2015 www.revenue.alabama.gov

Alabama

Form 40NR Booklet

■ Nonresidents Only ■ Forms and Instructions

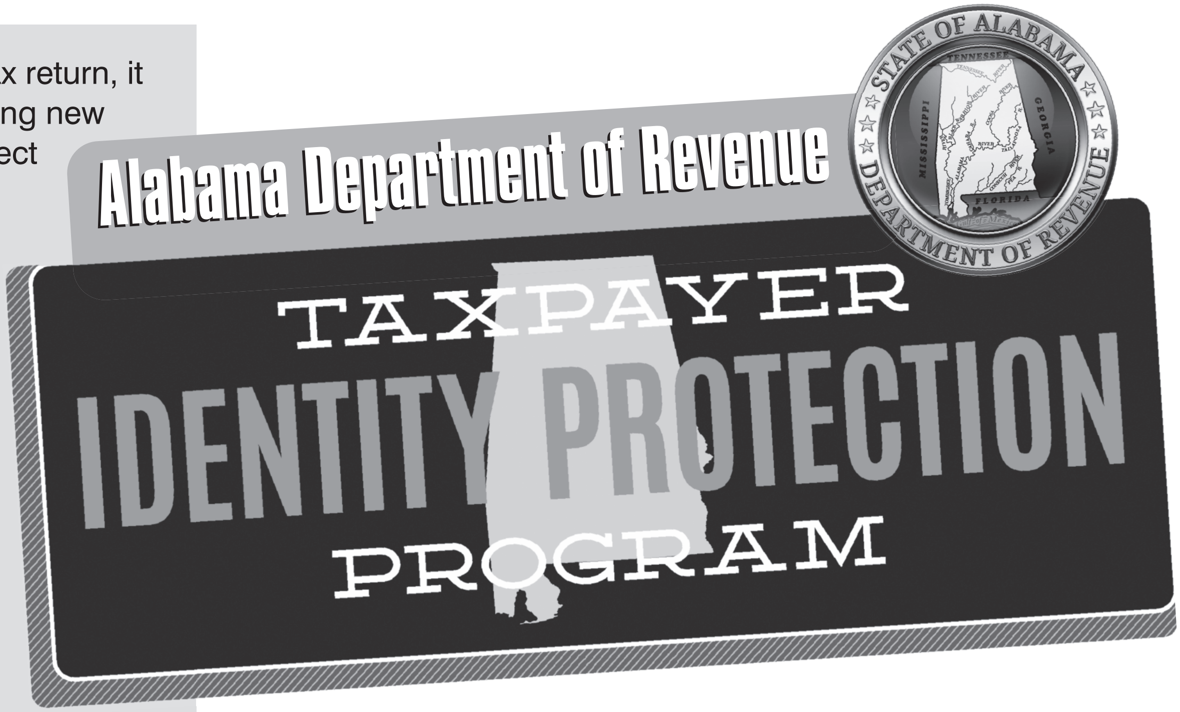
Identity Theft and Tax Fraud

ID theft is a widespread problem that can affect all Alabamians.
Alabama Department of Revenue is taking extra steps to protect taxpayers this year.

When you file your tax return, it will be processed using new tools intended to detect possible fraud.

► You may receive a notice to complete an ID Confirmation Quiz.

► If you receive this notice, it is NOT because you are suspected of ID theft. **This effort is designed to protect your identity and your tax refund.**



If you do not have access to a computer with internet, please call
(800) 535-9410

Alabama Department of Revenue
Individual & Corporate Tax Division
P.O. Box 327465
Montgomery, AL 36132-7465

Index

Physical Addresses of Taxpayer Service Centers

Alabama income tax assistance may be obtained by calling or visiting any of the Alabama Department of Revenue Taxpayer Service Centers listed below. Additional forms and instructions may also be obtained from these centers.

- **Auburn/Opelika Taxpayer Service Center**
  3320 Skyway Drive, Suite 808
  Opelika, AL 36801
  Phone – (334) 887-9549
- **Dothan Taxpayer Service Center**
  121 Adris Place
  Dothan, AL 36303
  Phone – (334) 793-5803
- **Gadsden Taxpayer Service Center**
  701 Forrest Avenue
  Gadsden, AL 35901
  Phone – (256) 547-0554
- **Huntsville Taxpayer Service Center**
  4920 Corporate Drive, Suite H
  Huntsville, AL 35805
  Phone – (256) 837-2319
- **Jefferson/Shelby Taxpayer Service Center**
  2020 Valleydale Road, Suite 208
  Hoover, AL 35244
  Phone – (205) 733-2740
- **Mobile Taxpayer Service Center**
  955 Downtowner Boulevard
  Mobile, AL 36609
  Phone – (251) 344-4737
- **Montgomery Taxpayer Service Center**
  2545 Taylor Road
  Montgomery, AL 36117
  Phone – (334) 242-2677
- **Shoals Taxpayer Service Center**
  201 South Court Street, Suite 200
  Florence, AL 35630
  Phone – (256) 383-4631
- **Tuscaloosa Taxpayer Service Center**
  1434 22nd Avenue
  Tuscaloosa, AL 35401
  Phone – (205) 759-2571

Where To File Form 40NR ▶ Mail your 2015 Form 40NR to:
Alabama Department of Revenue, P.O. Box 327469, Montgomery, AL 36132-7469

From The Commissioner…

State of Alabama
Department of Revenue

(www.revenue.alabama.gov)
50 North Ripley Street
Montgomery, Alabama 36132

JULIE P. MAGEE
Commissioner

MICHAEL E. MASON
Assistant Commissioner

JOE W. GARRETT, JR.
Deputy Commissioner

CURTIS E. STEWART
Deputy Commissioner

Dear Taxpayer,

With the dramatic rise of identity theft, the Department has implemented several new programs to protect your identity as the filer and prevent the loss of taxpayer dollars to identity thieves. While a small inconvenience, the programs alert you to someone else using your identity for their personal gain. Some returns require more scrutiny than others, and the Department may send you an identity quiz notice requiring you to call in or visit the Department's website to answer a few questions that only you would know in order to release your refund promptly. This is a team effort, and as a valued member of this team, you will play an important role in our defense against these criminals.

One factor to consider when deciding on whether to file a paper or an electronic return is that a paper return requires a longer processing time and has a higher chance of an error that may delay your return. Electronically filed returns have built-in checks to prevent many of the more common errors such as missing names and addresses, missing social security numbers, missing wage and tax statements, incorrect computations, missing documents, and missing signatures. The Department's online efile system "My Alabama Taxes" allows you to electronically file your Alabama income tax return free of charge, check the status of your refund, pay your taxes, view your accounts, and print copies of letters and tax returns associated with your accounts. For additional information on how to file using "My Alabama Taxes," please visit the Department's website at www.revenue.alabama.gov and select "My Alabama Taxes" from the "eServices" drop down menu.

Along with the security of taxpayer data, one of the primary goals of the Alabama Department of Revenue is to provide prompt and efficient services for Alabama's citizens. We are continually updating our processing methods to enable us to meet these goals. We welcome any comments and suggestions you may have for any of our forms or instructions to improve the process for all citizens of Alabama.

If you need help in completing your return or if you have a question about your tax return, please call or come by one of our Taxpayer Service Centers in your area. The addresses and phone numbers are listed on page two for your convenience.

Thank you for your assistance to our great state.

Julie P. Magee

Julie P. Magee
Commissioner

What's New For 2015?

My Alabama Taxes – A new feature on our website that will allow taxpayers to electronically file their Alabama Tax returns free, view any tax debts, payments, print copies of letters, print copies of their tax returns and change their address. Go to www.revenue.alabama.gov and click on the link for "My Alabama Taxes" to register.

Electronic Filing – Receive your refund faster by electronically filing your return. Electronic filing is now available for non-residents. Visit our website, or talk to your preparer for more information.

Website – Check out our updated website at www.revenue.alabama.gov for downloadable forms, fill-in-forms, instructions, and the most accurate up-to-date information available. Our website also hosts links to PC on-line filing providers supporting the Federal/State electronic filing program.

Refund Status – For the most up-to-date information concerning the status of your current year refund, call 1-855-894-7391 or check our website.

Identity Quiz – If you happen to receive a notice to complete an ID Confirmation Quiz, it is not because you are suspected of ID theft. The purpose of the quiz is to protect your identity as the filer and prevent loss of taxpayer dollars to thieves.

Refund Status

To check the status of your current year refund, go to our Website at **www.revenue.alabama.gov**, then click on "Where's My Refund."

How To Use This Instruction Booklet

The instructions for **Form 40NR** are divided into five main sections.

■ **SECTION 1** contains information on who must file, how to choose the correct form, and when to file a return.

■ **SECTION 2** contains useful steps to help you prepare your return.

■ **SECTION 3** contains specific instructions for most of the lines on your return.

■ **SECTION 4** contains general information about such items as amending your tax return, how long to keep records, and when you should receive your refund.

■ **SECTION 5** contains instructions for completing most of the schedules that may be attached to Form 40NR.

If you follow the steps in Section 2 and the specific instructions in Section 3, you should be able to fill in your return quickly and accurately.

SECTION 1 *Filing Information*

First, be certain you need to file a tax return. Your marital status, filing status, and gross income determine whether you have to file a tax return. Gross income usually means money, goods, and property you received on which you must pay tax. It does not include nontaxable benefits. See page 6 of the instructions to find out which types of income you should include.

Other Filing Requirements

Refunds. Even if your gross income was less than the amounts shown, you must file a return to get a refund if Alabama income tax was withheld from any amounts paid to you.

Domicile. Individuals who are domiciled in (or residents of) Alabama are subject to tax on their entire income whether earned within or without Alabama. This is true regardless of their physical presence within Alabama at any time during the taxable year. Domicile is where one lives, has a permanent home, and has the intention of returning when absent. Domicile may be by birth, choice, or operation of law. Each person has one and only one domicile which, once established, continues until a new one is established coupled with the abandonment of the old. Burden of proof regarding change of domicile is on the taxpayer even though he/she owns no property, earns no income, and has no place of abode in Alabama.

If an Alabama resident accepts employment in a foreign country for a definite or indefinite period of time with the intent of returning to the United States, the individual remains an Alabama resident and all income, wherever earned, is subject to Alabama income tax. This is true even if the taxpayer leaves no property in Alabama.

If a citizen of a foreign country comes to Alabama to work (no matter how long he stays), buys a home, secures an Alabama driver's license, does not intend to apply for U.S. Citizenship, and intends to ultimately return to the country of origin, the individual will be considered to have established domicile in Alabama. In other words, a foreign citizen domiciled in Alabama is liable for Alabama income tax on income earned from all sources.

Military Personnel (Residents). Military personnel whose legal residence is Alabama are subject to Alabama income tax on all income regardless of the source or where earned unless specifically exempt by Alabama law.

Military personnel (Army, Navy, Marine, Air Force, Merchant Marine, and Coast Guard) who were residents of Alabama upon entering military service remain residents of Alabama for income tax purposes regardless of the period of absence or actual place of residence until proof of change in home of record has been made. The burden of proof is on the taxpayer though he owns no property, earns no income, or has no place of abode in Alabama. Under the provisions of the Soldiers' and Sailors' Civil Relief Act, military personnel are not deemed to have lost their permanent residence in any state solely because they are absent in compliance with military orders. In addition, persons are not deemed to have acquired permanent residence in another state when they are required to be absent from their home state by virtue of military orders. If the husband and wife are both in military service, each could be a resident of a different state under the Soldiers' and Sailors' Civil Relief Act. A spouse not in military service has the same domicile as his/her spouse unless proven otherwise.

Military Personnel (Nonresidents). Nonresident military personnel merely having a duty station within Alabama (whose legal residence is not Alabama) are not required to file an Alabama income tax return unless they have earned income from Alabama sources other than military pay. If they have earned income in Alabama other than military pay, they are required to file Alabama **Form 40NR**. A married nonresident with income earned in Alabama may file either a separate return claiming himself or

You Must File A Return If…

You were a:	and your marital status at the end of 2015 was:	and your filing status is:	and your gross income was at least:
Full Year Resident	Single (including divorced and legally separated)	Single	$ 4,000
		Head of family	$ 7,700
	Married and living with your spouse at the end of 2015 (or on the date your spouse died)	Married, joint return	$10,500
		Married, separate return	$ 5,250
Part Year Resident	Single (including divorced and legally separated)	Single	$ 4,000 (while an Alabama resident)
		Head of family	$ 7,700 (while an Alabama resident)
	Married and living with your spouse at the end of 2015 (or on the date your spouse died)	Married, joint return	$10,500 (while an Alabama resident)
		Married, separate return	$ 5,250 (while an Alabama resident)
Nonresident	Single (including divorced and legally separated)	Single or head of family	Over the allowable prorated exemption: See above page for further instructions.
	Married and living with your spouse at the end of 2015 (or on the date your spouse died)	Married, joint return	
		Married, separate return	

herself only, or a joint return claiming the total allowable personal exemption. The "Military Spouses Residency Relief Act" (Public Law 111-97) states that the income for services performed by the spouse of a service member shall not be deemed to be income for services performed or from sources within a tax jurisdiction of the United States if the spouse is not a resident of the jurisdiction in which the income is earned because the spouse is in the jurisdiction solely to be with the service member serving in compliance with military orders.

Dependent's and Student's Income. Dependents who are residents of Alabama must file a return if they meet the requirements under You Must File A Return IF… on this page. A student's income is fully taxable to the same extent as other individuals who are required to file a return. If a return is required, the dependent or student can claim a personal exemption of $1,500 and his or her parents may claim a dependent exemption if they provided more than 50% of the total support. See Dependent Exemption on page 9.

When To File

You should file as soon as you can after January 1, 2016, but no later than April 18, 2016. If you file late you may have to pay penalties and interest. (See **Penalties and Interest** in these instructions.) If you know you cannot file your return by the due date you do not need to file for an extension. You will automatically be granted an extension until October 15, 2016. If you anticipate that you will owe additional tax on your return you should submit your payment with a payment voucher (Form 40V) with the box "Automatic Extension Payment" checked by April 18, 2016.

Except in cases where taxpayers are abroad, no extension will be granted for more than 6 months.

An extension means only that you will not be assessed a penalty for filing your return after the due date. Interest on the additional tax due from the due date of the return and any penalties will be assessed if applicable to your return.

Original returns must be filed within two years of the date the taxes are paid to be eligible for a refund. Criminal Liability could result from a continued failure to file returns. (Refer to **"Criminal Liability"** on Page 14.)

Which Form To File

You MAY Use Form 40A If You Meet ALL The Following Conditions:

- You were a resident of Alabama for the entire year.
- You do not itemize deductions.
- You do not claim any adjustments to income such as an IRA deduction, alimony paid, federal income tax paid for a prior year, etc.
- You do not have income from sources other than salaries and wages, except for interest and dividend income, which cannot exceed $1500.00.
- You are not claiming income or a loss from Schedules C, D, E, or F.
- You are not claiming credit for taxes paid to another state.

You MUST Use Form 40 If:

- You were a full or part-year resident of Alabama and do not meet **ALL** of the requirements to file Form 40A.
- You are itemizing deductions.

You MUST Use Form 40NR If:

- You are not a resident of Alabama and you received taxable income from Alabama sources or for performing services within Alabama and your gross income from Alabama sources exceeds the allowable prorated personal exemption. Nonresidents must prorate the personal exemption. If your Alabama gross income exceeds the prorated amount, a return must be filed.

You MUST Use Both Form 40 and Form 40NR If:

- You had sufficient income to require the filing of a part-year return and also had income from Alabama sources while a non-resident during the same tax year. In this case, both the total personal exemption **and** the dependent exemption **must** be claimed in the part-year resident return. No exemption can be claimed on the nonresident return. The part year resident return should include only income and deductions incurred during the period of residency. The nonresident return should include only income and deductions incurred during the period of nonresidency.

SECTION 2 *Steps for Preparing Your Return*

By following these five useful steps, and reading the specific instructions that follow, you should be able to prepare your return quickly and accurately.

Step 1

Collect all your necessary records.

Income Records. These include any **Forms W-2, W-2G**, and **1099** that you have. If you do not receive a Form W-2 by February 1, OR if the one you receive is incorrect, please contact your employer as soon as possible. Only your employer can give you a Form W-2, and only he or she can correct it.

If you have someone prepare your return for you, make sure that person has all your income and expense records so he or she can fill in your return correctly. Remember, even if your return is prepared incorrectly by someone else, you are still responsible.

Itemized Deductions. If you itemize deductions (Forms 40 or 40NR), some of the records you need are:

- Medical and dental payment records,
- Real estate and personal property tax receipts,
- Interest payment records for a home mortgage.

Step 2

Obtain any forms or schedules you may need.

In general, we mail forms and schedules based on the return filed last year. Before filling in your return, look it over to see if you need more forms or schedules. If you think you will need any other forms, get them before you start to prepare your return. **The fastest way to obtain forms is to download them from our Web site www.revenue.alabama.gov.**

Step 3

Check your return to make sure it is correct.

See **Common Mistakes** on page 11.

Step 4

Sign and date your return.

Form 40, 40A, or 40NR is not considered a return unless you sign it. Please sign in black ink only. Your spouse must also sign if it is a joint return. Original signatures are required or the return will not be accepted.

Step 5

Attach all necessary forms and schedules.

Attach the State copies of all **Forms W-2, W-2G**, and **1099** to the front of your return. Attach schedules and forms in sequential order starting with Form 40NR.

If you need more space on forms or schedules, attach separate sheets and use the same format as the printed forms, but show your totals on the printed forms. Please use sheets that are the same size as the forms and schedules. Be sure to put your name and social security number on these separate sheets, and attach them at the end of the return.

Before mailing your return, check to make sure you have retained an exact copy for your records. If you owe tax, be sure to include payment and Form 40V with your return.

SECTION

3 Specific Instructions

Name and Address

Please type or print your name, address, and social security number in the appropriate blocks.

If you live in an apartment, please include your apartment number in the address. If the post office delivers mail to your P.O. box number rather than to your street address, write the P.O. box number instead of your street address.

Social Security Number

Each year thousands of taxpayers file returns using an incorrect social security number. Usually this number belongs to another taxpayer. It is very important that you file your return using the correct social security number. Failure to use your correct social security number(s) in the space(s) provided WILL DELAY the processing of your refund. Listed below are a few of the common reasons that a social security number is reported incorrectly:

- failure to place number on return.
- memorized wrong number.
- copied number wrong.
- gave an incorrect number to the tax preparer.
- gave your employer an incorrect number.

