

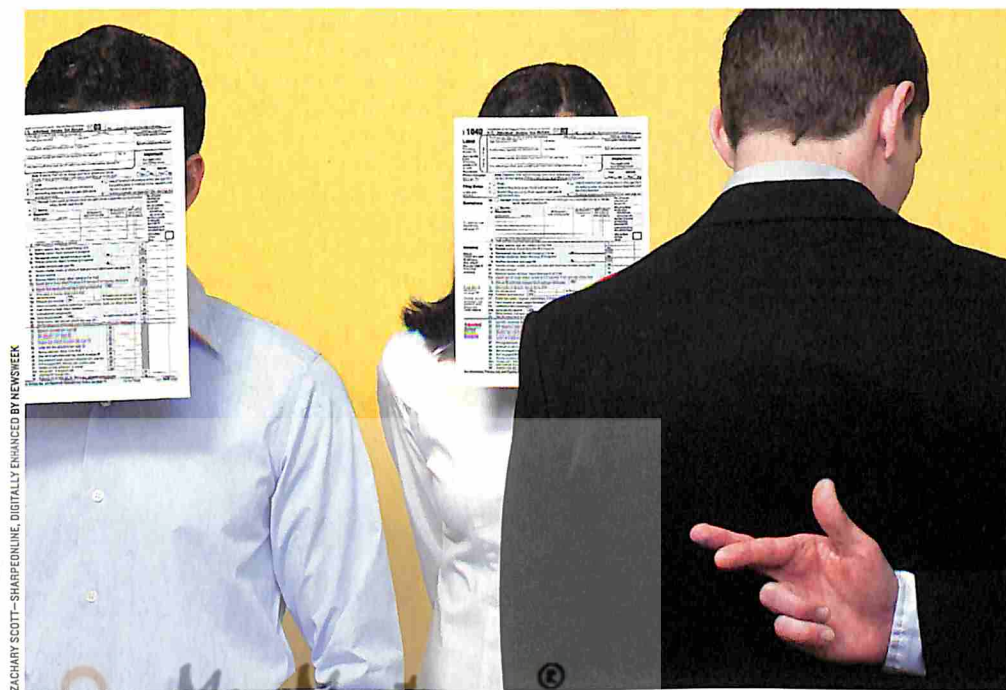
Top of the Week

Newsweek

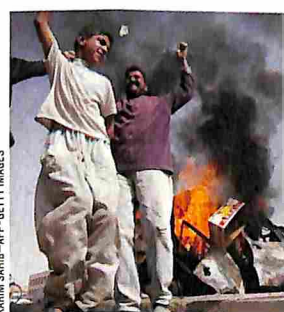
Cover Story

As most of us rush to file our taxes in the coming week, how much of a break will we actually get? Not as much as we've been told, according to Allan Sloan. The real agenda behind Bush's tax cut, why Kerry's plan comes up short—and who's really paying for it all. **Page 40**

TICK TOCK: What they won't tell you before April 15



IRAQ: An Atrocity Crystallizes American Misgivings and Fears by Christopher Dickey and John Barry 24
Fallujah Isn't Mogadishu: 'We Have to Stay' by Rod Nordland, Melinda Liu and Scott Johnson 28
When You're an American Civilian in Iraq, You Have a Survival Strategy by Rod Nordland 31



KARIM SAHIB—AFP-GETTY IMAGES
SMOKE AND HORROR: A grisly new low point in Iraq

FAREED ZAKARIA: To Fight Terror, Fight Its Ideology 35
WAR ON TERROR: After a Standoff With the 9/11 Commission, Condoleezza Rice Agrees to Testify by Michael Isikoff 36
POLITICS: Advice for Kerry From Democratic Spinmeisters by Howard Fineman 38
JANE BRYANT QUINN: Mutual Funds—Boring But Smart 39
BUSINESS: Why Your Tax Cut Doesn't Add Up by Allan Sloan 40
How We Can Fix the Tax Mess 47
SOCIETY: In Cities Around the Country, Women Become Top Cops by Peg Tyre 48

COVER: Illustration by Joe Zeff for NEWSWEEK

MEDIA: The Revamped Star Magazine Goes Glossy by Peg Tyre 50
RELIGION: Preachers Who Battle an Obsession With Porn by Dirk Johnson and Hilary Shenfeld 52
BOOK EXCERPT: Around the World, the Quest for Truth and Reconciliation by Ellis Cose 54
MUSIC: With a New Album, a Newfound Faith and His Old Eccentricity, Prince Is Back by Lorraine Ali 56
BOOKS: Prophecy Meets Profits in a Best-Selling Christian Series by Malcolm Jones 60
TELEVISION: Plastic-Surgery Shows Make Reality TV Even Uglier by Marc Peyser 62

THE TIP SHEET

MONEY: Whittling Down the Price Tag for College by Linda Stern 63
HEALTH: Natural Remedies for Morning Sickness 66
MUST-HAVE: Get Your Name Set to Music 68

