

**Estimated Tax for Individuals**

This package is primarily for first-time filers of estimated tax.

OMB No. 1545-0074

**2006****Purpose of This Package**

Use this package to figure and pay your estimated tax. If you are not required to make estimated tax payments for 2006, you can discard this package.

Estimated tax is the method used to pay tax on income that is not subject to withholding (for example, earnings from self-employment, interest, dividends, rents, alimony, etc.). In addition, if you do not elect voluntary withholding, you should make estimated tax payments on unemployment compensation and the taxable part of your social security benefits. See the 2005 instructions for your tax return for details on income that is taxable.

The estimated tax worksheet on page 4 will help you figure the correct amount to pay. The estimated tax payment vouchers in this package are for crediting your estimated tax payments to your account correctly if you are paying by check or money order. Use the Record of Estimated Tax Payments on page 6 to keep track of the payments you have made and the number and amount of your remaining payments.

Do not use any of the vouchers in this package to notify the IRS of a change of address. If you have a new address, file Form 8822, Change of Address. The IRS will update your record and next year you will receive new estimated tax payment vouchers with your name, address, and social security number preprinted along with a copy of the instructions, and return envelopes.



*If you do not want to receive the vouchers and envelopes, simply begin making your estimated tax payments electronically.*

**Consider paying your estimated taxes electronically.** Paying electronically helps to ensure timely receipt of your estimated tax payment. You can pay electronically using the following convenient, safe, and secure electronic payment options.

- Electronic Federal Tax Payment System (EFTPS).
- Credit card.
- Electronic funds withdrawal.

When you pay taxes electronically, there is no check to write and no voucher to mail. Payments can be made 24 hours a day, 7 days a week. You will receive a confirmation number or electronic acknowledgement of the payment. See page 3 for details.

**Who Must Make Estimated Tax Payments**

In most cases, you must make estimated tax payments if you expect to owe at least \$1,000 in tax for 2006 (after subtracting your withholding and credits) and you expect your withholding and credits to be less than the smaller of:

1. 90% of the tax shown on your 2006 tax return, or
2. The tax shown on your 2005 tax return (110% of that amount if you are not a farmer or fisherman and the adjusted gross income shown on that return is more than \$150,000 or, if married filing separately for 2006, more than \$75,000).

However, if you did not file a 2005 tax return or that return did not cover 12 months, item (2) above does not apply.

For this purpose, include household employment taxes (before subtracting advance EIC payments made to your employee(s)) when figuring the tax shown on your tax return if either of the following applies.

- You will have federal income tax withheld from wages, pensions, annuities, gambling winnings, or other income.
- You would be required to make estimated tax payments to avoid a penalty even if you did not include household employment taxes when figuring your estimated tax.

**Exception.** You do not have to pay estimated tax if you were a U.S. citizen or resident alien for all of 2005 and you had no tax liability for the full 12-month 2005 tax year.

The estimated tax rules apply to:

- U.S. citizens and residents,
- Residents of Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa, and
- Nonresident aliens (use Form 1040-ES (NR)).

If you also receive salaries and wages, you may be able to avoid having to make estimated tax payments on your other income by asking your employer to take more tax out of your earnings. To do this, file a new Form W-4, Employee's Withholding Allowance Certificate, with your employer.

You can also choose to have federal income tax withheld from certain government payments. For details, see Form W-4V, Voluntary Withholding Request.



*You cannot make joint estimated tax payments if you or your spouse is a nonresident alien, you are separated under a decree of divorce or separate maintenance, or you and your spouse have different tax years.*

**Additional Information You May Need**

Most of the information you will need can be found in Pub. 505, Tax Withholding and Estimated Tax.

Other available information:

- Pub. 553, Highlights of 2005 Tax Changes.
- Instructions for the 2005 Form 1040 or 1040A.
- Pub. 4492.
- What's Hot at [www.irs.gov](http://www.irs.gov).

For details on how to get forms and publications, see page 7 of the instructions for Form 1040 or 1040A.

If you have tax questions, call 1-800-829-1040 for assistance. For TTY/TDD help, call 1-800-829-4059.

**What's New for 2006**

Use your 2005 tax return as a guide in figuring your 2006 estimated tax, but be sure to consider the following changes. For more information on these changes and other changes that may affect your 2006 estimated tax, see Pub. 553.

**Standard Deduction**

If you do not itemize your deductions, you can take the 2006 standard deduction listed below for your filing status.

IF your 2006 filing status is . . .	THEN your standard deduction is . . .
Married filing jointly or Qualifying widow(er)	\$10,300
Head of household	\$ 7,550
Single or Married filing separately	\$ 5,150

However, if you can be claimed as a dependent on another person's 2006 return, your standard deduction is the greater of:

- \$850, or
- Your earned income plus \$300 (up to the standard deduction amount).