IMPORTANT: Check your W-2 forms. Your employer may be reporting an incorrect number for you.

If you are married and filing a joint return, write both social security numbers in the blocks provided.

If you are married and filing separate Alabama returns, write your spouse's name and social security number on line 3.

If your spouse is a nonresident alien, has no income, does not have a social security number, and you file a separate return, write "NRA" in the block for your spouse's social security number. If you and your spouse file a joint return, your spouse must have a social security number.

If you or your spouse do not have a social security number, please get **Form SS-5** from a Social Security Administration (SSA) office. File it with your local SSA office early enough to get your number before April 15.

IMPORTANT: Notify the Social Security Administration (SSA) immediately in the event you have changed your name because of marriage, divorce, etc., so the name on your tax return is the same as the name the SSA has on record. This helps prevent delays in processing your return.

Filing Status and Personal Exemption Lines 1 through 4

You should check only the box that describes your filing status. The personal exemption will be determined by your filing status on the last day of the tax year.

Single

Consider yourself single if on December 31 you were unmarried or separated from your spouse either by divorce or separate maintenance decree.

If you check box 1, multiply $1,500 by the percentage on line 10, and enter the result on line 15.

Married

Joint or Separate Returns?

Joint Returns. Most married couples pay less tax if they file a joint return. You must report all income, exemptions, deductions, and credits for you and your spouse. **Both** of you must sign the return even if only one of you had income. The State of Alabama does recognize a common law marriage for income tax purposes.

You and your spouse can file a joint return if you were living together on December 31, 2015 even if you did not live together for the entire year. Both of you are responsible for any tax due on a joint return, so if one of you does not pay the other may have to.

Note: *If you file a joint return, you may not, after the due date of the return, choose to file separate returns for that year.*

If your spouse died in 2015, you can file a joint return for 2015. You can also file a joint return if your spouse died in 2016 before filing a 2015 return. For details on how to file a joint return, see **Death of Taxpayer** on page 14.

If you check box 2, multiply $3,000 by the percentage on line 10, and enter the result on line 15.

Separate Returns. You can file separate returns if both you and your spouse had income, or if only one of you had income.

If you file a separate return, report **only** your own income, exemptions, deductions, and credits. You are responsible only for the tax due on your return.

Note: *Alabama is not a community property state.*

If you file a separate return, write your spouse's social security number in the space on line 3.

If your spouse does not file, attach a statement explaining why your spouse is not required to file.

If you check box 3, multiply $1,500 by the percentage on line 10, and enter the result on line 15.

Head of Family

An individual shall be considered "Head of Family" if, and only if, such individual is not married at the close of their tax year, is not a surviving spouse and their qualifying dependent is not a foster child.

You may check the box on line 4 **ONLY IF** on December 31, 2015, you were unmarried or legally separated and meet either test 1 or test 2 below.

Test 1. You paid **more than half** the cost of keeping up a home for the entire year provided that the home was the main home for your parent whom you can claim as a dependent. Your parent did not have to live with you in your home,

OR

Test 2. You paid **more than half** the cost of keeping up a home in which you lived and in which one of the following also lived for more than 6 months of the year (temporary absences, such as for vacation or school, are counted as time lived in the home):

a. Your **unmarried** child, grandchild, great-grandchild, etc., adopted child, or stepchild. This child does not have to be your dependent.

b. Your **married** child, grandchild, great-grandchild, etc., adopted child, or stepchild. This child must be your dependent. But if your child's other parent claims him or her as a dependent under the federal rules for **Children of Divorced or Separated Parents,** this child does not have to be your dependent.

c. Any relative whom you can claim as a dependent. (See definition of a dependent on page 8.)

If the person for whom you kept up a home was born or died during the year, you may still file as "Head of Family" if the home was that person's main home for the part of the year he or she was alive.

If you check box 4, multiply $3,000 by the percentage on line 10, and enter the result on line 15.

Special Rules

A nonresident taxpayer who receives income from Alabama sources or for performing services within Alabama and who also had income while a resident of Alabama during the same tax year must file both the Alabama Nonresident Form 40NR and the Alabama Part-year Form 40. **If you are required to file both returns, the total personal exemption and the dependent exemption must be claimed on the part-year return (Form 40). No personal exemption or dependent exemption can then be claimed on the nonresident return (Form 40NR).**

Income

A nonresident of Alabama is subject to tax on all income received within or for services performed in Alabama and amounts received from the sale of property located in Alabama unless specifically exempt. The term "income" includes, but is not limited to, salaries, wages, commissions, income from business or professions, alimony, rents, royalties, interest, dividends, and profits from sales of real estate, stocks, or bonds. Military pay is not taxable for non residents of Alabama.

Examples of Income You MUST Report

The following kinds of income should be reported on Forms 40, 40A, or 40NR and related forms and schedules. You may need some of the forms and schedules listed below.

■ Wages including salaries, fringe benefits, bonuses, commissions, fees, and tips.

■ Dividends (Schedule B).

■ Interest (Schedule B) on: bank deposits, bonds, notes, Federal Income Tax Refunds, mortgages on which you receive payments, accounts with saving and loan associations, mutual savings banks, credit unions, etc.

■ Original Issue Discount (Schedule B).

■ Distributions from an Individual Retirement Arrangement (IRA) including SEPs and DECs, if you excluded these amounts in a prior year.

■ Bartering income (fair market value of goods or services you received in return for your services).

■ Business expense reimbursements you received that are more than you spent for the expenses.

■ Amounts received in place of wages from accident and health plans (including sick pay and disability pensions) if your employer paid for the policy.

■ Alimony or separate maintenance received from and deductible by your spouse or former spouse.

■ Life insurance proceeds from a policy you cashed in if the proceeds are more than the premium you paid.

■ Profits from businesses and professions (Federal Schedule C or C-EZ).

■ Your share of profits from partnerships and S Corporations (Schedule E).

■ Profits from farming (Federal Schedule F).

■ Lump-sum distributions.

■ Gains from the sale or exchange (including barter) of real estate, securities, coins, gold, silver, gems, or other property (Schedule D).

■ Gains from the sale of your personal residence as reported on your Federal return.

■ Rents and Royalties (Schedule E).

■ Your share of estate or trust income (Schedule E).

■ Prizes and awards (contests, lotteries, and gambling winnings).

■ Income from sources outside the United States.

■ Director's fees.

■ Fees received as an executor or administrator of an estate.

■ Embezzled or other illegal income.

■ Refunds of Federal Income tax if previously deducted in a prior year and resulted in a tax benefit.

■ Payments received as a member of a military service generally are taxable except for combat pay and certain allowances.

■ Jury duty pay.

Examples of Income You DO NOT Report

(Do not include these amounts when deciding if you must file a return.)

■ United States Retirement System benefits.

■ State of Alabama Teachers' Retirement System benefits.

■ State of Alabama Employees' Retirement System benefits.

■ State of Alabama Judicial Retirement System benefits.

■ Military retirement pay.

■ Tennessee Valley Authority Pension System benefits.

■ United States Government Retirement Fund benefits.

■ Payments from a "Defined Benefit Retirement Plan" in accordance with IRC 414(j). (Contact your retirement plan administrator to determine if your plan qualifies.)

■ Federal Railroad Retirement benefits.

■ Federal Social Security benefits.

■ State income tax refunds.

■ Unemployment compensation.

■ Welfare benefits.

■ Disability retirement payments (and other benefits) paid by the Veteran's Administration.

■ Workman's compensation benefits, insurance damages, etc., for injury or sickness.

■ Death benefits received by a designated beneficiary of a peace officer or fireman killed in the line of duty.

■ Child support.

■ Gifts, money, or other property you inherit or that was willed to you.

■ Dividends on veteran's life insurance.

■ Life insurance proceeds received because of a person's death.

■ Interest on obligations of the State of Alabama or any county, city, or municipality of Alabama.

■ Interest on obligations of the United States or any of its possessions.

■ Amounts you received from insurance because you lost the use of your home due to fire or other casualty to the extent the amounts were more than the cost of your normal expenses while living in your home. (You must report as income reimbursements for normal living expenses.)

■ Military allowances paid to active duty military, National Guard, and active reserves for quarters, subsistence, uniforms, and travel.

■ Subsistence allowance received by law enforcement and corrections officers of the State of Alabama.

■ All retirement compensation received by an eligible fire fighter or a designated beneficiary from any Alabama firefighting agency.

■ All retirement compensation received by an eligible peace officer or a designated beneficiary from any Alabama police retirement system.

■ Income earned while serving as a foreign missionary after first serving 24 months as a missionary in a foreign country.

■ Compensation received from the United States for active service as a member of the Armed Forces in a combat zone designated by the President of the United States.

■ An amount up to $25,000 received as severance, unemployment compensation or termination pay, or as income from a supplemental income plan, or both, by an employee who, **as a result of administrative downsizing**, is terminated, laid-off, fired, or displaced from his or her employment, shall be exempt from state income tax. **If the exempt severance pay is included in your state wages, contact your employer for a corrected W-2.**

■ Beginning January 1, 1998, all benefits received from Alabama Prepaid Tuition Contracts (PACT).

■ All benefits from an Alabama 529 savings plan.

■ Beginning January 1, 2016, all income, interest, dividends, gains or benefits of any kind received from an ABLE savings account.

Rounding Off To Whole Dollars

Round off cents to the nearest whole dollar on your return and schedules. You can drop amounts under 50 cents. Increase amounts from 50 to 99 cents to the next dollar. For example: $1.39 becomes $1.00, and $2.69 becomes $3.00.

Lines 5a through 5c

Wages, Salaries, Tips, Etc.

Show the name and address of each employer on lines 5a through 5c.

Alabama Income Tax Withheld. In column A, headed "Alabama tax withheld", enter the amount of Alabama income tax withheld by each of your employers. The amount withheld is shown on the state copy of your **Form W-2**. This copy should be marked "To Be Filed With Your State Income Tax Return."

***Note: Do not** change or alter the amount of tax withheld or wages reported on your Form W-2. If any amount is incorrect or illegible, you should contact your employer and request a corrected statement.*

Do not include these taxes as Alabama income tax:

- Federal income tax,
- FICA tax (Social Security and Medicare),
- Local, city, or occupational tax, or
- Taxes paid to another state.

Amounts withheld should be listed on the same line with the employer's name and amount of income.

Add the amounts in column A and enter the total on line 21.

Income From ALL Sources. In Column B headed "All Sources" show the total amount of wages, salaries, fees, commissions, tips, bonuses, and other amounts you were paid before taxes, insurance, etc. were taken out.

Be sure to show in column B the total income received from all sources. This includes the income earned in Alabama as well as the income earned outside of Alabama. Even though the income earned outside of Alabama is not taxable to Alabama, it must be included in order to determine the ratio of Alabama income to total income from all sources. This determines the personal exemption, dependent exemption, and itemized deductions or standard deduction you may claim in arriving at the income on which you figure the amount of tax you owe Alabama.

The total income from all sources shown in Column B should be computed as if you were a resident of Alabama. (See "Examples of Income You Do Not Report" and "Examples of Income You Must Report" on page 7 for further information on the income which should be included in Column B.)

Alabama Income. The amount shown in the box headed "State Wages" on your Alabama **Form W-2** should be included in Column C headed "Alabama Income." The amount shown in this box may or may not be the same as the amount taxable for Federal purposes. Report all wages, salaries, fees, commissions, tips, bonuses, and other amounts of income that were earned in Alabama even if you do not have a Form W-2. (These amounts should also have been included in Column B.)

***Note:** State of Alabama employees will find that the amount taxable for state purposes is, in most cases, more than the amount taxable for federal purposes. This is due to the fact that amounts deducted from their wages as "Contributions to the Alabama State Retirement System" qualify for deferral on the federal return, but do not qualify for deferral on the Alabama return.*

Statutory Employees. If you were a statutory employee, the "Statutory employee" box of your W-2 form should be checked. Statutory employees include full time life insurance salespeople, certain agent or commission drivers and traveling salespeople, and certain homeworkers.

If you are deducting business expenses as a statutory employee, report the amount shown in Box 1 of your W-2 form and your expenses on Schedule C. If you are not deducting business expenses, report your income on line 5.

Line 6

Other Income

All taxable income you received that is not reported on lines 5a through 5c should be entered on line 6. This includes interest income, dividends, rents, royalties, gains from sale of property, etc.

See **Examples of Income You DO NOT Report** and **Examples of Income You MUST Report** on page 7 of these instructions for further details on income which should be included on this line.

If you have income from other sources, you must complete Part I, page 2, and attach the appropriate schedule(s).

Line 8

Adjustments to Income

If you made payments to an Individual Retirement Arrangement (IRA), Keogh Retirement Plan, Self-Employed (SEP), paid self-employment health insurance premiums, incurred penalties for the early withdrawal of funds, or incurred deductible moving expenses, then these items should be shown as an adjustment to income.

For more information on the above deductions see the instructions for Part II, page 2 on page 12.

The adjustments to income from line 6, Part II should be entered on line 8, page 1.

Line 10

Alabama Percentage of Adjusted Total Income

You must divide the amount on line 9, Column C, by the amount on line 9, Column B, to determine the ratio of Alabama Adjusted total income to the Adjusted total income from all sources. If the amount in Column C is larger than the amount in Column B, you should enter 100% on line 10. If the amount in Column C is a loss (less than 0) enter 0% on line 10.

Line 11

Other Adjustments

If you paid alimony and/or adoption expenses, you should show these amounts as other adjustments. The total other adjustments to income from line 6, Part III, page 2 should be entered on line 11, page 1. See instructions for Part III, page 2 on page 13 for more information.

Line 12

Adjusted Gross Income

If the amount on line 12, Column C, is less than zero you may have a net operating loss that you can carry to another tax year. If you carry the loss back to earlier years, you should file Form 40X and attach Form NOL-85 and/or Form NOL-85A. Use the Order Blank in this booklet to request these forms and instructions.

Line 13

Itemized or Standard Deduction

You may elect to itemize your deductions for medical expenses, interest, contributions, taxes, etc. OR you may claim the Standard Deduction, but you cannot claim both.

If you elect to claim the Standard Deduction on your 2015 Alabama return and it becomes necessary to change to itemized deductions, you may do so by filing an amended return. You should figure your deduction both ways and claim the one that gives you the larger deduction.

If you are married and filing separate Alabama returns, **both** spouses must itemize their deductions or **both** must claim the Standard Deduction. Each spouse may claim only the itemized deductions he/she actually paid. See the instructions for **Schedule A** for items that may be claimed as itemized deductions.

Itemized Deductions. If you elect to itemize your deductions, you should check **box a** on line 13 and complete and attach Schedule A. The amount shown on line 29 of Schedule A should be entered on line 13.

Standard Deduction. If you elect to claim the Standard Deduction, you should check **box b** on line 13, and use the chart on the next page to determine the Standard Deduction allowable on your return. A dependent or student may take the standard deduction even if claimed as a dependent by someone else. The Standard Deduction must be prorated by the percentage on line 10, page 1.

Line 14

Federal Income Tax Deduction

A nonresident of Alabama may deduct from Alabama adjusted gross income **a portion of the Federal income tax due** on the 2015 Federal income tax return. In order to determine the amount deductible, you **must** complete Part IV, page 2, of Form 40NR. The instructions for completing Part IV are on page 13 of this booklet.

Line 15

Personal Exemption

Enter the personal exemption amount from line 1, 2, 3, or 4 multiplied by the percentage on line 10. A dependent or student may take the personal exemption even if claimed as a dependent by someone else.

Line 16

Dependent Exemption

A “dependent” as defined under Alabama law is an individual **other than the taxpayer and his or her spouse** who received over 50% of his or her support from the taxpayer during the tax year **and** is also related to the taxpayer in one of the following relationships:

Son	Stepfather
Daughter	Mother-in-law
Stepson	Father-in-law
Stepdaughter	Brother-in-law
Legally adopted child	Sister-in-law
Parent	Son-in-law
Grandparent	Daughter-in-law
Grandchild	If related by blood:
Brother	Uncle
Sister	Aunt
Stepbrother	Nephew
Stepsister	Niece
Stepmother	

Note: *You cannot claim a foster child, friend, cousin, yourself, or your spouse as a dependent under Alabama law.*

Birth or Death of Dependent. You can take an exemption for a dependent who was born or who died during 2015 if he or she met the qualifications for a dependent while alive.

Support. You **must** have provided over 50% of the dependent’s support in 2015. If you file a joint return, the support can be from you or your spouse. You **cannot** claim credit on an Alabama return for a dependent if you provided less than 50% of the support under Alabama law as you can under federal law in certain conditions.

If you are married and filing a separate return, you must consider **only** the amounts you **separately** furnished out of your income in determining whether or not you provided over 50% of the dependent’s support. **Do not** include any amounts your spouse furnished for the support of the dependent.

In figuring total support, you must include money the dependent used for his or her own support even if this money was not taxable (for example: gifts, savings, welfare benefits). If your child was a student, do not include amounts he or she received as scholarships.

Support includes items such as food, a place to live, clothes, medical and dental care, recreation, and education. In figuring support use the actual cost of these items. However, the cost of a place to live is figured at its fair rental value.

In figuring support, **do not** include items such as income taxes, social security taxes, premiums for life insurance, or funeral expenses.

If you qualify to claim your child and/or other individuals as your dependent, you **must** complete Part V on page 2. The total credit entered on line 4, Part V, page 2, should be entered on line 16, page 1.

Amount on Col. B, Line 12, Page 1	Dependent Exemption
0 - 20,000	1,000
20,001 - 100,000	500
Over 100,000	300

Line 19

Figuring Your Tax

You must figure your tax from the **Tax Tables** on pages 21-26 unless you are claiming a carryover or carryback Net Operating Loss from another year.

Indicate the method you are using by checking the appropriate box. If you are claiming a Net Operating Loss from another year you must complete and attach **Form NOL-85A.**

Credits From Schedule OC

Schedule OC. Schedule OC must be completed if you are claiming an employer-sponsored basic skills education credit, rural physician credit, coal credit, and/or a capital credit.

