not exceed 25 percent of your gross income from farming, but any excess may be carried over to succeeding years with the same limit applying to those years.

To claim a deduction for these expenditures you must (a) elect to do so for the first taxable year for which such expenditures are paid by claiming such deduction on your return, or, (b) secure consent from the District Director of Internal Revenue for any other year. Once you have elected to do so, you must continue to treat such expenditures as deductions in all future taxable years unless you secure consent from the District Director to change.

Retirement plans, etc. (other than your share).—Enter deduction for contributions to or under a pension, profit-sharing, annuity, or bond purchase plan, and compensation under a deferred payment plan for your employees on the line provided in column 3, Part II, of the instructions for Form 1040. If you are a self-employed individual, enter your share on line 8, page 1, Form 1040 and attach Form 2950SE. For other plans attach Form 2950 (optional in the first year—see instructions for that form).

Other farm expenses.—Include such items as advertising, stationery, stamps, account books, other office supplies, travel, and similar farm expenses.

You may deduct expenditures in clearing land to make it suitable for farming. This deduction is limited to 25% of taxable income from farming, or \$5,000 whichever is lesser.

Depreciation.—Allowance for depreciation of buildings, improvements, machinery, or other farm equipment of a permanent nature. Similar assets may be grouped together as one item for reporting purposes. The depreciation schedule on Schedule F. In computing depreciation do not include the value of farm land or land on which farm buildings are located. Do not claim depreciation on livestock or any other property included in your inventory. Depreciation, however, may be claimed on livestock acquired for work, breeding, or dairy purposes which are not included in your inventory of livestock purchased or raised for sale. See page 3 of the instructions for Form 1040 for methods of computing depreciation. The depreciation instructions also discuss the alternative standards and procedures for use in determining depreciation under Revenue Procedure 62-21. While not mandatory, the adoption of these procedures will, in most cases, prove to be to the taxpayer's advantage.

Losses.—Losses of farm buildings, machinery, and other farm property not included in your inventory, to the extent not compensated by insurance or otherwise. Losses of property included in your inventory are taken care of by the reduced amount of the inventory at the end of the year. The total loss of a prospective crop by frost, storm, flood, or fire is not deductible. When using the cash method, the value of animals raised by you and lost by death is not deductible; for animals purchased and lost by death, the cost less depreciation allowed is deductible to the extent the loss is not compensated by insurance or otherwise. Do not deduct personal losses.

Net operating loss deduction.—Any net operating loss deduction should be entered on line 3, Part V of Schedule B (Form 1040). See page B-3 of the instructions for Form 1040.

Additional information available.—More information and illustrative examples are contained in Publication No. 235, Farmer's Tax Guide. This booklet may be obtained free of charge from your county agricultural agent or any Internal Revenue Service Office.

FORM 3468 U.S. Treasury Department Internal Revenue Service	COMPUTATION OF INVESTMENT CREDIT—1963 or taxable year beginning....., 1963, ending....., 19...	TO BE ATTACHED TO YOUR TAX RETURN
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Name (as shown on page 1 of your tax return) _____

Address (number and street) _____

City or town, and State _____

1. Qualified investment in new or used property

NOTE: Include your share of investment in property by a partnership, estate, trust, small business corporation, or lessor.

Type of property	Line	(1) Life years	(2) Cost or basis	(3) Applicable percentage	(4) Qualified investment (column 2 x column 3)
NEW PROPERTY	(a)	4 to 6		33⅓	
	(b)	6 to 8		66⅔	
	(c)	8 or more		100	
USED PROPERTY <small>(for dollar limitation see instructions)</small>	(d)	4 to 6		33⅓	
	(e)	6 to 8		66⅔	
	(f)	8 or more		100	

2. Total qualified investment—add lines 1(a) through (f)
3. Tentative investment credit—7% of line 2 (for public utility property, enter 3% of line 2)
4. Carryback and carryover of unused credit(s) (attach statement)
5. **TOTAL** (line 3 plus line 4)

