



Deduction for Exemptions Worksheet—Line 42

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1.	Is the amount on Form 1040, line 38, more than the amount shown on line 4 below for your filing status?	
	<input type="checkbox"/> No.  Multiply \$4,050 by the total number of exemptions claimed on Form 1040, line 6d, and enter the result on line 42.	
	<input type="checkbox"/> Yes. Continue.	
2.	Multiply \$4,050 by the total number of exemptions claimed on Form 1040, line 6d	2. <input type="text"/>
3.	Enter the amount from Form 1040, line 38	3. <input type="text"/>
4.	Enter the amount shown below for your filing status. <ul style="list-style-type: none"> • Single—\$259,400 • Married filing jointly or qualifying widow(er)—\$311,300 • Married filing separately—\$155,650 • Head of household—\$285,350 	4. <input type="text"/>
5.	Subtract line 4 from line 3. If the result is more than \$122,500 (\$61,250 if married filing separately),  Enter -0- on line 42	5. <input type="text"/>
6.	Divide line 5 by \$2,500 (\$1,250 if married filing separately). If the result isn't a whole number, increase it to the next higher whole number (for example, increase .00004 to 1)	6. <input type="text"/>
7.	Multiply line 6 by 2% (0.02) and enter the result as a decimal (rounded to at least three places)	7. <input type="text"/>
8.	Multiply line 2 by line 7	8. <input type="text"/>
9.	Deduction for exemptions. Subtract line 8 from line 2. Enter the result here and on Form 1040, line 42	9. <input type="text"/>

Line 44

Tax

Include in the total on line 44 all of the following taxes that apply.

- Tax on your taxable income. Figure the tax using one of the methods described here.
- Tax from Form(s) 8814 (relating to the election to report child's interest or dividends). Check the appropriate box.
- Tax from Form 4972 (relating to lump-sum distributions). Check the appropriate box.
- Tax due to making a section 962 election (the election made by a domestic shareholder of a controlled foreign corporation to be taxed at corporate rates). See section 962 for details. Check box c and enter the amount and "962" in the space next to that box. Attach a statement showing how you figured the tax.

- Recapture of an education credit. You may owe this tax if you claimed an education credit in an earlier year, and either tax-free educational assistance or a refund of qualified expenses was received in 2016 for the student. See Form 8863 for more details. Check box c and enter the amount and "ECR" in the space next to that box.

- Any tax from Form 8621, line 16e, relating to a section 1291 fund. Check box c and enter the amount of the tax and "1291TAX" in the space next to that box.

Do you want the IRS to figure the tax on your taxable income for you?

- Yes.** See chapter 30 of Pub. 17 for details, including who is eligible and what to do. If you have paid too much, we will send you a refund. If you didn't pay enough, we will send you a bill.
- No.** Use one of the following methods to figure your tax.

Tax Table or Tax Computation Worksheet. If your taxable income is less than \$100,000, you must use the Tax Table, later in these instructions, to figure your tax. Be sure you use the correct column. If your taxable income is \$100,000 or more, use the Tax Computation Worksheet right after the Tax Table.

However, do not use the Tax Table or Tax Computation Worksheet to figure your tax if any of the following applies.

Form 8615. Form 8615 generally must be used to figure the tax for any child who had more than \$2,100 of unearned income, such as taxable interest, ordinary dividends, or capital gains (including capital gain distributions), and who either:

1. Was under age 18 at the end of 2016,

2. Was age 18 at the end of 2016 and didn't have earned income that was more than half of the child's support, or

3. Was a full-time student at least age 19 but under age 24 at the end of 2016 and didn't have earned income that was more than half of the child's support.

But if the child files a joint return for 2016 or if neither of the child's parents was alive at the end of 2016, do not use Form 8615 to figure the child's tax.

A child born on January 1, 1999, is considered to be age 18 at the end of 2016; a child born on January 1, 1998, is considered to be age 19 at the end of 2016; a child born on January 1, 1993, is considered to be age 24 at the end of 2016.