- **Basic Skills Education Credit** is available to employers who provide basic skills education programs approved by the Alabama Department of Education to its employees.
- **Rural Physician Credit** is available to licensed physicians who **practice and reside** in a small or rural Alabama community of less than 25,000 residents with admission privileges to a small or rural hospital having an emergency room. This credit is limited to 5 years.
- **Coal Credit** is available for corporations producing coal mined in Alabama. See ***Code of Alabama 1975,*** §40-18-220.
- **Capital Credit** is available to investing companies and their recipients involved in a project undertaken by certain new businesses to be located in the state and certain expansions of certain ex-

Standard Deduction

Married Filing Joint: Adjusted Gross Income *(Col. B, Line 12)*	Married Filing Joint: Standard Deduction	Married Filing Separate: Adjusted Gross Income *(Col. B, Line 12)*	Married Filing Separate: Standard Deduction	Head of Family: Adjusted Gross Income *(Col. B, Line 12)*	Head of Family: Standard Deduction	Single: Adjusted Gross Income *(Col. B, Line 12)*	Single: Standard Deduction
0 – 20,499	7,500	0 – 10,249	3,750	0 – 20,499	4,700	0 – 20,499	2,500
20,500 – 20,999	7,325	10,250 – 10,499	3,662	20,500 – 20,999	4,565	20,500 – 20,999	2,475
21,000 – 21,499	7,150	10,500 – 10,749	3,574	21,000 – 21,499	4,430	21,000 – 21,499	2,450
21,500 – 21,999	6,975	10,750 – 10,999	3,486	21,500 – 21,999	4,295	21,500 – 21,999	2,425
22,000 – 22,499	6,800	11,000 – 11,249	3,398	22,000 – 22,499	4,160	22,000 – 22,499	2,400
22,500 – 22,999	6,625	11,250 – 11,499	3,310	22,500 – 22,999	4,025	22,500 – 22,999	2,375
23,000 – 23,499	6,450	11,500 – 11,749	3,222	23,000 – 23,499	3,890	23,000 – 23,499	2,350
23,500 – 23,999	6,275	11,750 – 11,999	3,134	23,500 – 23,999	3,755	23,500 – 23,999	2,325
24,000 – 24,499	6,100	12,000 – 12,249	3,046	24,000 – 24,499	3,620	24,000 – 24,499	2,300
24,500 – 24,999	5,925	12,250 – 12,499	2,958	24,500 – 24,999	3,485	24,500 – 24,999	2,275
25,000 – 25,499	5,750	12,500 – 12,749	2,870	25,000 – 25,499	3,350	25,000 – 25,499	2,250
25,500 – 25,999	5,575	12,750 – 12,999	2,782	25,500 – 25,999	3,215	25,500 – 25,999	2,225
26,000 – 26,499	5,400	13,000 – 13,249	2,694	26,000 – 26,499	3,080	26,000 – 26,499	2,200
26,500 – 26,999	5,225	13,250 – 13,499	2,606	26,500 – 26,999	2,945	26,500 – 26,999	2,175
27,000 – 27,499	5,050	13,500 – 13,749	2,518	27,000 – 27,499	2,810	27,000 – 27,499	2,150
27,500 – 27,999	4,875	13,750 – 13,999	2,430	27,500 – 27,999	2,675	27,500 – 27,999	2,125
28,000 – 28,499	4,700	14,000 – 14,249	2,342	28,000 – 28,499	2,540	28,000 – 28,499	2,100
28,500 – 28,999	4,525	14,250 – 14,499	2,254	28,500 – 28,999	2,405	28,500 – 28,999	2,075
29,000 – 29,499	4,350	14,500 – 14,749	2,166	29,000 – 29,499	2,270	29,000 – 29,499	2,050
29,500 – 29,999	4,175	14,750 – 14,999	2,078	29,500 – 29,999	2,135	29,500 – 29,999	2,025
30,000 and over	4,000	15,000 and over	2,000	30,000 and over	2,000	30,000 and over	2,000

isting businesses. This capital credit was enacted by Act 95-187 of the Alabama Legislature and signed into law on June 15, 1995 as the "**Capital Credit.**"

Schedule AATC. Schedule AATC must be completed if you are claiming the Credit for Transferring from Failing Public School to Nonfailing Public School or Non Public School and/or Credit for Contributing to Scholarship Granting Oranization.

Credit for Transferring from Failing Public School to Nonfailing Public School or Non Public School. This credit is available to resident taxpayers who transfer their child from a failing public school to a nonfailing public school or nonpublic school. The amount of the credit is the lesser of 80 percent of the average annual state cost attendfance for a public K-12 student during the applicable tax year or the Actual cost of attending a nonfailing public school or nonpublic school. For more information go to www.revenue.alabama.gov.

Credit for Contributing to Scholarship Granting Organization. This credit is available to resident taxpayers who make a contribution to an approved scholarship granting organization. The credit is the amount contributed to the scholarship granting organization for educational scholarships during trhe taxable year for which the drecit is claimed up to 50 percent of the tax liability of the taxpayer not to exceed $7,500.00 per taxpayer or married couple filign jointly. For more information go to www.revenue.alabama.gov.

For more information regarding the credits listed above and the necessary forms to claim these credits, you should contact:

Alabama Department of Revenue
P.O. Box 327410
Montgomery, AL 36132-7410
(334) 242-1000

Line 22

2015 Estimated Tax Payments/ Automatic Extension Payments

Enter on this line any payments you made on your estimated Alabama income tax (**Form 40ES**) for 2015 or automatic extension (Form 40V). Include any overpayments from your 2014 return that you applied to your 2015 estimated tax. (Do not include the balance you paid with your 2014 return in 2015 or any overpayment from 2014 that was refunded to you.)

If you and your spouse paid joint estimated tax but are now filing separate Alabama income tax returns, either of you may claim all of the amount paid, **OR** you can each claim a part of it. Please be sure to show both social security numbers on the separate returns. If you and your spouse paid separate estimated tax but are now filing a joint income tax return, add the amounts you each paid. These instructions also apply if your spouse died during the year.

Line 23

Composite Tax Payments

If you are reporting income from a partnership or S corporation which filed Alabama Form PTE-C, any payment made on your behalf should be entered on line 23. Also, complete the information requested on line 7, Part VI, page 2.

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 Form 40NR explaining all the payments you and your spouse made in 2015 and the name(s) and social security number(s) under which you made the payments.

Caution: It is very important that the social security numbers be the same on your current return, last year's return, and all of your estimate vouchers. The Department will be unable to allow you proper credit for your payments unless the numbers are the same. If the Department is unable to verify the amount claimed, you may be requested to submit copies of all your canceled checks substantiating the amount claimed. This will cause considerable delay in processing your return.

Line 24

Previous Payments

This line is for amended returns only. Enter the amount of your previous payment made with your original return and/or billing notices and amended return(s).

Line 26

Refundable Portion of Adoption Credit

Enter the amount from Schedule AAC, Part II, line 6.

Line 28

Previous Refund

This line is for amended returns only. Enter the amount of your previous refund from your original return and amended return(s).

Line 30

Amount You Owe

(If line 20 is larger than line 29)

Subtract line 27 from line 20, and enter the amount on line 30 – this is the amount you owe the State of Alabama.

Pay the full amount by **check or money order** payable to the "Alabama Department of Revenue." On your payment write your social security number, your daytime telephone number, and "2015 Form 40NR," and remit your payment with Form 40V.

Electronic Bank Draft (E-Check): You can pay your taxes due electronically from your bank account online at **https://www.officialpayments.com**. Enter Jurisdiction Code 1100. You will need to have your bank routing number and your checking account number to use this service. **There is no charge for this service.**

Credit Card: You can also pay your taxes due by credit card online at **https://www.officialpayments.com** or by phone at 1-800-272-9829. Enter Jurisdiction Code 1100. Discover/ NOVUS®, Master Card®, Visa® and American Express® cards are currently being accepted. There is a convenience fee for this service. This fee is paid directly to Official Payments Corporation based on the amount of your tax payment. (See page 30 for more information.)

How do I pay by ACH Debit? You may pay by ACH Debit by going to **www.revenue.alabama.gov/efiling.htm**. Do not use Form 40V when paying by ACH Debit. You will need to have your bank routing number and checking account number to use this service. No fee is charged for this service.

If you are paying with funds on a foreign bank you must include an additional $25 exchange fee.

If payment for the full amount of tax due is not paid by the due date of the return, you will be charged interest and will be subject to penalties. (See **Penalties and Interest** on page 14 of these instructions.) More importantly, if you submit your return **without payment**, a final assessment may be entered by the Department. A final assessment which is not appealed is as conclusive as a judgment of a circuit court. The Department may then proceed with collection by issuance of legal processes including recording of **tax liens, garnishment of wages or bank accounts, levy, or a writ of seizure** directed to the county sheriff as provided by Sections 40-1-2, 40-2-11(16), and 40-29-23, ***Code of Alabama 1975***.

Line 31

Estimated tax penalty

If the amount you owe (line 30) exceeds $500.00, you may be subject to an estimate, or underestimation penalty. Page 14 of this booklet provides additional information on these penalties, or you can complete Form 2210AL. See page 32, "How To Obtain Forms".

Line 32

Overpayment

(If line 29 is larger than line 20)

Subtract line 20 from line 29, and enter the amount on line 32 — this is the amount you overpaid.

Line 33

Applied to 2016 Estimated Tax

You may elect to credit all or part of the overpayment shown on line 32 to your 2016 estimated Tax. Once an election is made to apply this overpayment to your 2016 estimated tax, it cannot later be refunded to you or applied to pay additional tax for 2015.

Line 34

Refunded to You

Subtract the amount on line 33 from the amount on line 32. If your return is complete and contains no errors, you should receive your refund within 8 to 12 weeks after you mail it. See **When Should I Receive My Refund?** on page 15 of this booklet for further information about your refund.

Sign Your Return

Form 40NR is not considered a return unless you sign it. Please sign in black ink only. Your spouse must also sign if it is a joint return. If you are filing a joint return with your deceased spouse, see **Death of Taxpayer** on page 14.

Did You Have Someone Else Prepare Your Return? If you fill in your own return, the **Paid Preparer's Use Only** area should remain blank. Someone who prepares your return but does not charge you should not sign.

Generally, anyone who is paid to prepare your tax return must sign your return and fill in the other blanks in the **Paid Preparer's Use Only** area of the return.

If you have questions about whether a preparer is required to sign a return, please contact an Alabama Taxpayer Service Center.

*The preparer required to sign your return **MUST:***

- *Sign, by hand, in the space provided for the preparer's signature. (Signature stamps or labels are not acceptable.)*
- *Give you a copy of your return for your records in addition to the copy to be filed with the Alabama Department of Revenue.*

BEFORE signing and mailing your return, you should review it to make sure the preparer has entered the correct name(s), address, and social security number(s) in the spaces provided and reported all of your income. **REMEMBER**, you are responsible for the information on your return even if you pay someone else to prepare it.

Please enter your daytime phone number. This will enable us to contact you and help speed your refund if there are any problems with processing your return.

Common Mistakes Which Delay Refunds

Errors delay your refund. This checklist should help you file your form correctly.

1. Is your address correct?

2. If you took the standard deduction, did you use the worksheet on page 9?

3. Did you include your W-2 forms and any other forms? Did you assemble all forms and schedules in the proper order? (See Step 6 on page 5.)

4. Is your math correct? (***Note:** Check your math carefully when figuring your refund or amount you owe.)*

5. Did you find the correct tax in the Tax Table for your filing status and taxable income?

6. Did you write your social security number, daytime phone number, and "2015 Form 40NR" on your check or money order?

7. Did you sign and date your tax form?

If you want the Department to contact your tax preparer, please give permission to do so by checking the box above the signature line.

Where To File

Mail your return, payment and Form 40V to:

Alabama Department of Revenue
P.O. Box 327469
Montgomery, AL 36132-7469

Mail only your 2015 Form 40NR to the above address. Prior year returns, amended returns, and any correspondence pertaining to your return should be mailed to:

Alabama Department of Revenue
Individual and Corporate Tax Division
P.O. Box 327464
Montgomery, AL 36132-7464

Part I, Page 2

Other Income

All taxable income other than salaries, wages, commissions, etc. that is not reported on lines 5a through 5c on page 1 should be reported in Part I, page 2.

The total other income from all sources should be reported in Column B under the heading "All Sources." The income reported in Column B should be the same as would be reported by a resident of Alabama.

Example: You may be required to report interest income from obligations of the U.S. Government on your federal return, but since this income is not taxable to Alabama it should not be included in Column B.

All income you listed in Column B earned in the State of Alabama should also be listed in Column C under the heading "Alabama Sources." Use only the lines and schedules applicable to your types of income.

Line 1

Interest and Dividend Income

Any interest or dividend income received in 2015 with Alabama business situs should be reported in Column C. All other interest or dividend items that would normally be taxable to an Alabama resident should be reported in Column B.

***Note**: Interest or Dividend items received from pass through entities such as Partnerships or S-Corporations should not be reported as separate line items on Schedule B, but should be included in total on the Alabama Schedule E.*

If you received dividends and interest income of more than $1500 in 2015, you **must** complete and attach **Schedule B**. Enter the taxable amount shown in Schedule B on line 1, Part I.

Line 2

Alimony Received

Alimony and separate maintenance payments received by a nonresident of Alabama in 2015 are not taxable for Alabama purposes. However, any amounts you received in 2015 must be included in the total adjusted gross income from all sources to the same extent that it is includable on your 2015 Federal return. The amount received should be listed in Column B **only**. Do not include amounts you received which are child support.

Line 3

Pensions and Annuities

Pension and annuity payments received by a nonresident are not subject to Alabama tax. However, pension and annuity payments you received in 2015 that would be taxable to a resident of Alabama must be included in the total adjusted gross income from all sources in order to compute the ratio of Alabama adjusted gross income to total adjusted gross income from all sources.

Payments you received from any of the following are not taxable and should not be included in the income reported on line 3.

- State of Alabama Teachers' Retirement.
- State of Alabama Employees' Retirement.
- State of Alabama Judicial Retirement.
- United States Civil Service Retirement.
- Retirement systems created by the Federal Social Security Acts.
- Railroad retirement benefits received under the Federal Railroad Retirement Acts of 1935 and 1937.
- Military Retirement Pay.
- TVA Pension System Benefits.
- U.S. Foreign Service Retirement and Disability Fund Annuities.
- U.S. Government Retirement Fund Benefits.
- Any Defined Benefit Retirement Plan in accordance with IRC 414(j). (Contact your retirement plan administrator to determine if your plan qualifies.)

Enter on line 3 the taxable portion of all pensions and/or annuities you received in 2015 that would be taxable to a resident of Alabama. The amount to be reported would be the same as reported on your Federal return except for income from those sources previously listed as exempt.

Line 4

Business Income or (Loss)

If you conducted a business or practiced a profession during the taxable year, you must complete and attach a copy of **Federal Schedule C or C-EZ** to your Alabama return.

Generally, you may deduct the ordinary and necessary expenses of doing business — the cost of merchandise, salaries, interest, taxes, rent, repairs, and incidental supplies.

In the case of capital investments and improvements in depreciable property such as buildings, machines, and similar items having a useful life of more than one year, Alabama law provides for a "reasonable allowance" for depreciation over the useful life of the property.

If some of your expenses are part business and part personal, you can deduct **ONLY** the business portion.

Adjustments to Federal Schedules C and F. Alabama law differs from federal law in the treatment of some of the expenses shown on Federal Schedules C and F and certain items may need adjusting for Alabama purposes. The expenses which may need adjusting are:

- **Percentage Depletion Gas and Oil.** In the case of oil and gas wells, the allowance for depletion shall be 12 percent of the gross income from the property during the taxable year, excluding from such gross income an amount equal to any rents or royalties paid or incurred by the taxpayer in respect to the property. Such amounts shall not exceed 50 percent of the net income of the taxpayer, computed without allowance for depletion, from the property, except that in no case shall the depletion allowance be less than the amount allowable under federal income tax law.
- **Cost Depletion Natural Resources Other than Gas and Oil.** Alabama law has no provision for percentage depletion of natural resources other than gas and oil, as currently allowed under federal law. For Alabama purposes, the depletion allowance shall be computed using the cost depletion method.
- **Depreciation.** Alabama law allows IRC Section 179 Expense for all taxable years beginning after December 31, 1989. Adjustments may be necessary if assets were acquired and placed in service prior to tax years beginning January 1, 1990.
- **Targeted "Jobs Credit."** You may have been allowed to take a portion of your payroll expense as a "Targeted Jobs Credit" on your federal return. This is an allowable expense for Alabama income tax purposes.
- **Passive Activity Losses.** Alabama law has no provision, similar to current federal law, which limits the deduction of passive trade or business activity losses.
- **Federal Economic Stimulus Act of 2008 Bonus Depreciation.** Alabama law has no provision to allow a deduction for the bonus depreciation allowed by the Federal Economic Stimulus Act of 2008.

If you have adjustments involving any of the previously described expenses, attach an explanation and show the adjustment as "Other Expenses" on Federal Schedule C or F.

The net profit or (loss) from business, as shown on **Federal Schedule C-EZ** or **C** after above adjustments (if applicable), should be entered on line 4a, Part I. The net profit or (loss) from all operations within and without Alabama, as shown on Federal Schedule C, after above adjustments (if applicable), should be entered on line 4a, Part I, Column B. The net profit or (loss) from operations in Alabama should be entered in Column C.

Line 5

Gain or (Loss) from Sale of Real Estate, Stocks, Bonds, Etc.

If you sold real estate, stocks, bonds, or other assets in 2015 the net gain or (loss) should be entered in column B. The net gain or (loss) from the sale of property located in Alabama should also be entered in Column C.

If you sold your personal residence, any gain realized is taxable to the same extent as reported on your federal return.

Please see the instructions for Schedule D for further information.

Line 6

Rents, Royalties, Partnerships, Estates, Trusts, S Corporations

You **must** complete and attach **Schedule E** if you received income in 2015 from any of these sources. The instructions for completing Schedule E are on page 20 of this booklet.

Line 7

Farm Income or (Loss)

If you operated a farm during the year, you must attach **Federal Schedule F** to your return.

Alabama law differs from Federal law in the treatment of some of the expenses shown on Federal Schedule F. These differences are discussed in the instructions for line 4a, Part I. If any of these adjustments apply to your return, you should show the additional amounts as "Other Expenses" on Federal Schedule F.

The net profit or (loss) from farm operations, within and without Alabama, should be entered on line 7a, Column B. The net profit or (loss) from farm operations in Alabama should also be entered in Column C.

Line 8

Other Income

Enter on line 8 any other income you cannot find a place for on your return or on another schedule. State the nature and source in the space provided, or attach a separate explanation.

The total other income from all sources should be entered in Column B, and only the other income earned in Alabama should be entered in Column C.

