

**540 2EZ TAX TABLES NOTIFICATION**

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**PURPOSE OF BULLETIN** To inform our staff that three line errors occur and four lines were omitted from the 540 2EZ tax tables.

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**BACKGROUND** The 540 2EZ tax table is designed specifically for taxpayers using Form 540 2EZ. It calculates the taxpayers' standard deduction amount, personal exemption credit, and each dependent exemption credit (up to three dependents).

To find their tax rate on the table taxpayers:

- Read down the column labeled "If your Income is..." to find the range that includes their income from Form 540 2EZ, line 13.
  - Read across to the columns labeled "Number of dependents" to find the tax amount that applies to them. Taxpayers then enter the tax amount on Form 540 2EZ, line 14.
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**WHAT PRODUCTS REFLECT THE LINE ERRORS** The line errors only occur in the printed 2004 Form 540 2EZ, resulting in the understatement of tax for the married filing jointly or qualifying widow(er) filing statuses. The below table below reflects the correct amounts.

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**TAX TABLE ERRORS**

<b>TAX TABLE</b>	<b>CORRECT AMOUNTS</b>
Married Filing Jointly or Qualifying Widow(er) tax table	<ul style="list-style-type: none"> <li>• Income between \$106,381 and \$106,480 with the tax amount of \$5,188 for zero dependents, \$4,923 for one dependent, \$4,658 for two dependents and \$4,393 for three dependents.</li> <li>• Income between \$106,481 and \$106,580 with the tax amount of \$5,197 for zero dependents, \$4,932 for one dependent, \$4,667 for two dependents and \$4,402 for three dependents.</li> </ul>

*Continued*

TAX TABLE  
ERRORS  
(contd)

TAX TABLE	CORRECT AMOUNTS
Married Filing Jointly or Qualifying Widow(er) tax table	<ul style="list-style-type: none"> <li>Income between \$106,581 and \$106,680 with the tax amount of \$5,206 for zero dependents, \$4,941 for one dependent, \$4,676 for two dependents and \$4,411 for three dependents.</li> </ul>

WHAT  
PRODUCTS  
REFLECT THE  
OMITTED  
LINES

The line omissions occur in the printed 2004 Form 540 2EZ booklets and in the Package X.

TAX TABLE  
OMISSIONS

TAX TABLE	OMISSION
Single 540 2EZ tax table	<ul style="list-style-type: none"> <li>Income between \$13,816 and \$13,915 with a tax amount of \$68 for zero dependents and zero tax amounts for one to three dependents.</li> </ul>
Married Filing Jointly or Qualifying Widow(er) tax table	<ul style="list-style-type: none"> <li>Income between \$30,081 and \$30,180 with a tax amount of \$183 for zero dependents and zero tax amounts for one to three dependents.</li> <li>Income between \$33,081 and \$33,180 with a tax amount of \$243 for zero dependents and zero tax amounts for one to three dependents.</li> </ul>
Head of Household tax table	<ul style="list-style-type: none"> <li>Income between \$41,081 and \$41,180 with a tax amount of \$601 for zero dependents, \$336 for one dependent, \$71 for two dependents, and zero for three dependents.</li> </ul>