





23 Total from page 1, line 22 .....	00
24 Enter the tax for 2005. To determine tax, see page 3 .....	00
25 Enter the tax for 2006. To determine tax, see page 3 .....	00
26 Enter the tax for 2007. To determine tax, see page 3 .....	00
27 Add lines 24 through 26.....	00
28 Subtract line 27 from line 23, enter here and on Form 511, line 14 or Form 511NR, line 32. (Be sure and enter a "1" in the box for "Farm Income Averaging").....	00

**INSTRUCTIONS:**

Use Form 573 to elect to figure your 2008 tax by averaging, over the previous 3 years (base years), all or part of your 2008 taxable income from your trade or business of farming. Making this election may give you a lower tax if your 2008 income from farming is high and your taxable income for one or more of the 3 prior years was low.

**Line 2:** Your "elected farm income" is the amount of your taxable income from your farming business, as defined in IRC Section 263A(e)(4), that you elect to include on line 2. You do not have to include all of your taxable income from farming on line 2.

A gain from the sale or other disposition of property, other than land, regularly used by you in your farming business for a substantial period shall be treated as attributable to such farming business.

**Lines 5, 9, 14 and 18:** If your deductions exceed your gross income for any year that is a base year for 2008 (2005, 2006 or 2007), your taxable income for farm income averaging purposes for such year may be a negative amount. **However**, when you enter your taxable income,

- do not include such year's NOL. The amount of the NOL, from your 511-NOL Schedule A or your 511NR-NOL Schedule A "Federal Amount Column", that is being carried to another year should be added back to arrive at the amount of the taxable income to enter.
- do not include any of an NOL carryover or carryback that was not used (absorbed) in such year. The amount of the NOL, from your 511-NOL Schedule B or your 511NR-NOL Schedule B "Federal Amount Column", that is being carried over to the following year should be added back to arrive at the amount of the taxable income to enter.

**Line 28:** Enter your tax on Form 511, line 14 or Form 511NR, line 32 and enter a "1" in the box for "Farm Income Averaging".

## Determination of Taxable Income and Tax for Tax Years 2005, 2006 and 2007

### 2005 Taxable Income

#### **Line 5**

If you used Form 573 to figure your tax for:

- **2007** ..... enter the amount from your 2007 Form 573, line 16. Stop here, go to line 6.
- **2006** and not 2007 ..... enter the amount from your 2006 Form 573, line 25. Stop here, go to line 6.
- **2005** but not 2006 nor 2007 ..... enter the amount from your 2005 Form 573, line 3. Stop here, go to line 6.

If you did not use Form 573 in 2007, 2006 or 2005, enter the taxable income from your **2005** Form 511, line 13, or Form 511NR, line 31. If zero or less, see instructions.

#### **Line 9**

If you used Form 573 to figure your tax for:

- **2007** ..... enter the amount from your 2007 Form 573, line 20. Stop here, go to line 10.
- **2006** and not 2007 ..... enter the amount from your 2006 Form 573, line 29. Stop here, go to line 10.
- **2005** but not 2006 nor 2007 ..... enter the amount from your 2005 Form 573, line 7. Stop here, go to line 10.

If you did not use Form 573 in 2007, 2006 or 2005, enter the taxable income from your **2005** Form 511, line 16, or Form 511NR, line 34. If zero or less, see instructions.

### 2006 Taxable Income

#### **Line 14**

If you used Form 573 to figure your tax for:

- **2007** ..... enter the amount from your 2007 Form 573, line 25. Stop here, go to line 15.
- **2006** and not 2007 ..... enter the amount from your 2006 Form 573, line 3. Stop here, go to line 15.

If you did not use Form 573 in 2007 or 2006, enter the taxable income from your **2006** Form 511, line 13, or Form 511NR, line 31. If zero or less, see instructions.

### 2007 Taxable Income

#### **Line 18**

If you used Form 573 to figure your tax for:

- **2007** ..... enter the amount from your 2007 Form 573, line 3. Stop here, go to line 19.

If you did not use Form 573 in 2007, enter the taxable income from your **2007** Form 511, line 13, or Form 511NR, line 31. If zero or less, see instructions.

### 2005, 2006 & 2007 Tax

#### **Line 24**

If you used Form 573 to figure your tax for:

- **2007** ..... enter the amount from your 2007 Form 573, line 22. Stop here, go to line 25.
- **2006** and not 2007 ..... enter the amount from your 2006 Form 573, line 31. Stop here, go to line 25.
- **2005** but not 2006 nor 2007 ..... enter the amount from your 2005 Form 573, line 9. Stop here, go to line 25.

Otherwise, enter the tax from your **2005** Form 511, line 18 or Form 511NR, line 36.

#### **Line 25**

If you used Form 573 to figure your tax for:

- **2007** ..... enter the amount from your 2007 Form 573, line 26. Stop here, go to line 26.
- **2006** and not 2007 ..... enter the amount from your 2006 Form 573, line 4. Stop here, go to line 26.

Otherwise, enter the tax from your **2006** Form 511, line 14 or Form 511NR, line 32.

#### **Line 26**

If you used Form 573 to figure your tax for:

- **2007** ..... enter the amount from your 2007 Form 573, line 4. Stop here, go to line 27.

Otherwise, enter the tax from your **2007** Form 511, line 14 or Form 511NR, line 32.