Note: *Net operating losses are not allowed as a deduction on line 8 (Other Income). Net operating losses can only be claimed on Form NOL-85A.*

Part II, Page 2

Adjustments To Income

Line 1

Individual Retirement Arrangement (IRA), Keogh Retirement Plan, and SEP Deduction

Contributions to Individual Retirement Arrangements, Keogh retirement plans, and self-employed SEP deduction are deductible as an adjustment to income from "All Sources" in Column B. The amount deductible in Column C is limited to the contributions made from income attributable to Alabama sources. The amount deductible in Columns B and C is subject to the same limitations as on your federal return. However, when figuring the limitation on the amount deductible you must use the adjusted gross income shown on line 12, Columns B and C and of your Alabama Return.

Line 2

Penalty on Early Withdrawal of Savings

The **Form 1099-INT** given to you by your bank or savings and loan association will show the amount of any penalty you were charged for withdrawing funds from your time savings deposit before its maturity. Enter this amount on line 2, Column B only. (Be sure to include the interest income on line 1, column B, Part I.) Note: Penalties on early withdrawal from retirement plans are not deductible.

Line 3

Moving Expenses

Employees and self-employed persons (including partners) may deduct certain moving expenses as an **adjustment to gross income** to the same extent and subject to the same limitations as currently allowed under Federal rules with the following exception:

— The new job location must be within the State of Alabama.

This deduction may be taken if you moved in connection with your job or business and your new workplace in Alabama is at least 50 miles farther from your old residence than your old workplace was from your former residence. If you had no former workplace, your new workplace must be at least 50 miles from your old residence.

Only expenses incurred in the moving of household goods and personal effects from the former residence to the new residence and traveling expenses, including lodging while en route to the new location, are deductible. Expenses which are no longer deductible include the cost of meals while en route to the new location, pre-move house hunting trips, temporary living expenses, closing costs of selling the old house, costs of purchasing a new house, and costs incurred in settling an unexpired lease.

If you meet the requirements, complete and attach **Federal Form 3903** to figure the amount of moving expenses. Enter the total and the new job location as indicated on line 3.

Line 4

Self-employed Health Insurance Deduction

Premiums paid for self-employed health insurance are deductible as an adjustment to income from "ALL SOURCES" in Column B to the same extent as determined in accordance with the Internal Revenue Code Section 162.

The amount deductible in Column C is limited to premiums paid based on the percentage of Alabama self-employment income to total self-employment income.

Part III, Page 2
Other Adjustments

Line 1

Alimony

Enter the total amount of alimony paid as shown on your federal return.

You can deduct payments of alimony or separate maintenance made under a court decree to the same extent allowed for federal income tax purposes. Do not deduct lump-sum cash or property settlements, voluntary payments not made under a court order or a written separation agreement or amounts specified as child support.

Line 2

Adoption Expenses

Enter the total amount of adoption expenses you paid or incurred.

The reasonable medical and legal expenses paid or incurred by a nonresident taxpayer in connection with the adoption of a minor may be deducted. The term "medical expenses" include any medical and hospital expenses of the adoptee and the adoptee's biological mother which are incident to the adoptee's birth, and subsequent medical care and which, in the case of the adoptee, are paid or incurred before the petition is granted. Adoption agency fees are not deductible. The expenses allowed in your 2015 return are limited to those expenses paid or incurred on or after January 1, 2015, even though adoption proceedings may have begun before this date.

Part IV, Page 2
Federal Income Tax Deduction

The Federal Income Tax allowed as a deduction to a nonresident of Alabama is the amount calculated using the federal income tax deduction worksheet below. The balance is then prorated by the percentage of income earned in Alabama to the total income from all sources. Self-employment, social security, and Medicare taxes can only be claimed if you itemize deductions on Schedule A.

If you filed a joint Federal Return and have elected to file a separate Alabama Return, you must complete all lines in Part IV to determine your allowable deduction. If you are single or married and filing a joint Alabama Return with your spouse, you should skip lines 1 through 3.

If you are a nonresident alien with income earned in Alabama, the deduction for Federal Income Tax should be computed by applying the ratio of Alabama source income to total income received from sources within the United States. In other words, in the case of a nonresident alien, total income from all sources does not include foreign source income that is not required to be reported for Federal Income Tax purposes.

Alabama income is determined for nonresident aliens in the same manner as for other nonresidents.

Line 1

Enter your joint federal adjusted gross income.

Line 2

Enter your federal adjusted gross income.

Federal Income Tax Deduction Worksheet

1	Enter the tax as shown on line 56, Form 1040, line 37 on Form 1040A, line 10 on Form 1040EZ or line 53 on Form 1040NR			1	
2	Net Investment Income Tax. Enter amount from line 17, Form 8960			2	
3	Federal Tax. Add lines 1 and 2			3	
4	**a Earned income credit (EIC).** Enter the amount from line 66a, Form 1040, line 42a on Form 1040A or line 8a on Form 1040EZ	4a			
	b Additional child tax credit. Enter the amount from line 67, Form 1040, line 43 on Form 1040A, or line 64 on Form 1040NR	4b			
	c American Opportunity Credit. Enter the amount from line 68, Form 1040 or line 44 on Form 1040A	4c			
	d Credits from Forms 2439. Enter the amount from line 73, Form 1040 or line 69 on Form 1040NR	4d			
5	Add lines 4a, b, c and d			5	
6	Subtract line 5 from line 3 and enter on line 12 on Form 40, line 9 Form 40A or line 4, Part IV, page 2 on Form 40NR. **If amount is negative enter zero.**			6	

Line 3

Divide line 2 by line 1.

Line 4

Enter federal income tax liability from line 4 of Federal Income Tax Deduction Worksheet below.

Line 5

Enter percentage from line 3 if you completed lines 1 through 3 multiply line 4 by the percentage on line 3.

PLEASE NOTE: The Federal line references were correct at the time these forms and instructions were printed. However, there may have been changes to Federal forms after our print deadline and the line numbers referenced for our forms may have changed. If you have questions as to the correct line number on the Federal return, please feel free to call one of our taxpayer service centers listed on page 2.

Line 6

Enter percentage from page 1, line 10.

Line 7

If you completed lines 1-3 above, multiply line 5 by the % on line 6. Otherwise, multiply line 4 by the % on line 6.

Part V, Page 2

Dependents

Before completing this section, see page 8 of these instructions for the definition of a dependent. Please follow the line-by-line instructions on Form 40NR to complete this section.

Part VI, Page 2

General Information

ALL TAXPAYERS MUST COMPLETE THIS SECTION

Please follow the line-by-line instructions on Form 40NR to complete this section.

SECTION 4 *General Information*

This section contains general information about items such as amending your tax return, how long to keep records, filing a return for a deceased person, and when you should receive your refund.

Substitute Tax Forms

You may not use your own version of a tax form unless it meets the requirements of the Alabama Department of Revenue. All privately designed and printed substitute tax forms **must be approved** by the Alabama Department of Revenue.

Penalties and Interest

Interest. Interest is charged on taxes not paid by their due date even if an extension of time is granted. If your return is not filed by the due date and you owe additional tax, you should add interest from April 18, 2016 to date of payment. Submit payment of the tax and interest with your return. Alabama law provides that the same rate of interest shall be collected as currently prescribed by the Internal Revenue Service. Any of the Alabama Taxpayer Service Centers listed in this booklet will provide you the current rate of interest in effect at the time your return is filed.

Failure To Timely File Return. Alabama law provides a penalty of 10% of the tax due or $50, whichever is greater, if the return is filed late. The penalty does not apply to a tax return filed indicating no tax due or a refund.

Failure To Timely Pay Tax. The penalty for not paying the tax when due is 1% of the unpaid amount for each month or fraction of a month that the tax remains unpaid. The maximum penalty is 25%.

Underpayment Penalty. If the amount you owe for 2015 is $500.00 or more you may owe the penalty for 2015 if the total of your withholding and timely estimated tax payments did not equal at least the smaller of:

1. 90% of your 2015 tax (66-2/3% for farmers), or

2. 100% of your 2014 tax. (Your 2014 tax return must cover a 12-month period.) Use Form 2210AL to calculate the penalty.

Note: *If you include interest, a failure to timely file, or a failure to timely pay penalty with your payment, identify and enter these amounts in the bottom margin of Form 40NR, page 1. The only penalty to be included on lines 25 and 26 of Form 40NR is the underpayment penalty. Refer to form 2210AL for instructions on how to calculate the underpayment penalty.*

Other Penalties. There are also penalties for underpayment due to negligence, underpayment due to fraud, and filing a frivolous return.

Any person failing to file a return as required by Alabama law or rendering a false or fraudulent return will be assessed. The assessment will be based on the best information obtainable by the Department with respect to the income of the taxpayer. In the case of a willfully false or fraudulent return having been rendered, the Department shall add a penalty of not more than 50% of such tax. This penalty is in addition to any interest due as described above.

Criminal Liability. Section 40-29-112, **Code of Alabama 1975,** as amended, provides for a more severe penalty for not filing tax returns. Any person required to file a return under this title who willfully fails to make such return shall be guilty of a misdemeanor and, upon conviction thereof, shall be fined not more than $25,000 or imprisoned not more than 1 year, or both. Section 40-29-110 provides that any person who willfully attempts to evade any tax imposed by this title or the payment thereof shall be guilty of a felony and, upon conviction thereof, shall be fined not more than $100,000 or imprisoned for not more than 5 years, or both. These penalties are in addition to any other penalties provided for by Alabama law.

Address Change

If you move after filing your return and expect a refund, you should notify the Department of Revenue and send a change of address notice to: **Alabama Department of Revenue, Individual and Corporate Tax Division, P.O. Box 327410, Montgomery, AL 36132-7410**. This will help us forward your check to you as soon as possible and allow us to mail next year's forms to your new address.

Corresponding With Alabama Department of Revenue

Be sure to include your social security number and phone number in any correspondence with the Alabama Department of Revenue.

How Long Should Records Be Kept?

Keep records of income, deductions, and credits shown on your return, as well as any worksheets used to figure them, until the statute of limitations runs out for that return. Usually this is 3 years from the date the return was filed. If income that should have been reported was not reported and the income omitted is in excess of 25% of the stated income, the period of limitation does not expire until six (6) years after the due date of the return or six (6) years after the date the return was filed, whichever is later. **There is no period of limitation when a return is false or fraudulent, or when no return is filed. Therefore, we recommend that your records be kept for at least seven years.**

Also keep copies of your filed tax returns as part of your records. You should keep some records longer than the period of limitation. For example, keep property records (including those on your own home) as long as they are needed to figure the basis of the original or replacement property. Copies of your tax returns will help in preparing future returns, and they are necessary if you file an amended return. Copies of your returns and your other records may be helpful to your survivor, or the executor or administrator of your estate.

Requesting a Copy of Your Tax Return

If you need a copy of your tax return or tax account information use **Form 4506-A**, Request for Copy of Tax Form or Income Tax Account Information. The charge for a copy of a return is $5. There is no charge for tax account information.

Amended Return

If you have already filed a return and become aware of any changes to income, deductions or credits, you should file an amended tax return. For tax years prior to tax year 2008 you should mail in a completed Form 40X, Amended Alabama Individual Income Tax Return, to change those items. Beginning with tax year 2008 you should file a completed Alabama Individual Income Tax Return with the "Amended" box checked. A detailed explanation page of all the changes made should be attached to the tax return.

Note: *If your State return is changed for any reason, it may affect your federal income tax liability. This includes changes made as a result of an examination of your return by the Alabama Department of Revenue. Contact the Internal Revenue Service for more information.*

Death of Taxpayer

If the taxpayer died before filing a return for 2015, the taxpayer's spouse or personal representative **must** file a return for the person who died if the deceased was required to file a return. A personal representative can be an executor, administrator, or anyone who is in charge of the taxpayer's property.

The person who files the return should write "DECEASED" after the decedent's name. Also write "DECEASED," the decedent's full name, and date of death across the top of the tax return.

If the taxpayer did not have to file a return but had tax withheld, a return must be filed to receive a refund.

If your spouse died in 2015, you can file a joint return even if you did not remarry in 2015. You can also file a joint return if your spouse died in 2016 before filing a 2015 return. A joint return should show your spouse's 2015 income before death and your income for all of 2015. Also write "Filing as surviving spouse" in the area where you sign the return. If someone else is the personal representative, he or she must also sign.

If you are claiming a refund as a surviving spouse filing a joint return with the deceased and you follow the above instructions, no other form is needed to have the refund issued to you.

Please note: An Alabama refund of a deceased taxpayer cannot be issued to a third party.

Payment of Estimated Tax

Every individual who reasonably expects to owe at least $500.00 in 2016 is required to file and pay estimated tax.

Note: *If the* ***TOTAL ESTIMATED TAX*** *for 2016 is less than five hundred dollars ($500), an estimate is not required to be paid.*

The procedures for filing and paying estimated tax and the due dates are similar to Federal Income Tax Law. **Do not** include payment of your estimated tax with the payment for tax due on your individual return because the quarterly voucher and remittance **MUST** be mailed separately. Additional instructions for filing your estimate are on the back of Form 40ES.

No refund will be made for any estimated taxes paid except when such amount is taken as a credit on an income tax return filed at the end of the taxable year by the payor or his authorized representative, or on an amended income tax return if the full amount paid is not claimed on the original income tax return.

Automatic Extension

If you know you cannot file your return by the due date you do not need to file for an extension. You will automatically be granted an extension until October 15, 2016. If you anticipate that you will owe additional tax on your return you should submit your payment with a payment voucher (Form 40V) by April 18, 2016.

Except in cases where taxpayers are abroad, no extension will be granted for more than 6 months.

An extension means only that you will not be assessed a penalty for filing your return after the due date. Interest on the additional tax due from the due date of the return and any penalties will be assessed if applicable to your return.

Setoff Debt Collection

If you owe money or have a delinquent account under any of the following public assistance programs, your refund may be applied to offset that debt.

- Any and all of the public assistance programs administered by the Alabama Department of Human Resources including the Child Support Act of 1979, Chapter 10 of Title 38.
- Any and all of the assistance programs administered by the Alabama Medicaid Agency.
- Overpayment of unemployment compensation.
- Any and all court fees/fines owed to the Administrative Office of Courts.

If the Alabama Department of Human Resources, the Alabama Department of Labor, the Administrative Office of Courts, or the Alabama Medicaid Agency notifies the Alabama Department of Revenue that you have a delinquent account in excess of $25, part or all of your refund may be applied to offset that debt. If you are married and filing a joint return, the joint refund may be applied to offset any of these debts.

IMPORTANT: If you have been assessed taxes from a prior year, your current year refund will be applied to that debt even if the liability resulted from a jointly filed return.

Federal Refund Offset Program

Your 2015 federal or state refund will be taken to satisfy any outstanding liabilities owed to the State of Alabama or to the Internal Revenue Service.

When Should I Receive My Refund?

If you are due a refund, it will be mailed to you at the earliest possible date. Normally, it takes up to **90 days** to process your return and get your refund to you. The earlier you file your return the sooner you will receive your refund.

If you do not receive your refund within 90 days of the due date or within 90 days after you file your return, whichever is later, the State will pay you interest and include it with your refund.

It may take longer than 90 days to process your refund if it is incomplete or incorrect. Your refund may be delayed for the following reasons:

- Your name and/or address is incorrect.
- Your social security number is incorrect or not shown in the space provided.
- You failed to attach all of your withholding statements (W-2 Forms).
- You failed to attach one or more of the supporting schedules.
- You made an error in figuring your return.
- You mailed your return to the wrong address.
- You filed more than one return.
- You submitted a copy instead of the original return.
- You have not paid all taxes due for a prior year.
- The Department needs additional information to explain the income or deductions reported on your return.
- The Alabama Department of Human Resources has notified the Alabama Department of Revenue that your account is delinquent on a debt repayment, or any public assistance program (including the Child Support Act of 1979, Chapter 10, Title 38). (**Note:** See **Setoff Debt Collection** on this page for further information.)
- Your return was not properly signed.

If you are due a refund and discover, after mailing your return, that you failed to attach your withholding statement(s) or supporting schedule(s) to your return, **do not** mail this information until the Department requests it. If you mail it before the Department notifies you, your refund may be further delayed.

The Department requests that you **wait 90 days before inquiring about your refund.** If you do not receive it within 90 days, go to **www.revenue.alabama.gov**, click on "Where's My Refund", or complete **Form IT:489**. This form can be obtained at our web site **www.revenue.alabama.gov/incometax/generalforms.htm** or at any of our Alabama Taxpayer service Centers listed on page 2 of this booklet. If you find it necessary to call about your refund, you should have a copy of your return in front of you.

SECTION 5 Instructions for Schedules to Form 40NR

Instructions For Schedule A Itemized Deductions

Changes You Should Note

The itemized deductions you may claim on your Alabama return are similar to the deductions allowed for federal purposes; however, certain items may be treated differently. Please see the instructions which follow for an explanation of these differences.

Purpose of Schedule

Some taxpayers should itemize their deductions because they will save money. See Itemized or **Standard Deduction** on page 8.

If you itemize, you can deduct part of your medical and dental expenses, certain taxes, contributions, and certain miscellaneous deductions. **A nonresident of Alabama must prorate these deductions by the ratio of Alabama adjusted gross income to total adjusted gross income from all sources.** Unreimbursed business expenses may be deducted if the business expenses were incurred while earning Alabama income.

Married, Filing Separate Returns. If you are married and filing separate Alabama returns, both spouses may itemize their deductions or both may claim the standard deduction. **One spouse cannot itemize and the other claim the standard deduction.** Each spouse may claim only the itemized deductions he/she actually paid.

Part-year Residents and Part-year Nonresidents. If you were a resident of Alabama for a part of 2015 and you are required to file Form 40, you may claim **only** the itemized deductions you actually paid while a resident of Alabama.

If you had income from Alabama sources during the period you were not a resident of Alabama you should also file Form 40NR. You should claim on your nonresident return only the itemized deductions actually paid during the period you were a nonresident.

Lines 1 through 4

Medical and Dental Expenses

Before you can figure your total medical and dental expenses, you **must** complete your Form 40NR, page 1, lines 1-12.

Medical and dental expenses are allowed as itemized deductions to the same extent as allowed for federal purposes with the following exception:

- You may deduct only that part of your medical and dental expenses that is more than 4% of the amount on Form 40NR, line 12, Column B.

Do not include in medical and dental expenses insurance premiums paid by an employer-sponsored health insurance plan (cafeteria plan). You can deduct self-employment health insurance premiums to the same extent as federal purposes.