Schedule D Tax Worksheet. If you have to file Schedule D, and line 18 or

19 of Schedule D is more than zero, use the Schedule D Tax Worksheet in the Instructions for Schedule D to figure the amount to enter on Form 1040, line 44. But if you are filing Form 2555 or 2555-EZ, you must use the Foreign Earned Income Tax Worksheet instead.

Qualified Dividends and Capital Gain Tax Worksheet. Use the Qualified Dividends and Capital Gain Tax Worksheet, later, to figure your tax if you do not have to use the Schedule D Tax Worksheet and if any of the following applies.

- You reported qualified dividends on Form 1040, line 9b.
- You do not have to file Schedule D and you reported capital gain distributions on Form 1040, line 13.

- You are filing Schedule D and Schedule D, lines 15 and 16, are both more than zero.

But if you are filing Form 2555 or 2555-EZ, you must use the Foreign Earned Income Tax Worksheet instead.

Schedule J. If you had income from farming or fishing (including certain amounts received in connection with the Exxon Valdez litigation), your tax may be less if you choose to figure it using income averaging on Schedule J.

Foreign Earned Income Tax Worksheet. If you claimed the foreign earned income exclusion, housing exclusion, or housing deduction on Form 2555 or 2555-EZ, you must figure your tax using the Foreign Earned Income Tax Worksheet.

Foreign Earned Income Tax Worksheet—Line 44

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If Form 1040, line 43, is zero, do not complete this worksheet.

1.	Enter the amount from Form 1040, line 43	1.	
2a.	Enter the amount from your (and your spouse's, if filing jointly) Form 2555, lines 45 and 50, or Form 2555-EZ, line 18	2a.	
b.	Enter the total amount of any itemized deductions or exclusions you couldn't claim because they are related to excluded income	b.	
c.	Subtract line 2b from line 2a. If zero or less, enter -0-	c.	
3.	Add lines 1 and 2c	3.	
4.	Figure the tax on the amount on line 3. Use the Tax Table, Tax Computation Worksheet, Qualified Dividends and Capital Gain Tax Worksheet*, Schedule D Tax Worksheet*, or Form 8615, whichever applies. See the instructions for line 44 to see which tax computation method applies. (Do not use a second Foreign Earned Income Tax Worksheet to figure the tax on this line.)	4.	
5.	Figure the tax on the amount on line 2c. If the amount on line 2c is less than \$100,000, use the Tax Table to figure this tax. If the amount on line 2c is \$100,000 or more, use the Tax Computation Worksheet	5.	
6.	Subtract line 5 from line 4. Enter the result. If zero or less, enter -0-. Also include this amount on Form 1040, line 44	6.	

**Enter the amount from line 3 above on line 1 of the Qualified Dividends and Capital Gain Tax Worksheet or Schedule D Tax Worksheet if you use either of those worksheets to figure the tax on line 4 above. Complete the rest of that worksheet through line 6 (line 10 if you use the Schedule D Tax Worksheet). Next, you must determine if you have a capital gain excess. To find out if you have a capital gain excess, subtract Form 1040, line 43, from line 6 of your Qualified Dividends and Capital Gain Tax Worksheet (line 10 of your Schedule D Tax Worksheet). If the result is more than zero, that amount is your capital gain excess.*

If you do not have a capital gain excess, complete the rest of either of those worksheets according to the worksheet's instructions. Then complete lines 5 and 6 above.

If you have a capital gain excess, complete a second Qualified Dividends and Capital Gain Tax Worksheet or Schedule D Tax Worksheet (whichever applies) as instructed above but in its entirety and with the following additional modifications. Then complete lines 5 and 6 above. These modifications are to be made only for purposes of filling out the Foreign Earned Income Tax Worksheet above.