Your standard deduction is increased by the following amount if, at the end of 2006, you are:

- An unmarried individual (single or head of household) and are:
  - 65 or older or blind . . . . . \$1,250
  - 65 or older and blind . . . . . \$2,500
- A married individual (filing jointly or separately) or a qualifying widow(er) and are:
  - 65 or older or blind . . . . . \$1,000
  - 65 or older and blind . . . . . \$2,000
  - Both spouses 65 or older . . . . . \$2,000 \*
  - Both spouses 65 or older and blind . . . . . \$4,000 \*

\* If married filing separately, these amounts apply only if you can claim an exemption for your spouse.



*Your standard deduction is zero if (a) your spouse itemizes on a separate return or (b) you were a dual-status alien and you do not elect to be taxed as a resident alien for 2006.*

**Personal Exemption and Itemized Deduction Phaseouts Reduced**

The phaseouts of the limitations on personal exemptions and itemized deductions are reduced by 33 1/3 %. For details, see Pub. 505.

**Residential Energy Credits**

You may be able to take two new credits, the nonbusiness energy property credit and the residential energy efficient property credit, for making energy saving improvements to your home in 2006. For credit purposes, costs are treated as being paid when the original installation of the item is completed, or in the case of costs connected with the construction or reconstruction of a building, when your original use of the constructed or reconstructed building begins. If less than 80% of the use of an item is for nonbusiness purposes, only that portion of the expenses that are allocable to the nonbusiness use can be used to determine the credit.

A home includes a house, houseboat, mobile home, cooperative apartment, condominium, and certain manufactured homes. For factors used in determining if a home is your main home, see Pub. 523. You must reduce the basis of your home by the amount of credit allowed.



*If you are a member of a qualified condominium management association for a condominium which you own or a tenant-stockholder in a cooperative*

*housing corporation, you are treated as having paid your proportionate share of any expenses of such association or corporation. Credits must be allocated based on the ratio of individual qualified costs to total qualified costs in the case of joint occupancy.*

**Nonbusiness energy property credit.** You may be able to take a credit equal to (a) 10% of the amount paid in 2006 for qualified energy efficiency improvements installed during 2006, plus (b) any residential energy property costs paid in 2006. However, this credit is limited as follows.

- A total accumulated credit limit of \$500 for all tax years.
- A maximum accumulated credit limit of \$200 for windows for all tax years.
- A maximum credit for residential energy property costs of \$50 for any advanced main air circulating fan; \$150 for any qualified natural gas, propane, or oil furnace or hot water boiler; and \$300 for any item of energy efficient building property.

**Qualified energy efficiency improvements.** Qualified energy efficiency improvements are the following items installed on or in your main home located in the United States if such items are new and can be expected to remain in use for at least 5 years.

- Any insulation material or system which is specifically or primarily designed to reduce the heat loss or gain of a home when installed in or on such home.
- Exterior windows (including skylights).
- Exterior doors.
- Any metal roof installed on a home, but only if such roof has appropriate pigmented coatings which are specifically and primarily designed to reduce the heat gain of such home.



*To qualify for the credit, qualified energy efficiency improvements must meet certain energy efficiency requirements.*

#### **Residential energy property costs.**

Residential energy property costs are costs of new qualified energy property that is installed on or in connection with your main home located in the United States. This includes labor costs properly allocable to the onsite preparation, assembly, or original installation of the property. Qualified energy property is any of the following.

- Certain electric heat pump water heaters; electric heat pumps; geothermal heat pumps; central air conditioners; and natural gas, propane, or oil water heaters.
- Qualified natural gas, propane, or oil furnace or hot water boilers.
- Certain advanced main air circulating fans used in a natural gas, propane, or oil furnace.



*To qualify for the credit, qualified energy property must meet certain performance and quality standards.*

**Residential energy efficient property credit.** You may be able to take a credit of 30% of your costs of qualified photovoltaic property, solar water heating property, and fuel cell property. This includes labor costs properly allocable to the onsite preparation, assembly, or original installation of the property and for

pipng or wiring to interconnect such property to the home. This credit is limited to:

- \$2,000 for qualified photovoltaic property costs,
- \$2,000 for qualified solar water heating property costs, and
- \$500 for each half kilowatt of capacity of qualified fuel cell property for which qualified fuel cell property costs are paid.

#### **Qualified photovoltaic property costs.**

Qualified photovoltaic property costs are costs for property which uses solar energy to generate electricity for use in a home located in the United States and which is used by you as a home. This includes costs relating to a solar panel or other property installed as a roof or a portion of a roof.