Line 1

Enter the total of your medical and dental expenses after reducing these expenses by any payments received from insurance or other sources. Include amounts you paid for doctors, dentists, nurses, hospitals, prescription medicine and drugs, or insulin. Also include the total amount you paid for insurance premiums for medical and dental care, amounts paid for transportation and lodging, and other expenses such as hearing aids, dentures, eyeglasses, and contact lenses.

If your insurance company paid your doctor or dentist directly for part of your medical expenses, and you paid only the amount that remained, include in your medical expenses ONLY the amount you paid.

If you received a reimbursement in 2015 of prior year medical or dental expenses, do not reduce your 2015 expenses by this amount. You must include the reimbursement in income on Form 40NR, line 8, Part I, page 2 if you deducted the medical expense in the earlier year and the deduction reduced your tax. **Federal Pub. 502** tells you how to figure the amount to include in income.

When figuring the deduction, you may include medical and dental bills you paid for:

- Yourself.
- Your spouse.
- All dependents claimed on your return.
- Your child whom you do not claim as a dependent because of the federal rules explained for **Children of Divorced or Separated Parents.**

Examples of Medical and Dental Payments You CAN Deduct

To the extent you were not reimbursed, you can deduct what you paid for:

- Medicare Part B insurance.
- Prescription medicines and drugs, or insulin.
- Premiums paid to private insurers for additional Medicare coverage.
- Medical doctors, dentists, eye doctors, chiropractors, osteopaths, podiatrists, psychiatrists, psychologists, physical therapists, acupuncturists, and psychoanalysts (medical care only).
- Medical examinations, X-ray and laboratory services, insulin treatment, and whirlpool baths the doctor ordered.
- Nursing help. If you pay someone to do both nursing and housework, you can deduct only the cost of the nursing help.
- Hospital care (including meals and lodging), clinic costs, and lab fees.
- Medical treatment at a center for drug addicts or alcoholics.
- Cost of a weight-loss program for the purpose of treating diagnosed obesity or another recognized disease. Cost must be out-of-pocket and uncompensated.
- Medical aids such as hearing aid batteries, braces, crutches, wheelchairs, guide dogs, and the cost of maintaining them.
- Lodging expenses (but not meals) paid while away from home to receive medical care in a hospital or a medical care facility that is related to a hospital. Do not include more than $50 a night for each eligible person.
- Ambulance service and other travel costs to get medical care. If you used your own car, you can claim what you spent for gas and oil to go to and from the place you received medical care, or you can claim the federal mileage rate. Add parking and tolls to the amount you claim under either method.

Examples of Medical and Dental Payments You CANNOT Deduct

- Premiums paid by an employer-sponsored health insurance plan (cafeteria plan).
- The basic cost of Medicare Insurance (Medicare A). Note: If you were 65 or older but not entitled to social security benefits, you may deduct premiums you voluntarily paid for Medicare A coverage.
- Life insurance or income protection policies.
- The 1.45% Medicare (hospital insurance benefits) tax withheld from your pay as part of the social security tax, or the Medicare tax paid as part of social security self-employment tax.
- Nursing care for a healthy baby.
- Illegal operations or drugs.
- Nonprescription medicines or drugs.
- Travel your doctor told you to take for rest or change.
- Funeral, burial, or cremation costs.

Federal Pub. 502 has a discussion of expenses that may and may not be deducted. It also explains when you may deduct capital expenditures and special care for handicapped persons.

Lines 5 through 9

Taxes (Other than Federal Income Tax) You CAN Deduct

If deductions are itemized, you CAN DEDUCT the following taxes:

- **Real estate taxes** (line 5). Include taxes you paid on property you own in any state that was not used for business. If you pay real estate taxes as part of your mortgage payments do not take a deduction for that amount. Deduct the taxes in the year the mortgage company actually paid them to the taxing authority.
- **FICA tax (Social Security and Medicare)** (line 6). You can deduct the FICA tax (Social Security and Medicare) withheld on your income by your employer. If you worked for more than one employer resulting in more than the maximum FICA tax being withheld, the excess amount claimed as Federal Income Tax Withheld on your federal return cannot be claimed as an itemized deduction on your Alabama return.
- **Federal Self-Employment taxes** (line 6). You can deduct the federal self-employment tax you paid during the year 2015 for the tax year 2014 and/or prior years.
- **Railroad Retirement tax** (line 7). You can deduct the railroad retirement tax you paid in 2015. Only your contribution to tier one railroad retirement is deductible as an itemized deduction.
- **Other taxes** (line 8). In addition to the above taxes, you can also deduct:
  - (a) **City, County, and Occupational Tax** as shown on your W-2.
  - (b) **State Unemployment Insurance Tax (S.U.I.).** Employees were not required to pay S.U.I. Tax in 2015 since the full amount was paid by their employer. However, if S.U.I. Tax was paid to a state other than Alabama, it may be deducted.
  - (c) **Federal gift taxes.** Federal gift taxes are deductible **only** if you are the person making the gift and you paid the tax. (The person receiving the gift cannot claim this deduction even though he paid the tax.)
  - (d) **Personal property taxes.** This tax must be based on the value alone. For example, if part of the fee you paid for the registration of your car was based on the car's value and part was based on its weight, you can deduct only the part based on value.
  - (e) **Generation-Skipping Transfer (GST) taxes.** Generation-Skipping transfer taxes imposed on income distributions by 26 U.S.C. 2601 are deductible if you paid or accrued the taxes within the taxable year.

Taxes You CANNOT Deduct include but are not limited to

- State income taxes. (If you owe taxes to the State of Alabama, you may be entitled to a credit against the taxes you owe to the state of which you are a legal resident. See instructions for that state.)
- State and local sales taxes.
- Income tax you paid to a foreign country.
- Taxes you paid for another person.
- License fees (marriage, driver's, dog, hunting, pistol, etc.).
- Civil Service Retirement contributions (State or Federal).
- Federal excise tax on personal property, transportation, telephone, and gasoline.
- Customs duties.
- Gasoline tax.
- State utility taxes.
- Tax on liquor, beer, wine, cigarettes, and tobacco.
- Car inspection fees.
- Taxes you paid for your business or profession. (Use Schedule C, E, or F to deduct these business expenses.)
- Assessments for sidewalks or other improvements to your property.

Lines 10a through 14

Interest You Paid

The interest you paid that can be claimed as an itemized deduction is limited in most cases to the same amount as currently allowable for federal purposes.

You should show on Schedule A interest you paid on nonbusiness items only. Whether your interest expense is treated as investment interest, personal interest, or business interest depends on how and when you used the loan proceeds.

Note: *Personal interest is no longer deductible.*

Complete and attach **Alabama Form 4952A** if you are claiming investment interest as an itemized deduction.

If you qualify for the Mortgage Interest Credit on your Federal return, the total interest you paid (before the credit) is deductible for Alabama purposes.

For further information describing the interest you may deduct, refer to federal instructions and publications.

Lines 15 through 18

Gifts to Charity

Contributions are allowable as itemized deductions to the same extent as currently allowed for federal purposes. However, when determining the 50% and special 20% and 30% limitations, you **must** use adjusted gross income from Column B, line 12.

You can deduct what you gave to organizations that are religious, charitable, educational, scientific, or literary in purpose. You can also deduct what you gave to organizations that work to prevent cruelty to children or animals.

Examples of these organizations are:

- Churches, temples, synagogues, Salvation Army, Red Cross, CARE, Goodwill Industries, United Way, Boy Scouts, Girl Scouts, Boys and Girls Clubs of America, etc.
- Fraternal orders if the gifts will be used for the purposes listed above.
- Veteran's and certain cultural groups.
- Nonprofit schools, hospitals, and organizations with the purpose of finding a cure for or helping people who have arthritis, asthma, birth defects, cancer, cerebral palsy, cystic fibrosis, diabetes, heart disease, hemophilia, mental illness or retardation, multiple sclerosis, muscular dystrophy, tuberculosis, etc.
- Federal, state, and local governments if the gifts are solely for public purposes.

If you contributed to a charitable organization and also received a benefit from it, you can deduct only the amount that is more than the benefit you received. If you do not know whether you can deduct what you gave to an organization, check with that organization or with the IRS.

Contributions You MAY Deduct

Contributions may be in cash (keep canceled checks, receipts, or other reliable written records showing the name of the organization and the date and amount given), property, or out-of-pocket expenses you paid to do volunteer work for the kinds of organizations described above. If you drove to and from the volunteer work, you may take 14 cents a mile or the actual cost of gas and oil. Add parking and tolls to the amount you claim under either method. (But don't deduct any amounts that were repaid to you.)

Limit on the amount you may deduct

Get **Federal Pub. 526** to figure the amount of your deduction if any of the following applies:

- Your cash contributions or contributions of ordinary income property to certain organizations are more than 30% of Form 40NR, page 1, line 12, Column B.
- Your gifts of capital gain property to certain organizations are more than 20% of Form 40NR, page 1, line 12, Column B.
- You gave gifts of property that increased in value or gave the use of property as gifts.

You MAY NOT Deduct as Contributions

- Travel expenses (including meals and lodging) while away from home unless there was no significant element of personal pleasure, recreation, or vacation in the travel.
- Political contributions.
- Dues, fees, or bills paid to country clubs, lodges, fraternal orders, or similar groups.
- Value of any benefit, such as food, entertainment, or merchandise that you received in connection with a contribution to a charitable organization.

Example. You paid $100 to a charitable organization to attend a fund-raising dinner. To figure the amount of your deductible charitable contribution, subtract the value of the dinner from the total amount you paid. If the value of the dinner was $40, your deductible contribution is $60.

- Cost of raffle, bingo, or lottery tickets.
- Cost of tuition.
- Value of your time or services.
- Value of blood given to a blood bank.
- The transfer of a future interest in tangible personal property (generally, until the entire interest has been transferred).
- Gifts to:

  a. Individuals.

  b. Foreign organizations.

  c. Groups that are run for personal profit.

  d. Groups with the purpose of lobbying for changes in the laws.

  e. Civic leagues, social and sports clubs, labor unions, and chambers of commerce.

Record Keeping. If you gave property, you should keep a receipt or written statement from the organization you gave the property to, or a reliable written record that shows the organization's name and address, the date and location of the gift, and a description of the property. You should also keep reliable written records for each gift of property that include the following information:

a. How you figured the property's value at the time it was given. (If the value was determined by an appraisal, you should also keep a signed copy of the appraisal.)

b. The cost or other basis of the property if you must reduce it by any ordinary income or capital gain that would have resulted if the property had been sold at its fair market value.

c. How you figured your deduction if you chose to reduce your deduction for gifts of capital gain property.

d. Any conditions attached to the gift.

Note: *If your total deduction for gifts of property is over $500, or if you gave less than your entire interest in the property, or you made a "qualified conservation contribution" under Federal Section 170(h), your records should contain additional information. See* ***Federal Pub. 526*** *for details.*

Line 15

Enter the total contributions you made in cash or by check (including out-of-pocket expenses).

Line 16

Enter the contributions of property. If you gave used items such as clothing or furniture, deduct their fair market value at the time you gave them. Fair market value is what a willing buyer would pay a willing seller when neither has to buy or sell and both are aware of the conditions of the sale. If the amount of your deduction is more than $500, you must complete and attach **Federal Form 8283**, Noncash Charitable Contributions. If your total deduction is over $5,000, you may also need appraisals of the values of the donated property. For this purpose, the "amount of your deduction" means your deduction BEFORE applying any income limitations that could result in a carryover of contributions. See **Federal Form 8283** and its instructions for details.

Line 17

Enter on line 17 any carryover of contributions that you were unable to deduct in an earlier year because it exceeded your adjusted gross income limit.

Line 19

Qualified Long-term Care Coverage

Premiums paid pursuant to a qualifying insurance contract for qualified long term care coverage paid by the taxpayer may be deducted on line 19. Qualified long-term care services include care for necessary diagnostic, preventive, therapeutic, and rehabilitative services and maintenance or personal care services which are required by a chronically ill individual in a qualified facility or services which are provided pursuant to a place of care prescribed by a licensed health care practitioner.

Line 20

Miscellaneous Deductions Expenses NOT Subject to the 2% Limit

Most miscellaneous deductions cannot be deducted in full, but must be reduced by 2% of the Alabama adjusted gross income. The deductions which may be claimed on line 20 that are **NOT** subject to the 2% limit are as follows:

- Gambling losses to the extent of gambling winnings. Report gambling winnings on Form 40NR, line 8, Part I, page 2.
- Deduction for repayment of amounts under a claim of right if more than $3,000. See **Federal Pub. 525**.
- Unrecovered investment in a pension.
- Impairment-related work expenses of a disabled person.

List the type and amount of each expense. Enter one total in the amount space for line 20.

Line 21

Proration of Above Amounts

The amounts shown in lines 1 through 20 should be the amounts for the entire period that the return covers. In most cases, these amounts will be the same as shown on your Federal return. Follow the instructions on lines 21 through 23 to determine the portion of these expenses that apply to your Alabama income.

Lines 24a, b, and c

Casualty and Theft Losses

A casualty or theft loss is determined in the same manner as determined on your federal return with the following exceptions:

- **A nonresident of Alabama may deduct only those losses where the property was located in Alabama at the time of loss.**
- The loss may be claimed **only** in the year during which the loss occurred or the theft was discovered.
- The loss on personal property **must** be reduced by 10% of the **Alabama** adjusted gross income as shown on Form 40NR, page 1, line 12, column C.

Use lines 24a, b, and c to report casualty or theft losses of Alabama property that is not a trade or business, income-producing, or rent or royalty property. Complete and attach **Federal Form 4684** to figure your loss. Enter on line 24a of Alabama Schedule A the amount of loss as shown on line 16 (Section A) of Form 4684.

Losses You MAY Deduct

You may be able to deduct all or part of each loss caused by theft, vandalism, fire, storm, and car, boat, and other accidents or similar causes. You may also be able to deduct money you had in a financial institution but lost because of the insolvency or bankruptcy of the institution.

You may deduct nonbusiness casualty or theft losses only to the extent that —

a. the amount of **EACH** separate casualty or theft loss is more than $100, and

b. the total amount of **ALL** Alabama losses during the year is more than 10% of your adjusted gross income on Form 40NR, page 1, line 12, column C.

Special rules apply if you had both gains and losses from nonbusiness casualties or thefts. Get **Federal Form 4684** for details.

Losses You MAY NOT Deduct

- Money or property misplaced or lost.
- Breakage of china, glassware, furniture, and similar items under normal conditions.
- Progressive damage to property (buildings,

clothes, trees, etc.) caused by termites, moths, other insects, or disease.

Use line 26 of Schedule A to deduct the costs of proving that you had a property loss. (Examples of these costs are appraisal fees and photographs used to establish the amount of your loss.)

For more details, refer to federal instructions and publications.

Lines 25 through 29

Miscellaneous Deductions Expenses Subject to the 2% Limit

Most miscellaneous deductions cannot be deducted in full. You must subtract 2% of your Alabama adjusted gross income from the total. You figure the 2% limit on line 28.

A nonresident of Alabama should show on lines 25 through 29 only those expenses incurred in earning Alabama income.

Generally, the 2% limit applies to job expenses you paid for which you were not reimbursed (line 25). The limit also applies to certain expenses you paid to produce or collect taxable income (line 26). See the instructions for lines 25 and 26 for examples of expenses to deduct on these lines.

The 2% limit does not apply to certain other miscellaneous expenses that you may deduct. See the instructions for line 20 for examples of these expenses.

Line 25

Use this line to report Alabama job expenses you paid for which you were not reimbursed. In some cases you must first fill out **Federal Form 2106**, Employee Business Expenses. Fill out Form 2106 if:

1. You claim any travel, transportation, meal, or entertainment expenses for your job; **OR**

2. Your employer paid you for any of your job expenses reportable on line 25.

If 1 or 2 above applies, enter the net deductible amount from **Federal Form 2106** on line 25 of Schedule A.

Caution: Federal Form 2106 must be adjusted to include only job expenses related to your Alabama source income.

If you do not have to fill out Form 2106, just list the type and amount of your expenses on the space provided on line 25. If you need more space, attach a statement showing the type and amount of the expense. Enter one total in the amount space on line 25.

Examples of expenses to include on line 25 are:

- Travel, transportation, meal, or entertainment expense. (***Note:*** *If you have any of these expenses, you must use* ***Federal Form 2106*** *for all your job expenses.)*
- Union dues.
- Safety equipment, small tools, and supplies you used in your job.
- Uniforms your employer said you must have and which you may not usually wear away from work.
- Protective clothing required in your work such as hard hats, safety shoes, and glasses.
- Physical examinations your employer said you must have.
- Dues to professional organizations and chambers of commerce.
- Subscriptions to professional journals.
- Fees to employment agencies and job search expenses in your present occupation.
- Education expenses you paid that were required by your employer, or by law or regulations, to keep your salary or job. In general, you may include the cost of keeping or improving skills you must have in your job. For more details, see **Federal Pub. 508**, Educational Expenses. Some educational expenses are not deductible. **See Expenses You MAY NOT Deduct.**
- Business use of part of your home, but **ONLY** if you use that part exclusively and on a regular basis in your work and for the convenience of your employer. For details, including limits that apply, see **Federal Pub. 587**, Business Use of Your Home.
- Deduction for repayment of amounts under a claim of right if $3,000 or less.

Line 26

Use this line for amounts you paid for the production or collection of taxable income; for the management, conservation, or maintenance of property held for the production of taxable income; or in connection with the determination, collection, or refund of any tax. List the type and amount of each expense in the space provided on line 26. If you need more space, attach a statement showing the type and amount of each expense. Enter one total in the amount space for line 26. Examples of these expenses are:

- Tax return preparation fee.
- Safe deposit box rental.
- Certain legal and accounting fees.
- Clerical help and office rent.
- Custodial (e.g., trust account) fees.
- Your share of the investment expenses of a regulated investment company.
- Certain losses on nonfederally insured deposits in an insolvent or bankrupt financial institution.

For more information (including limits on the amount you can deduct).

Expenses You MAY NOT Deduct

Some expenses are not deductible at all. Examples are:

- Political contributions.
- Personal legal expenses.
- Lost or misplaced cash or property (but see Casualty and Theft Losses).
- Expenses for meals during regular or extra work hours.
- The cost of entertaining friends.
- Expenses of going to or from work.
- Education that you need to meet minimum requirements for your job or that will qualify you for a new occupation.
- Expenses of:

  a. Travel as a form of education.
  b. Attending a seminar, convention, or similar meeting unless it is related to your employment.
- Fines and penalties.

