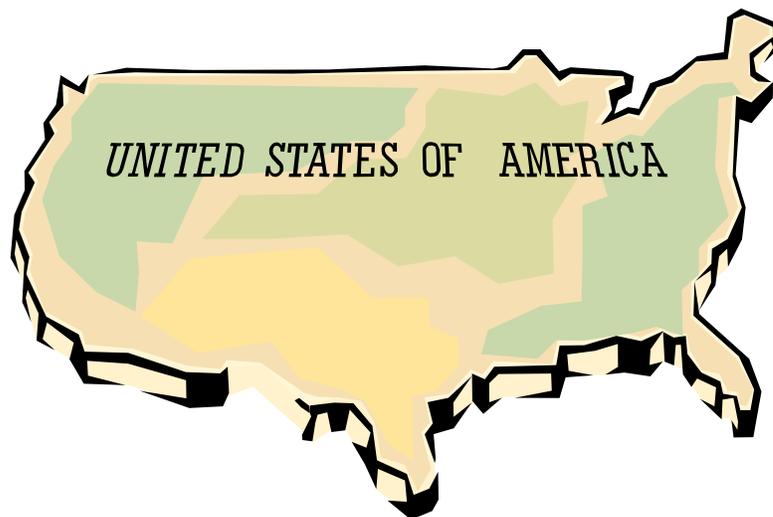


2004 Edition



STATE TAX GUIDE

For use by US Military VITA/ELF Programs

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Introduction

This guide is intended as a reference for US Military VITA/ELF programs. It is not a comprehensive legal analysis of state tax law; rather, it provides basic information and contact points for each income-tax-levying state. Sites should contact state assistance numbers, or use state websites, for further information.

There are nine states that do not levy any tax on earned income: Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Washington, and Wyoming. Information about these states is not included in this guide.

General Residency Rules: The Soldiers and Sailors Civil Relief Act provides that military members may only be taxed on their military pay by their state of residence. The question of residency therefore assumes great importance, as states are generally eager to tax as many individuals as possible. The general rule of thumb is that a military member remains a resident of the state from which they joined the military, unless they have taken steps to become a resident of another state. This rule does not apply to non-military spouses; they usually become a resident of the state in which they live. Also, if a military member has non-military income, the state in which he or she lives may tax that income, even if the military member is a resident of a different state.

There is no magic factor to determine whether a taxpayer is a resident of one state or another. The general rule is that legal residency is established when an individual is physically present in a state AND has the intent to permanently reside in the state. "Intention to permanently reside" can be shown through several factors: ownership of real property; voter registration; vehicle registration; driver's license; and declaration of legal residence on legal documents (including DD 2058, used by the military). One of these factors by itself would probably not be enough to change residency, but if a service member moved to a state and registered to vote, bought a house, registered her car, got a new driver's license, and registered her children in the local schools, she would most likely be considered to be a resident of the new state.

For further information about residency, please contact your local Legal Service Office, or Staff Judge Advocate.

TaxWise supports State-Only E-Filing. Information about State-Only E-Filing can be found on the IRS web site. www.irs.gov

Credit Card Payment Options: Many states have made it easier for individuals to pay their taxes via credit card. Go to www.officialpayments.com or call 800/2PAY-TAX. They will accept AMEX, Discover/Novus, or Master Card. You can do a Zip Code search to determine which payments you can make on line.

IRS Service Centers for 8453's: IRS has reduced the number of service centers receiving 8453's. This year only Andover, Austin and Memphis will be receiving 8453s. Remember, if the return has a foreign address (does not apply to FPO/APO addresses) or contains a form 2555/2555EZ the return must go to Andover.

Addresses for Service Centers are as follows:

Andover Submission Processing Center
Attn: Shipping and Receiving
Receipt and Control Operations
310 Lowell Street, Stop 1452
Andover, MA 05544-1452

Austin Submission Processing Center
Attn: Shipping and Receiving
Receipt and Control Branch
P.O. Box 1231
Austin, TX 78767-1231

Memphis Submission Processing Center
Internal Revenue Service
P.O. Box 1898
Memphis, TN 38101

STATE IMPLEMENTATION OF SERVICEMEMBERS CIVIL RELIEF ACT PROHIBITION OF THE "KANSAS RULE"

Major Thomas Farmer, USAF

- Under the so-called "Kansas Rule," also known as the "California Method," some states have included the military income of the active duty servicemember in calculating the tax liability on the member's nonmilitary income or that of his or her spouse. The military income itself remains free of income taxation, provided the member is not a domiciliary or legal resident of that state. However, in states that have followed this approach, the military income is used to increase the tax rate applicable to the member's non-military income or the income of his or her spouse or other family members subject to taxation by the state.
- The Servicemembers Civil Relief Act (SCRA) of 2003, signed by President Bush on 19 December 2003, prohibits this practice at Section 511(d) (50 U.S.C. App. §571(d)). **Because this new law came into effect so late last year, the states' rules, procedures, or guidance originally published for 2003 income tax returns will NOT reflect its impact.**
 - Just as importantly, the TaxWise program will follow the original state rules, procedures, and instructions. Thus, TaxWise will calculate the return for the states that have followed the "Kansas Rule" using with the military income included to enhance the tax rate on non-military income earned in the state by the member, his or her spouse, and other family members. Unless updates specifically geared to this subject occur during the filing season, vigilance is essential to

ensure the accuracy of the preparation and tax calculation for returns of nonresident military personnel filed with the affected states.

- Specific guidance from the affected states on how they will implement changes to their laws and practices required by Section 511(d) of the SCRA (50 U.S.C. App. §571(d)) is essential both for 2003 income tax returns and for “open cases.” The SCRA uses the latter term to define its effective date, extending its application “open cases” as of 19 December 2003. In the context of the prohibition of the “Kansas Rule,” the Armed Forces Tax Council (AFTC) interprets this term to mean all tax returns to be filed on or after 19 December 2003 as well as all returns still subject to amendment under each state’s applicable statute of limitations. Thus, the AFTC position with the affected states is that servicemembers who paid higher amounts in state income tax because of the “Kansas Rule” approach must be permitted to amend returns and claim refunds for tax years still open for amending returns. One state that has already implemented the SCRA prohibition against the “Kansas Rule” - New Jersey - has also informed servicemembers they may amend returns going back 3 years if they overpaid New Jersey income tax as a result of the state's application of the “Kansas Rule.” The AFTC has contacted all the other affected states to request they follow New Jersey’s lead, especially in view of Congress’ intent that the SCRA be applied and interpreted in the manner most favorable to servicemembers.
- The **states that have followed the "Kansas Rule"** are: Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Hawaii, Iowa, Kansas, Maine, Massachusetts, Minnesota, Missouri, Montana, Nebraska, New Jersey, New Mexico, New York, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, Utah, and Vermont.
- Seventeen (17) of these states have published specific notices, prepared instructions, or disseminated other guidance to ensure nonresident military members gain the benefit of the new SCRA provision. They are:
 - **Colorado:** Notes the “California Method” does not apply in Colorado because state applies a flat tax rate (4.63%) against only that percentage of a household’s total income that is income subject to Colorado taxation. Again, “California Method” is another descriptive term for a state’s practice of using the military income of a nonresident servicemember to increase the tax rate against the member’s nonmilitary income earned in the state or the income of the member’s spouse subject to taxation by the state. Colorado's approach excludes the nonresident's military income completely from the calculation of tax liability. Access the Colorado information at: <http://www.revenue.state.co.us/taxstatutesregs/incomeindex/militarysvcfederalnonresident.html>.
 - **Delaware:** Instructions for the Form 200-01, *Resident Individual Income Tax Return*, at pages 3 and 4, provide guidance on preparing the state return to ensure the nonresident servicemember’s income is not improperly taxed or used. Access these instructions at <http://www.state.de.us/revenue/taxforms/03/2003resinstr.pdf>. The instructions for Form 200-02, *Nonresident Individual Income Tax Return*, at page 4, provide similar guidance. Access those instructions at <http://www.state.de.us/revenue/taxforms/03/2003nrinst.pdf>.
 - **Iowa:** Expanded instructions for the Iowa Form 1040 advise nonresident servicemembers NOT to report military income on line 1 and NOT to report military income as Iowa income on the

Iowa Form 126. Access these instructions at <http://www.state.ia.us/tax/1040%20Expanded/GenInfo/03MilitaryNonRes.html>.

For expanded instructions on military income and Iowa returns generally, go to <http://www.state.ia.us/tax/1040%20Expanded/GenInfo/03Military.html>.

- **Kansas:** Implements SCRA Section 511(d) for 2003 returns with specific guidance and sample forms. Access at <http://www.ksrevenue.org/pdf/NonresMilitaryNotice.pdf>.
- **Maine:** Implements the SCRA prohibition against the “Kansas Rule” for 2003 returns with specific guidance on the proper completion of the Maine Form 1040ME. Access at <http://www.state.me.us/revenue/publications/alerts/TAJan2004.pdf>.
- **Massachusetts:** Provides guidance on completing the Massachusetts Form 1-NR/PY (for part-year residents and nonresidents) and the Schedule NTS-L-NR/PY, line 7. In both cases, nonresident taxpayers should not include any military compensation received during the taxable year on these forms. This change will allow nonresident military personnel and family members to more easily qualify for No Tax Status (NTS). Access this information at http://www.dor.state.ma.us/help/guides/abate_amend/personal/issues/nts.htm.
- **Minnesota:** Implements the SCRA prohibition against the “Kansas Rule” with specific guidance on the proper completion of the Minnesota Form M1. Access at http://www.taxes.state.mn.us/instructions/fed_military_changes.pdf
- **Missouri:** Implements the SCRA prohibition against the “Kansas Rule” with guidance in a few places on the state Department of Revenue website. For general information on the impact of the SCRA, access <http://dor.mo.gov/tax/personal/military.htm>. Information on a change in the appropriate form to file by affected nonresident military members is at <http://dor.mo.gov/tax/personal/nonresmilitary.htm>. The second and third FAQs for military personnel address this subject as well. Access these questions at <http://dor.mo.gov/tax/faq/faqmilitary.htm>. Finally, Missouri provides a flow chart to help military personnel determine whether they need to file a return with the state. Access at <http://dor.mo.gov/tax/personal/flowchart/military.pdf>.
- **Montana:** Excludes military pay earned on active duty from state income taxation. See <http://discoveringmontana.com/revenue/css/2forindividuals/01taxeslicensesfees/b-incometax/01b-calculated.asp>). Among the items to subtract from income for Montana tax purposes is “Active Duty Military Pay.”
- **Nebraska:** Nebraska Revenue Ruling 22-04-1 implements the SCRA prohibition with specific guidance on excluding nonresident military income from calculation of the state income tax liability on Nebraska Schedule I. Access at <http://www.revenue.state.ne.us/legal/rr220401.htm>.
- **New Jersey:** As of 19 February 2004, the ONLY state to implement the SCRA prohibition against the “Kansas Rule” for both 2003 returns and prior year returns still open for amendment by the taxpayer. The state’s advisory on the SCRA notes it is “effective for the 2003 tax year and applies any prior tax year that is not closed by the three-year statute of limitations.” Military personnel who overpaid New Jersey income tax due to application of the “Kansas Rule”

in 2000, 2001, and 2002, may amend those returns and claim refund of the overpayment. See the state's guidance at <http://www.state.nj.us/treasury/taxation/> (click "News", then under "Date Posted" look for 1/21/04. The item is titled "Notice for Military Servicemen: Servicemembers Civil Relief Act).

- **New Mexico:** Implements the SCRA prohibition of the "Kansas Rule" with specific guidance on completion of the now revised New Mexico Form PIT-ADJ. A sample of the form is included with the guidance. Access the state bulletin at <http://www.state.nm.us/tax/forms/year03/300Military.pdf>
- **North Dakota:** Implements the SCRA prohibition of the "Kansas Rule" with specific guidance on the completion of the now adjusted Form ND-1. Access the notice at <http://www.state.nd.us/taxdpt/indincome/pubs/newsletter/servicememberscivilreliefact.pdf>.
- **Ohio:** Revised instructions for the Ohio Form IT-1040 implement the SCRA prohibition of the "Kansas Rule." Page 1 of the instructions cover this subject. Access at http://tax.ohio.gov/Forms/Personal_Income/2003/PIT_IT1040_%20Instructions_2003.pdf.
- **Oklahoma:** Instructions for the 2003 versions of the Oklahoma Form 511, *Resident Individual* (<http://www.oktax.state.ok.us/oktax/iti2003/511PKT03.pdf>), at page 7, and the Form 511NR, *Nonresidents and Part-Year Residents* (<http://www.oktax.state.ok.us/oktax/iti2003/511NRP03.pdf>), at page 6, specifically address the filing options of nonresident military personnel and spouses of these personnel with income subject to Oklahoma taxation. In both cases, only Oklahoma source income is used in the calculation of income tax liability.
- **Oregon:** The instructions for the Oregon Form 40N direct exclusion of military income of nonresident servicemembers in the calculation of Oregon income tax liability. This approach effectively eliminates the concern about the "Kansas Rule" for nonresident military personnel assigned in the state. The "Military Personnel Filing Information" on the Department of Revenue website remains current. Access at <http://www.dor.state.or.us/InfoC/101-657.html>.
- **Rhode Island:** www.tax.state.ri.us/info/srvcivilrelief.htm
- **Utah:** Prepared Publication 49 with special instructions for nonresident military personnel to implement the SCRA prohibition of the "Kansas Rule" for 2003 Utah income tax returns. This publication presents two examples with details on tax computation to demonstrate the impact of the new law. The examples cover a nonresident military member with Utah nonmilitary income and married couples where one spouse is a Utah nonresident. Access this publication at <http://tax.utah.gov/forms/pubs/pub-49.pdf>.
- **Vermont:** See www.state.vt.us/tax/militaryincome.htm

- Two (2) states have noted the SCRA on their revenue or taxation department websites with an assurance necessary changes and guidance is forthcoming. They are:
- **California** has noted its noncompliance with the SCRA. The state constitution requires the legislature to effect federal laws impacting California law by statute. California Senate Bill 615 aims to accomplish this result. The state will announce the legislative change via its website (<http://www.ftb.ca.gov/>). You may view a news release on this process http://www.ftb.ca.gov/aboutFTB/press/2004/04_22.html.
- **New York** has alerted military members to the impact of the SCRA via a notice that states it will disseminate guidance on preparing income tax returns via its website and via telephone at 1-800-462-8100 (http://www.tax.state.ny.us/pit/military_page.htm).
- The following states have yet to publish any notices or guidance addressing SCRA Section 511(d) (50 U.S.C. App. §571(d)) or its implementation: **Arizona, Arkansas, Connecticut, and Hawaii**. Please note the information on these states' application of the "Kansas Rule" comes from the Federation of Tax Administrators. This organization did not list Arizona or Hawaii. However, feedback from the field indicates these two states have followed the "Kansas Rule" or "California Method."
- Assuring state compliance with the SCRA will remain a priority. The Armed Forces Tax Council has engaged in writing on this subject with each state listed in this paper. The Council seeks full compliance with SCRA Section 511(d) (50 U.S.C. App. §571(d)) for both 2003 returns and prior year returns still open for amendment by affected military taxpayers. We will monitor developments in this area and provide updated guidance as necessary.