**Qualified solar water heating property costs.** Qualified solar water heating property costs are costs for property to heat water for use in a home located in the United States and which is used by you as a home if at least half of the energy used by such property for such purpose is derived from the sun. This includes costs relating to a solar panel or other property installed as a roof or a portion of a roof. To qualify for the credit, the property must be certified for performance by the nonprofit Solar Rating Certification Corporation or a comparable entity endorsed by the government of the state in which such property is installed.

#### **Qualified fuel cell property costs.**

Qualified fuel cell property costs are costs for qualified fuel cell property installed on or in connection with your main home located in the United States. Qualified fuel cell property is an integrated system comprised of a fuel cell stack assembly and associated balance of plant components that converts a fuel into electricity using electrochemical means. To qualify for the credit, the fuel cell property must have a nameplate capacity of at least one-half kilowatt of electricity using an electrochemical process and an electricity-only generation efficiency greater than 30%.



*Costs allocable to a swimming pool, hot tub, or any other energy storage medium which has a function other than the function of such storage do not qualify for the residential energy efficiency credit.*

#### **Earned Income Credit (EIC)**

You may be able to take the EIC if:

- A child lived with you and you earned less than \$36,348 (\$38,348 if married filing jointly), or
- A child did not live with you and you earned less than \$12,120 (\$14,120 if married filing jointly).

#### **IRA Deduction Expanded**

You and your spouse, if filing jointly, may each be able to deduct up to \$5,000 if age 50 or older at the end of 2006. You may be able to take an IRA deduction if you were covered by a retirement plan and your 2006 modified AGI is less than \$85,000 if married filing jointly or qualifying widow(er).

#### **Standard Mileage Rates**

The 2006 rate for business use of your vehicle is 44½ cents a mile. The 2006 rate for use of your vehicle to get medical care or move is 18 cents a mile. The 2006 rate for charitable use of your vehicle to provide relief related to Hurricane Katrina is 32 cents a mile. The 2006 rate of 14 cents a mile for other charitable use is unchanged.

#### **Alternative Motor Vehicles and Refueling Property**

You may be able to take a credit if you place an energy efficient motor vehicle or alternative fuel vehicle refueling property in service in 2006. You can no longer take a deduction for clean-fuel vehicles or refueling property. For details, see Form 8910 (Form 8911 for alternative fuel vehicle refueling property).

#### **Clean Renewable Energy Bond Credit**

You may be able to take a credit based on the face amount of any clean renewable energy bond you hold during 2006. The amount of any credit claimed must be included as interest income. For details, see Form 8912.

#### **Nonconventional Source Fuel Credit**

You may be able to claim the nonconventional source fuel credit for facilities producing coke or coke gas. Also, the nonconventional source fuel credit is now a general business credit subject to the general business credit tax liability limits. In general, any 2006 unused credit can be carried forward 20 years. See Form 8907 for details.

#### **Qualified Contributions Expired**

You can no longer elect to treat gifts by cash or check as qualified contributions on Schedule A. Qualified contributions for which you made this election were not subject to the 50% of adjusted gross income limit or the overall limit on itemized deductions.



*Pending legislation may eliminate one or more of the following changes.*

#### **Certain Credits No Longer Allowed Against Alternative Minimum Tax (AMT)**

The credit for child and dependent care expenses, credit for the elderly or the disabled, education credits, mortgage interest credit, and carryforwards of the District of Columbia first-time homebuyer credit are no longer allowed against AMT and a new tax liability limit applies. For most people, this limit is your regular tax minus any tentative minimum tax.

#### **AMT Exemption Amount Decreased**

The AMT exemption amount will decrease to \$33,750 (\$45,000 if married filing jointly or a qualifying widow(er); \$22,500 if married filing separately).

#### **Expired Tax Benefits**

The following tax benefits have expired and will not apply for 2006.

- Deduction from adjusted gross income for educator expenses.
- Tuition and fees deduction.
- Deduction for state and local general sales taxes.
- District of Columbia first-time homebuyer credit (for homes purchased after 2005).

#### **To Figure Your Estimated Tax, Use:**

- The 2006 Estimated Tax Worksheet on page 4.
- The *Instructions for the 2006 Estimated Tax Worksheet* on page 4.
- The 2006 Tax Rate Schedules on page 5.
- Your 2005 tax return and instructions, as a guide to figuring your income, deductions, and credits (but be sure to consider the items listed under *What's New for 2006* that begins on page 1).

If you receive your income unevenly throughout the year (for example, because you operate your business on a seasonal basis), you may be able to lower or eliminate the amount of your required estimated tax payment for one or more periods by using the annualized income installment method. See Pub. 505 for details.

To amend or correct your estimated tax, see *Amending Estimated Tax Payments* on this page.

## Payment Due Dates

You may pay all of your estimated tax by April 17, 2006, or in four equal amounts by the dates shown below.