Instructions For

Schedule B

Interest and Dividend Income

Purpose of Schedule

Use Schedule B if you are filing Form 40NR and had more than $1500 in interest and dividend income in 2015.

Mutual Fund. If you received a 1099-DIV, or 1099-INT, or Substitute Statement from a mutual fund or brokerage firm, you must include the total interest or dividends shown on that form on Schedule B, line 1.

Nonresidents are required to report interest or dividend income with an Alabama business situs in Column C of Schedule B (Regulation 810-3-14-.05). All other personal interest or dividend income received in 2015 that would be taxable to a resident of Alabama should be included in the total adjusted gross income from all sources.

Line 1

Report on line 1 the total interest and dividends you received in 2015. This does not include interest reported on your Schedule K-1.

Lines 2 and 3

A resident of Alabama is not taxed on interest received from the following sources:

(1) Obligations of the United States or any of its possessions.

(2) Obligations of the State of Alabama.

(3) Obligations of county, municipality or other subdivision of Alabama.

If you received income from any of these sources, list the source and amount(s) on lines 2a through 2d. Add the amounts on these lines and enter the total on line 3.

Instructions For Schedule D
Gain or (Loss) From Sale of Real Estate, Stocks, Bonds, Etc.

Purpose of Schedule

Use Schedule D (Form 40NR) to report the sale or exchange of real estate, stocks, bonds, and other assets.

Mutual Fund. If you received a mutual fund or brokerage statement reporting capital or ordinary gains, you must include these amounts on Schedule D, on line 1.

The gain or profit from any sale, exchange, or other disposition by a nonresident of real or tangible property located in Alabama is taxable even though it is not connected with a business carried on in this State.

The gain or (loss) realized from the disposition of property located outside of Alabama is not taxable to a nonresident, but the gain or (loss) must be included in the total adjusted gross income from all sources in order to compute the ratio of Alabama adjusted gross income to total adjusted gross income from all sources.

The gain or profit of a nonresident from the sale, exchange, or other disposition of intangible personal property including stocks, bonds, and other securities, is ordinarily not taxable and should not be included in gross income except to the extent that such intangible personal property has acquired a business situs in Alabama. Likewise, losses sustained from the sale, exchange, or other disposition of such property are not deductible except to the extent that they are losses incurred in a business carried on within Alabama by the nonresident taxpayer.

Gain from Sale of Personal Residence. If you sold your personal residence, any gain realized is taxable to the same extent as reported on your federal return. If the personal residence was not located in Alabama, the gain should be reported in column B only. If the personal residence was located in Alabama, the gain should be reported in Columns B and C. A loss sustained on the sale of a personal residence is **NOT** deductible.

If a taxpayer elects to determine gain under 26 USC 1033 (relating to involuntary conversions), the amount of gain recognized for Alabama purposes shall be determined in accordance with the same federal statute.

Line 1

Enter on line 1, the total gain or (loss) from the sale of all assets not subject to Alabama tax.

Line 2

The gain from the sale of all Alabama assets should be reported in detail in columns a through f. If more space is needed, use separate sheets with identical column headings.

Instructions For Schedule E
Supplemental Income

Part I (Lines 1 through 5)
Rents and Royalties

If you received rent from property owned or controlled by you, or royalties from copyrights, mineral leases and similar rights, report the total amount received on lines 1 through 5 of Schedule E. If property other than cash was received as rent, its fair market value should be reported.

A reasonable allowance for the exhaustion, wear and tear, and obsolescence of property used in a trade or business, or of property held by the taxpayer for the production of income, shall be allowable as a depreciation deduction. The allowance does not apply to inventories or stock-in-trade nor to land apart from the improvements or physical development added to it. Federal 179 Depreciation Expense allowed by 26 U.S.C §179 is allowable depreciation for Alabama purposes.

The total net gain from all rents and royalties from sources outside Alabama should be shown on line 1. Income from rents and royalties from property located in Alabama should be detailed in columns 2a through 2e. If more space is needed, use separate sheets with identical column headings.

The net gain or (loss) from all items listed in lines 1 through 4 should be entered on line 5.

Federal Economic Stimulus Act of 2008 Bonus Depreciation. Alabama law has no provision to allow a deduction for the bonus depreciation allowed by the Federal Economic Stimulus Act of 2008.

Part II (Lines 6 and 7)
Partnerships, Estates, Trusts, S Corporations

Use lines 6 and 7 to report income you received from partnerships, estates, trusts, and S corporations. Alabama taxes income from these sources only to the extent the income was earned in Alabama.

Federal Economic Stimulus Act of 2008 Bonus Depreciation. Alabama law has no provision to allow a deduction for the bonus depreciation allowed by the Federal Economic Stimulus Act of 2008. If you received a K-1 from a partnership, S corporation, estate or trust you must add back to you income or loss from that entity any bonus depreciation attributable to the Federal Economic Stimulus Act of 2008 deducted by that entity. You should contact the entity that provided you the K-1 to obtain this information.

List the income you received from these sources on lines 6a through 6c. Show the name, address, and FEIN of each partnership, estate, trust, etc. Report the total income received from these sources in Column B and only the income earned from Alabama sources in Column C.

Partnerships. If you are a partner of a partnership doing business in Alabama, you should receive an Alabama Schedule K-1 from the partnership. Report your share of the income (whether you received it or not) or net loss (not to exceed your basis) of the partnership in Part II. A nonresident must pay tax on his share of Alabama income from the partnership.

Beginning with the 2001 tax year, Alabama law required composite filing for all partnerships with nonresident members. In addition to reporting your share of the partnership's profit or loss on Alabama Schedule E, any composite payments made on your behalf should be claimed on line 23 of Form 40NR and write "PTE-C" on the dotted line. Include on page 2, Part VI, line 7 the name and FEIN of any partnership that has made a composite payment on your behalf.

Estates and Trusts. Nonresidents are taxed on income from estates and trusts only to the extent that the income was earned in Alabama. The administrator, executor, or trustee should advise you of the amount to report.

S Corporations. An "Alabama S Corporation" means any domestic corporation or foreign corporation qualified to do business or doing business in Alabama which has in effect an election to be an S corporation under 26 U.S.C. Section 1362.

If you are a shareholder of an Alabama S corporation, you should receive an **Alabama Schedule K-1 (Form 20S)** from the S corporation. Report your share of the income (whether you received it or not) or net loss **(not to exceed your basis)** of the corporation in Part II. A nonresident **must** pay tax on his share of an Alabama S corporation's income.

If you claim credit for taxes paid by an S Corporation on your behalf, enter this amount on line 23 of Form 40NR, and write "PTE-C" on the dotted line. Also complete the information requested on page 2, Part VI, line 7.

The net gain or (loss) from all items listed in lines 6a through 6c should be entered on line 7. Also include these amounts in summary on line 8 of Part III.

Tax Table
(Form 40NR)
Based on Taxable Income

This tax table is based on the taxable income shown on line 18 of Form 40NR and the filing status you checked on lines 1, 2, 3, or 4 of your return.

EXAMPLE:

Mr. and Mrs. Brown are filing a joint return and checked box 2 on their return. Their taxable income on line 18 of Form 40NR is $23,360. First, they find the $23,300 - $23,400 income line. Next, they find the column for married filing jointly and read down the column. The amount shown where the income line and the filing status column meet is $1,088. This is the amount they must write on line 19a of Form 40NR.

At least	But less than	Single * Married filing separately * Head of family	Married filing jointly
		Your tax is—	
$23,000			
23,000	**23,100**	1,113	1,073
23,100	**23,200**	1,118	1,078
23,200	**23,300**	1,123	1,083
23,300	**23,400**	1,128	1,088
23,400	**23,500**	1,133	1,093

If taxable income is — At least	But less than	And you are — Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
Under $1,000			
0	50	0	0
50	100	1	1
100	200	3	3
200	300	5	5
300	400	7	7
400	500	9	9
500	600	12	11
600	700	16	13
700	800	20	15
800	900	24	17
900	1,000	28	19
1,000			
1,000	1,100	32	22
1,100	1,200	36	26
1,200	1,300	40	30
1,300	1,400	44	34
1,400	1,500	48	38
1,500	1,600	52	42
1,600	1,700	56	46
1,700	1,800	60	50
1,800	1,900	64	54
1,900	2,000	68	58
2,000			
2,000	2,100	72	62
2,100	2,200	76	66
2,200	2,300	80	70
2,300	2,400	84	74
2,400	2,500	88	78
2,500	2,600	92	82
2,600	2,700	96	86
2,700	2,800	100	90
2,800	2,900	104	94
2,900	3,000	108	98
3,000			
3,000	3,100	113	102
3,100	3,200	118	106
3,200	3,300	123	110
3,300	3,400	128	114
3,400	3,500	133	118
3,500	3,600	138	122
3,600	3,700	143	126
3,700	3,800	148	130
3,800	3,900	153	134
3,900	4,000	158	138

If taxable income is — At least	But less than	And you are — Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
4,000			
4,000	4,100	163	142
4,100	4,200	168	146
4,200	4,300	173	150
4,300	4,400	178	154
4,400	4,500	183	158
4,500	4,600	188	162
4,600	4,700	193	166
4,700	4,800	198	170
4,800	4,900	203	174
4,900	5,000	208	178
5,000			
5,000	5,100	213	182
5,100	5,200	218	186
5,200	5,300	223	190
5,300	5,400	228	194
5,400	5,500	233	198
5,500	5,600	238	202
5,600	5,700	243	206
5,700	5,800	248	210
5,800	5,900	253	214
5,900	6,000	258	218
6,000			
6,000	6,100	263	223
6,100	6,200	268	228
6,200	6,300	273	233
6,300	6,400	278	238
6,400	6,500	283	243
6,500	6,600	288	248
6,600	6,700	293	253
6,700	6,800	298	258
6,800	6,900	303	263
6,900	7,000	308	268
7,000			
7,000	7,100	313	273
7,100	7,200	318	278
7,200	7,300	323	283
7,300	7,400	328	288
7,400	7,500	333	293
7,500	7,600	338	298
7,600	7,700	343	303
7,700	7,800	348	308
7,800	7,900	353	313
7,900	8,000	358	318

If taxable income is — At least	But less than	And you are — Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
8,000			
8,000	8,100	363	323
8,100	8,200	368	328
8,200	8,300	373	333
8,300	8,400	378	338
8,400	8,500	383	343
8,500	8,600	388	348
8,600	8,700	393	353
8,700	8,800	398	358
8,800	8,900	403	363
8,900	9,000	408	368
9,000			
9,000	9,100	413	373
9,100	9,200	418	378
9,200	9,300	423	383
9,300	9,400	428	388
9,400	9,500	433	393
9,500	9,600	438	398
9,600	9,700	443	403
9,700	9,800	448	408
9,800	9,900	453	413
9,900	10,000	458	418
10,000			
10,000	10,100	463	423
10,100	10,200	468	428
10,200	10,300	473	433
10,300	10,400	478	438
10,400	10,500	483	443
10,500	10,600	488	448
10,600	10,700	493	453
10,700	10,800	498	458
10,800	10,900	503	463
10,900	11,000	508	468
11,000			
11,000	11,100	513	473
11,100	11,200	518	478
11,200	11,300	523	483
11,300	11,400	528	488
11,400	11,500	533	493
11,500	11,600	538	498
11,600	11,700	543	503
11,700	11,800	548	508
11,800	11,900	553	513
11,900	12,000	558	518

If taxable income is — At least	But less than	And you are — Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
12,000			
12,000	12,100	563	523
12,100	12,200	568	528
12,200	12,300	573	533
12,300	12,400	578	538
12,400	12,500	583	543
12,500	12,600	588	548
12,600	12,700	593	553
12,700	12,800	598	558
12,800	12,900	603	563
12,900	13,000	608	568
13,000			
13,000	13,100	613	573
13,100	13,200	618	578
13,200	13,300	623	583
13,300	13,400	628	588
13,400	13,500	633	593
13,500	13,600	638	598
13,600	13,700	643	603
13,700	13,800	648	608
13,800	13,900	653	613
13,900	14,000	658	618
14,000			
14,000	14,100	663	623
14,100	14,200	668	628
14,200	14,300	673	633
14,300	14,400	678	638
14,400	14,500	683	643
14,500	14,600	688	648
14,600	14,700	693	653
14,700	14,800	698	658
14,800	14,900	703	663
14,900	15,000	708	668
15,000			
15,000	15,100	713	673
15,100	15,200	718	678
15,200	15,300	723	683
15,300	15,400	728	688
15,400	15,500	733	693
15,500	15,600	738	698
15,600	15,700	743	703
15,700	15,800	748	708
15,800	15,900	753	713
15,900	16,000	758	718

Tax Table – *Continued*

If taxable income is —		And you are —	
At least	But less than	Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
16,000			
16,000	16,100	763	723
16,100	16,200	768	728
16,200	16,300	773	733
16,300	16,400	778	738
16,400	16,500	783	743
16,500	16,600	788	748
16,600	16,700	793	753
16,700	16,800	798	758
16,800	16,900	803	763
16,900	17,000	808	768
17,000			
17,000	17,100	813	773
17,100	17,200	818	778
17,200	17,300	823	783
17,300	17,400	828	788
17,400	17,500	833	793
17,500	17,600	838	798
17,600	17,700	843	803
17,700	17,800	848	808
17,800	17,900	853	813
17,900	18,000	858	818
18,000			
18,000	18,100	863	823
18,100	18,200	868	828
18,200	18,300	873	833
18,300	18,400	878	838
18,400	18,500	883	843
18,500	18,600	888	848
18,600	18,700	893	853
18,700	18,800	898	858
18,800	18,900	903	863
18,900	19,000	908	868
19,000			
19,000	19,100	913	873
19,100	19,200	918	878
19,200	19,300	923	883
19,300	19,400	928	888
19,400	19,500	933	893
19,500	19,600	938	898
19,600	19,700	943	903
19,700	19,800	948	908
19,800	19,900	953	913
19,900	20,000	958	918
20,000			
20,000	20,100	963	923
20,100	20,200	968	928
20,200	20,300	973	933
20,300	20,400	978	938
20,400	20,500	983	943
20,500	20,600	988	948
20,600	20,700	993	953
20,700	20,800	998	958
20,800	20,900	1,003	963
20,900	21,000	1,008	968

If taxable income is —		And you are —	
At least	But less than	Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
21,000			
21,000	21,100	1,013	973
21,100	21,200	1,018	978
21,200	21,300	1,023	983
21,300	21,400	1,028	988
21,400	21,500	1,033	993
21,500	21,600	1,038	998
21,600	21,700	1,043	1,003
21,700	21,800	1,048	1,008
21,800	21,900	1,053	1,013
21,900	22,000	1,058	1,018
22,000			
22,000	22,100	1,063	1,023
22,100	22,200	1,068	1,028
22,200	22,300	1,073	1,033
22,300	22,400	1,078	1,038
22,400	22,500	1,083	1,043
22,500	22,600	1,088	1,048
22,600	22,700	1,093	1,053
22,700	22,800	1,098	1,058
22,800	22,900	1,103	1,063
22,900	23,000	1,108	1,068
23,000			
23,000	23,100	1,113	1,073
23,100	23,200	1,118	1,078
23,200	23,300	1,123	1,083
23,300	23,400	1,128	1,088
23,400	23,500	1,133	1,093
23,500	23,600	1,138	1,098
23,600	23,700	1,143	1,103
23,700	23,800	1,148	1,108
23,800	23,900	1,153	1,113
23,900	24,000	1,158	1,118
24,000			
24,000	24,100	1,163	1,123
24,100	24,200	1,168	1,128
24,200	24,300	1,173	1,133
24,300	24,400	1,178	1,138
24,400	24,500	1,183	1,143
24,500	24,600	1,188	1,148
24,600	24,700	1,193	1,153
24,700	24,800	1,198	1,158
24,800	24,900	1,203	1,163
24,900	25,000	1,208	1,168
25,000			
25,000	25,100	1,213	1,173
25,100	25,200	1,218	1,178
25,200	25,300	1,223	1,183
25,300	25,400	1,228	1,188
25,400	25,500	1,233	1,193
25,500	25,600	1,238	1,198
25,600	25,700	1,243	1,203
25,700	25,800	1,248	1,208
25,800	25,900	1,253	1,213
25,900	26,000	1,258	1,218

If taxable income is —		And you are —	
At least	But less than	Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
26,000			
26,000	26,100	1,263	1,223
26,100	26,200	1,268	1,228
26,200	26,300	1,273	1,233
26,300	26,400	1,278	1,238
26,400	26,500	1,283	1,243
26,500	26,600	1,288	1,248
26,600	26,700	1,293	1,253
26,700	26,800	1,298	1,258
26,800	26,900	1,303	1,263
26,900	27,000	1,308	1,268
27,000			
27,000	27,100	1,313	1,273
27,100	27,200	1,318	1,278
27,200	27,300	1,323	1,283
27,300	27,400	1,328	1,288
27,400	27,500	1,333	1,293
27,500	27,600	1,338	1,298
27,600	27,700	1,343	1,303
27,700	27,800	1,348	1,308
27,800	27,900	1,353	1,313
27,900	28,000	1,358	1,318
28,000			
28,000	28,100	1,363	1,323
28,100	28,200	1,368	1,328
28,200	28,300	1,373	1,333
28,300	28,400	1,378	1,338
28,400	28,500	1,383	1,343
28,500	28,600	1,388	1,348
28,600	28,700	1,393	1,353
28,700	28,800	1,398	1,358
28,800	28,900	1,403	1,363
28,900	29,000	1,408	1,368
29,000			
29,000	29,100	1,413	1,373
29,100	29,200	1,418	1,378
29,200	29,300	1,423	1,383
29,300	29,400	1,428	1,388
29,400	29,500	1,433	1,393
29,500	29,600	1,438	1,398
29,600	29,700	1,443	1,403
29,700	29,800	1,448	1,408
29,800	29,900	1,453	1,413
29,900	30,000	1,458	1,418
30,000			
30,000	30,100	1,463	1,423
30,100	30,200	1,468	1,428
30,200	30,300	1,473	1,433
30,300	30,400	1,478	1,438
30,400	30,500	1,483	1,443
30,500	30,600	1,488	1,448
30,600	30,700	1,493	1,453
30,700	30,800	1,498	1,458
30,800	30,900	1,503	1,463
30,900	31,000	1,508	1,468