**OKLAHOMA TAX RATES FOR TAX YEAR 2005**

**METHOD 1** Married Joint, Head of Household and Surviving Spouse Filers

If taxable income is:

-0-	-	2,000	Pay	0.50%		
2,000	-	5,000	Pay	10.00	+ 1% over	2,000
5,000	-	7,500	Pay	40.00	+ 2% over	5,000
7,500	-	9,800	Pay	90.00	+ 3% over	7,500
9,800	-	12,200	Pay	159.00	+ 4% over	9,800
12,200	-	15,000	Pay	255.00	+ 5% over	12,200
15,000	-	21,000	Pay	395.00	+ 6% over	15,000
21,000	-	over	Pay	755.00	+ 6.65% over	21,000

**METHOD 1** Single and Married Separate Filers

If taxable income is:

-0-	-	1,000	Pay	0.50%		
1,000	-	2,500	Pay	5.00	+ 1% over	1,000
2,500	-	3,750	Pay	20.00	+ 2% over	2,500
3,750	-	4,900	Pay	45.00	+ 3% over	3,750
4,900	-	6,200	Pay	79.50	+ 4% over	4,900
6,200	-	7,700	Pay	131.50	+ 5% over	6,200
7,700	-	10,000	Pay	206.50	+ 6% over	7,700
10,000	-	over	Pay	344.50	+ 6.65% over	10,000

**METHOD 2** Married Joint, Head of Household and Surviving Spouse Filers

If taxable income is:

-0-	-	2,000	Pay	0.50%		
2,000	-	5,000	Pay	10.00	+ 1% over	2,000
5,000	-	7,500	Pay	40.00	+ 2% over	5,000
7,500	-	8,900	Pay	90.00	+ 3% over	7,500
8,900	-	10,400	Pay	132.00	+ 4% over	8,900
10,400	-	12,000	Pay	192.00	+ 5% over	10,400
12,000	-	13,250	Pay	272.00	+ 6% over	12,000
13,250	-	15,000	Pay	347.00	+ 7% over	13,250
15,000	-	18,000	Pay	469.50	+ 8% over	15,000
18,000	-	24,000	Pay	709.50	+ 9% over	18,000
24,000	-	over	Pay	1249.50	+ 10% over	24,000

**METHOD 2** Single and Married Separate Filers

If taxable income is:

-0-	-	1,000	Pay	0.50%		
1,000	-	2,500	Pay	5.00	+ 1% over	1,000
2,500	-	3,750	Pay	20.00	+ 2% over	2,500
3,750	-	4,900	Pay	45.00	+ 3% over	3,750
4,900	-	6,100	Pay	79.50	+ 4% over	4,900
6,100	-	7,500	Pay	127.50	+ 5% over	6,100
7,500	-	9,000	Pay	197.50	+ 6% over	7,500
9,000	-	10,500	Pay	287.50	+ 7% over	9,000
10,500	-	12,500	Pay	392.50	+ 8% over	10,500
12,500	-	16,000	Pay	552.50	+ 9% over	12,500
16,000	-	over	Pay	867.50	+ 10% over	16,000

**OKLAHOMA TAX RATES FOR TAX YEAR 2006**

**Married Joint, Head of Household and Surviving Spouse Filers**

If taxable income is:

-0-	-	2,000	Pay	0.50%		
2,000	-	5,000	Pay	10.00	+ 1% over	2,000
5,000	-	7,500	Pay	40.00	+ 2% over	5,000
7,500	-	9,800	Pay	90.00	+ 3% over	7,500
9,800	-	12,200	Pay	159.00	+ 4% over	9,800
12,200	-	15,000	Pay	255.00	+ 5% over	12,200
15,000	-	21,000	Pay	395.00	+ 6% over	15,000
21,000	-	over	Pay	755.00	+ 6.25% over	21,000

**Single and Married Separate Filers**

If taxable income is:

-0-	-	1,000	Pay	0.50%		
1,000	-	2,500	Pay	5.00	+ 1% over	1,000
2,500	-	3,750	Pay	20.00	+ 2% over	2,500
3,750	-	4,900	Pay	45.00	+ 3% over	3,750
4,900	-	7,200	Pay	79.50	+ 4% over	4,900
7,200	-	8,700	Pay	171.50	+ 5% over	7,200
8,700	-	10,500	Pay	246.50	+ 6% over	8,700
10,500	-	over	Pay	354.50	+ 6.25% over	10,500

**OKLAHOMA TAX RATES FOR TAX YEAR 2007**

**Married Joint, Head of Household and Surviving Spouse Filers**

If taxable income is:

-0-	-	2,000	Pay	0.00	+ 0.5% over	0
2,000	-	5,000	Pay	10.00	+ 1% over	2,000
5,000	-	7,500	Pay	40.00	+ 2% over	5,000
7,500	-	9,800	Pay	90.00	+ 3% over	7,500
9,800	-	12,200	Pay	159.00	+ 4% over	9,800
12,200	-	15,000	Pay	255.00	+ 5% over	12,200
15,000	-	over	Pay	395.00	+ 5.65% over	15,000

**Single and Married Separate Filers**

If taxable income is:

-0-	-	1,000	Pay	0.00	+ 0.5% over	0
1,000	-	2,500	Pay	5.00	+ 1% over	1,000
2,500	-	3,750	Pay	20.00	+ 2% over	2,500
3,750	-	4,900	Pay	45.00	+ 3% over	3,750
4,900	-	7,200	Pay	79.50	+ 4% over	4,900
7,200	-	8,700	Pay	171.50	+ 5% over	7,200
8,700	-	over	Pay	246.50	+ 5.65% over	8,700