1st payment	. . .	April 17, 2006
2nd payment	. . .	June 15, 2006
3rd payment	. . .	Sept. 15, 2006
4th payment	. . .	Jan. 16, 2007*

\* You do not have to make the payment due January 16, 2007, if you file your 2006 tax return by January 31, 2007, and pay the entire balance due with your return.



*Payments are due by the dates indicated whether or not you are outside the United States and Puerto Rico.*

If, after March 31, 2006, you have a large change in income, deductions, additional taxes, or credits that requires you to start making estimated tax payments, you should figure the amount of your estimated tax payments by using the annualized income installment method, explained in Pub. 505. Although your payment due dates will be the same as shown above, the payment amounts will vary based on your income, deductions, additional taxes, and credits for the months ending before each payment due date. As a result, this method may allow you to skip or lower the amount due for one or more payments. If you use the annualized income installment method, be sure to file Form 2210, *Underpayment of Estimated Tax by Individuals, Estates, and Trusts*, with your 2006 tax return, even if no penalty is owed.

**Farmers and fishermen.** If at least two-thirds of your gross income for 2005 or 2006 is from farming or fishing, you can do one of the following.

- Pay all of your estimated tax by January 16, 2007.
- File your 2006 Form 1040 by March 1, 2007, and pay the total tax due. In this case, 2006 estimated tax payments are not required to avoid a penalty.

**Fiscal year taxpayers.** You are on a fiscal year if your 12-month tax period ends on any day except December 31. Due dates for fiscal year taxpayers are the 15th day of the 4th, 6th, and 9th months of your current fiscal year and the 1st month of the following fiscal year. If any payment date falls on a Saturday, Sunday, or legal holiday, use the next business day.

## Name Change

If you changed your name because of marriage, divorce, etc., and you made estimated tax payments using your former name, attach a statement to the front of your 2006 tax return. On the statement, explain all of the estimated tax payments you and your spouse made for 2006 and the name(s) and SSN(s) under which you made the payments.

Be sure to report the change to your local Social Security Administration office before filing your 2006 tax return. This prevents delays in processing your return and issuing refunds. It also safeguards your future social security benefits. For more details, call the Social Security Administration at 1-800-772-1213.

## Amending Estimated Tax Payments

To change or amend your estimated tax payments, refigure your total estimated tax payments due (line 16 of the worksheet on page 4). Then, use the worksheet for amended estimated tax under *Regular Installment Method* in chapter 2 of Pub. 505 to figure the payment due for each remaining payment period. If an estimated tax payment for a previous period is less than  $\frac{1}{4}$  of your amended estimated tax, you may owe a penalty when you file your return.

## When a Penalty Is Applied

In some cases, you may owe a penalty when you file your return. The penalty is imposed on each underpayment for the number of days it remains unpaid. A penalty may be applied if you did not pay enough estimated tax for the year or you did not make the payments on time or in the required amount. A penalty may apply even if you have an overpayment on your tax return.

The penalty may be waived under certain conditions. See Pub. 505 for details.

## Pay by Check or Money Order Using the Estimated Tax Payment Voucher

There is a separate estimated tax payment voucher for each due date. The due date is shown in the upper right corner. Please be sure you use the voucher with the correct due date for each payment you make. Complete and send in the voucher only if you are making a payment by check or money order. To complete the voucher, do the following.

- Type or print your name, address, and SSN in the space provided on the estimated tax payment voucher. If filing a joint voucher, also enter your spouse's name and SSN. List the names and SSNs in the same order on the joint voucher as you will list them on your joint return. If you and your spouse plan to file separate returns, file separate vouchers instead of a joint voucher.
- Enter in the box provided on the estimated tax payment voucher only the amount you are sending in by check or money order. When making payments of estimated tax, be sure to take into account any 2005 overpayment that you choose to credit against your 2006 tax, but do not include the overpayment amount in this box.
- Make your check or money order payable to the "United States Treasury." Do not send cash. To help process your payment, enter the amount on the right side of the check like this: \$ XXX.XX. Do not use dashes or lines (for example, do not enter "\$ XXX—" or "\$ XXX  $\frac{00}{100}$ ").
- Enter "2006 Form 1040-ES" and your SSN on your check or money order. If you are filing a joint estimated tax payment voucher, enter the SSN that you will show first on your joint return.

- Enclose, but do not staple or attach, your payment with the estimated tax payment voucher.

- Mail your voucher and check or money order to the address shown on page 6 for the place where you live.

- Fill in the Record of Estimated Tax Payments on page 6 for your files.