If taxable income is —		And you are —	
At least	But less than	Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
31,000			
31,000	31,100	1,513	1,473
31,100	31,200	1,518	1,478
31,200	31,300	1,523	1,483
31,300	31,400	1,528	1,488
31,400	31,500	1,533	1,493
31,500	31,600	1,538	1,498
31,600	31,700	1,543	1,503
31,700	31,800	1,548	1,508
31,800	31,900	1,553	1,513
31,900	32,000	1,558	1,518
32,000			
32,000	32,100	1,563	1,523
32,100	32,200	1,568	1,528
32,200	32,300	1,573	1,533
32,300	32,400	1,578	1,538
32,400	32,500	1,583	1,543
32,500	32,600	1,588	1,548
32,600	32,700	1,593	1,553
32,700	32,800	1,598	1,558
32,800	32,900	1,603	1,563
32,900	33,000	1,608	1,568
33,000			
33,000	33,100	1,613	1,573
33,100	33,200	1,618	1,578
33,200	33,300	1,623	1,583
33,300	33,400	1,628	1,588
33,400	33,500	1,633	1,593
33,500	33,600	1,638	1,598
33,600	33,700	1,643	1,603
33,700	33,800	1,648	1,608
33,800	33,900	1,653	1,613
33,900	34,000	1,658	1,618
34,000			
34,000	34,100	1,663	1,623
34,100	34,200	1,668	1,628
34,200	34,300	1,673	1,633
34,300	34,400	1,678	1,638
34,400	34,500	1,683	1,643
34,500	34,600	1,688	1,648
34,600	34,700	1,693	1,653
34,700	34,800	1,698	1,658
34,800	34,900	1,703	1,663
34,900	35,000	1,708	1,668
35,000			
35,000	35,100	1,713	1,673
35,100	35,200	1,718	1,678
35,200	35,300	1,723	1,683
35,300	35,400	1,728	1,688
35,400	35,500	1,733	1,693
35,500	35,600	1,738	1,698
35,600	35,700	1,743	1,703
35,700	35,800	1,748	1,708
35,800	35,900	1,753	1,713
35,900	36,000	1,758	1,718

If taxable income is — At least	But less than	And you are — Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
36,000			
36,000	36,100	1,763	1,723
36,100	36,200	1,768	1,728
36,200	36,300	1,773	1,733
36,300	36,400	1,778	1,738
36,400	36,500	1,783	1,743
36,500	36,600	1,788	1,748
36,600	36,700	1,793	1,753
36,700	36,800	1,798	1,758
36,800	36,900	1,803	1,763
36,900	37,000	1,808	1,768
37,000			
37,000	37,100	1,813	1,773
37,100	37,200	1,818	1,778
37,200	37,300	1,823	1,783
37,300	37,400	1,828	1,788
37,400	37,500	1,833	1,793
37,500	37,600	1,838	1,798
37,600	37,700	1,843	1,803
37,700	37,800	1,848	1,808
37,800	37,900	1,853	1,813
37,900	38,000	1,858	1,818
38,000			
38,000	38,100	1,863	1,823
38,100	38,200	1,868	1,828
38,200	38,300	1,873	1,833
38,300	38,400	1,878	1,838
38,400	38,500	1,883	1,843
38,500	38,600	1,888	1,848
38,600	38,700	1,893	1,853
38,700	38,800	1,898	1,858
38,800	38,900	1,903	1,863
38,900	39,000	1,908	1,868
39,000			
39,000	39,100	1,913	1,873
39,100	39,200	1,918	1,878
39,200	39,300	1,923	1,883
39,300	39,400	1,928	1,888
39,400	39,500	1,933	1,893
39,500	39,600	1,938	1,898
39,600	39,700	1,943	1,903
39,700	39,800	1,948	1,908
39,800	39,900	1,953	1,913
39,900	40,000	1,958	1,918
40,000			
40,000	40,100	1,963	1,923
40,100	40,200	1,968	1,928
40,200	40,300	1,973	1,933
40,300	40,400	1,978	1,938
40,400	40,500	1,983	1,943
40,500	40,600	1,988	1,948
40,600	40,700	1,993	1,953
40,700	40,800	1,998	1,958
40,800	40,900	2,003	1,963
40,900	41,000	2,008	1,968

If taxable income is — At least	But less than	And you are — Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
41,000			
41,000	41,100	2,013	1,973
41,100	41,200	2,018	1,978
41,200	41,300	2,023	1,983
41,300	41,400	2,028	1,988
41,400	41,500	2,033	1,993
41,500	41,600	2,038	1,998
41,600	41,700	2,043	2,003
41,700	41,800	2,048	2,008
41,800	41,900	2,053	2,013
41,900	42,000	2,058	2,018
42,000			
42,000	42,100	2,063	2,023
42,100	42,200	2,068	2,028
42,200	42,300	2,073	2,033
42,300	42,400	2,078	2,038
42,400	42,500	2,083	2,043
42,500	42,600	2,088	2,048
42,600	42,700	2,093	2,053
42,700	42,800	2,098	2,058
42,800	42,900	2,103	2,063
42,900	43,000	2,108	2,068
43,000			
43,000	43,100	2,113	2,073
43,100	43,200	2,118	2,078
43,200	43,300	2,123	2,083
43,300	43,400	2,128	2,088
43,400	43,500	2,133	2,093
43,500	43,600	2,138	2,098
43,600	43,700	2,143	2,103
43,700	43,800	2,148	2,108
43,800	43,900	2,153	2,113
43,900	44,000	2,158	2,118
44,000			
44,000	44,100	2,163	2,123
44,100	44,200	2,168	2,128
44,200	44,300	2,173	2,133
44,300	44,400	2,178	2,138
44,400	44,500	2,183	2,143
44,500	44,600	2,188	2,148
44,600	44,700	2,193	2,153
44,700	44,800	2,198	2,158
44,800	44,900	2,203	2,163
44,900	45,000	2,208	2,168
45,000			
45,000	45,100	2,213	2,173
45,100	45,200	2,218	2,178
45,200	45,300	2,223	2,183
45,300	45,400	2,228	2,188
45,400	45,500	2,233	2,193
45,500	45,600	2,238	2,198
45,600	45,700	2,243	2,203
45,700	45,800	2,248	2,208
45,800	45,900	2,253	2,213
45,900	46,000	2,258	2,218

If taxable income is — At least	But less than	And you are — Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
46,000			
46,000	46,100	2,263	2,223
46,100	46,200	2,268	2,228
46,200	46,300	2,273	2,233
46,300	46,400	2,278	2,238
46,400	46,500	2,283	2,243
46,500	46,600	2,288	2,248
46,600	46,700	2,293	2,253
46,700	46,800	2,298	2,258
46,800	46,900	2,303	2,263
46,900	47,000	2,308	2,268
47,000			
47,000	47,100	2,313	2,273
47,100	47,200	2,318	2,278
47,200	47,300	2,323	2,283
47,300	47,400	2,328	2,288
47,400	47,500	2,333	2,293
47,500	47,600	2,338	2,298
47,600	47,700	2,343	2,303
47,700	47,800	2,348	2,308
47,800	47,900	2,353	2,313
47,900	48,000	2,358	2,318
48,000			
48,000	48,100	2,363	2,323
48,100	48,200	2,368	2,328
48,200	48,300	2,373	2,333
48,300	48,400	2,378	2,338
48,400	48,500	2,383	2,343
48,500	48,600	2,388	2,348
48,600	48,700	2,393	2,353
48,700	48,800	2,398	2,358
48,800	48,900	2,403	2,363
48,900	49,000	2,408	2,368
49,000			
49,000	49,100	2,413	2,373
49,100	49,200	2,418	2,378
49,200	49,300	2,423	2,383
49,300	49,400	2,428	2,388
49,400	49,500	2,433	2,393
49,500	49,600	2,438	2,398
49,600	49,700	2,443	2,403
49,700	49,800	2,448	2,408
49,800	49,900	2,453	2,413
49,900	50,000	2,458	2,418
50,000			
50,000	50,100	2,463	2,423
50,100	50,200	2,468	2,428
50,200	50,300	2,473	2,433
50,300	50,400	2,478	2,438
50,400	50,500	2,483	2,443
50,500	50,600	2,488	2,448
50,600	50,700	2,493	2,453
50,700	50,800	2,498	2,458
50,800	50,900	2,503	2,463
50,900	51,000	2,508	2,468

If taxable income is — At least	But less than	And you are — Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
51,000			
51,000	51,100	2,513	2,473
51,100	51,200	2,518	2,478
51,200	51,300	2,523	2,483
51,300	51,400	2,528	2,488
51,400	51,500	2,533	2,493
51,500	51,600	2,538	2,498
51,600	51,700	2,543	2,503
51,700	51,800	2,548	2,508
51,800	51,900	2,553	2,513
51,900	52,000	2,558	2,518
52,000			
52,000	52,100	2,563	2,523
52,100	52,200	2,568	2,528
52,200	52,300	2,573	2,533
52,300	52,400	2,578	2,538
52,400	52,500	2,583	2,543
52,500	52,600	2,588	2,548
52,600	52,700	2,593	2,553
52,700	52,800	2,598	2,558
52,800	52,900	2,603	2,563
52,900	53,000	2,608	2,568
53,000			
53,000	53,100	2,613	2,573
53,100	53,200	2,618	2,578
53,200	53,300	2,623	2,583
53,300	53,400	2,628	2,588
53,400	53,500	2,633	2,593
53,500	53,600	2,638	2,598
53,600	53,700	2,643	2,603
53,700	53,800	2,648	2,608
53,800	53,900	2,653	2,613
53,900	54,000	2,658	2,618
54,000			
54,000	54,100	2,663	2,623
54,100	54,200	2,668	2,628
54,200	54,300	2,673	2,633
54,300	54,400	2,678	2,638
54,400	54,500	2,683	2,643
54,500	54,600	2,688	2,648
54,600	54,700	2,693	2,653
54,700	54,800	2,698	2,658
54,800	54,900	2,703	2,663
54,900	55,000	2,708	2,668
55,000			
55,000	55,100	2,713	2,673
55,100	55,200	2,718	2,678
55,200	55,300	2,723	2,683
55,300	55,400	2,728	2,688
55,400	55,500	2,733	2,693
55,500	55,600	2,738	2,698
55,600	55,700	2,743	2,703
55,700	55,800	2,748	2,708
55,800	55,900	2,753	2,713
55,900	56,000	2,758	2,718

Tax Table – *Continued*

If taxable income is — At least	But less than	And you are — Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
56,000			
56,000	56,100	2,763	2,723
56,100	56,200	2,768	2,728
56,200	56,300	2,773	2,733
56,300	56,400	2,778	2,738
56,400	56,500	2,783	2,743
56,500	56,600	2,788	2,748
56,600	56,700	2,793	2,753
56,700	56,800	2,798	2,758
56,800	56,900	2,803	2,763
56,900	57,000	2,808	2,768
57,000			
57,000	57,100	2,813	2,773
57,100	57,200	2,818	2,778
57,200	57,300	2,823	2,783
57,300	57,400	2,828	2,788
57,400	57,500	2,833	2,793
57,500	57,600	2,838	2,798
57,600	57,700	2,843	2,803
57,700	57,800	2,848	2,808
57,800	57,900	2,853	2,813
57,900	58,000	2,858	2,818
58,000			
58,000	58,100	2,863	2,823
58,100	58,200	2,868	2,828
58,200	58,300	2,873	2,833
58,300	58,400	2,878	2,838
58,400	58,500	2,883	2,843
58,500	58,600	2,888	2,848
58,600	58,700	2,893	2,853
58,700	58,800	2,898	2,858
58,800	58,900	2,903	2,863
58,900	59,000	2,908	2,868
59,000			
59,000	59,100	2,913	2,873
59,100	59,200	2,918	2,878
59,200	59,300	2,923	2,883
59,300	59,400	2,928	2,888
59,400	59,500	2,933	2,893
59,500	59,600	2,938	2,898
59,600	59,700	2,943	2,903
59,700	59,800	2,948	2,908
59,800	59,900	2,953	2,913
59,900	60,000	2,958	2,918
60,000			
60,000	60,100	2,963	2,923
60,100	60,200	2,968	2,928
60,200	60,300	2,973	2,933
60,300	60,400	2,978	2,938
60,400	60,500	2,983	2,943
60,500	60,600	2,988	2,948
60,600	60,700	2,993	2,953
60,700	60,800	2,998	2,958
60,800	60,900	3,003	2,963
60,900	61,000	3,008	2,968

If taxable income is — At least	But less than	And you are — Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
61,000			
61,000	61,100	3,013	2,973
61,100	61,200	3,018	2,978
61,200	61,300	3,023	2,983
61,300	61,400	3,028	2,988
61,400	61,500	3,033	2,993
61,500	61,600	3,038	2,998
61,600	61,700	3,043	3,003
61,700	61,800	3,048	3,008
61,800	61,900	3,053	3,013
61,900	62,000	3,058	3,018
62,000			
62,000	62,100	3,063	3,023
62,100	62,200	3,068	3,028
62,200	62,300	3,073	3,033
62,300	62,400	3,078	3,038
62,400	62,500	3,083	3,043
62,500	62,600	3,088	3,048
62,600	62,700	3,093	3,053
62,700	62,800	3,098	3,058
62,800	62,900	3,103	3,063
62,900	63,000	3,108	3,068
63,000			
63,000	63,100	3,113	3,073
63,100	63,200	3,118	3,078
63,200	63,300	3,123	3,083
63,300	63,400	3,128	3,088
63,400	63,500	3,133	3,093
63,500	63,600	3,138	3,098
63,600	63,700	3,143	3,103
63,700	63,800	3,148	3,108
63,800	63,900	3,153	3,113
63,900	64,000	3,158	3,118
64,000			
64,000	64,100	3,163	3,123
64,100	64,200	3,168	3,128
64,200	64,300	3,173	3,133
64,300	64,400	3,178	3,138
64,400	64,500	3,183	3,143
64,500	64,600	3,188	3,148
64,600	64,700	3,193	3,153
64,700	64,800	3,198	3,158
64,800	64,900	3,203	3,163
64,900	65,000	3,208	3,168
65,000			
65,000	65,100	3,213	3,173
65,100	65,200	3,218	3,178
65,200	65,300	3,223	3,183
65,300	65,400	3,228	3,188
65,400	65,500	3,233	3,193
65,500	65,600	3,238	3,198
65,600	65,700	3,243	3,203
65,700	65,800	3,248	3,208
65,800	65,900	3,253	3,213
65,900	66,000	3,258	3,218

If taxable income is — At least	But less than	And you are — Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
66,000			
66,000	66,100	3,263	3,223
66,100	66,200	3,268	3,228
66,200	66,300	3,273	3,233
66,300	66,400	3,278	3,238
66,400	66,500	3,283	3,243
66,500	66,600	3,288	3,248
66,600	66,700	3,293	3,253
66,700	66,800	3,298	3,258
66,800	66,900	3,303	3,263
66,900	67,000	3,308	3,268
67,000			
67,000	67,100	3,313	3,273
67,100	67,200	3,318	3,278
67,200	67,300	3,323	3,283
67,300	67,400	3,328	3,288
67,400	67,500	3,333	3,293
67,500	67,600	3,338	3,298
67,600	67,700	3,343	3,303
67,700	67,800	3,348	3,308
67,800	67,900	3,353	3,313
67,900	68,000	3,358	3,318
68,000			
68,000	68,100	3,363	3,323
68,100	68,200	3,368	3,328
68,200	68,300	3,373	3,333
68,300	68,400	3,378	3,338
68,400	68,500	3,383	3,343
68,500	68,600	3,388	3,348
68,600	68,700	3,393	3,353
68,700	68,800	3,398	3,358
68,800	68,900	3,403	3,363
68,900	69,000	3,408	3,368
69,000			
69,000	69,100	3,413	3,373
69,100	69,200	3,418	3,378
69,200	69,300	3,423	3,383
69,300	69,400	3,428	3,388
69,400	69,500	3,433	3,393
69,500	69,600	3,438	3,398
69,600	69,700	3,443	3,403
69,700	69,800	3,448	3,408
69,800	69,900	3,453	3,413
69,900	70,000	3,458	3,418
70,000			
70,000	70,100	3,463	3,423
70,100	70,200	3,468	3,428
70,200	70,300	3,473	3,433
70,300	70,400	3,478	3,438
70,400	70,500	3,483	3,443
70,500	70,600	3,488	3,448
70,600	70,700	3,493	3,453
70,700	70,800	3,498	3,458
70,800	70,900	3,503	3,463
70,900	71,000	3,508	3,468

If taxable income is — At least	But less than	And you are — Single * Married filing separately * Head of family	Married filing jointly
		Your tax is —	
71,000			
71,000	71,100	3,513	3,473
71,100	71,200	3,518	3,478
71,200	71,300	3,523	3,483
71,300	71,400	3,528	3,488
71,400	71,500	3,533	3,493
71,500	71,600	3,538	3,498
71,600	71,700	3,543	3,503
71,700	71,800	3,548	3,508
71,800	71,900	3,553	3,513
71,900	72,000	3,558	3,518
72,000			
72,000	72,100	3,563	3,523
72,100	72,200	3,568	3,528
72,200	72,300	3,573	3,533
72,300	72,400	3,578	3,538
72,400	72,500	3,583	3,543
72,500	72,600	3,588	3,548
72,600	72,700	3,593	3,553
72,700	72,800	3,598	3,558
72,800	72,900	3,603	3,563
72,900	73,000	3,608	3,568
73,000			
73,000	73,100	3,613	3,573
73,100	73,200	3,618	3,578
73,200	73,300	3,623	3,583
73,300	73,400	3,628	3,588
73,400	73,500	3,633	3,593
73,500	73,600	3,638	3,598
73,600	73,700	3,643	3,603
73,700	73,800	3,648	3,608
73,800	73,900	3,653	3,613
73,900	74,000	3,658	3,618
74,000			
74,000	74,100	3,663	3,623
74,100	74,200	3,668	3,628
74,200	74,300	3,673	3,633
74,300	74,400	3,678	3,638
74,400	74,500	3,683	3,643
74,500	74,600	3,688	3,648
74,600	74,700	3,693	3,653
74,700	74,800	3,698	3,658
74,800	74,900	3,703	3,663
74,900	75,000	3,708	3,668
75,000			
75,000	75,100	3,713	3,673
75,100	75,200	3,718	3,678
75,200	75,300	3,723	3,683
75,300	75,400	3,728	3,688
75,400	75,500	3,733	3,693
75,500	75,600	3,738	3,698
75,600	75,700	3,743	3,703
75,700	75,800	3,748	3,708
75,800	75,900	3,753	3,713
75,900	76,000	3,758	3,718