COMPUTATION OF TAX FOR PURPOSES OF LIMITATION

6. (a) Individuals (enter amount from line 12, page 1, Form 1040)
- (b) Estates and trusts (enter amount from line 25 or 26, page 1, Form 1041)
- (c) Corporations (enter amount from line 5, Tax Computation Schedule, Form 1120)
7. Individuals, estates and trusts:
- | | |
|---|--|
| Less: (a) Foreign tax credit | |
| (b) Dividends received credit | |
| (c) Retirement income credit | |
| (d) Total (add lines (a), (b), and (c)) | |
8. Balance (line 6 less line 7(d))

LIMITATION BASED ON AMOUNT OF TAX

(Married persons filing separately, affiliated groups, estates and trusts—see instructions)

9. (a) Enter amount on line 8 or \$25,000, whichever is lesser
- (b) If line 8 is in excess of \$25,000, enter 25% of the excess
- (c) Total (add lines (a) and (b))
10. Investment credit (enter amount on line 5 or 9(c), whichever is lesser)

SCHEDULE A

If any part of the investment in 1 above was made by a partnership, estate, trust, small business corporation, or lessor complete the following:

Name (Partnership, estate, trust, etc.)	Address	Property		
		New	Used	Life years
		\$	\$	

GENERAL INSTRUCTIONS

A. Who Must File.—Any individual, estate, trust, or corporation claiming an investment credit against its tax must attach this form to its income tax return. Partnerships and small business corporations are not required to file this form because the credit is claimed by the partner or shareholder. However, partnerships and small business corporations must attach a statement to their returns showing the allocation of investment to the partners or shareholders by amount, type and life of property as shown in item 1 of this form. Estates and trusts which apportion the investment between the estate or trust and the beneficiaries should in addition to filing this form attach a statement showing the allocation of the investment among the beneficiaries.

B. When Allowed.—A credit is allowed against your tax for investment in certain depreciable property having an estimated useful life of 4 years or more. The credit is allowed for the first year property is placed in service, even though under the depreciation convention you may not be able to claim a deduction for depreciation on the property until the following year.

C. Property Defined.—The investment credit is applicable to (a) tangible personal property and (b) real property (except for buildings and their structural components) if used as an integral part of manufacturing, production or extraction, or used as a research or storage facility in connection with these activities.

The investment credit is not applicable to (1) certain property which is used predominantly outside the United States; (2) property used for lodging or in connection with furnishing lodging, except (a) property used in certain commercial facilities located therein (such as a restaurant) or (b) property used by a hotel or motel; (3) property used by a tax-exempt organization (other than in a business to which the unrelated business income tax applies); (4) property used by governmental units; (5) livestock (including racehorses).

D. Election for Leased Property.—A lessor may elect to treat an investment in new property as if made by the lessee instead of the lessor. If the lessor makes this election, then the lessee is treated as if he had acquired the property for the lessor's cost or other basis or the fair market value of the property if it was constructed by the lessor. Where the lessee is allowed the investment credit there is no adjustment of the lessor's basis for depreciation (see K below) but a reduction of the lessor's deduction for rent must be made.

SPECIFIC INSTRUCTIONS

Line 1. New Property.—Enter the basis of property as described in General Instructions C and J placed in service during the taxable year. In the case of property constructed, reconstructed or erected by you, enter only that portion of the basis which is properly attributable to construction, reconstruction or erection after December 31, 1961.

Used Property.—Enter the cost (subject to dollar limitation below) of used property placed in service during the taxable year.

Dollar Limitation on Used Property.—In general, the amount of used property taken into account may not exceed \$50,000. In the case of a husband and wife filing separate returns, and each has used property taken into account on their returns, the amount may not exceed \$25,000. In the case of a partnership, the \$50,000 limitation shall apply with respect to the partnership and with respect to each partner. In the case of affiliated groups, the \$50,000 limitation shall be reduced for each member of the group by apportioning \$50,000 among the members of such group in accordance with their respective amounts of used property which may be taken into account.