## Pay by Electronic Federal Tax Payment System (EFTPS)

EFTPS is a free tax payment system designed with all taxpayers in mind. Online or by phone, you input your tax payment information electronically and you are done. EFTPS offers you convenience. Through EFTPS, you can schedule one-time or recurring payments for withdrawal from your checking or savings account up to 365 days in advance. You can also modify or cancel payments up to two business days before the scheduled withdrawal date. To use EFTPS, you must enroll. Enroll online at [www.eftps.gov](http://www.eftps.gov) or call 1-800-555-4477 to receive an enrollment form and instructions by mail. TTY/TDD help is available by calling 1-800-733-4829.

## Pay by Credit Card

You can use your American Express® Card, Discover® Card, MasterCard® card, or Visa® card to make estimated tax payments. Call toll-free or visit the website of either service provider listed below and follow the instructions. A convenience fee will be charged by the service provider based on the amount you are paying. Fees may vary between providers. You will be told what the fee is during the transaction and you will have the option to either continue or cancel the transaction. You can also find out what the fee will be by calling the provider's toll-free automated customer service number or visiting the provider's website shown below.

Link2Gov Corporation  
1-888-PAY-1040<sup>SM</sup> (1-888-729-1040)  
1-888-658-5465 (Customer Service)  
[www.pay1040.com](http://www.pay1040.com)

Official Payments Corporation  
1-800-2PAY-TAX<sup>SM</sup> (1-800-272-9829)  
1-877-754-4413 (Customer Service)  
[www.officialpayments.com](http://www.officialpayments.com)

You will be given a confirmation number at the end of the transaction. Fill in the Record of Estimated Tax Payments on page 6. Enter the confirmation number in column (b), but do not include the amount of the convenience fee in column (c).

## Pay by Electronic Funds Withdrawal

You can authorize an electronic funds withdrawal payment to make a one-time 2006 estimated tax payment when you electronically file your 2005 tax return. This is a free option. The payment can be withdrawn from a checking or savings account. Regardless of whether you have a balance due on your individual income tax return, you can simultaneously *e-file* the return and schedule a one-time estimated tax payment for April 17, 2006, June 15, 2006, or September 15, 2006. Check with your tax return preparer or tax preparation software for details. Your scheduled payment will be acknowledged when you file your tax return. Other estimated tax payments can be made electronically through EFTPS or by credit card.



# 2006 Estimated Tax Worksheet

Keep for Your Records



1	Adjusted gross income you expect in 2006 (see instructions below)	1		
2	<ul style="list-style-type: none"> <li>If you plan to itemize deductions, enter the estimated total of your itemized deductions.</li> </ul>	2		
	<b>Caution:</b> If line 1 above is over \$150,500 (\$75,250 if married filing separately), your deduction may be reduced. See Pub. 505 for details.			
	<ul style="list-style-type: none"> <li>If you do not plan to itemize deductions, enter your standard deduction from page 1.</li> </ul>	3		
3	Subtract line 2 from line 1	4		
4	Exemptions. Multiply \$3,300 by the number of personal exemptions. <b>Caution:</b> See Pub. 505 to figure the amount to enter if you provided housing in 2006 to a person displaced by Hurricane Katrina, or if line 1 above is over: \$225,750 if married filing jointly or qualifying widow(er); \$188,150 if head of household; \$150,500 if single; or \$112,875 if married filing separately	5		
5	Subtract line 4 from line 3	6		
6	<b>Tax.</b> Figure your tax on the amount on line 5 by using the <b>2006 Tax Rate Schedules</b> on page 5. <b>Caution:</b> If you have qualified dividends or a net capital gain, see Pub. 505 to figure the tax	7		
7	Alternative minimum tax from Form 6251	8		
8	Add lines 6 and 7. Also include any tax from Forms 4972 and 8814 and any recapture of education credits (see instructions below)	9		
9	Credits (see instructions below). <b>Do not</b> include any income tax withholding on this line	10		
10	Subtract line 9 from line 8. If zero or less, enter -0-	11		
11	Self-employment tax (see instructions below). Estimate of 2006 net earnings from self-employment \$.....; if <b>\$94,200 or less</b> , multiply the amount by 15.3%; if <b>more than \$94,200</b> , multiply the amount by 2.9%, add \$11,680.80 to the result, and enter the total. <b>Caution:</b> If you also have wages subject to social security tax, see Pub. 505 to figure the amount to enter	12		
12	Other taxes (see instructions below)	13a		
13a	Add lines 10 through 12	13b		
	b Earned income credit, additional child tax credit, and credits from <b>Form 4136</b> and <b>Form 8885</b>	13c		
	c <b>Total 2006 estimated tax.</b> Subtract line 13b from line 13a. If zero or less, enter -0-	14a		
14a	Multiply line 13c by 90% (66% for farmers and fishermen)	14b		
	b Enter the tax shown on your 2005 tax return (110% of that amount if you are not a farmer or fisherman and the adjusted gross income shown on that return is more than \$150,000 or, if married filing separately for 2006, more than \$75,000)	14c		
	c <b>Required annual payment to avoid a penalty.</b> Enter the <b>smaller</b> of line 14a or 14b	15		
	<b>Caution:</b> Generally, if you do not prepay (through income tax withholding and estimated tax payments) at least the amount on line 14c, you may owe a penalty for not paying enough estimated tax. To avoid a penalty, make sure your estimate on line 13c is as accurate as possible. Even if you pay the required annual payment, you may still owe tax when you file your return. If you prefer, you can pay the amount shown on line 13c. For details, see Pub. 505.	16		
15	Income tax withheld and estimated to be withheld during 2006 (including income tax withholding on pensions, annuities, certain deferred income, etc.)	17		
16	Subtract line 15 from line 14c. ( <b>Note:</b> If zero or less or line 13c minus line 15 is less than \$1,000, stop here. You are not required to make estimated tax payments.)			
17	If the first payment you are required to make is due April 17, 2006, enter 1/4 of line 16 (minus any 2005 overpayment that you are applying to this installment) here, and on your estimated tax payment voucher(s) if you are paying by check or money order. ( <b>Note:</b> Household employers, see instructions below.)			