- 1. Reduce (but not below zero) the amount you would otherwise enter on line 3 of your Qualified Dividends and Capital Gain Tax Worksheet or line 9 of your Schedule D Tax Worksheet by your capital gain excess.*
- 2. Reduce (but not below zero) the amount you would otherwise enter on line 2 of your Qualified Dividends and Capital Gain Tax Worksheet or line 6 of your Schedule D Tax Worksheet by any of your capital gain excess not used in (1) above.*
- 3. Reduce (but not below zero) the amount on your Schedule D (Form 1040), line 18, by your capital gain excess.*
- 4. Include your capital gain excess as a loss on line 16 of your Unrecaptured Section 1250 Gain Worksheet in the Instructions for Schedule D (Form 1040).*

Qualified Dividends and Capital Gain Tax Worksheet—Line 44

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Before you begin: ✓ See the earlier instructions for line 44 to see if you can use this worksheet to figure your tax.
 ✓ Before completing this worksheet, complete Form 1040 through line 43.
 ✓ If you do not have to file Schedule D and you received capital gain distributions, be sure you checked the box on line 13 of Form 1040.

1.	Enter the amount from Form 1040, line 43. However, if you are filing Form 2555 or 2555-EZ (relating to foreign earned income), enter the amount from line 3 of the Foreign Earned Income Tax Worksheet	1.	<input type="text"/>
2.	Enter the amount from Form 1040, line 9b*	2.	<input type="text"/>
3.	Are you filing Schedule D?*		
	<input type="checkbox"/> Yes. Enter the smaller of line 15 or 16 of Schedule D. If either line 15 or line 16 is blank or a loss, enter -0-	} 3.	<input type="text"/>
	<input type="checkbox"/> No. Enter the amount from Form 1040, line 13.		
4.	Add lines 2 and 3	4.	<input type="text"/>
5.	If filing Form 4952 (used to figure investment interest expense deduction), enter any amount from line 4g of that form. Otherwise, enter -0-	5.	<input type="text"/>
6.	Subtract line 5 from line 4. If zero or less, enter -0-	6.	<input type="text"/>
7.	Subtract line 6 from line 1. If zero or less, enter -0-	7.	<input type="text"/>
8.	Enter: \$37,650 if single or married filing separately, \$75,300 if married filing jointly or qualifying widow(er), \$50,400 if head of household.	} 8.	<input type="text"/>
9.	Enter the smaller of line 1 or line 8		
10.	Enter the smaller of line 7 or line 9	10.	<input type="text"/>
11.	Subtract line 10 from line 9. This amount is taxed at 0%	11.	<input type="text"/>
12.	Enter the smaller of line 1 or line 6	12.	<input type="text"/>
13.	Enter the amount from line 11	13.	<input type="text"/>
14.	Subtract line 13 from line 12	14.	<input type="text"/>
15.	Enter: \$415,050 if single, \$233,475 if married filing separately, \$466,950 if married filing jointly or qualifying widow(er), \$441,000 if head of household.	} 15.	<input type="text"/>
16.	Enter the smaller of line 1 or line 15		
17.	Add lines 7 and 11	17.	<input type="text"/>
18.	Subtract line 17 from line 16. If zero or less, enter -0-	18.	<input type="text"/>
19.	Enter the smaller of line 14 or line 18	19.	<input type="text"/>
20.	Multiply line 19 by 15% (0.15)	20.	<input type="text"/>
21.	Add lines 11 and 19	21.	<input type="text"/>
22.	Subtract line 21 from line 12	22.	<input type="text"/>
23.	Multiply line 22 by 20% (0.20)	23.	<input type="text"/>
24.	Figure the tax on the amount on line 7. If the amount on line 7 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 7 is \$100,000 or more, use the Tax Computation Worksheet	24.	<input type="text"/>
25.	Add lines 20, 23, and 24	25.	<input type="text"/>
26.	Figure the tax on the amount on line 1. If the amount on line 1 is less than \$100,000, use the Tax Table to figure the tax. If the amount on line 1 is \$100,000 or more, use the Tax Computation Worksheet	26.	<input type="text"/>
27.	Tax on all taxable income. Enter the smaller of line 25 or line 26. Also include this amount on Form 1040, line 44. If you are filing Form 2555 or 2555-EZ, do not enter this amount on Form 1040, line 44. Instead, enter it on line 4 of the Foreign Earned Income Tax Worksheet	27.	<input type="text"/>

*If you are filing Form 2555 or 2555-EZ, see the footnote in the Foreign Earned Income Tax Worksheet before completing this line.