Where a lessor makes an election with respect to leased property, such election must be made in accordance with section 48(d) and the regulations thereunder.

E. Replacement Property.—Where insured property is lost or destroyed as a result of a casualty or is stolen, reinvestment of the insurance proceeds in replacement property may not be eligible for investment credit.

F. Disposition of Property.—Where property is disposed of prior to the life used in computing the investment credit, the tax for the year in which the property is so disposed of must be increased by the difference between the credit taken on such property and the credit which would have been allowed had the actual life been used. Such increase should be entered on the line provided on your tax return.

G. Limitations With Respect to Certain Persons.—In the case of (1) mutual savings banks, building and loan associations and cooperative banks, (2) a regulated investment company or a real estate investment trust subject to taxation under Subchapter M, and (3) a cooperative organization described in section 1381(a), the qualified investment and the \$25,000 limitation shall equal each person's ratable share of such items.

H. Carryback and Carryover of Unused Credits.—If the amount of the investment credit for any taxable year exceeds the limitation, the excess shall be an investment credit carryback to each of the 3 preceding taxable years and an investment credit carryover to each of the 5 succeeding taxable years and shall be added to the amount allowable as a credit for such years. However, such excess may be a carryback only to a taxable year ending after December 31, 1961.

I. Deduction for Certain Unused Investment Credit.—If after applying the carryback and carryover provisions the unused credit has not been completely absorbed, the balance may be allowed as a deduction in the first taxable year following the last taxable year in which it could have been used as a credit except for the limitations.

J. Basis and Cost.—The credit for new property applies to the basis of the property. The credit for used property applies to the cost of the property. The cost (of used property) does not include the basis of any property traded in. No adjustment for additional first-year depreciation or salvage value is required.

K. Adjustments to Basis of Property.—For purposes of computing depreciation the basis of any property which qualifies for the investment credit shall be reduced by an amount equal to 7 percent (3 percent in the case of a public utility) of the qualified investment.

Estates and Trusts.—In the case of an estate or trust the amount of the investment is apportioned between the estate or trust and the beneficiaries on the basis of the income of the estate or trust allocable to each.

Line 6. Individuals and corporations filing forms other than Forms 1040 and 1120, use the tax figure shown on your return which is comparable to the figure to be used by a taxpayer using Form 1040 or 1120.

Line 9. Limitation Based on Amount of Tax.—In the case of a husband and wife filing separate returns and both have qualified investments, the amount specified on lines 9(a) and (b) shall be \$12,500 instead of \$25,000. In the case of affiliated groups, the \$25,000 specified on lines 9(a) and (b) shall be reduced for each member of the group by apportioning the \$25,000 among the members of such group. In the case of an estate or trust the \$25,000 limitation specified on lines 9(a) and (b) shall be reduced to an amount which bears the same ratio to \$25,000 as the amount of qualified investment allocated to the estate or trust bears to the entire qualified investment.

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Statistics of Income

PUBLICATIONS IN PREPARATION

Individual Income Tax Returns for 1964, Preliminary

Sources of income, adjusted gross income, exemptions, deductions, taxable income, income tax, tax credits, self-employment tax, income tax generated at each tax rate, tax withheld, tax payments and overpayments, by size of adjusted gross income. Selected sources of income by States.

Corporation Income Tax Returns with accounting periods ended July 1962-June 1963

Receipts, deductions, net income and income subject to tax, income tax, foreign tax credit, investment credit, and distributions to stockholders. Also total assets, depreciable assets, and inventories. Special subjects covered include investment credit items, sales of certain business property, patterns of prior-year income, and payments on declarations of estimated tax, inventory valuation methods, ratios of current year depreciation deduction and accumulated depreciation to depreciable assets, and net income on business receipts. Classifications by industrial group and month accounting period ended, as well as by size of total assets, business receipts, net income, income taxed at normal tax and surtax rates, income tax, and investment credit. Separate information for returns with net income, consolidated returns, and returns of small business corporations electing to be taxed through shareholders. Historical summary, 1953 through 1962.