## Instructions for the 2006 Estimated Tax Worksheet

**Line 1. Adjusted gross income.** Use your 2005 tax return and instructions as a guide to figuring the adjusted gross income you expect in 2006 (but be sure to consider the items listed under *What's New for 2006* that begin on page 1). For more details on figuring your adjusted gross income, see *Expected Adjusted Gross Income* in Pub. 505. If you are self-employed, be sure to take into account the deduction for one-half of your self-employment tax.

**Line 8.** Include on this line the additional taxes from Form 4972, Tax on Lump-Sum Distributions, and Form 8814, Parents' Election To Report Child's Interest and Dividends. Also include any recapture of education credits.

**Line 9. Credits.** See the instructions for the 2005 Form 1040, lines 47 through 55, or Form 1040A, lines 29 through 34. Also include any of the following credits in the total on line 9.

- Residential energy credit. See *Residential Energy Credits* that begins on page 1.

- Alternative motor vehicle credit. See Form 8910.

- Alternative fuel vehicle refueling property credit. See Form 8911.

- Clean renewable energy bond credit. See Form 8912.

**Line 11. Self-employment tax.** If you and your spouse make joint estimated tax payments and you both have self-employment income, figure the self-employment tax for each of you separately. Enter the total on line 11. When figuring your estimate of 2006 net earnings from self-employment, be sure to use only 92.35% of your total net profit from self-employment.

**Line 12. Other taxes.** Except as noted below, enter any other taxes, such as the taxes on distributions from a Coverdell education savings account or a qualified tuition program, and early distributions from (a) an IRA or other qualified retirement plan, (b) an annuity, or (c) a modified endowment contract entered into after June 20, 1988.

Include household employment taxes (before subtracting advance EIC payments made to your employee(s)) on line 12 if:

- You will have federal income tax withheld from wages, pensions, annuities, gambling winnings, or other income, or

- You would be required to make estimated tax payments (to avoid a penalty) even if you did not include household employment taxes when figuring your estimated tax.

Do not include tax on recapture of a federal mortgage subsidy, social security and Medicare tax on unreported tip income, uncollected employee social security and Medicare tax or RRTA tax on tips or group-term life insurance, tax on golden parachute payments, or excise tax on insider stock compensation from an expatriated corporation. These taxes are not required to be paid until the due date of your income tax return (not including extensions).

**Line 17.** If you are a household employer and you make advance EIC payments to your employee(s), reduce your required estimated tax payment for each period by the amount of advance EIC payments paid during the period.

**Privacy Act and Paperwork Reduction Act Notice.** The Privacy Act of 1974 and the Paperwork Reduction Act of 1980 require that when we ask you for information we must first tell you our legal right to ask for the information, why we are asking for it, and how it will be used. We must also tell you what could happen if we do not receive it and whether your response is voluntary, required to obtain a benefit, or mandatory under the law.

This notice applies to all papers you file with us. It also applies to any questions we need to ask you so we can complete, correct, or process your return; figure your tax; and collect tax, interest, or penalties.

Our legal right to ask for information is Internal Revenue Code sections 6001, 6011, and 6012(a), and their regulations. They say that you must file a return or statement with us for any tax for which you are liable. Your response is mandatory under these sections. Code section 6109 and its regulations say that you must provide your taxpayer identification number on what you file. This is so we know who you are, and can process your return and other papers.

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

We ask for tax return information to carry out the tax laws of the United States. We need it to figure and collect the right amount of tax.