DEPARTMENTS

THIS WEEK ONLINE 4
PERISCOPE 6
MY TURN 14
LETTERS 15
PERSPECTIVES 23
NEWSMAKERS 71
GEORGE F. WILL 72



AFSHIN SHARIQ
DOVES CRY AGAIN: Prince wants his crown back

Letters to the Editor should be e-mailed to letters@newsweek.com or faxed to 212-445-4120. In the U.S. send subscription inquiries to Newsweek, P.O. Box 5571, Harlan IA 51593-1071. Newsweek (ISSN 0028-9604), April 12, 2004, Volume CXLIII, No. 15. In Canada send subscription inquiries to Newsweek, Inc., P.O. Box 4067, Postal Station A, Toronto Ontario M5W2K1. Canada Post International Publications Mail (Canadian Distribution) Sales Agreement No. 40051822. Canadian GST No. 123-321-309. For all changes of address call 1-800-634-6850. For all other inquiries call 1-800-631-1040. Unless otherwise indicated by source or currency designation, all terms and prices are applicable in the U.S. only and may not apply in Canada. Copyright © 2004 Newsweek, Inc. All rights reserved. Newsweek is published weekly, except for 2 issues combined into one at year-end, for US \$41.08 a year and Canadian \$61.88 a year, by Newsweek, Inc., 251 West 57th Street, New York, NY 10019-1894. Richard M. Smith, Chairman and Editor-in-Chief; Stephen Fuzesi Jr., Chief Counsel and Secretary. Periodicals postage paid at New York, NY, and at additional mailing offices. To order reprints (minimum order required: 500 copies) or request permission to publish a Newsweek article, please call toll free 866-741-0122 or fax 212-445-5764. **POSTMASTERS:** send address changes to NEWSWEEK, P.O. Box 5572, Harlan IA 51593-1072.

ATROCITY IN IRAQ: HAS THE WAR MADE US SAFER?

Newsweek

April 12, 2004 \$3.95

THE DIRTY LITTLE SECRET OF THE TAX CUT

Why It's Smaller Than You Think
By Allan Sloan

1040 Department of the Treasury—Internal Revenue Service 2003 U.S. Individual Income Tax Return (99) IRS Use Only—Do not write or staple in this space.

OMB No. 1545-0074

For the year Jan. 1-Dec. 31, 2003, or other tax year beginning 2003 ending 20

Label (See instructions on page 19) Use the IRS label. Otherwise, please print or type.

Your first name and initial Last name Your social security number

If a joint return, spouse's first name and initial Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see page 19. Apt. no.

City/town or post office, state, and ZIP code. If you have a foreign address, see page 19.

Important! You must enter your SSN(s) above.

Presidential Election Campaign (See page 19) Note. Checking "Yes" will not change your tax or reduce your refund. Do you, or your spouse if filing a joint return, want \$3 to go to this fund? You Spouse Yes No Yes No

Filing Status 1 Single 2 Married filing jointly (even if only one had income) 3 Married filing separately. Enter spouse's SSN above and full name here. 4 Head of household (with qualifying person). (See page 20.) If the qualifying person is a child but not your dependent, enter this child's name here. 5 Qualifying widow(er) with dependent child. (See page 20.)

Exemptions 6a Yourself. If your parent (or someone else) can claim you as a dependent on his or her tax return, do not check box 6a. b Spouse c Dependents: (1) First name Last name (2) Dependent's social security number (3) Dependent's relationship to you (4) If a qualifying child for child tax credit (see page 21) d Total number of exemptions claimed

Income 7 Wages, salaries, tips, etc. Attach Form(s) W-2 8a Taxable interest. Attach Schedule B if required. b Tax-exempt interest. Do not include on line 8a. 9a Ordinary dividends. Attach Schedule B if required. 9b Qualified dividends (see page 23) 10 Taxable refunds, credits, or offsets of state and local income taxes (see page 23) 11 Alimony received 12 Business income or (loss). Attach Schedule C or C-EZ 13a Capital gain or (loss). Attach Schedule D if required. If not required, check here. 13b If box on 13a is checked, enter post-May 5 capital gain distributions 14 Other gains or (losses). Attach Form 4797 15a IRA distributions 15b Taxable amount (see page 25) 16a Pensions and annuities 16b Taxable amount (see page 25) 17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E 18 Farm income or (loss). Attach Schedule F 19 Unemployment compensation 20a Social security benefits 20b Taxable amount (see page 27) 21 Other income. List type and amount (see page 27). Add the amounts in the far right column for lines 7 through 21. This is your total income. 22 Add the amounts in the far right column for lines 7 through 21. This is your total income.

Adjusted Gross Income 23 Educator expenses (see page 29) 24 IRA deduction (see page 29) 25 Student loan interest deduction (see page 31) 26 Tuition and fees deduction (see page 32) 27 Moving expenses. Attach Form 3903 28 One-half of self-employment tax. Attach Schedule SE 29 Self-employed health insurance deduction (see page 33) 30 Self-employed SEP, SIMPLE, and qualified plans 31 Penalty on early withdrawal of savings 32a Alimony paid b Recipient's SSN 33 Add lines 23 through 32a 34 Subtract line 33 from line 22. This is your adjusted gross income.

For Disclosure, Privacy Act, and Paperwork Reduction Act Notice, see page 77. Cat. No. 11320B Form 1040 (2003)

#BXBCMDG *****CAR-RT LOT**C-003
#NWM0200162642/7#08 24APR06 N1 R
MS FLORENCE I WILLIS
203 3RD ST SW # 1
WADENA MN 56482-1423

328
580
777182