Foreign Income and Tax reported in foreign tax credit schedules of domestic corporation income tax returns with accounting periods ended July 1961-June 1962

Total income from foreign sources, foreign dividends received, foreign income tax paid or deemed paid, net income, income subject to tax, U. S. income tax, and foreign tax credit against the U. S. income tax. Classifications by industrial group and foreign country or area. Size classifications by total assets, net income, and U. S. income tax. Foreign tax credit and other information reported on Western Hemisphere trade corporation returns. Historical summary.

U. S. Business Tax Returns with accounting periods ended July 1963-June 1964

SOLE PROPRIETORSHIPS, PARTNERSHIPS, AND CORPORATIONS: Industry statistics on receipts, profits, income statements, investment credit, state data, number of months businesses owned, retirement plan deduction, businesses with employer identification number filing on employer's quarterly tax return, depreciation claimed and ratios of operating expenses to business receipts for the three types of business organization. Income from farming and other sources for sole proprietorship forms. Selected balance sheet items for corporations, and complete balance sheet items for partnerships. Classifications by size of adjusted gross income for sole proprietorships and by size of total assets for partnerships. Historical data for selected years by industry.

Sales of Capital Assets reported on Individual Income Tax Returns for 1962

Gross sales, cost, depreciation, gross gain or loss, and net short-term and long-term gain or loss, both before and after limitations, for 25 different asset types. Among the asset types covered are corporate stock, business assets, livestock, and residences. Classifications by size of adjusted gross income (as reported, minus capital gain or loss, and plus excluded capital gain or loss), size of net gain or loss, period held, State, and for taxpayers age 65 and over are included.

Fiduciary, Gift, and Estate Tax Returns Filed During 1966

FIDUCIARY INCOME TAX RETURNS FOR 1965: Sources of income and loss, deductions (including administrative expenses), income tax, credits, and payments. Distributions from estates and trusts to individuals and to other estates and trusts. Classifications by inter vivos and testamentary trusts, size of total income, accounting period, year of origin (date of death for estates), tax rate, tax status, and State. Historical data 1952-1965.

GIFT TAX RETURNS: Total gifts by type of donee (spouse, charity and all other), by type of interest given (present or future) and by type of property. Exclusions, deductions, taxable gifts and gift tax. Classifications by sizes to total gifts, and consent status. Historical data 1959-1966.

ESTATE TAX RETURNS: Total estate by type of property, lifetime transfers, deductions, tax credits and estate tax. Classifications by size of total estate, gross estate, economic estate, distributable estate (spouse, charity and all other), and year and method of valuation. Historical data 1954-1966.

Estate Tax Wealth based on Estate Tax Returns filed during 1963

Number and wealth of individuals living in 1962 whose estates would have been subject to the Federal estate tax if they had died in that year, estimated by multiplying data from each estate tax return by the inverse of a mortality rate. Classifications by type of property, age, sex, and marital status of decedent, and State.

Farmers' Cooperatives - 1963

For exempt and nonexempt farmers' cooperatives, assets, liabilities, receipts, deductions (including patronage dividends), and income tax. Size classifications will include total assets, business receipts, and net income. For exempt cooperatives detailed income statements and balance sheets will also be presented, by type of product marketed and by State.

RECENT PUBLICATIONS

Fiduciary, Gift and Estate Tax Returns filed during 1963 (108 pp.)

Individual Income Tax Returns for 1963, Preliminary (23 pp., 15¢)

U. S. Business Tax Returns, with accounting periods ended July 1963-June 1964, Preliminary (29 pp., 20¢)
Corporation Income Tax Returns with accounting periods ended July 1962-June 1963, Preliminary (29 pp., 25¢)
State and Metropolitan Area Data for Individual Income Tax Returns: 1959, 1960 and 1961 (82 pp., 55¢)