We may disclose the information to the Department of Justice and to other federal agencies, as provided by law. We may disclose it to cities, states, the District of Columbia, and U.S. commonwealths or possessions to carry out their tax laws. We may also disclose this information to other countries under a tax treaty, to federal and state agencies to enforce federal nontax criminal laws, or to federal law enforcement and intelligence agencies to combat terrorism.

If you do not file a return, do not give the information asked for, or give fraudulent information, you may be charged penalties and be subject to criminal prosecution.

Please keep this notice with your records. It may help you if we ask you for other information. If you have any questions about the rules for filing and giving information, please call or visit any Internal Revenue Service office.

The average time and expenses required to complete and file this form will vary depending on individual circumstances. For the estimated averages, see the instructions for your income tax return.

If you have suggestions for making this package simpler, we would be happy to hear from you. See the instructions for your income tax return.

## 2006 Tax Rate Schedules

**Caution.** Do not use these Tax Rate Schedules to figure your 2005 taxes. Use only to figure your 2006 estimated taxes.

### Schedule X—Use if your 2006 filing status is Single

If line 5 is:	But not over—	The tax is:	of the amount over—
Over—			
\$0	\$7,550	10%	\$0
7,550	30,650	\$755.00 + 15%	7,550
30,650	74,200	4,220.00 + 25%	30,650
74,200	154,800	15,107.50 + 28%	74,200
154,800	336,550	37,675.50 + 33%	154,800
336,550		97,653.00 + 35%	336,550

### Schedule Y-1—Use if your 2006 filing status is Married filing jointly or Qualifying widow(er)

If line 5 is:	But not over—	The tax is:	of the amount over—
Over—			
\$0	\$15,100	10%	\$0
15,100	61,300	\$1,510.00 + 15%	15,100
61,300	123,700	8,440.00 + 25%	61,300
123,700	188,450	24,040.00 + 28%	123,700
188,450	336,550	42,170.00 + 33%	188,450
336,550		91,043.00 + 35%	336,550

### Schedule Z—Use if your 2006 filing status is Head of household

If line 5 is:	But not over—	The tax is:	of the amount over—
Over—			
\$0	\$10,750	10%	\$0
10,750	41,050	\$1,075.00 + 15%	10,750
41,050	106,000	5,620.00 + 25%	41,050
106,000	171,650	21,857.50 + 28%	106,000
171,650	336,550	40,239.50 + 33%	171,650
336,550		94,656.50 + 35%	336,550

### Schedule Y-2—Use if your 2006 filing status is Married filing separately

If line 5 is:	But not over—	The tax is:	of the amount over—
Over—			
\$0	\$7,550	10%	\$0
7,550	30,650	\$755.00 + 15%	7,550
30,650	61,850	4,220.00 + 25%	30,650
61,850	94,225	12,020.00 + 28%	61,850
94,225	168,275	21,085.00 + 33%	94,225
168,275		45,521.50 + 35%	168,275

# Record of Estimated Tax Payments (Farmers, fishermen, and fiscal year taxpayers, see page 3 for payment due dates.)

Payment number	Payment due date	(a) Date paid	(b) Check or money order number or credit card confirmation number	(c) Amount paid (do not include any credit card convenience fee)	(d) 2005 overpayment credit applied	(e) Total amount paid and credited (add (c) and (d))
1	4/17/2006					
2	6/15/2006					
3	9/15/2006					
4	1/16/2007*					
Total . . . . . ▶						

\* You do not have to make this payment if you file your 2006 tax return by January 31, 2007, and pay the entire balance due with your return.

## Where To File Your Estimated Tax Payment Voucher if Paying by Check or Money Order

Mail your estimated tax payment voucher and check or money order to the Internal Revenue Service at the address shown below for the place where you live. Do not mail your tax return to this address or send an estimated tax payment without a payment voucher. Also, do not mail your estimated tax payments to the address shown in the Form 1040 or 1040A instructions. If you need more payment vouchers, use another Form 1040-ES package.

**Note.** For proper delivery of your estimated tax payment to a P.O. box, you must include the box number in the address. Also, note that only the U.S. Postal Service can deliver to P.O. boxes.