ALABAMA

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

General Information: (334) 242-2117	Member of Federal/State E-file program
Forms: (334) 242-9681	Web site: www.ador.state.al.us
Electronic Filing: (334) 242-1101	IRS Processing Center: ANDOVER, MA
Refund Hotline: (334) 353-2540	

E-File Information	Only Form 40 and 40A may be e-file. Tax Site retains documents, AL-8453, W-2, 1099, for 3 years from later of due date or filing date.
Who must file?	Residents or part-year residents with a net income of \$1875 or more if single or married filing separately, \$3750 or more if married filing jointly, and nonresidents receiving income from business conducted or property owned within the State if it exceeds the prorated personal exemption allowance.
What forms to file?	Residents: Form 40 or 40A. Nonresidents: 40NR
Requirements for Residency	Follows general residency rules, with the addition that individuals maintaining an abode in the State or spending in the aggregate more than seven months of the tax year in the State are considered residents for tax purposes (does not apply to military members).
Exemptions	Single person or married person filing single return: \$1500. Married couples filing joint return or head of household: \$3000. Dependents, \$300 each.
Military Pay	Military pay is taxable.
Spouses and Community Property	Not a community property state; spouse of military member is considered a resident if above requirements are met.
Income Exclusions	Military Retirement pay; Federal Retirement Pay; Social Security Benefits. See expanded list on page 98 of Form 40 instructions.
Income Deductions	Standard deduction is based on filing status: married filing jointly = the lesser of 20% of AGI, or \$4000; all others = the lesser of 20% of AGI or \$2000. See worksheet on page 9 of Form 40 Instructions.
Capital Gains/Losses	Gain from the sale of person residence is taxed to the same extent as reported on the federal return. All other capital gains are taxable. Use schedule D Form 40. Non-residents report on Form 40NR.
Retirement Income	May exclude military retired pay.
Payments	Due 15 April 2004.
Notes	Head of Household filing status: a foster child does not qualify a taxpayer to claim "Head of Family" status in Alabama. Also, a taxpayer must be divorced or legally separated to use this filing status.

ARIZONA

Arizona Department of Revenue
Taxpayer Information and Assistance
P.O. Box 29086
Phoenix, AZ 85038-9086

General Information: (602) 255-3388  **Member of Federal/State E-file program**
Forms: (602) 542-4260 Web site: www.revenue.state.az.us
Electronic Filing: (602) 542-4643 ext 4601 IRS Processing Center: AUSTIN, TX
e-mail: Arizonae-file@revenue.state.az.us

E-File Information	Must mail AZ-8453, along with W-2s, any other supporting documents, within one business day after receiving acknowledgement, to: Arizona Department of Revenue, Electronic Filing Program, P.O. BOX 29200, Phoenix, AZ 85038-9200
Who must file?	Any resident is required to file an Arizona income tax return if he or she has for the taxable year: an Arizona adjusted gross income of \$5,500 (\$11,000 for married filing jointly) or a gross income of \$15,000. Nonresidents must file if they had ANY Arizona income.
What forms to file?	Residents: 140 or 140A; Part-Year Residents: 140PY; Nonresidents: 140NR.
Requirements for Residency	Follows general residency rules.
Exemptions	The exemption for a single person or married filing separately \$2,100; for unmarried head of household or a married couple that claim no dependents is \$4,200; for a married couple that claims at least one dependent is \$6,300.
Military Pay	Follows federal rules.
Spouses and Community Property	Community Property State; if Married Filing Separately, must include one-half of community income. Cannot file a joint 140 if one spouse is a resident and one is a non-resident/part year resident must file 140NR.
Income Exclusions	Interest from U.S. Government obligations, social security benefits, and benefits received under the Railroad Retirement Act.
Income Deductions	Taxpayers may itemize deductions or take standard deduction: for a single person or a married person who files a separate return is \$4,050. The standard deduction for a head of household or a married couple who file a joint return is \$8,100.
Capital Gains/Losses	Follows federal rules.
Retirement Income	A person may subtract up to \$2,500 of income for U.S. Government and Arizona state or local pension income. Form 140 Line C19
Payments	Due 15 April 2004.
Notes	N/A

ARKANSAS

Arkansas Department of Finance and Administration
 Individual Income Tax Section
 Room 227, Ledbetter Building
 7th and Wolfe Streets
 Little Rock, AR 72201

General Information: (501) 682-1100	↳ Member of Federal/State E-file program
Forms: (501) 682-2217	Web site: www.ark.org/dfa/taxes/index.html
Refund Info: (501) 682-0200	IRS Processing Center: MEMPHIS, TN
Electronic Filing: (501) 682-7361	<i>(Numbers for Tax Officer use only!)</i>

E-File Information	Tax sites must retain AR 8453 and all supporting documents for three years. Rejected forms should be mailed to Arkansas State Income Tax, Little Rock, AR 72203, with the following P.O. Boxes: for Tax Due Returns, P.O. Box 2144; for Refund Due Returns, P.O. Box 1000; for Zero Balance returns, P.O. Box 8026. Must mail the 8453 and copy of other state tax return if claiming credit for full years residence in another state. Mail documents to Electronic Filing Unit, PO Box 8094, Little Rock, AR 72203-8094.
Who must file?	For Full Year Residents: Single- over \$7800; Married Filing Jointly or Qualifying Widow(er)- over \$15,500; Married Filing Separately- over \$3999; Head of Household- over \$12,100. Part Year and Nonresidents file if ANY AR income.
What forms to file?	Full Year Residents file AR1000 or AR1000S; Part-Year and Nonresidents file AR1000NR if any AR income.
Requirements for Residency	Follows general residency rules.
Exemptions	Arkansas uses a Personal Tax Credit of \$20 per person, rather than an exemption. See instructions for more details.
Military Pay	Up to \$6000 of military pay is excluded. Military income is included in figuring tax rate on nonmilitary income.
Spouses and Community Property	Not a community property state. Spouses with AR income must file appropriate form.
Income Exclusions	May exclude Social Security Benefits and recover costs of contribution to retirement plans
Income Deductions	Standard Deductions are \$4000 for Married Filing Jointly; \$2000 for all others. May itemize; categories follow federal rules.
Capital Gains/Losses	30% of capital gains are excludable; the remaining 70% are taxable as regular income. Sale of principal residence follows federal rules.
Retirement Income	Taxpayers may also exclude up to \$6000 of federal retirement income.
Payments	Due 15 April 2004. Mailing address for AR1000V is included on form. Credit Card Payment is available call (501) 682-1100 or check the website at www.stat.ar.us/dfa/ . If return was e-filed do not mail a copy of the return with the voucher.
Notes	N/A

CALIFORNIA

Franchise Tax Board
P.O. Box 942840
Sacramento, CA 94240-0040

General Information: (800) 852-5711
Or: (916) 845-6500
E-file help desk: (916) 845-0353
e-file@ftb.ca.gov

✎ **NOT A Member of Federal/State E-file program**
Web site: www.ftb.ca.gov
IRS Processing Center: AUSTIN, TX

E-File Information	Tax site retains paper copy of FTB 8453 and all supporting documents on file for 4 years. Re-submit rejected returns (not part of federal/state e-file program). If return is repeatedly rejected, call help desk for instructions.
Who must file?	California uses a sliding scale, based on filing status and number dependents- lowest figures are \$11901 for single and head of household; \$23803 for married filing jointly, married filing separately (must combine incomes) and \$20134 for qualifying widow(er).
What forms to file?	Full Year Residents file Form 540, 540A, or 540 2EZ. Part Year or Nonresidents file Form 540NR.
Requirements for Residency	Follows general residency test. Must file return if CA-source income and income from all sources exceeds threshold amounts.
Exemptions	California uses a Personal Tax Credit of \$80 per person, rather than an exemption. See instructions for more details. There is also a \$25 dependent exemption credit.
Military Pay	California residents who are stationed outside California may exclude military income. Military income earned inside California is fully taxable for California residents. See Publications 1031 and 1032 for more information.
Spouses and Community Property	California is a community property state; if one spouse is a California-resident, must include one-half of non-resident spouse's pay IF non-resident spouse is a resident in a community property state (AZ, CA, ID, LA, NV, NM, TX, WA, WI).
Income Exclusions	May exclude social security benefits
Income Deductions	Taxpayers may itemize on CA return, even if Standard Deduction was chosen on Federal return. Standard deduction for Single and Married Filing Separately is \$3070; for Head of Household, Married Filing Jointly, and Qualifying Widow(er), standard deduction is \$6140.
Capital Gains/Losses	Follows federal tax rules.
Retirement Income	Follows federal tax rules.
Payments	Due 15 April 2004. Mail payment voucher to: Franchise Tax Board, P.O. Box 942867, Sacramento, CA 94267-0001.
Notes	CA has a large number of credits, see web site for details.

COLORADO

Colorado Department of Revenue
1375 Sherman Street
Denver, CO 80261-0005

General Information: (303) 232-2446	✉ Member of Federal/State E-file program
Forms: (303) 232-2414	Web site: www.revenue.state.co.us
Refund Status: (303) 238-3278	IRS Processing Center: AUSTIN, TX
E-file help desk: (303) 866-3889	<i>[NOTE: This number for tax officers only- not for taxpayers!]</i>

E-File Information	VITA Sites are required to keep all DR8453's until the end of the tax filing season. At the end of the season, the VITA site coordinator is to organize the DR8453s by primary taxpayer SSN and mail them to: CO State Department of Revenue, 1375 Sherman St Room 600, Denver CO 80261-0005.
Who must file?	Any resident (full year, part year, or nonresident) with Colorado income must file.
What forms to file?	Full year residents, file Form 104; Part year or nonresidents file Form 104PN.
Requirements for Residency	Follows general residency test.
Exemptions	CO Form 104 automatically uses federal personal exemption amounts.
Military Pay	Follows federal tax rules. Military income is included in figuring tax rate on nonmilitary income. If a military member is stationed outside the US for 305 days of the year, he/she may file as a non-resident. For more info see C.R.S. 39-22-103(8).
Spouses and Community Property	Not a community property state. Resident + Nonresident spouse must file joint return on 140PN if filed joint federal return.
Income Exclusions	Social security benefits qualify as pension or annuity income. See Retirement section below.
Income Deductions	CO Form 104 automatically takes federal deduction amounts (with add-in for state taxes paid if taxpayer itemized on federal return).
Capital Gains/Losses	May subtract CO sourced capital gains if 1) income is included in federal taxable income, 2) income is from a Colorado source (i.e. the result of a real or tangible personal property located in CO at time of the sale or sale of stock/ownership in CO company) and 3) the asset was acquired after May 9, 1994 and owned for 5 continuous years prior to the date of sale. See Form 40 Line 9.
Retirement Income	Up to \$24,000 of pension income may be excluded if a taxpayer is over age 65; up to \$20,000 may be excluded if taxpayer is over age 55.
Payments	Due 15 April 2004
Notes	Colorado has a state sales tax refund for certain qualifying full-year residents- please see website for more information. Also, watch for marriage penalty elimination (adds in \$\$ to standard deduction). Colorado provides special income tax benefits for military and support personal serving in designated combat zones—see website for more info.

CONNECTICUT

Department of Revenue Services
 Taxpayer Services Division
 25 Sigourney Street
 Hartford, CT 06106-5032

General Information: (860) 297-5962
 Forms: see web site

 **Member of Federal/State E-file program**
 Web site: www.ct.gov/drs

IRS Processing Center: ANDOVER, MA

E-file help desk: (860) 297-5979 *[NOTE: This number for tax officers only- not for taxpayers!]*

E-File Information	Tax sites are required to retain CT 8453 and all supporting documents for three years. NEW: CT-1040EZ, CT-1040, and CT-1040NR/PY can all be e-filed.
Who must file?	Residents of CT must file if they had CT taxes withheld, made estimated tax payments, or meet the following gross income test: \$12,500 if filing single, \$12,000 if filing MFS, \$19,000 if filing HoH, and \$24,000 if filing MFJ.
What forms to file?	Full Year residents: CT 1040 or 1040EZ. Part-Year or Nonresidents: CT 1040NR/PY.
Requirements for Residency	Follows general residency requirements. Special nonresident status for individuals who: 1) did not maintain a permanent place of abode in CT, 2) did maintain a permanent place of abode outside CT and 3) spent less than 30 aggregate days in CT for the tax year. [NOTE: a BEQ or BOQ room without cooking or toilet facilities or a shipboard berth are NOT considered a permanent place of abode]; and spent 30 days or less in CT during the taxable year.
Exemptions	Exemptions based on sliding scale and filing status. See table in CT instructions.
Military Pay	Follows federal rules except for those individuals that satisfy the special non-residency test. In that case they are treated as non-residents and their military pay is not taxable.
Spouses and Community Property	Not a community property state. Filing status must match federal unless one spouse is a resident and the other a non-resident, may be required to file separate returns in CT, even if filed jointly on Federal return. Military pay is included in figuring tax rate on nonmilitary income.
Income Exclusions	Sliding scale for social security income. See website for more info.
Income Deductions	No standard or itemized deductions.
Capital Gains/Losses	Follows federal rules.
Retirement Income	Follows federal rules.
Payments	Due 15 April 2004
Notes	N/A

DELAWARE

Delaware Division of Revenue
820 N. French Street
Wilmington, DE 19801

General Information: (302) 577-8200

Personaltax@state.de.us

Forms: (302) 577-8200

E-file coordinator: (302) 577-8170

Member of Federal/State E-file program

Web site: www.state.de.us/revenue

IRS Processing Center: ANDOVER, MA

[NOTE: This number for tax officers only- not for taxpayers!]

E-File Information	Residents and Nonresidents may file electronically. Tax sites must retain DE 8453 and all supporting documents for three years. Rejected returns should be mailed to: State of Delaware, Division of Revenue, P.O. Box 8765, Wilmington, DE 19899-8765.
Who must file?	Full Year Residents must file if their Delaware-source income exceeds the following amounts: If Married Filing Joint, \$15,450; all others \$9400. (Higher amounts for over 60- see instructions). Part year residents and Nonresidents must file if they have ANY Delaware income.
What forms to file?	Full Year Residents: 200-01R or 200-03 EZ. Part Year and Nonresidents: 200-02 NR.
Requirements for Residency	Delaware follows general rules for residency, but adds that anyone who is physically present in Delaware for more than 183 days and maintains a place of abode in Delaware is a resident. Part Year residents may file as residents, if it is to their advantage.
Exemptions	Delaware uses a personal tax credit of \$110 per person rather than personal exemptions.
Military Pay	Follows federal rules.
Spouses and Community Property	Not a community property state. Where one spouse is a resident and the other a part year or nonresident, spouses should file separate tax returns, even if they filed a joint federal return.
Income Exclusions	Social security payments and Delaware lottery winnings are excluded from income.
Income Deductions	May take itemized or standard deduction. Standard deductions for married filing jointly are \$6500; for all others, \$3250. May itemize on Delaware return, even if standard deduction was taken on Federal return.
Capital Gains/Losses	Follows federal rules.
Retirement Income	Taxpayers over age 60 may exclude up to \$12,500 of retirement or pension income. For those under 60, up to \$2000 may be excluded.
Payments	Due 30 April 2004.
Notes	Delaware has a child care credit (50% of Federal credit allowed).

DISTRICT OF COLUMBIA

Office of Tax and Revenue
941 North Capitol Street, NE
Washington, DC 20002

General Information: (202) 727-4829
Forms: (202) 727-6104
Electronic Filing: (202) 442-6461

 **Member of Federal/State E-file program**
Web site: <http://cfo.washingtondc.gov>
IRS Processing Center: ANDOVER, MA

E-File Information	May file full-year resident returns only. Tax site retains DC 8453 and all supporting documents for three years.
Who must file?	Full year residents and part year residents (over 183 days in DC) who are required to file a federal tax return must also file a DC tax return.
What forms to file?	All taxpayers may use D-40; residents may use D-40EZ.
Requirements for Residency	Follows general rules with the addition that an individual who is present in DC for 183 days or more is considered a resident for tax purposes (does not apply to military).
Exemptions	Personal exemptions are \$1370 per person.
Military Pay	Taxed; follows federal rules.
Spouses and Community Property	Not a community property district. Not required to file same status as federal return. Advise to take status that is most beneficial to the taxpayer. Where one spouse is a resident and the other a nonresident, must file separate DC return, even if joint federal return was filed.
Income Exclusions	May exclude social security income.
Income Deductions	Must follow Federal election- standard deduction is \$1000 for married filing separately, \$2000 for all others.
Capital Gains/Losses	Taxed as ordinary income. Follows federal rules.
Retirement Income	Taxpayers who are age 62 or older may exclude up to \$3000 of retirement pay. Senior Citizen Tax Relief Program—see website for more details.
Payments	Due 15 April 2004.
Notes	If taxpayer qualified for federal EITC then he/she can claim DC. EITC of 25% of the federal amount.

GEORGIA

Georgia Department of Revenue
1800 Center Blvd.
Atlanta, GA 30345

General Information: (404) 656-4188	Member of Federal/State E-file program
Forms: (404) 656-4293	Web site: www2.state.ga.us/Departments/DOR/
Refund: (404) 417-4470	IRS Processing Center: MEMPHIS, TN
E-file help desk: (404) 675-4992	<i>[NOTE: This number for tax officers only- not for taxpayers!]</i>

E-File Information	Tax site must retain GA 8453 and all supporting documents on file for three years.
Who must file?	For full year residents, if GA income is over \$8400 for Married Filing Jointly, \$4200 for Married Filing Separately, or \$5000 for all others. Part year and nonresidents must file GA return if they were required to file a Federal return.
What forms to file?	All filers use Form 500 or 500EZ
Requirements for Residency	Follows general residency rules.
Exemptions	\$3000 per person.
Military Pay	Follows Federal Rules. 6 month filing extension for military individuals returning from overseas. Combat zone pay not subject to GA state income tax.
Spouses and Community Property	Not a community property state. Must use same filing status as federal return. Exception if one spouse is a GA resident and one is a NR/PY enter 3 in the residency code box on Form 500 page 1 line 4 and use schedule 3 page 4.
Income Exclusions	Social Security benefits are not taxable.
Income Deductions	Must follow federal election. Standard Deduction is \$3000 for married filing jointly, \$1500 for married filing separately, and \$2300 for all others.
Capital Gains/Losses	Follows federal rules.
Retirement Income	Taxpayers over age 62 may exclude up to \$15000 of retirement income.
Payments	Due 15 April 2004.
Notes	N/A

HAWAII

Hawaii Department of Taxation
P.O. Box 3559
Honolulu, HI 96811-3559

General Information: (808) 587-6515 **Member of Federal/State E-file program**
Forms: (808) 587-7572 Web site: www.state.hi.us/tax/
(800) 222-7572 IRS Processing Center: AUSTIN, TX
Electronic Filing: (808) 587-1692 [*NOTE: This number for tax officers only- not for taxpayers!*]

E-File Information	For Residents only Form N11. No signature document; act of e-filing is signature. Tax sites should retain a copy of supporting documents on file. Paper copies of rejected returns should be printed, signed by the taxpayer, "Electronic filing and date submitted in upper left corner of the return, and sent (within 10 working days) to: Oahu District Office, Data Preparation Section, P.O. Box 259, Honolulu, HI 96809-0259. Can I-File N13 through state web portal.
Who must file?	Any resident or individual receiving Hawaii-source income over the following amounts: \$1990 for married filing separate; \$2540 for single filers; \$2690 for head of household; \$2940 for qualifying widow(er)s; and \$3980 for married filing jointly. For non-residents the filing threshold are multiplied by the ratio of HI AGI to the total AGI from all sources.
What forms to file?	Residents file N-11, 12, or 13. Part-Year and Nonresidents file N-15.
Requirements for Residency	Follows general residency rules with the addition that personal presence in Hawaii for 200 days during a tax year creates a rebuttable presumption that the person is a Hawaii resident. Does not apply to military.
Exemptions	Personal exemption is \$1040 per person.
Military Pay	Follows federal rules. (Can exclude \$1,750 of reserve pay on Form N11 line 15)
Spouses and Community Property	Not a community property state. For married couples, where one spouse is a resident and the other a nonresident, resident spouse may file separately, or both may file jointly on an N-11 or 12; however the non-resident will then be taxed on all income from all sources.
Income Exclusions	May exclude social security income.
Income Deductions	May itemize or take standard deductions, which are as follows: Single, \$1500; Married filing jointly, or Qualifying widow(er), \$1900; Head of Household, \$1650; Married filing separately, \$950.
Capital Gains/Losses	Taxed as ordinary income, though high income people may be able to use a more favorable rate-- see Capital Gains Worksheet in instruction booklet for Form N-11.
Retirement Income	May exclude retirement pay from income.
Payments	Due 20 April 2004.
Notes	N/A

IDAHO
 Member of Federal/State E-file program
 IRS Processing Center: AUSTIN, TX

Taxpayer Services
 Idaho State Tax Commission
 P.O. Box 56
 Boise, ID 83722-0410

General Information: (208) 334-7660 or 1-800-972-7660 **Web site:** www2.state.id.us/tax/

Forms: <http://www2.state.id.us/tax/forms.htm>

Refund Status: 1-888-228-5770 or, in the Boise area, (208) 364-7389

- Via Web: <https://www.accessidaho.org/secure/istc/refund/status.html>

E-File Help Desk: (208) 334-7822

E-File Information	May file full year, part year, or nonresident forms. Tax site must retain copy of 8453 and all supporting documents on file for 3 years. Mail rejected returns to: Idaho State Tax Commission, P.O. Box 56, Boise, ID 83756. CANNOT e-file returns claiming a credit for taxes paid to another state or married filing separately. ID E-File Handbook: http://www2.state.id.us/tax/pdf/tax_pros/2003/2003%20ELF-01%20HandbkEfileSpecs.pdf .
Who must file?	Full year residents with Idaho income over \$3050 for married filing separately, \$7,800 for single, \$10,500 for head of household, \$12,550 for qualifying widow(er), and \$15,600 for married filing jointly. Part year and nonresidents must file if they have Idaho-source income more than \$2500.
What forms to file?	Full year residents: Form 40 or 40EZ. Part-year and Nonresidents with income subject to ID income taxation, and resident military stationed outside Idaho: Form 43.
Requirements for Residency	Follows general residency requirements with addition that anyone who spends more than 270 days in ID during the tax year is considered a resident (does not include active military personnel assigned in the state). Special Residency Rules: will be considered a non-resident if: 1) lived outside ID for at least 445 days of a 15 month period, 2) spent less than 60 days in ID during the 15 month period, 3) does not maintain a personal residence in ID for taxpayer or dependents during tax year, 4) ID is not claimed as federal tax home, 5) taxpayer is not employed on the staff of a US Senator or Representative, and 6) taxpayer did not hold an elective or appointed position in the government other than US Military.
Exemptions	Personal exemption is \$3050 per person.
Military Pay	Military members on full-time active duty who are stationed outside Idaho may deduct the portion of military pay received outside of Idaho. Use Form 43, attach orders.
Spouses and Community Property	Idaho is a community property state. Must file same status as federal return. Non-military spouses who are Idaho residents must include half of military spouse's wages.
Income Exclusions	Social Security income; ID Lottery winnings less than \$600; scholarships for degree candidates covering tuition, fees, supplies, books, and required equipment.
Income Deductions	May claim ID standard deduction even if itemized on Federal return, except a married taxpayer filing separately must itemize if spouse itemizes. Standard deductions are \$4750 for married filing separately, \$4750 for single, \$7000 for head of household, \$9500 for qualifying widow(er)s and \$9500 for married filing jointly.
Capital Gains/Losses	Capital gains are taxed as ordinary income, though a taxpayer may deduct 60% of Idaho-source capital gain on the sale of real property that was not already excluded from the federal return. Use Form CG. Gains from the sale of stocks, mutual funds, and other intangible property do NOT qualify for this deduction.

Retirement Income	If over age 65, or over age 62 and disabled, may deduct up to \$27648 if married filing jointly, or \$18432 if single, from retirement income, on Form 39. No deduction if married filing separately. See instructions for Form 39 for more information.
Payments	Due 15 April 2004. Mail payments from electronically filed returns to: Idaho State Tax Commission, Electronic Filing Processing, P.O. Box 83784, Boise, ID 83707. Can pay electronically via ID Tax Commission Web site at http://www2.state.id.us/tax/ElectronicPaymentsInter.htm .
Notes	Taxpayers who have income subject to taxation by Idaho and another state may be entitled to a credit for income tax paid to the other state. Use Form 39R to calculate the credit. If the credit applies to more than one state, use a separate Form 39R for each state. Nonresidents cannot claim this credit. Idaho has eliminated the \$2 credit against tax owed for electronically filing the state income tax return effective for 2003 returns.

ILLINOIS
↗ A Member of Federal/State E-file program
IRS Processing Center: AUSTIN, TX

Illinois Department of Revenue
 Willard Ice Building
 101 W. Jefferson Street
 Springfield, IL 62702

General Information: 1-800-732-8866 or (217) 782-3336 **Web site:** www.revenue.state.il.us

Forms: Call 1-800 356-6302 or access via Web at

<http://www.revenue.state.il.us/app/forms/index.jsp?formclass=IndividualForms>

E-File Help Desk: 1-866-440-8680

(For tax officers use only)

Refund Status: <http://www.revenue.state.il.us/Individuals/> (Click “Refund Status Inquiry”)

E-File Information	Tax sites must retain IL 8453 and all supporting documents for 3 years . The destination for rejected returns and other mailed returns depends on whether or not payment of tax is enclosed. If no payment enclosed , send to Illinois Department of Revenue, Springfield, IL 62719-0001. If payment enclosed , Illinois Department of Revenue, Springfield, IL 62726-0001. IL E-File Procedures: http://www.revenue.state.il.us/TaxProfessionals/1345book.pdf .
Who must file?	Full year residents must file if they were required to file a federal return or if their IL income was greater than their exemption allowance. The exemption allowance is determined by the number of allowable exemptions multiplied by \$2000. If a taxpayer’s income taxable by IL exceeds this amount, then an IL return must be filed. Part year and nonresidents must file if they earned any IL source income. Note: an IL resident married to a nonresident of the state may file a separate IL return. Filing a joint return would subject all of the couple’s income to IL taxation.
What forms to file?	All taxpayers file IL Form 1040; nonresidents file Schedule NR in addition to the IL Form 1040.
Requirements for Residency	A person is an IL resident if domiciled in the state for the entire year. Domicile is defined as the place where a person resides and intends to return after temporary absence. Active military service represents one type of “temporary absence.” The state presumes non-residence if a person is gone from the for 1 year or more. Again, however, active military service, regardless of duration, is deemed a temporary absence. The servicemember remains an IL resident unless he or she has taken steps to establish domicile (legal residence) elsewhere. For more details on IL residency as it pertains to military personnel and spouses, please see IL Publication 102, <i>Illinois Filing Requirements for Military Personnel</i> (http://www.revenue.state.il.us/Publications/pubs/Pub-102.pdf).
Exemptions	Personal exemption is \$2000 per person.
Military Pay	Pay received while on full-time active duty, reserve duty, and for service in the IL National Guard is excluded from IL income. For more information, see IL Publication 102 (http://www.revenue.state.il.us/Publications/pubs/Pub-102.pdf). Exclude military pay at Line 6 of the IL Form 1040.
Spouses and Community Property	Not a community property state. If one spouse is a resident and the other a nonresident, the resident spouse may elect to file a separate IL income tax return.
Income Exclusions	Government retirement plans, including military retired pay; Social Security income; distributions from IRAs.
Income Deductions	No standard deductions or itemized deductions are allowed.

Capital Gains/Losses	Taxed as ordinary income. IL generally follows federal rules otherwise.
Retirement Income	Retirement may be excluded on Form 1040, line 5. Includes military retired pay.
Payments	Due 15 April 2004. Access information on electronic payment options at http://www.revenue.state.il.us/Individuals/ElectronicServices/paymentoptions.htm .
Notes	To claim a credit for tax paid to another state, taxpayers use Schedule CR. Access the form at http://www.revenue.state.il.us/taxforms/incm2003/ind/il1040cr.pdf . IL residents may claim a credit for 25% of the qualifying education expenses for dependent students in grades K-12. Maximum credit amount is \$500. IL homeowners may claim the Homeowners' Property Tax Credit of 5% of the property tax paid in 2002. IL Form 1040 instructions include the Property Tax (PT) credit worksheet.

INDIANA

↪ Member of Federal/State E-file program IRS Processing Center: ANDOVER, MA

Indiana Department of Revenue
100 North Senate Ave
Indianapolis, IN 46204-2253

General Information: (317) 232-2240 **Web site:** www.state.in.us/dor/
Forms: (317) 615-2581 or via Web at <http://www.in.gov/dor/taxforms/individual03.html>
E-File Help Desk: (317) 615-2508 [*NOTE: This number for tax officers only- not for taxpayers!*]
Refund Status: (317) 233-4018 or via web at <https://secure.in.gov/apps/dor/tax/refund/>

E-File Information	E-file is for full year residents only. Tax site must retain IT-8453 and all supporting documents for 3 years . Mail returns not eligible for e-file and paper returns generally to Indiana Department of Revenue, P.O. Box 40, Indianapolis, IN 46206-0040.
Who must file?	Full year residents who received Indiana income in excess of their exemption amounts must file a return. Calculate the exemption amount by multiplying \$1000 by each federal exemption then adding \$1500 for dependent child. If Indiana income exceeds the resulting amount, an Indiana income tax return must be filed. Part year and nonresidents who received ANY Indiana-source income must file an Indiana return.
What forms to file?	Full year residents file Form IT-40 or IT-40EZ. Part year and nonresidents file Form IT-40PNR. (IT-40RNR is for residents of KY, MI, OH, PA and WI who work in IN) Must file Schedule CT-40 if county of residence imposes tax.
Requirements for Residency	Taxpayer is a full-time resident if he or she maintains legal residence in IN from 1 Jan through 31 Dec. The taxpayer need not be physically present in the state during the entire year to be a full-time resident. Military personnel assigned outside the state remain full-time residents unless they take steps to establish residency elsewhere. Retirees who spend winter months in another state remain full-time residents if maintain legal residence in IN and intend to return to the state during part of the tax year; or they maintain their driver's license in IN; or they maintain registration to vote in IN. Military personnel who changed residency from IN to another state during the tax year must file Form IT-40PNR and attach a copy of DD Form 2058, <i>State of Legal Residence Certificate</i> .
Exemptions	Amounts are \$1000 per federal exemption, plus \$1500 per dependent child. For purposes of this exemption, a "dependent child" is a son, stepson, daughter, stepdaughter, or foster child. An additional \$1000 exemption applies if the taxpayer and/or spouse is 65 or older. Another \$1000 exemption applies if the taxpayer and/or spouse is legally blind. For taxpayers 65 or older who earn less than \$40,000 per year an additional \$500 of income is exempt.
Military Pay	May deduct up to \$2000 of military pay. Attach Schedule 1 to the IN Form IT-40; take deduction at line 7. Couple filing jointly, both military, may deduct up to \$4000.
Spouses and Community Property	Not a community property state. When resident spouse files jointly with part year or nonresident spouse, must use IT-40PNR. Must follow federal filing status election on Indiana return.
Income Exclusions	May exclude any amounts paid from terrorist attack settlement on line 19 of Schedule 1 (must mail in a copy of federal tax return with state return).

Income Deductions	IN allows a host of deductions, see pages 10-16 of the Form IT-40 instruction booklet (http://www.ai.org/dor/taxforms/03pdfs/03-it40bk.pdf). Use Schedule 1 to take deductions. Items deductible from income include: income from social security earnings; Indiana lottery winnings; renter's deduction of up to \$2000 of rent paid on principal residence; homeowner's deduction of residential property tax of up to \$2500; interest on US government obligations; and state tax refund reported as income on federal Form 1040.
Capital Gains/Losses	Taxed as ordinary income. IN follows federal rules on determining status as capital gain or loss.
Retirement Income	Taxpayers over age 60, or surviving spouses receiving SBP, may deduct up to \$2000 of military retired pay, using Schedule 1. To be eligible, taxpayer must be at least 60 years old as of 31 Dec 03; must have received military retired pay or SBP payments during 2003; and the total benefits received as retirement income must have been reported on the federal return. Retired couple, both former military and both receiving military retired pay, may deduct up to \$4000.
Payments	Due 15 April 2004. Access IN e-Pay at http://www.ai.org/dor/epay/index.html . The IN EFT Program Guide discusses electronic funds transfer payment options generally. Access at http://www.ai.org/dor/taxforms/pdfs/eft-100.pdf .
Notes	If a taxpayer's federal earned income credit was at least \$9.00, the taxpayer may qualify for the IN earned income credit. Maximum amount of this credit is \$252. Some counties in IN impose an income tax. Military personnel who are residents of IN but stationed outside the state are deemed to be residents of the county in which they resided on 1 Jan of the year they entered military service. For a list of counties that impose a County Tax and the respective rates, please see page 21 of the Form IT-40 instruction booklet (http://www.ai.org/dor/taxforms/03pdfs/03-it40bk.pdf). IN residents living outside the state who pay a local income tax to a county or lesser entity may qualify for a credit. Please see page 24 of the Form IT-40 instruction booklet. Use Schedule 2 to claim the credit. Use tax applies on items purchased outside IN for use or consumption in IN, on which sales tax was not paid. Use tax rate is 6% for 2003. File Form ST-115, accessible at http://www.ai.org/dor/taxforms/pdfs/st-115.pdf . See the Indiana Use Tax brochure at http://www.ai.org/dor/taxforms/pdfs/brochure_4.pdf for more information.

IOWA
Member of Federal/State E-file program
IRS Processing Center: AUSTIN, TX

Iowa Department of Revenue and Finance
 Taxpayer Services
 P.O. Box 10457
 Des Moines, IA 50306

General Information: (515) 281-3114 **Web site:** www.state.ia.us/tax/
Forms: (515) 281-7239 or via web at <https://www.idrf.state.ia.us/taxforms/index.asp>
Refund Status: (515) 281-4966 or via web at <https://eservices.idrf.state.ia.us/taxrefund/index.jsp>
Electronic Filing: (515) 242-6359 [NOTE: This number for tax officers only- not for taxpayers!]
 - Iowa Electronic Filing Handbook: <http://www.state.ia.us/tax/elf/03EROBklt.pdf>

E-File Information	Tax site must retain Form IA 8453 and all supporting documents for 3 years. IA ELF Handbook: http://www.state.ia.us/tax/elf/03EROBklt.pdf . Mail rejected returns and paper returns generally to: 1) if receiving refund - Iowa Income Tax - Refund Processing, Hoover State Office Building, Des Moines, IA 50319-0120; or 2) if owe tax - Iowa Income Tax - Document Processing, P. O. Box 9187, Des Moines, IA 50306-9187
Who must file?	Full-year residents with the following incomes must file: qualifying widow(er)s, heads of households, and married taxpayers with combined income of \$13,500; single taxpayers with \$9000 of income. Taxpayers claimed as a dependent on another's return must file if they have \$5000 or more of income from all sources. Part-year and nonresidents must file if they receive \$1000 of Iowa source income.
What forms to file?	All filers use IA 1040, or 1040 A; Part-year and nonresidents should also use IA 126, Nonresident and Part Year Schedule. Instructions for this schedule are included in the Form IA 1040 Instruction booklet.
Requirements for Residency	Military personnel on active duty who entered service as IA residents remain so unless and until they take steps to establish residency elsewhere. Personnel who change residency from IA during the tax year must file return as a part-year resident.
Exemptions	Iowa uses a Personal Tax Credit of \$40 per person, rather than an exemption. An additional \$20 per person credit applies if the taxpayer and/spouse is aged 65 or older. See Form IA 1040 for more details (http://www.state.ia.us/tax/forms/0341001.pdf).
Military Pay	Military income earned while on active duty in Operation Iraqi Freedom, Operation Noble Eagle, and Operation Enduring Freedom is exempt from Iowa income taxation. IA followed the "Kansas Rule" by including a nonresident servicemember's military income in calculating the tax rate to assess against the member's non-military or the income of the member's spouse. The SCRA prohibits this practice. See guidance for completing 2003 returns at http://www.state.ia.us/tax/1040%20Expanded/GenInfo/03MilitaryNonRes.html .
Spouses and Community Property	Not a community property state. If one spouse is a resident and the other a nonresident, the couple should file the regular income tax return, Form IA 1040, plus IA 126, Nonresident and Part Year Resident Schedule. May file either jointly or separately, regardless of federal return status.
Income Exclusions	Iowa taxes social security income differently from the federal government. The instructions for the Form IA 1040 include a worksheet to calculate the tax owed. Access the instructions at http://www.state.ia.us/tax/forms/0341002.pdf , pages 7-8.

Income Deductions	<p>May itemize deductions or take standard deduction of \$1550 for single and married filing separately, \$3830 for married filing jointly, head of household, and qualifying widow(er)s.</p> <p>Taxpayers with the mortgage interest credit may deduct home mortgage interest, whether or not deducted on the US Form 1040 (page 10, Form IA 1040 instructions). Vehicle registration fee deduction - see page 10 of the Form IA 1040 instructions. Taxpayer's federal FICA payments over \$5394 deductible at line 33, Form IA 1040.</p>
Capital Gains/Losses	Taxed as ordinary income. Iowa follows federal rules on exclusion of gain from the sale of a principal residence. The capital gains exclusion on the sale of "certain Iowa property," meaning property other than a principal generally exceeds the scope of military tax program services.
Retirement Income	Taxpayer receiving a pension, IRA distribution, or other retirement plan benefits, not including social security benefits, may qualify to exclude up to \$6000 from income if filing single or married filing separately, up to \$12,000 if filing married filing jointly, head of household, or as a qualifying widow(er).
Payments	Due 30 April 2004. IA electronic payment options: http://www.state.ia.us/tax/elf/eservice.html#EPayIncTx
Notes	<p>A federal income tax addition or deduction may apply, based on federal income tax withheld and the amount of the federal income tax refund received in 2003. See page 10 of the Form IA 1040. When calculating this amount, the federal refund does not include the earned income tax credit and the additional tax credit. Subtract these amounts from the federal refund amount in making this calculation.</p> <p>IA allows a Child and Dependent Care Credit, as a percentage of the federal credit, to taxpayers with a net income of less than \$40,000. The amount of the percentage depends on the taxpayer's income level at line 26 of the Form IA 1040, combining columns A and B. For more information, see page 12 of the IA 1040 Instruction booklet (http://www.state.ia.us/tax/forms/0341002.pdf).</p> <p>IA has an earned income credit - taxpayers get a credit of 6.5% of the federal earned income credit they received. To calculate, multiply the federal earned income credit amount by .065. Enter the amount at line 48 of the Form IA 1040.</p> <p>Credit for taxes paid to another state - use the IA 130. Available to full- and part-year residents. Access the form and instructions at http://www.state.ia.us/tax/forms/0341130.pdf.</p>

KANSAS
 Member of Federal/State E-file program
 IRS Processing Center: AUSTIN, TX

Kansas Department of Revenue
 Taxpayer Assistance Center
 915 SW Harrison Street
 Topeka, KS 66699-1000

General Information: 1-877-526-7738 or (785) 368-8222 **Web site:** www.ksrevenue.org

Forms: (785) 296-4937 or via web at <http://www.ksrevenue.org/formsii.htm>

Refund Status: 1-800-894-0318 or via web at <https://www.kdor.org/refundstatus/default.asp>

Electronic Filing: (785) 296-4066 [NOTE: This number for tax officers only- not for taxpayers!]

E-File Information	Form KS 8453 has been eliminated! E-filing process = signature. Tax sites should inform taxpayers they need to maintain copies of returns and supporting documents for 3 years. Mail rejected returns and paper returns generally to address above.
Who must file?	Residents must file if income exceeds the following: \$5250 for single or married filing separate; \$10,500 for married filing jointly; \$9000 for head of household. For 65 or older, \$6100 for single or married filing separately; \$11,200 if head of household or married filing jointly with one spouse 65 or older; \$11,900 if both spouses 65 or older. Nonresidents must file if they receive ANY Kansas income. Part-Year Residents may file either as residents or nonresidents.
What forms to file?	All taxpayers file Form K-40. Use Schedule S to make modifications to federal adjusted gross income. Modifications include deduction of military retired pay. Nonresidents use Schedule S to allocate income between KS sources (taxable) and non-KS sources (not taxable by KS).
Requirements for Residency	KS defines its residents as anyone who lived in KS, regardless of where employed. The SCRA precludes KS from considering military personnel living in the state solely as a result of military orders from being considered KS residents.
Exemptions	Exemption amount is \$2250 for each exemption claimed on the federal return. Taxpayer filing as Head of Household is allowed one additional exemption on KS return.
Military Pay	KS followed the "Kansas Rule" by including a nonresident servicemember's military income in calculating the tax rate to assess against the member's non-military or the income of the member's spouse. The SCRA prohibits this practice. See guidance for completing 2003 returns at http://www.ksrevenue.org/pdf/NonresMilitaryNotice.pdf .
Spouses and Community Property	Not a community property state. Must follow federal status - if married filing jointly, must declare both incomes, then take tax credit for taxes paid to other states at line 13 of Form K-40. If a taxpayer claims the credit for taxes paid to other state(s), must attach the tax return and supporting documents filed with the other state(s) to the Form K-40. Differing rules apply in calculating this credit depending on whether the taxpayer is a KS resident or nonresident. See page 17 of the Form K-40 instruction booklet for more details - http://www.ksrevenue.org/pdf/forms/k-4003.pdf .
Income Exclusions	See Schedule S for exclusions from federal adjusted gross income at http://www.ksrevenue.org/pdf/forms/schs03.pdf .
Income Deductions	If used standard deduction on federal must use standard deduction on state. Standard deductions are as follows: single and married filing separately- \$3000; married filing jointly- \$6000; head of household- \$4500. If elected itemized on federal may take the standard or itemized deduction.

Capital Gains/Losses	Taxed as ordinary income. Follows federal rules in determining amounts constituting capital gains and losses.
Retirement Income	May exclude military retired pay from income. Use Schedule S, line A9 to take advantage of this exclusion. Access Schedule S instructions at: http://www.ksrevenue.org/pdf/forms/schsinst03.pdf .
Payments	Due 15 April 2004. Information on credit card payment options at http://www.ksrevenue.org/eservcredit.htm and on electronic payment generally at http://www.ksrevenue.org/bceftinfo.htm .
Notes	<p>KS earned income credit available for residents only - credit of 15% of the taxpayer's federal earned income credit. Multiply federal earned income credit by 0.15 to calculate. Enter at line 21 of Form K-40.</p> <p>KS child and dependent care credit - for KS residents only, credit of 25% of the federal child and dependent care credit. To calculate, multiply child and dependent care credit from federal return by 0.25. Enter at line 14 of Form K-40.</p> <p>Food sales tax refund for resident taxpayers over age 55, or low-income taxpayers with dependents under age 18. Income limit is \$26,300. See pages 14 and 21 of the Form K-40 instruction booklet for details. Access at: http://www.ksrevenue.org/pdf/forms/k-4003.pdf.</p>

KENTUCKY
 ↗ **Member of Federal/State E-file program**
IRS Processing Center: ANDOVER, MA

Kentucky Revenue Cabinet
 Taxpayer Assistance
 200 Fair Oaks Lane
 Frankfort, KY 40620

General Information: (502) 564-4581

Web site: www.revenue.ky.gov

Forms: (502) 564-4581 or via web at <http://revenue.state.ky.us/needforms.htm>

Refund Status: (502) 564-1600

E-Filing Help Desk: (502) 564-6033 x4798 [NOTE: This number for tax officers only!]

E-File Information	Do NOT mail in Kentucky Form 8453-K to the Kentucky Revenue Cabinet. E-file site must retain this form with all supporting documents for 3 years. KY Electronic Filing Handbook: http://revenue.state.ky.us/taxprof.htm#handbook .
Who must file?	Full-year or part-year residents with gross income over \$5000 (single or married). Nonresidents must file if their gross income exceeds \$5000 AND they have any amount of Kentucky income. Income floors for requirement to file rise to \$5500 if taxpayer is 65 or older and \$6800 if both taxpayers married filing jointly are 65 and older.
What forms to file?	Full year residents: Form 740, 740S, or 740EZ. Use Schedule M to make KY adjustments to income. Part year and nonresidents: 740NP.
Requirements for Residency	Qualify as a KY resident if resided in the state for entire tax year. Military personnel on active duty who entered service as KY residents remain so unless and until they take steps to establish residency elsewhere. Personnel who change residency into or from KY during the tax year must file return as a part-year resident (Form 740-NP).
Exemptions	Kentucky uses a Personal Tax Credit of \$20 per exemption from the federal return. Members of the KY National Guard entitled to an additional credit.
Military Pay	Military pay of Kentucky residents subject to tax wherever they serve. Nonresidents assigned in the state protected by SCRA from tax on military income. If nonresidents have KY income due to off-duty employment, must file Form 740-NP. KY follows federal rules on excluding from taxable income military pay earned while serving in a combat zone declared as such by the President.
Spouses and Community Property	Not a community property state. Spouses may file separately even if they filed joint federal return (may be beneficial where one spouse is a resident & the other a nonresident). If one spouse itemizes, so must the other.
Income Exclusions	Taxpayers may exclude social security income, disability retirement income, interest from US Government bonds and securities, and premiums for long-term care and health insurance. The exclusion for health care premiums does not include expenses for plans paid with pre-tax dollars.
Income Deductions	Taxpayers may itemize on KY return, even if they did not on Federal return. Standard deduction is \$1830 for all filers. If one spouse itemizes, so must the other. If filing a joint return, only one \$1830 deduction is authorized.
Capital Gains/Losses	Taxed as ordinary income. KY excludes from income gain on sale of KY Turnpike bonds and gain on property taken by eminent domain.

Retirement Income	May exclude up to \$39,400 of retirement income, including military retired pay, if retired after 31 Dec 1997. If retired before 1 Jan 1998, military pension is completely exempt. Schedule P required to declare fully exempt pension amounts, including military retired pay, and to declare retirement income in excess of \$39,400 for post-31 Dec 1997 retirements.
Payments	Due 15 April 2004. Allows 60 day extension for military personnel outside the US and Puerto Rico on 15 April 2004. For military personnel serving in a combat zone, KY extends deadline for state return until 12 months after completion of combat zone service. For electronic and credit card payment options, on main KY DOR website (http://revenue.state.ky.us/index.htm), click "Electronic Services" at menu on left side of screen, then click "Electronic Payments."
Notes	Full-year KY residents may qualify for the low income tax credit if adjusted gross income is under \$25,000. See pages 9-10 of the instructions for KY Form 740 at http://revenue.state.ky.us/taxforms-2003/individual/42a740-i.pdf . Child and dependent care credit - 20% of the equivalent credit taken on the federal return. To calculate, multiply federal credit by 0.2. KY Use Tax applies to items purchased out of state on which either sales tax was not charged or the taxpayer paid less than 6% sales tax. See page 10 and the applicable worksheet in the Form 740 instructions. Credit for taxes paid to another state - calculate using Schedule TC. Limited to amount of savings that would have occurred on the KY return had the income been omitted or the amount of tax paid to the other state, whichever is less .

LOUISIANA
 ↗ **Member of Federal/State E-file program**
IRS Processing Center: MEMPHIS, TN

Louisiana Department of Revenue
 P.O. Box 201
 Baton Rouge, LA 70821

General Information: (225) 219-0102 or 2448 **Web site:** www.rev.state.la.us/
Forms: (225) 219-2133 or via web at <http://www.rev.state.la.us/sections/taxforms/default.asp>
Refund Status: 1-888-829-3071
Electronic Filing: (225) 219-2490 or 2492 [NOTE: This number for tax officers only - not for taxpayers!]

E-File Information	Only LA residents may file electronically with the state. Use LA Form IT-540. Form IT-540B Nonresident Return may not be filed electronically. Tax site retains LA 8453 and all supporting documents for 3 years. LA Electronic Filing Handbook: http://www.rev.state.la.us/forms/misc/LAhandb.pdf .
Who must file?	All residents who were required to file a federal income tax return must also file a LA income tax return. Part year and nonresidents must file a LA return if they had ANY LA-source income. Military personnel who are legal residents of LA and who are required to file a federal return must file LA return and report all income regardless of where they are stationed.
What forms to file?	Residents file Form IT-540; Part year and nonresidents file Form IT-540B.
Requirements for Residency	Qualify as a LA resident if resided in the state for entire tax year. Military personnel on active duty who entered service as LA residents remain so unless and until they take steps to establish residency elsewhere. Personnel who change residency into or from LA during the tax year must file return as a part-year resident (Form IT-540B).
Exemptions	Not taken on IT-540 (incorporated into tax table); on Form IT-540B, \$1000 for each exemption taken on the federal return.
Military Pay	Military personnel who are legal residents of LA may exclude up to \$29,999 in military pay if they served more than 120 on active duty outside the state. This exclusion does not apply to LA residents assigned in the state.
Spouses and Community Property	Louisiana is a community property state. Must follow federal filing status election. Exception: If spouse is a non-resident, can file MFJ or MFS.
Income Exclusions	May exclude social security benefits; if 65 or older, up to \$6000 in retirement income (other than federal or military retirement) subject to LA tax; permanent disability income of up to \$6000; and income on US Government bonds and securities.
Income Deductions	Deduction for federal income tax paid - residents may deduct full amount paid; nonresidents deduct portion of federal income tax paid equivalent to ratio of federal to LA income. Standard deduction is \$9000 for married filing jointly, head of household, and qualifying widow(er); \$4500 for single and married filing separately.
Capital Gains/Losses	Follows federal rules - uses federal adjusted gross income as basis for LA return.
Retirement Income	May exclude federal government retirement benefits, including military retired pay. Use Schedule E.
Payments	Due 15 May 2004. LA allows a "Payment Only" option on its online electronic filing service - see https://webtax.rev.state.la.us/Scripts/WebEncore.dll .

Notes	<p>LA charges a use tax for items purchased out-of-state for use or consumption in LA 8% of value of the items. See instructions for Form IT-540, pages 29-30, at http://www.rev.state.la.us/forms/taxforms/540i(1_03).pdf. Also, see worksheet at page 11, Form IT-540B at http://www.rev.state.la.us/forms/taxforms/540Bi(1_03).pdf.</p> <p>LA residents may receive a credit against LA income tax for income tax paid to another state on nonmilitary income or income earned by the spouse, provided this income was included on LA return. A copy of the return filed with the other state must be attached to the LA return.</p> <p>Child Care Credit - LA allows a certain percentage of the federal Child and Dependent Care Credit as a Child Care Credit on the LA return. Percentage is 10% of the federal credit for taxpayers with adjusted gross income of over \$35,000 and 30% of the federal credit for taxpayers with adjusted gross income of from \$25,001 to \$35,000. If the taxpayer's adjusted gross income is over \$60,000, LA credit is the lesser of 10% of federal credit or \$25. Child Care Credit worksheet is included with instructions for Forms IT-540 and IT-540B.</p>
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MAINE
↳ NOT A Member of Federal/State E-file program
(Must apply separately to state for authority to e-file)
IRS Processing Center: ANDOVER, MA

Maine Revenue Services
 24 State House Station
 Augusta, ME 04333-0024

General Information: (207) 626-8475 Web site: www.state.me.us/revenue/
Forms: (207) 624-7894 or via web at <http://www.state.me.us/revenue/forms/homepage.html>
Refund Status: (207) 626-8461 or via web at https://revenue.mrs.state.me.us/refstat/1_REGISTRATION.ASP
Practitioner Hotline: (207) 626-8458
E-File Help Desk: (207) 624-9730 [NOTE: This number for tax officers only- not for taxpayers!]

E-File Information	Tax sites must mail 1040ME-EL, W-2s, 1099s, and other supporting documents to Maine Revenue Services, Augusta, Maine, 04332, to the following P.O. Boxes: 1040L Refund Returns to P.O. Box 9111; 1040L Non-refund Returns to P.O. Box 1067; 1040S Refund Returns to P.O. Box 9110; 1040S Non-refund Returns to P.O. Box 1066. Mailing addresses, for rejected returns and paper returns generally, vary depending on type of form and whether a refund is anticipated or payment is required. See http://www.state.me.us/revenue/incomeestate/mailing.htm .
Who must file?	Residents are required to file if they were required to file a federal income tax return or taxpayer has have income that is subject to ME income tax and results in income tax liability. No need to file if 1) ME income taxable income is \$2000 or less 2) taxpayer claims himself as an exemption on his return and 3) taxpayer not subject to ME minimum tax. Non-residents must file if they have any ME income that results in ME tax liability. However, non-residents may not be required to file if 1) ME income is less than \$6,000 or 2) the number of days worked in ME is 20 or less. Married couples where one is a ME resident and the other is not have two options: 1) file jointly as if both were ME residents; or 2) only if the couple filed a joint federal return, they may file separately in ME using Form 1040ME with Schedule NRH. Married couples where neither is a ME resident but one has ME source income have two options: 1) file a joint ME return and determine joint tax liability as non-residents using Form 1040ME with Schedule NR; or 2) the spouse with ME source income may file as single using Form 1040ME with Schedule NRH. Married couples where neither is a ME resident and both have ME source income must file in same status as federal return and must use Form 1040ME with Schedule NR.
What forms to file?	All taxpayers file 1040ME (or 1040S-ME); Part year and nonresidents file Schedule NR or NRH to calculate apportionment of Maine and non-Maine income.
Requirements for Residency	Resident is a taxpayer for whom ME is legal residence for all of 2003. Also, persons who maintained a permanent place of abode in ME for the entire year and spent a total of more than 183 days in ME; or for whom domicile was ME for part of tax year and who maintained a permanent place of abode in ME for rest of the year and also spent more than 183 days in ME are considered ME residents for tax purposes. Note SCRA supersedes these rules for active duty military living in ME solely as the result of military orders. Note ME publishes a Guide to Residency Status, which you may access at http://www.state.me.us/revenue/incomeestate/ResPamphletWeb.pdf .
Exemptions	Personal exemptions are \$2850 per person.

Military Pay	ME followed the “Kansas Rule” by including a nonresident servicemember’s military income in calculating the tax rate to assess against the member’s non-military or the income of the member’s spouse. The SCRA prohibits this practice. See guidance for 2003 returns at http://www.state.me.us/revenue/publications/alerts/TAJan2004.pdf .
Spouses and Community Property	Not a community property state. Where one spouse is a Maine resident and the other a nonresident, they may file separate Maine returns, even if filed joint federal return. Use Schedule NRH. Spouses who file separate federal returns must file separate ME returns in all circumstances.
Income Exclusions	May exclude social security benefits from income. Use Schedule 1, included with Form 1040 ME packet. For more details, see page 9 of instructions for Form 1040ME at http://www.state.me.us/revenue/forms/2003/1040bki03.pdf .
Income Deductions	May itemize or take standard deduction. Taxpayers who itemize must use ME Schedule 2 to adjust federal itemized amounts. Standard deduction amounts are as follows: single \$4750; HoH \$7000; MFJ \$7950; MFS \$3975. Qualified tuition and other educational expenses from the federal return - either line 26 of Form 1040 or line 19 of Form 1040A.
Capital Gains/Losses	Taxed as ordinary income; follows federal rules for determining what constitutes capital gains and losses.
Retirement Income	Military retirement pay is now fully deductible up to \$6000 with no adjustment for social security or railroad retirement benefits. For individuals receiving both military and non-military pension benefits, the total allowable deduction is \$6000. See worksheet for Pension Income Deduction on ME Schedule 1. Access in the Form 1040ME instructions at http://www.state.me.us/revenue/forms/2003/1040bki03.pdf .
Payments	Due 15 April 2004. Information on electronic funds transfers at http://www.state.me.us/revenue/eft/homepage.html .
Notes	<p>Child Care Credit - 21.5% of the taxpayer’s federal Child and Dependent Care Credit. To calculate, multiply the federal credit by 0.215. Use the worksheet at page 22 of the Form 1040ME instructions.</p> <p>Earned Income Credit - 4.92% of the taxpayer’s federal earned income credit. To calculate, multiply the federal credit by .0492.</p> <p>Student loan interest deducted from federal returns on loans for which payment began over 60 months ago must be ADDED back into the ME return.</p> <p>Credit for taxes paid to other state - ME residents may claim a credit for income tax paid to another state if 1) the tax paid is directly related to income covered by the ME return and 2) the income tax paid to the other state is derived from sources in that state.</p> <p>Nonresident credit - nonresidents may qualify for the ME nonresident credit. Use Schedule NR or NRH to calculate. See pages 27-30 of the Form 1040ME instructions at http://www.state.me.us/revenue/forms/2003/1040bki03.pdf. When claiming credit, taxpayer must attach the federal return and all W-2s along with Schedule NR or NRH to the Form 1040ME.</p> <p>Use tax must be paid on items bought for use in ME for which ME sales tax was not paid. ME tax rate is 5%. A credit for sales tax paid to another state may apply. See page 7 of the Form 1040ME instructions.</p>

MARYLAND
 ↗ **Member of Federal/State E-file program**
IRS Processing Center: ANDOVER, MA

Comptroller of Maryland
 Revenue Administration Division
 80 Calvert Street
 Annapolis, MD 21404

General Information: (410) 260-7980
 or 1-800-638-2937

Web site: www.comp.state.md.us
 or: www.marylandtaxes.com

Forms: Via web at <http://individuals.marylandtaxes.com/taxforms/default.asp>

Refund Status: 1-800-218-8160 or (410) 260-7701

or via web at <https://interactive.marylandtaxes.com/RefundStatus/default.asp>

E-File Help Desk: (410) 260-7753

E-File Information	Tax site must retain copies of Form EL101 and all supporting documents for a period of 3 years. MD E-file handbook: http://individuals.marylandtaxes.com/payment/directdebit.asp .
Who must file?	Residents must file a return if they were required to file federal return or the following gross income levels are met: single, \$7800; married filing jointly, \$15,600; married filing separately, \$3050; head of household, \$10,500; qualifying widow(er), \$12,550. Higher income levels apply for taxpayers aged 65 and older except for married filing separately. Please see the MD 2003 Forms and Instructions, page 1, at http://forms.marylandtaxes.com/current_forms/resident_noform.pdf .
What forms to file?	Residents file Form 502 (long form) or 503 (short form). Nonresidents file Form 505.
Requirements for Residency	Permanent home (legal residence or domicile) in MD. Military personnel on active duty who entered service as MD residents remain so unless and until they take steps to establish residency elsewhere. Additionally, persons who live or maintain a home in Maryland for more than 6 months in a calendar year are considered Maryland residents for tax purposes. Part year residents are also considered residents for tax purposes. Note SCRA supersedes these rules for active duty military living in MD solely as the result of military orders.
Exemptions	Exemptions are \$2400 for taxpayer, spouse, and qualifying dependents. Additional exemptions of \$2400 each for taxpayers over 65 and blind. Part-year residents and military personnel must prorate exemptions based on the percentage of income that is subject to MD taxation.
Military Pay	MD resident military member with no military income earned overseas - must file Form 502 or Form 503; no exclusion of military income applies. MD resident with military pay from active service outside the 50 US states and the US possessions (Guam, Marianas Islands, Puerto Rico, Virgin Islands) may exclude up to \$15,000 of that pay provided total military pay is less than \$30,000. These rules and those pertaining to filing obligations of nonresident servicemembers and spouses are well demonstrated in the MD 2003 Forms and Instructions booklet, pages 16-17, at http://forms.marylandtaxes.com/current_forms/resident_noform.pdf .
Spouses and Community Property	Not a community property state. If one spouse is a resident & the other a non-resident, may file separate MD return, even if filed joint federal return.

Income Exclusions	<p>Taxpayers may exclude social security income.</p> <p>MD has a Two-Income Married Couple Subtraction, which allows a deduction of up to \$1200 if both spouses have any income subject to MD tax and file a joint return. See pages 6-7, which include a worksheet, of the MD 2003 Forms and Instructions booklet at http://forms.marylandtaxes.com/current_forms/resident_noform.pdf.</p> <p>Non-resident income - if taxpayer began or ended residence in MD during the tax year, he or she may subtract the income earned while not a MD resident. Note MD uses federal adjusted gross income as the starting point for MD income tax.</p> <p>Income from US Government bonds and securities.</p> <p>Pension exclusion.</p>
Income Deductions	<p>Spouses filing separately in MD need not choose same method (i.e., one can itemize & the other can still take standard deduction).</p> <p>The standard deduction is based upon a percentage of your MD AGI. See standard deduction worksheet to calculate the deduction. See the Standard Deduction worksheet, page 8, MD 2003 Forms and Instructions at http://forms.marylandtaxes.com/current_forms/resident_noform.pdf.</p> <p>State tax refund reported as income on federal return is deducted from MD return.</p>
Capital Gains/Losses	<p>Taxed as ordinary income; follows federal rules on determining what constitutes capital gains and losses.</p>
Retirement Income	<p>Taxpayers who are over age 65, or who are disabled, may exclude up to \$19,900 of military pension income. See instructions for worksheet.</p> <p>Taxpayers who are over age 55, whose federal AGI is less than \$22,500, and who were enlisted members at the time of retirement, may exclude up to \$2500 of military retired pay. See MD 2003 Forms and Instructions booklet, pages 6-7, for more information at http://forms.marylandtaxes.com/current_forms/resident_noform.pdf.</p>
Payments	<p>Due 15 April 2004. Credit card payment option discussed at http://individuals.marylandtaxes.com/payment/creditcard.asp. For information on electronic funds transfer as payment option, see: http://individuals.marylandtaxes.com/payment/directdebit.asp.</p>
Notes	<p>Credit for Child and Dependent Care Expenses - up to \$6000 for 2 or more children, \$3000 for 1 child. Calculated from high of 32.5% of the taxpayer's federal Child and Dependent Care expense deduction. Phase out of eligibility begins at adjusted gross income of \$41,000 (\$20,500 for married filing separately); no eligibility at adjusted gross income of \$50,000 (\$25,000 for married filing separately).</p> <p>Credit for Income Tax Paid to Another State - Available for MD residents only. File Form 502CR for each state. Attach copy of return for other state(s) to the Form 502CR.</p> <p>Earned Income Credit - MD allows credit of up to ½ the taxpayer's federal earned income credit. See explanation and worksheet at page 9 of the MD 2003 Forms and Instructions booklet at http://forms.marylandtaxes.com/current_forms/resident_noform.pdf. Local earned income credit may also apply. See pages 10-11 of MD 2003 Forms and Instructions.</p> <p>County Tax - Counties apply income tax in MD as well. Location of legal residence within MD determines which county to enter on the return.</p>

MASSACHUSETTS
 ↪ **NOT A Member of Federal/State E-file program**
(Must apply separately to state for authority to e-file)
IRS Processing Center: ANDOVER, MA

Commonwealth of Massachusetts
 Department of Revenue
 100 Cambridge Street
 Boston, MA 02114

General Information: (617) 887-MDOR

Web site: www.dor.state.ma.us

Forms: (617) 887-MDOR

Refund Status: via web at <https://wf.dor.state.ma.us/mrs/Welcome.asp>

Electronic Filing: (617) 887-5016[*NOTE: This number for tax officers only- not for taxpayers!*]

E-File Information	Tax site retains MA Form M-8453 and all supporting documents for 3 years. MA Electronic Filing Handbook: http://www.dor.state.ma.us/options/pdfs/M1345.pdf .
Who must file?	Full year and part year residents of MA who earned more than \$8000 must file a tax return. Nonresidents who had MA income in excess of the following must file a MA return: single, \$3300; head of household, \$5100; married filing jointly, \$6600.
What forms to file?	Full year residents file Form 1. Part Year and Nonresidents file Form 1 NR/PY.
Requirements for Residency	Military personnel who entered service as MA residents remain full year residents unless they have taken steps to establish domicile (legal residence) in another state. A person who spends more than 183 days in MA during the tax year is considered a resident for tax purposes. Note SCRA supersedes these rules for active duty military living in MA solely as the result of military orders.
Exemptions	Personal exemptions are as follows: \$3300 for single taxpayers (including married filing separately); \$5100 for head of household; \$6600 for married filing jointly. In addition, taxpayers may claim \$1000 for each dependent (not including taxpayer and spouse).
Military Pay	MA followed the "Kansas Rule" by including a nonresident servicemember's military income in calculating the tax rate to assess against the member's non-military or the income of the member's spouse. The SCRA prohibits this practice. For more information, see http://www.dor.state.ma.us/help/guides/abate_amend/personal/issues/nts.htm . Military pay earned in a combat zone is excluded from the servicemember's taxable income to the same extent as federal law provides.
Spouses and Community Property	Not a community property state. May file either jointly or separately - need not follow federal status.
Income Exclusions	Social Security income; interest on US Government obligations (bonds and securities); payments received under the Montgomery GI Bill.
Income Deductions	No standard deduction. MA has a system of itemized deductions distinct from federal itemized deductions, which are not claimed on the MA return. MA itemized deductions include: a deduction of amounts paid to FICA up to a maximum of \$2000; a rental deduction of 50% of rent paid up to a maximum deduction of \$3000; deduction of expenses for care for a child under age 13 or a disabled dependent or disabled spouse - up to \$4800 for one qualifying person, up to \$9600 for two; and deduction for dependent member of household under age 12 or age 65 or over or for a disabled dependent (this deduction applies only if the taxpayer did not take the immediately preceding deduction). For these deductions, see instructions for MA

	Form 1, pgs 10-11, at http://www.dor.state.ma.us/forms/inctax03/pdfs/form1_inst.pdf .
Capital Gains/Losses	Capital gains received before 1 May 2002 are taxed on a sliding schedule, according to amount of time held: gains held more than one but less than two- 5%; more than two but less than three- 4%; more than three but less than four-3%; more than four but less than five- 2%; more than five years- 1%. Capital Gains received after 1 May 2002 are taxed at a single rate of 5.3%. Items must have been held for more than one year.
Retirement Income	Military pensions may be excluded from income.
Payments	Due 15 April 2004.
Notes	N/A

MICHIGAN

Michigan Department of Treasury
Lansing, MI 48922

General Information: (800) 487-7000	Member of Federal/State E-file program
Forms: (800) 367-6263	Web site: www.michigan.gov/treasury
Refund Status: (800) 827-4000	IRS Processing Center: KANSAS CITY, MO
Electronic Filing: (517) 636-4450	<i>[NOTE: This number for tax officers only- not for taxpayers!]</i>

E-File Information	Tax preparers who complete more than 200 income tax returns are required to e-file all eligible returns. Tax sites should retain MI 8453 and all supporting documents on file for recommended six years. Mail paper copies of rejected returns with a refund or zero balance to: Michigan Department of Treasury, P.O. Box 30726, Lansing, MI 48909. Mail those with balance due to P.O. Box to 30727.
Who must file?	All residents must file if their AGI exceeds their exemption allowance. Part year and nonresidents must file if they have any MI income.
What forms to file?	All taxpayers file MI-1040. Part year and nonresidents use Schedule NR to apportion income. (MI-1040EZ and Telefile program eliminated).
Requirements for Residency	Follows general residency requirements.
Exemptions	Personal exemption allowance is \$3,100 per person.
Military Pay	Michigan does not tax active duty pay. Use Schedule 1 to determine taxable income.
Spouses and Community Property	Not a community property state. File a joint MI return if filed a joint federal return. Otherwise, file either separate or joint MI returns. Note that under the Servicemembers Civil Relief Act, states cannot consider military income when determining the tax rate for other income earned in the state by a nonresident serviceperson or spouse.
Income Exclusions	May exclude income from social security.
Income Deductions	Taxpayers age 65 and over may deduct interest, dividends, and capital gains up to the following amounts: \$8,408 if single, \$16,815 if filing jointly- see instructions. No standard deduction.
Capital Gains/Losses	Taxed as ordinary income, follows federal rules.
Retirement Income	May exclude income from military pension. (Schedule 1 Line 12) Benefits from private pension systems or an IRA are deductible to a maximum of \$37,710 for a single filer or \$75,420 for joint filers.
Payments	Due 15 April 2004.
Notes	MI charges a use tax on goods bought out of state on which no sales tax was paid. Tax credit for taxes or rent paid on MI homestead- see instructions. The income tax rate was reduced from 4.1 percent in 2002 to 4.0 percent in 2003.

MINNESOTA

Minnesota Department of Revenue
Mail Station 5510
St. Paul, MN 55146-5510

General Information: (651) 296-3781
Forms: (651) 296-4444

✉ Not A Member of Federal/State E-file program

Web site: www.taxes.state.mn.us

IRS Processing Center: KANSAS CITY, MO

Electronic Filing: (651) 296-2153 *[NOTE: This number for tax officers only- not for taxpayers!]*

E-File Information	Minnesota does not use a signature document- tax site must retain all supporting documents on file for one year. Entities that completed more than 100 MN returns for the previous tax year is required to file all individual returns by e-file or pay \$5 per return.
Who must file?	Full year residents who are required to file a federal return must also file a MN return. Part year and nonresidents must file a MN return if they have MN gross income over \$7,800.
What forms to file?	All taxpayers file Form M-1; Part year and nonresidents also file Schedule M1NR.
Requirements for Residency	Follows general residency requirements, but civilians who stay more than 183 days in the state, and maintain a place of abode in MN, are considered residents.
Exemptions	MN uses same amounts as federal return.
Military Pay	Active Duty MN residents stationed outside of MN are considered non-residents for period of time spent outside of the state for tax purposes. Note that under the Servicemembers Civil Relief Act, states cannot consider military income when determining the tax rate for other income earned in the state by a nonresident serviceperson or spouse.
Spouses and Community Property	Not a community property state. Must follow federal filing status on MN return.
Income Exclusions	Follows federal rules.
Income Deductions	MN uses same amounts as federal return; Taxpayers who do not itemize deductions on their federal return may deduct 50% of qualified charitable contributions in excess of \$500.
Capital Gains/Losses	Follows federal rules. Capital gain income from mutual funds is not exempt.
Retirement Income	Federal pensions are taxable in Minnesota.
Payments	Due 15 April 2004.
Notes	MN charges a use tax for items totaling more that \$770 for which no sales tax was paid. Marriage credit, child/dependent care credit, education credits- see instructions.

MISSISSIPPI

Mississippi Tax Commission
P.O. Box 1033
Jackson, MS 39215-1033

General Information: (601) 923-7000
Forms: (601) 923-7815
Refund Status: (601) 923-7801
Electronic Filing: (601) 923-7040

 **Member of Federal/State E-file program**
Web site: www.mstc.state.ms.us
IRS Processing Center: ATLANTA, GA

E-File Information	Tax sites must retain MS 8453 and all supporting documents for three years.
Who must file?	Residents must file a MS tax return if their income exceeds the following amounts: single, \$8300; married filing jointly, \$16600. With either status add \$1,500 for each dependent. Part year and nonresidents must file if they have any MS income.
What forms to file?	Full year residents file Form 80-105; Part year and nonresidents file Form 80-205.
Requirements for Residency	Follows general residency requirements.
Exemptions	Personal exemptions: \$12,000 for married couples, \$6000 for single filers, \$8000 for head of household.
Military Pay	Follows federal rules.
Spouses and Community Property	Not a community property state. Where one spouse is a resident and the other a nonresident, must file Form 80-205 when filing jointly or on a combined return. Need not follow federal status election- choose method (joint, combined, or separate) which allows lowest amount of tax. Note that under the Servicemembers Civil Relief Act, states cannot consider military income when determining the tax rate for other income earned in the state by a nonresident serviceperson or spouse.
Income Exclusions	May exclude social security income.
Income Deductions	May choose to itemize or take standard deduction, regardless of federal election. Standard deductions are as follows: \$4600 for married couples; \$2300 for singles and MFS, \$3400 for head of household.
Capital Gains/Losses	Follows federal rules.
Retirement Income	May exclude military retirement pay.
Payments	Due 15 April 2004.
Notes	No foreign income exclusion.

MISSOURI

Missouri Department of Revenue
P.O. Box 2200
Jefferson City, MO 65105

General Information: (573) 751-3505  **Member of Federal/State E-file program**
Forms: (800) 877-6881 Web site: www.dor.mo.gov
Refund Status: (573) 751-3505 IRS Processing Center: KANSAS CITY, MO
Electronic Filing: (573) 751-7200

E-File Information	Tax sites must retain MO 8453 and all supporting documents for four years. Mail paper copies of rejected returns to: Missouri Department of Revenue, Missouri Electronic Filing, P.O. Box 371, Jefferson City, MO, 65105.
Who must file?	Residents must file if their MO AGI is \$1200 or more. Non-residents must file if their MO sourced income is \$600 or more.
What forms to file?	All taxpayers may use long form, MO 1040. Some may use short forms 1040-A, 1040-B, and 1040-C (for nonresidents). To apportion income between MO and other states, use MO-NRI for nonresidents or part year residents filing as nonresidents.
Requirements for Residency	Follows general residency rules with the addition that anyone who spent more than 183 days in MO is considered a resident. Additionally, MO will consider someone a non-resident if they were domiciled in mo but didn't maintain permanent residence in MO and spent 30 days or less of the taxable year in MO.
Exemptions	Single, \$2100; Married, \$4200; HH, \$4,200; \$1200 per dependent
Military Pay	If a MO resident, but not stationed in MO, no residence in MO is maintained, and not present in MO for more than 30 days, military pay may be excluded. This rule does not apply if the military member's spouse is domiciled in MO. Otherwise, follows federal rules.
Spouses and Community Property	Not a community property state. Must follow federal filing status election. Joint federal filers file a "combined" MO return on which each spouse reports own income. Note that under the Servicemembers Civil Relief Act, states cannot consider military income when determining the tax rate for other income earned in the state by a nonresident serviceperson or spouse.
Income Exclusions	May deduct federal tax paid, up to \$5000 (\$10,000 for married filing jointly).
Income Deductions	If itemized on federal return may itemize or take standard deduction. If required to itemize on federal return then taxpayer must itemize on MO return. If taxpayer took standard deduction on federal then he must take standard on MO. Standard deductions are \$4750 for single, \$9500 for MFJ/QW, \$7000 for HH, \$4750 for MFS.
Capital Gains/Losses	Follows federal rules.
Retirement Income	May exclude up to \$6000 of military retirement pay if income does not exceed the following amounts: \$25,000 for single, QW, and HH; \$32,000 for MFJ and \$16,000 for MFS. If taxpayer is above these amounts he may still be able to qualify for partial exemption. Use Form MO-A, Part 3.
Payments	Due 15 April 2004.
Notes	Note Long Term Care Insurance Deduction.

MONTANA

Montana Department of Revenue
P.O. Box 5805
Helena, MT 59604

General Information: (406) 444-6900	Member of Federal/State E-file program
Forms: (406) 444-6900	Web site: www.state.mt.us/revenue/
Refund: (406) 444-9840	IRS Processing Center: FRESNO, CA
Electronic Filing: (406) 444-3627	<i>[NOTE: This number for tax officers only- not for taxpayers!]</i>

E-File Information	Tax sites should give MT 8453 and all supporting documents to clients for safekeeping (they should hold for five years); do not mail the MT 8453 to the state. If a return is rejected by Montana, please call Mr. David Berg at (406) 444-6957 to receive instructions for disposition.
Who must file?	Residents with federal income exceeding the following amounts must file: married filing jointly, \$6660; all others, \$3330. Part year and nonresidents must file if they have any Montana income, and their federal gross income exceeds the above amounts.
What forms to file?	All taxpayers may use Form 2. Full year residents may use short form, Form 2S.
Requirements for Residency	Follows general residency requirements.
Exemptions	Personal exemptions are \$1780 per person.
Military Pay	Military pay received under Title 10 is excluded from taxable income. Must attach copy of orders. Separation pay is not considered a "wage" and will be taxed. (Form 2 Line 34) Note that under the Servicemembers Civil Relief Act, states cannot consider military income when determining the tax rate for other income earned in the state by a nonresident serviceperson or spouse.
Spouses and Community Property	Not a community property state. When one spouse is a resident and the other a non-resident, must use "married filing separately" status. Note that under the Servicemembers Civil Relief Act, states cannot consider military income when determining the tax rate for other income earned in the state by a nonresident serviceperson or spouse.
Income Exclusions	Complete social security worksheet to see if any social security payments are excludable. (See Worksheet VIII.) If 65 or older, filing single, separate, or head of household, may exclude up to \$800 of interest income; up to \$1,600 if filing jointly.
Income Deductions	The standard deduction is 20% of MT Adjusted Gross Income, with the minimum for single at \$1480 and married, \$2960. May itemize, using Form 2A, or may take standard deduction. Spouses filing separately must choose same method.
Capital Gains/Losses	Follows federal rules.
Retirement Income	May exclude up to \$3600 of retirement pay- phased out over \$30,000 gross income. Please see Worksheet IV and use Form 1099R).
Payments	Due 15 April 2004.
Notes	N/A

NEBRASKA

Department of Revenue
301 Centennial Mall South
P.O. Box 94818
Lincoln, NE 68509-4818

General Information: (800) 742-7474
Forms: see website
Refund Status: (402) 471-5729
E-file help desk: (402) 471-5619

 **Member of Federal/State E-file program**
Web site: www.rev.state.ne.us
IRS Processing Center: KANSAS CITY, MO
[NOTE: This number for tax officers only- not for taxpayers!]

E-File Information	Tax site must retain 8453N and all supporting documents for a period of three years. Mail paper copies and relevant documentation from rejected returns to: Nebraska Department of Revenue, c/o Electronic Commerce Section, P.O. Box 94650, Lincoln, Nebraska 68509-4650.
Who must file?	Residents must file if they were required to file a federal return, or if they have more than \$5000 in Nebraska adjustments to federal income. Nonresidents must file if they had any Nebraska income.
What forms to file?	All taxpayers may use Form 1040N. Full year residents may use short form, 1040NS.
Requirements for Residency	Follows general residency rules, except that persons present in the state for more than six months are part-year residents for tax purposes.
Exemptions	The personal exemption credit is \$99 for each federal exemption.
Military Pay	Nonresident military servicemembers can now deduct their nonresident military income on Form 1040N. Follows federal rules.
Spouses and Community Property	Not a community property state. Must use same filing status as federal return unless the one spouse is a non-resident. In this case if they file federal MFJ they may choose between filing MFJ or MFS.
Income Exclusions	n/a
Income Deductions	Standard deductions are: married, filing joint - \$7,950; single - \$4,750; married, filing separate - \$3,975; head of household - \$7,000.
Capital Gains/Losses	Taxed as ordinary income. Follows federal rules.
Retirement Income	Taxed as ordinary income. Follows federal rules.
Payments	Due 15 April 2004.
Notes	N/A

NEW JERSEY

New Jersey Division of Taxation
P.O. Box 240
Trenton, NJ 08695-0240

General Information: (609) 292-6400

Forms: (800) 323-4400

Electronic Filing:

(609) 633-1132 [NOTE: This number for tax officers only- not for taxpayers!]

 **Member of Federal/State E-file program**

Web site: www.state.nj.us/treasury/taxation/

IRS Processing Center: PHILADELPHIA, PA

E-File Information	Mail NJ 8453 and all supporting documents to: New Jersey Division of Revenue, ERO/Image Processing, PO Box 242, Trenton, NJ 08646-0242. For rejected returns, phone (609) 633-1132 for information on disposition.
Who must file?	Full year residents must file if they received gross income over the following amounts: \$10,000 for single or married filing separately filers and \$20,000 for all others. Part year and nonresidents must file if they meet the above income requirements and they had any NJ-source income.
What forms to file?	Full year and part year residents file Form NJ-1040 or NJ-1040EZ; nonresidents file Form NJ-1040NR. Part-year residents who had NJ income while a nonresident of NJ may have to file both forms.
Requirements for Residency	Follows general residency requirements, but a nonresident for tax purposes, <i>did not</i> maintain a permanent abode in NJ; <i>did</i> maintain a permanent abode outside NJ; and <i>did not</i> spend more than 30 days in NJ.
Exemptions	Personal exemptions are \$1000 per adult, and \$1500 per dependent. Prorate these amounts if part-year resident.
Military Pay	Follows federal rules; NJ will not consider military income when determining the tax rate for other income earned in NJ by a nonresident serviceperson or spouse. When completing a NJ nonresident return, Form NJ-1040NR, nonresident servicepersons do not report military pay on the wages line.
Spouses and Community Property	Not a community property state. Spouse of military member may retain original state residence, even if the family is stationed in NJ. Must follow federal filing status election, UNLESS one spouse is a resident and the other a nonresident. In that case, may file separately.
Income Exclusions	May exclude social security income, New Jersey lottery winnings.
Income Deductions	No standard deduction; may deduct medical expenses over 2% of gross income.
Capital Gains/Losses	Taxed as ordinary income. Follows federal rules on sale of principal residence. Cannot report a net loss on NJ return; a loss in one category can only apply against other income within the same category. Therefore, a loss will equal a "zero" entry on the NJ-1040.
Retirement Income	Military retirement pay is not taxable. Exclusion amounts for other plans are \$20,000 (filing status married, filing joint return), \$10,000 (filing status married, filing separate return), and \$15,000 (filing status single, head of household, or qualifying widow(er)).
Payments	Due 15 April 2004. Mail payment vouchers from e-filed returns to: State of New Jersey, Division of Taxation, Revenue Processing Center, PO BOX 111, Trenton NJ, 08645-0111.
Notes	No foreign earned income exclusion in NJ. Property tax credit for homeowners and renters.

NEW MEXICO

Taxation and Revenue Department
1100 S. St. Francis Drive
P.O. Box 630
Santa Fe, NM 87504-0630

General Information: (505) 827-1746 **Member of Federal/State E-file program**
Forms: (505) 827-2206 Web site: <http://www.state.nm.us/tax>
Status of Refund: (505) 827-0827 IRS Processing Center: AUSTIN, TX
Electronic Filing: (505) 827-0827 *[NOTE: This number for tax officers only- not for taxpayers!]*

E-File Information	Tax sites must retain PIT-8453 and all supporting documents for three years.
Who must file?	Full year residents who have to file a federal return must file a New Mexico return. Part year and nonresidents who have any NM-source income must also file a return.
What forms to file?	All taxpayers file Form PIT-1. May also need PIT-ADJ to figure additions to income and deductions. Part year and nonresidents must also file Schedule PIT-B to apportion their income.
Requirements for Residency	Follows general residency rules.
Exemptions	NM uses amounts from federal return.
Military Pay	Follows federal rules.
Spouses and Community Property	New Mexico is a community property state. Must use same filing status as on federal return. If separate returns are filed, must include copy of federal return and letter explaining the division of income. Note that under the Servicemembers Civil Relief Act, states cannot consider military income when determining the tax rate for other income earned in the state by a nonresident serviceperson or spouse.
Income Exclusions	see Schedule PIT-ADJ.
Income Deductions	Must follow federal election- use amounts from federal return for both itemized deductions and standard deductions. Unreimbursed and uncompensated medical expenses NOT itemized on the federal 1040 return for the same year may be claimed.
Capital Gains/Losses	May deduct up to \$1000 of capital gains- see Schedule PIT-ADJ. Otherwise, capital gains are taxed as ordinary income, and follow federal rules.
Retirement Income	Taxpayers over age 65 or who are blind may be able to deduct a portion of their retirement income, based on gross income and filing status. See Schedule PIT-ADJ.
Payments	Due 15 April 2004.
Notes	N/A

NEW YORK

NYS Tax Department
Taxpayer Assistance Bureau
W.A. Harriman Campus
Albany, NY 12227

General Information: (800) 443-3200
Forms: (800) 462-8100
Refund Status: (800) 443-3200
E-File Refund Status: (800) 353-0708
Electronic Filing: (518) 457-7296

Member of Federal/State E-file program

Web site: www.tax.state.ny.us

IRS Processing Center: ANDOVER, MA

[NOTE: This number for tax officers only- not for taxpayers!]

E-File Information	Tax sites must mail IT-201-E plus any W-2, IT-2102, W2-G, 1099-R, IT-2102-P, and other required documents, within one week of receiving acceptance, to: NYS Department of Taxation and Finance, Electronic Filing Program-Income Tax, P.O. Box 5400, Albany, NY 12205-0400. NOTE: IT 200 and IT201 maybe filed using Fed/State system. IT203 may only be filed using the direct e-file system.
Who must file?	Residents who are required to file federal income tax returns. Also, single taxpayers who <i>can</i> be claimed as a dependent on another taxpayer's federal return with AGI of over \$3000. Also, singles who can't be claimed; married filing joint/separate; head of household with AGI over \$4000. Also, any others with NY income.
What forms to file?	Full year residents file on short forms IT-100 or IT-200, or long form IT-201. Part year and nonresidents file Form IT-203.
Requirements for Residency	Follows general residency rules, except for a special nonresident status for individuals who: did not maintain any permanent place of abode in NY during the year; DID maintain a permanent place of abode outside NY during the entire taxable year and spent 30 days or less in NY during the taxable year.
Exemptions	No personal exemptions for taxpayer or spouse; for dependents, exemptions are \$1000 each. See IT- 200.
Military Pay	For residents who meet the special nonresident status described above, military pay is not taxable. For all others, it is taxed as ordinary income; follows federal rules. See NY Pub 361 for more info.
Spouses and Community Property	Not a community property state. Note that under the Servicemembers Civil Relief Act, states cannot consider military income when determining the tax rate for other income earned in the state by a nonresident serviceperson or spouse.
Income Exclusions	n/a
Income Deductions	If taxpayer took standard deduction on federal return, must take standard NY deduction. NY standard deductions are: single, \$7500; married filing jointly \$14,600; married filing separately, \$6500; head of household, \$10,500.
Capital Gains/Losses	Taxed as ordinary income; follows federal rules.
Retirement Income	May subtract military retired pay from gross income (use Line 25, Form IT-201).
Payments	Due 15 April 2004.
Notes	If New York City or Yonkers residents' income is subject to NY State tax, it is also subject to New York City or Yonkers taxes. However, if taxpayer has nonresident status, military pay is not subject to the Yonkers nonresident earnings tax.

NORTH CAROLINA

NC Department of Revenue
P.O. Box 25000
Raleigh, NC 27640

General Information: (877) 252-3052	Member of Federal/State E-file program
Forms: (919) 715-0397	Web site: www.dor.state.nc.us
Status of Refund: (919) 733-4052	IRS Processing Center: ATLANTA, GA
Electronic Filing: (919) 733-1674	<i>[NOTE: This number for tax officers only- not for taxpayers!]</i>

E-File Information	Tax sites must retain NC-8453 and all supporting documents for three years. Do not mail in forms.
Who must file?	Full year residents who received income in excess of the following amounts: \$5500 for single; \$10,500 for married filing jointly; \$2500 for married filing separately; \$6900 for head of household. Part year and nonresidents who received any NC income must file.
What forms to file?	All taxpayers may use Form D-400
Requirements for Residency	Follows general residency rules.
Exemptions	Must add \$550 for each exemption claimed on federal return if AGI is less than \$100,000 – MFJ; \$80k – HoH; \$60k – single; \$50k MFJ.
Military Pay	Follows federal rules.
Spouses and Community Property	Not a community property state. Must follow federal filing status election, unless only one spouse is a resident or has NC income- in that case, file separately. Note that under the Servicemembers Civil Relief Act, states cannot consider military income when determining the tax rate for other income earned in the state by a nonresident serviceperson or spouse.
Income Exclusions	May exclude social security income.
Income Deductions	Single \$3000; MFS \$2,750; MFJ \$5,500; HoH \$4,400. NC amounts are lower than federal amounts- must use chart in instructions to figure amount to add to NC income.
Capital Gains/Losses	Follows federal rules; NC taxable income automatically includes federally taxed capital gains.
Retirement Income	For taxpayers with five years of creditable service in the military as of 12 August 1989, may deduct all military retired pay. Others may deduct up to \$4000 of retirement income.
Payments	Due 15 April 2004.
Notes	N/A

NORTH DAKOTA

ND State Tax Commissioner
600 E. Boulevard Ave.
Bismarck, ND 58505-0599

General Information: (701) 328-2770
Forms: (701) 328-3017
Refund Status: (701) 328-3450
Electronic Filing: (701) 328-3598

Member of Federal/State E-file program
Web site: www.state.nd.us/taxdpt/
IRS Processing Center: AUSTIN, TX
[NOTE: This number for tax officers only- not for taxpayers!]

E-File Information	Tax site must retain Form ND-1EF and state copies of W-2, W-2G, and 1099 R's for three years. If ND-1CR is e-file must mail to ND Office of State Commissioner a copy of signed ND-EF, state copies of W-2, W-2G, and 1099R, and copies of other state's income tax being claimed on schedule ND-1-CR. NOTE: ND-2 can not be e-filed.
Who must file?	Full year residents are required to file a ND return if they are required to file a federal return. Part year and nonresidents must file if they are required to file a federal return and have ANY ND gross income.
What forms to file?	Residents may file ND-1 or ND-2. A majority of taxpayers will compute lower taxes using ND-1, but you should use the form that results in the lowest tax liability. Part year residents and non-residents file ND-1NR
Requirements for Residency	Follows general rules with the addition that if a person spends more than 210 days in ND and has a permanent place of abode they are considered a ND resident. Permanent place of abode means a place with a bathroom and cooking facilities. (this does not apply to AD military)
Exemptions	Follows federal rules.
Military Pay	Taxable to same extent as on Federal Return. Form ND-2 allows for an exclusion of active duty pay up to \$1000 subject to certain conditions—see instructions. (ND-2 subject to higher tax rates than form ND-1, so explore all options; this exemption may not be worthwhile.)
Spouses and Community Property	Not a community property state. Special filing rules apply where one spouse is a resident and the other a nonresident- they must file separate returns.
Income Exclusions	Follows Federal Rules
Income Deductions	Follows Federal Rules
Capital Gains/Losses	30% of net long term capital gains may be excluded
Retirement Income	Follows Federal Rules
Payments	Due 15 April 2004
Notes	ND has a use tax for items purchased outside of the state. ND now allows for payment by credit cards. There is an error in the 2003 Forms ND-1 and ND-2 and their respective instructions regarding the exclusion allowed to National Guard and Armed Forces reserve members called to active duty. The forms state that the exclusion is only allowed for service performed outside North Dakota, but this is incorrect; the exclusion is allowed regardless of where the active service was performed. See website for more details.

OHIO

Taxpayer Services Division
830 Freeway Drive North
Columbus, OH 43229

General Information: (800) 282-1780 **Member of Federal/State E-file program**
Forms: (800) 282-1782 Web site: www.state.oh.us/tax/
Refund Status: See Web Site IRS Processing Center: ANDOVER, MA
Electronic Filing: (614) 433-7333 [*NOTE: This number for tax officers only- not for taxpayers!*]

E-File Information	Ohio uses Federal 8453 as signature document. Tax site should NOT send any documents to the state; rather, taxpayer should keep all documents for four years.
Who must file?	Full year and part year residents must file if their gross income exceeds the following amounts: \$7800 for married filing jointly; \$4150 for all others. Nonresidents must file if they have any Ohio income.
What forms to file?	All taxpayers use IT-1040 (1040EZ for full year residents only).
Requirements for Residency	Follows general residency rules.
Exemptions	\$1,250 personal exemption per person with an additional Personal credit of \$20 each.
Military Pay	Follows federal rules.
Spouses and Community Property	Not a community property state. Must follow filing status elected on federal return. Use joint filing credit, if applicable.
Income Exclusions	May exclude social security income.
Income Deductions	No standard or itemized deductions.
Capital Gains/Losses	Taxed as ordinary income. Follows federal rules.
Retirement Income	Ohio gives a Retirement Income Credit, up to \$200, when a taxpayer receives retirement income- sliding scale according to income. See instructions page 20.
Payments	Due 15 April 2004
Notes	Joint Filing Credit for spouses filing jointly where each spouse has OH earned income of at least \$500- please see instructions for more information pages 10 & 12.

OKLAHOMA

Taxpayer Assistance Division
2501 N. Lincoln Blvd.
Oklahoma City, OK 73194

General Information: (405) 521-3160  **Member of Federal/State E-file program**
Forms: (405) 521-3108 Web site: www.oktax.state.ok.us
Electronic Filing: (405) 521-3124 [*NOTE: This number for tax officers only- not for taxpayers!*]
IRS Processing Center: AUSTIN, TX

E-File Information	Tax sites must retain 511-EF and all supporting documents for three years. Mail paper copies of rejected returns to: Oklahoma Tax Commission, Electronic Filing/Refund Section, P.O. Box 26890, Oklahoma City, OK 73126-0890.
Who must file?	Residents who are required to file Federal returns must also file an OK return. Part year and nonresidents must file if they have \$1000 or more of OK income. There is a sliding scale of income levels for all filing statuses.
What forms to file?	Residents file Form 511; Part year and nonresidents file 511NR.
Requirements for Residency	Follows general residency rules. Allows spouse of military member to retain original residency (need not become OK resident).
Exemptions	Personal exemptions are \$1000 each.
Military Pay	Military members may exclude first \$1500 of their active military pay (including National Guard and Reserve Pay). Form 511-C line 1
Spouses and Community Property	Not a community property state. Allows spouse of military member to retain original residency (need not become OK resident). Filing status must match federal return
Income Exclusions	Social security income may be excluded.
Income Deductions	Must follow federal election; standard deduction is based on sliding scale, between \$1000 and \$2000 (except for married filing separately, which has max of \$1000). Calculated on form 511.
Capital Gains/Losses	Taxed as ordinary income.
Retirement Income	Taxpayers may exclude up to \$5500 of military pension income. Form 511A-Line 3
Payments	Due 15 April 2004.
Notes	Sales tax refund for full-year residents with low incomes or who are over age 65. Can use credit card to pay. Beginning with tax year 2003, can remit use tax with income tax return. Gross household income for sales tax relief has decreased to \$12000 for all taxpayers (form 538-S).

OREGON

Oregon Revenue Bldg.
Tax Help, Room 135
955 Center St. NE
Salem, OR 97301

General Information: (503) 378-4988
Forms: (503) 378-4988
Electronic Filing: (503) 378-4988

 **Member of Federal/State E-file program**
Web site: www.dor.state.or.us
IRS Processing Center: AUSTIN, TX

E-File Information	Tax sites must retain copies of Form EF and all supporting documents for 3 years.
Who must file?	Full year residents must file if their gross income exceeds the following amounts: \$4,490 for single filers; \$5580 for head of household, \$9000 for married filing jointly; \$4,490 for married filing separately; \$6290 for qualifying widow(er). Part year or nonresidents of Oregon should file if they had ANY Oregon-source income.
What forms to file?	Full year residents file Form 40 or 40S; Part year residents file Form 40P; Nonresidents file Form 40N. Form 40S has been changed for tax year 2003—you may not use this form for other than basic credits; see website and instructions for more info.
Requirements for Residency	Follows general residency requirements, with the addition that anyone who spends more than 200 days in OR is considered a resident. An additional category of "special-case Oregon residents"- residents who are considered nonresidents if the following three criteria are met: Oregon resident who maintained a permanent home outside Oregon the entire year; no home was kept in Oregon during the year; less than 31 days were spent in Oregon during the year.
Exemptions	Oregon uses personal exemption credits, of \$147 per person.
Military Pay	May deduct military active duty pay earned outside Oregon, plus up to \$3000 of active duty pay earned in Oregon. May be non-taxable if satisfy the special residency requirements above.
Spouses and Community Property	Not a community property state. Should file federal filing status election, unless spouses have different residency statuses. In that case, may file separately or jointly: if one spouse is a resident and the other a part year resident, may file jointly on Form 40P; if one spouse is a resident and the other a nonresident, may file jointly on Form 40N; if one spouse is a part year resident and the other a nonresident, may file jointly on Form 40N.
Income Exclusions	May exclude social security income and OR lottery winnings up to \$600.
Income Deductions	May choose to itemize or take standard deduction; need not follow federal election. Use Oregon Schedule A if federal standard deduction was taken. Standard deductions are as follows: single, \$1670; married filing jointly and qualifying widow(er), \$3345; married filing separately, \$1640; head of household, \$2695. May deduct federal tax liability, up to \$3500 for married filing jointly and \$1750 for married filing separately (see instructions).
Capital Gains/Losses	Taxed as ordinary income; follows federal rules.
Retirement Income	Taxpayers may be able to deduct some or all of their military retired pay, based on this formula: (months of service before 1 Oct 01/total months of service) * (federal pension amount included in federal income). House hold income must be less than \$22,500. Also, retirement income credit may apply if age 62 or over. See instructions page 40.
Payments	Due 15 April 2004
Notes	May use direct deposit to pay taxes. See web site for more information. For tax season 2003, the Working Family Child Care Credit is now refundable—see instructions.

PENNSYLVANIA
 Bureau of Individual Taxes
 Taxpayer Inquiry Unit
 5th Floor, