



If the amount on Form 740, line 13, exceeds \$132,950 (\$66,475 if married filing separately on a combined return or separate returns), skip Part I and complete Part II.

PART I—DIVIDING DEDUCTIONS BETWEEN SPOUSES

Use this schedule if married filing separately on a combined return.

1. Percent of income (Form 740, line 13, Column A) to total income (Form 740, total of line 13, Columns A and B) %
2. Percent of income (Form 740, line 13, Column B) to total income (Form 740, total of line 13, Columns A and B) %
3. Percent on line 1 times total deductions entered on page 1, line 29 (enter here and on Form 740, line 14, Column A)
4. Percent on line 2 times total deductions entered on page 1, line 29 (enter here and on Form 740, line 14, Column B)

PART II—ITEMIZED DEDUCTIONS LIMITATION SCHEDULE

Use this schedule if the adjusted gross income on Form 740, line 13, exceeds \$132,950 (\$66,475 if married filing separately on a combined return or separate returns).

	A. Spouse	B. Yourself (or Joint)
<ul style="list-style-type: none"> • If married filing separately on a combined return, enter in Column A the percent of income (Form 740, line 13, Column A) to total income (Form 740, total of line 13, Columns A and B); enter in Column B the percent of income (Form 740, line 13, Column B) to total income (Form 740, total of line 13, Columns A and B). • If single, married filing a joint return or married filing separate returns, enter 100% in Column B. 	_____ %	_____ %
1. Multiply the amount on Schedule A, line 29, by the percent of income shown in Columns A and/or B	1. _____	1. _____
2. Add the amounts on Schedule A, lines 3, 12 and 21, plus any gambling losses included on line 28 and multiply by the percent of income shown in Columns A and/or B	2. _____	2. _____
<i>Note: Be sure your total gambling losses are clearly identified on line 28.</i>		
3. Subtract the amount on line 2 from the amount on line 1. (If the result is zero, STOP HERE ; enter the amount from line 1 above on Form 740, line 14.)	3. _____	3. _____
4. Multiply the amount on line 3 above by 80% (.80) ...	4. _____	4. _____
5. Enter the amount from Form 740, line 13	5. _____	5. _____
6. Enter \$132,950 (\$66,475 if married filing separately on a combined return or separate returns)	6. _____	6. _____
7. Subtract the amount on line 6 from the amount on line 5. (If the result is zero or less, STOP HERE ; enter the amount from line 1 above on Form 740, line 14.)	7. _____	7. _____
8. Multiply the amount on line 7 above by 3% (.03)	8. _____	8. _____
9. Compare the amounts on lines 4 and 8 above. Enter the smaller of the two amounts here	9. _____	9. _____
10. Total itemized deductions. Subtract the amount on line 9 from the amount on line 1. Enter the result here and on Form 740, line 14	10. _____	10. _____