**IF you live in . . . THEN use . . .**

District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New York, Vermont  
P.O. Box 37001  
Hartford, CT  
06176-0001

New Jersey, Pennsylvania  
P.O. Box 80102  
Cincinnati, OH  
45280-0002

Alabama, Delaware, Florida, Georgia, North Carolina, Rhode Island, South Carolina, Virginia  
P.O. Box 105225  
Atlanta, GA  
30348-5225

Alaska, Arizona, California, Hawaii, Idaho, Montana, Nevada, Oregon, Washington  
P.O. Box 510000  
San Francisco, CA  
94151-5100

Connecticut, Illinois, Indiana, Iowa, Michigan, Minnesota, Missouri, Ohio, North Dakota, Wisconsin  
P.O. Box 970006  
St. Louis, MO  
63197-0006

Arkansas, Kansas, Kentucky, Louisiana, Mississippi, Oklahoma, Tennessee, Texas, West Virginia  
P.O. Box 660406  
Dallas, TX  
75266-0406

Colorado, Nebraska, New Mexico, South Dakota, Utah, Wyoming  
P.O. Box 1219  
Charlotte, NC  
28201-1219

American Samoa, the Commonwealth of the Northern Mariana Islands, nonpermanent residents of Guam or the Virgin Islands, Puerto Rico (or if excluding income under Internal Revenue Code section 933), dual-status aliens, and those filing Form 4563  
P.O. Box 80102  
Cincinnati, OH  
45280-0002  
USA

All APO and FPO addresses, a foreign country: U.S. citizens and those filing Form 2555 or 2555-EZ  
P.O. Box 660335  
Dallas, TX  
75266-0335  
USA

Department of Revenue and Taxation  
Government of Guam  
P.O. Box 23607  
GMF, GU 96921

V.I. Bureau of Internal Revenue  
9601 Estate Thomas  
Charlotte Amalie  
St. Thomas, VI 00802

\* Permanent residents must prepare separate vouchers for estimated income tax and self-employment tax payments. Send the income tax vouchers to the address for permanent residents and the self-employment tax vouchers to the address for nonpermanent residents.

Tear off here

Form **1040-ES**  
Department of the Treasury  
Internal Revenue Service

**2006 Payment Voucher 4**

OMB No. 1545-0074

File only if you are making a payment of estimated tax by check or money order. Mail this voucher with your check or money order payable to the **"United States Treasury."** Write your social security number and "2006 Form 1040-ES" on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

**Calendar year—Due Jan. 16, 2007**

Amount of estimated tax you are paying by check or money order.

Dollars	Cents
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Print or type	Your first name and initial	Your last name	Your social security number
	If joint payment, complete for spouse		
	Spouse's first name and initial	Spouse's last name	Spouse's social security number
	Address (number, street, and apt. no.)		
City, state, and ZIP code. (If a foreign address, enter city, province or state, postal code, and country.)			

For Privacy Act and Paperwork Reduction Act Notice, see instructions on page 5.

# 2006 Payment Voucher 3

OMB No. 1545-0074

File only if you are making a payment of estimated tax by check or money order. Mail this voucher with your check or money order payable to the **"United States Treasury."** Write your social security number and "2006 Form 1040-ES" on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

**Calendar year—Due Sept. 15, 2006**

Amount of estimated tax you are paying  
by check or money order.

Dollars

Cents

Print or type	Your first name and initial	Your last name	Your social security number
	If joint payment, complete for spouse		
	Spouse's first name and initial	Spouse's last name	Spouse's social security number
	Address (number, street, and apt. no.)		
	City, state, and ZIP code. (If a foreign address, enter city, province or state, postal code, and country.)		

**For Privacy Act and Paperwork Reduction Act Notice, see instructions on page 5.**

Tear off here

# 2006 Payment Voucher 2

OMB No. 1545-0074

File only if you are making a payment of estimated tax by check or money order. Mail this voucher with your check or money order payable to the **"United States Treasury."** Write your social security number and "2006 Form 1040-ES" on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

**Calendar year—Due June 15, 2006**

Amount of estimated tax you are paying  
by check or money order.

Dollars

Cents

Print or type	Your first name and initial	Your last name	Your social security number
	If joint payment, complete for spouse		
	Spouse's first name and initial	Spouse's last name	Spouse's social security number
	Address (number, street, and apt. no.)		
	City, state, and ZIP code. (If a foreign address, enter city, province or state, postal code, and country.)		

**For Privacy Act and Paperwork Reduction Act Notice, see instructions on page 5.**

Tear off here

# 2006 Payment Voucher 1

OMB No. 1545-0074

File only if you are making a payment of estimated tax by check or money order. Mail this voucher with your check or money order payable to the **"United States Treasury."** Write your social security number and "2006 Form 1040-ES" on your check or money order. Do not send cash. Enclose, but do not staple or attach, your payment with this voucher.

**Calendar year—Due April 17, 2006**

Amount of estimated tax you are paying  
by check or money order.

Dollars

Cents

Print or type	Your first name and initial	Your last name	Your social security number
	If joint payment, complete for spouse		
	Spouse's first name and initial	Spouse's last name	Spouse's social security number
	Address (number, street, and apt. no.)		
	City, state, and ZIP code. (If a foreign address, enter city, province or state, postal code, and country.)		

**For Privacy Act and Paperwork Reduction Act Notice, see instructions on page 5.**