Tax Table – *Continued*

If taxable income is — At least	But less than	And you are — Single * Married filing separately * Head of family — Your tax is —	Married filing jointly
76,000			
76,000	76,100	3,763	3,723
76,100	76,200	3,768	3,728
76,200	76,300	3,773	3,733
76,300	76,400	3,778	3,738
76,400	76,500	3,783	3,743
76,500	76,600	3,788	3,748
76,600	76,700	3,793	3,753
76,700	76,800	3,798	3,758
76,800	76,900	3,803	3,763
76,900	77,000	3,808	3,768
77,000			
77,000	77,100	3,813	3,773
77,100	77,200	3,818	3,778
77,200	77,300	3,823	3,783
77,300	77,400	3,828	3,788
77,400	77,500	3,833	3,793
77,500	77,600	3,838	3,798
77,600	77,700	3,843	3,803
77,700	77,800	3,848	3,808
77,800	77,900	3,853	3,813
77,900	78,000	3,858	3,818
78,000			
78,000	78,100	3,863	3,823
78,100	78,200	3,868	3,828
78,200	78,300	3,873	3,833
78,300	78,400	3,878	3,838
78,400	78,500	3,883	3,843
78,500	78,600	3,888	3,848
78,600	78,700	3,893	3,853
78,700	78,800	3,898	3,858
78,800	78,900	3,903	3,863
78,900	79,000	3,908	3,868
79,000			
79,000	79,100	3,913	3,873
79,100	79,200	3,918	3,878
79,200	79,300	3,923	3,883
79,300	79,400	3,928	3,888
79,400	79,500	3,933	3,893
79,500	79,600	3,938	3,898
79,600	79,700	3,943	3,903
79,700	79,800	3,948	3,908
79,800	79,900	3,953	3,913
79,900	80,000	3,958	3,918
80,000			
80,000	80,100	3,963	3,923
80,100	80,200	3,968	3,928
80,200	80,300	3,973	3,933
80,300	80,400	3,978	3,938
80,400	80,500	3,983	3,943
80,500	80,600	3,988	3,948
80,600	80,700	3,993	3,953
80,700	80,800	3,998	3,958
80,800	80,900	4,003	3,963
80,900	81,000	4,008	3,968
81,000			
81,000	81,100	4,013	3,973
81,100	81,200	4,018	3,978
81,200	81,300	4,023	3,983
81,300	81,400	4,028	3,988
81,400	81,500	4,033	3,993
81,500	81,600	4,038	3,998
81,600	81,700	4,043	4,003
81,700	81,800	4,048	4,008
81,800	81,900	4,053	4,013
81,900	82,000	4,058	4,018
82,000			
82,000	82,100	4,063	4,023
82,100	82,200	4,068	4,028
82,200	82,300	4,073	4,033
82,300	82,400	4,078	4,038
82,400	82,500	4,083	4,043
82,500	82,600	4,088	4,048
82,600	82,700	4,093	4,053
82,700	82,800	4,098	4,058
82,800	82,900	4,103	4,063
82,900	83,000	4,108	4,068
83,000			
83,000	83,100	4,113	4,073
83,100	83,200	4,118	4,078
83,200	83,300	4,123	4,083
83,300	83,400	4,128	4,088
83,400	83,500	4,133	4,093
83,500	83,600	4,138	4,098
83,600	83,700	4,143	4,103
83,700	83,800	4,148	4,108
83,800	83,900	4,153	4,113
83,900	84,000	4,158	4,118
84,000			
84,000	84,100	4,163	4,123
84,100	84,200	4,168	4,128
84,200	84,300	4,173	4,133
84,300	84,400	4,178	4,138
84,400	84,500	4,183	4,143
84,500	84,600	4,188	4,148
84,600	84,700	4,193	4,153
84,700	84,800	4,198	4,158
84,800	84,900	4,203	4,163
84,900	85,000	4,208	4,168
85,000			
85,000	85,100	4,213	4,173
85,100	85,200	4,218	4,178
85,200	85,300	4,223	4,183
85,300	85,400	4,228	4,188
85,400	85,500	4,233	4,193
85,500	85,600	4,238	4,198
85,600	85,700	4,243	4,203
85,700	85,800	4,248	4,208
85,800	85,900	4,253	4,213
85,900	86,000	4,258	4,218
86,000			
86,000	86,100	4,263	4,223
86,100	86,200	4,268	4,228
86,200	86,300	4,273	4,233
86,300	86,400	4,278	4,238
86,400	86,500	4,283	4,243
86,500	86,600	4,288	4,248
86,600	86,700	4,293	4,253
86,700	86,800	4,298	4,258
86,800	86,900	4,303	4,263
86,900	87,000	4,308	4,268
87,000			
87,000	87,100	4,313	4,273
87,100	87,200	4,318	4,278
87,200	87,300	4,323	4,283
87,300	87,400	4,328	4,288
87,400	87,500	4,333	4,293
87,500	87,600	4,338	4,298
87,600	87,700	4,343	4,303
87,700	87,800	4,348	4,308
87,800	87,900	4,353	4,313
87,900	88,000	4,358	4,318
88,000			
88,000	88,100	4,363	4,323
88,100	88,200	4,368	4,328
88,200	88,300	4,373	4,333
88,300	88,400	4,378	4,338
88,400	88,500	4,383	4,343
88,500	88,600	4,388	4,348
88,600	88,700	4,393	4,353
88,700	88,800	4,398	4,358
88,800	88,900	4,403	4,363
88,900	89,000	4,408	4,368
89,000			
89,000	89,100	4,413	4,373
89,100	89,200	4,418	4,378
89,200	89,300	4,423	4,383
89,300	89,400	4,428	4,388
89,400	89,500	4,433	4,393
89,500	89,600	4,438	4,398
89,600	89,700	4,443	4,403
89,700	89,800	4,448	4,408
89,800	89,900	4,453	4,413
89,900	90,000	4,458	4,418
90,000			
90,000	90,100	4,463	4,423
90,100	90,200	4,468	4,428
90,200	90,300	4,473	4,433
90,300	90,400	4,478	4,438
90,400	90,500	4,483	4,443
90,500	90,600	4,488	4,448
90,600	90,700	4,493	4,453
90,700	90,800	4,498	4,458
90,800	90,900	4,503	4,463
90,900	91,000	4,508	4,468
91,000			
91,000	91,100	4,513	4,473
91,100	91,200	4,518	4,478
91,200	91,300	4,523	4,483
91,300	91,400	4,528	4,488
91,400	91,500	4,533	4,493
91,500	91,600	4,538	4,498
91,600	91,700	4,543	4,503
91,700	91,800	4,548	4,508
91,800	91,900	4,553	4,513
91,900	92,000	4,558	4,518
92,000			
92,000	92,100	4,563	4,523
92,100	92,200	4,568	4,528
92,200	92,300	4,573	4,533
92,300	92,400	4,578	4,538
92,400	92,500	4,583	4,543
92,500	92,600	4,588	4,548
92,600	92,700	4,593	4,553
92,700	92,800	4,598	4,558
92,800	92,900	4,603	4,563
92,900	93,000	4,608	4,568
93,000			
93,000	93,100	4,613	4,573
93,100	93,200	4,618	4,578
93,200	93,300	4,623	4,583
93,300	93,400	4,628	4,588
93,400	93,500	4,633	4,593
93,500	93,600	4,638	4,598
93,600	93,700	4,643	4,603
93,700	93,800	4,648	4,608
93,800	93,900	4,653	4,613
93,900	94,000	4,658	4,618
94,000			
94,000	94,100	4,663	4,623
94,100	94,200	4,668	4,628
94,200	94,300	4,673	4,633
94,300	94,400	4,678	4,638
94,400	94,500	4,683	4,643
94,500	94,600	4,688	4,648
94,600	94,700	4,693	4,653
94,700	94,800	4,698	4,658
94,800	94,900	4,703	4,663
94,900	95,000	4,708	4,668
95,000			
95,000	95,100	4,713	4,673
95,100	95,200	4,718	4,678
95,200	95,300	4,723	4,683
95,300	95,400	4,728	4,688
95,400	95,500	4,733	4,693
95,500	95,600	4,738	4,698
95,600	95,700	4,743	4,703
95,700	95,800	4,748	4,708
95,800	95,900	4,753	4,713
95,900	96,000	4,758	4,718

Tax Table – *Continued*

If taxable income is — At least	But less than	Single * Married filing separately * Head of family — Your tax is —	Married filing jointly
96,000			
96,000	96,100	4,763	4,723
96,100	96,200	4,768	4,728
96,200	96,300	4,773	4,733
96,300	96,400	4,778	4,738
96,400	96,500	4,783	4,743
96,500	96,600	4,788	4,748
96,600	96,700	4,793	4,753
96,700	96,800	4,798	4,758
96,800	96,900	4,803	4,763
96,900	97,000	4,808	4,768
97,000			
97,000	97,100	4,813	4,773
97,100	97,200	4,818	4,778
97,200	97,300	4,823	4,783
97,300	97,400	4,828	4,788
97,400	97,500	4,833	4,793
97,500	97,600	4,838	4,798
97,600	97,700	4,843	4,803
97,700	97,800	4,848	4,808
97,800	97,900	4,853	4,813
97,900	98,000	4,858	4,818
98,000			
98,000	98,100	4,863	4,823
98,100	98,200	4,868	4,828
98,200	98,300	4,873	4,833
98,300	98,400	4,878	4,838
98,400	98,500	4,883	4,843
98,500	98,600	4,888	4,848
98,600	98,700	4,893	4,853
98,700	98,800	4,898	4,858
98,800	98,900	4,903	4,863
98,900	99,000	4,908	4,868
99,000			
99,000	99,100	4,913	4,873
99,100	99,200	4,918	4,878
99,200	99,300	4,923	4,883
99,300	99,400	4,928	4,888
99,400	99,500	4,933	4,893
99,500	99,600	4,938	4,898
99,600	99,700	4,943	4,903
99,700	99,800	4,948	4,908
99,800	99,900	4,953	4,913
99,900	100,000	4,958	4,918

Over $100,000.00

If taxable income is over $100,000, use the following worksheet to figure your tax.

- **Single**
- **Married filing separately**
- **Head of family**

1 Enter taxable income . . ________

2 Less . . . . –100,000.00

3 Subtract line 2 from line 1 . . . . ________

4 Multiply line 3 by .05 . . x .05

5 Enter result here . . . . . . ________

6 Plus . . . . + 4,958.00

7 Add lines 5 and 6. **Your tax is** . . . . ▶ ________

- **Married filing jointly**

1 Enter taxable income . . ________

2 Less . . . . –100,000.00

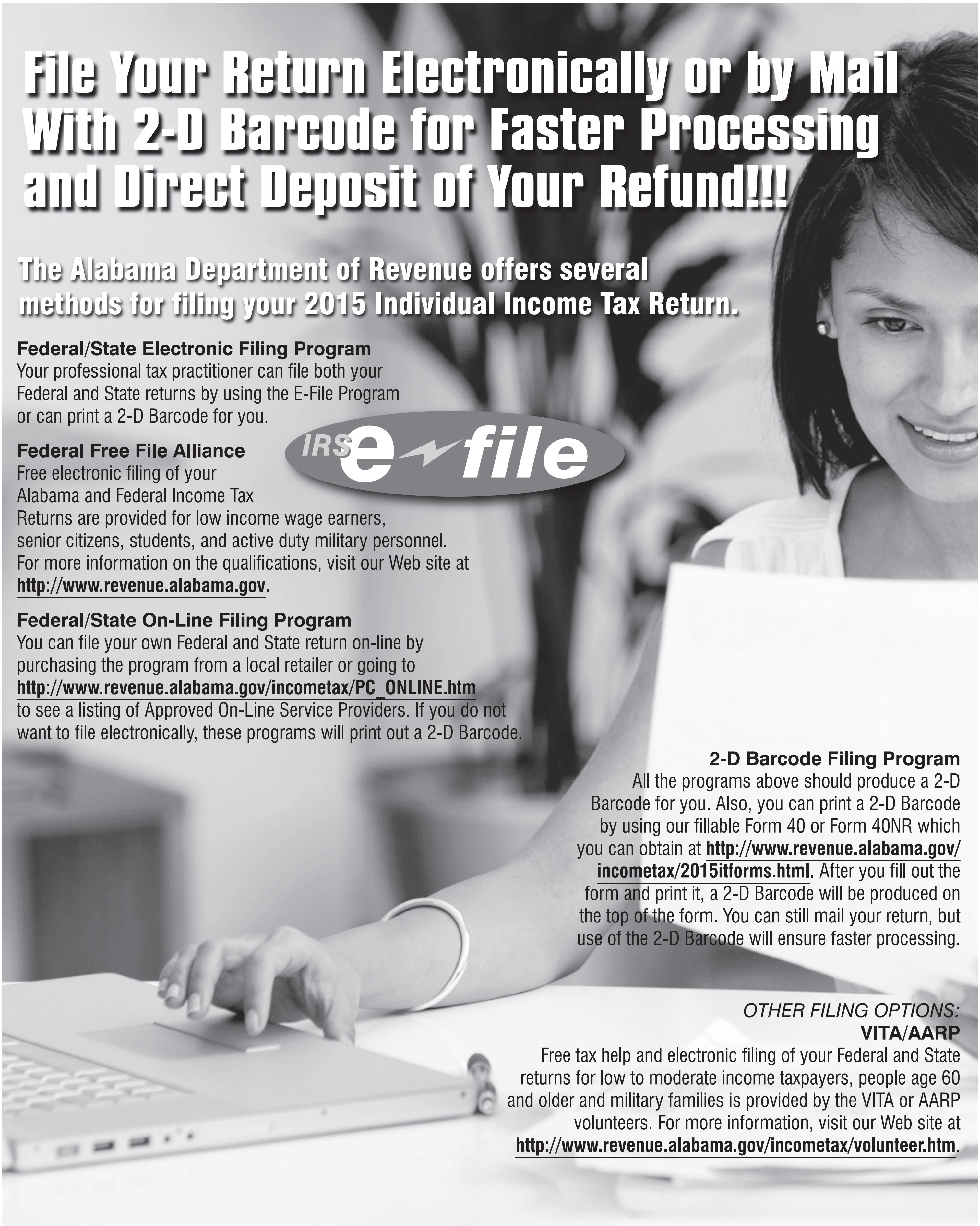
3 Subtract line 2 from line 1 . . . . ________

4 Multiply line 3 by .05 . . x .05

5 Enter result here . . . . . . ________

6 Plus . . . . + 4,918.00

7 Add lines 5 and 6. **Your tax is** . . . . ▶ ________



File Your Return Electronically or by Mail With 2-D Barcode for Faster Processing and Direct Deposit of Your Refund!!!

The Alabama Department of Revenue offers several methods for filing your 2015 Individual Income Tax Return.

Federal/State Electronic Filing Program
Your professional tax practitioner can file both your Federal and State returns by using the E-File Program or can print a 2-D Barcode for you.

Federal Free File Alliance
Free electronic filing of your Alabama and Federal Income Tax Returns are provided for low income wage earners, senior citizens, students, and active duty military personnel. For more information on the qualifications, visit our Web site at **http://www.revenue.alabama.gov**.

Federal/State On-Line Filing Program
You can file your own Federal and State return on-line by purchasing the program from a local retailer or going to **http://www.revenue.alabama.gov/incometax/PC_ONLINE.htm** to see a listing of Approved On-Line Service Providers. If you do not want to file electronically, these programs will print out a 2-D Barcode.

2-D Barcode Filing Program
All the programs above should produce a 2-D Barcode for you. Also, you can print a 2-D Barcode by using our fillable Form 40 or Form 40NR which you can obtain at **http://www.revenue.alabama.gov/incometax/2015itforms.html**. After you fill out the form and print it, a 2-D Barcode will be produced on the top of the form. You can still mail your return, but use of the 2-D Barcode will ensure faster processing.

OTHER FILING OPTIONS:
VITA/AARP
Free tax help and electronic filing of your Federal and State returns for low to moderate income taxpayers, people age 60 and older and military families is provided by the VITA or AARP volunteers. For more information, visit our Web site at **http://www.revenue.alabama.gov/incometax/volunteer.htm**.

How To Obtain Forms

To obtain instructions, schedules and forms visit our Web site at: **www.revenue.alabama.gov**. Additional booklets, forms, and schedules are listed below. These booklets and forms may be obtained by visiting the Alabama Taxpayer Service Center nearest you.

NOTE:

Accountants, banks, post offices, military bases, libraries, and businesses needing forms may use our Web site which lists all Alabama forms and instructions available for individuals, partnerships, fiduciaries, employers, etc.

BOOKLETS

Form 40 Booklet. This booklet contains the following forms and schedules with instructions: Form 40, Schedules A, B, CR, DC, D, & E and Form 40V.

Form 40A Booklet. This booklet contains Form 40A with instructions and Form 40V.

Form 40NR Booklet. This booklet contains the following forms and schedules with instructions: Form 40NR, Schedules A, B, D, & E and Form 40V.

Note: *See* ***Which Form To File*** *on page 5 of this booklet for requirements you must meet to file Form 40, Form 40A, and Form 40NR.*

FORMS

Form 40 Individual Income Tax Return for full year residents of Alabama and also part-year residents of Alabama.

Form 40A Individual Income Tax Return (Short Form) for full year residents of Alabama.

Form 40NR Nonresident Individual Income Tax Return for nonresidents of Alabama.

Form 40ES to make estimated tax payments.

SCHEDULES

Schedule A for itemized deductions.

Schedule B for interest and dividend income.

Schedule CR for computation of credit for taxes paid to other states.

Schedule DC for computation of total donations.

Schedule D for reporting income from the sale or exchange of capital assets.

Schedule E for reporting income from rents, royalties, partnerships, estates, and trusts.

Schedule OC for computation of credits.

Schedule NTC for computation of the net tax due.

Schedule AATC for computation of the credit for transferring a student from a failing public school to a nonfailing public school or nonpublic school and/or credit for contributing to a scholarship granting organization.

NOTE:

Alabama does not provide the following forms and schedules and requests that the appropriate federal schedule be used making the modifications as required by Alabama law.

Schedule C for reporting income from a personally owned business.
Schedule F for reporting income from farming.
Form 2106 for claiming employee business expenses.
Form 3903 for claiming moving expenses.
Form 4684 for reporting casualty and theft losses.
Form 4797 for reporting sale of business property.
Form 6252 for reporting installment sale income.
Form 8283 *for reporting noncash contributions.*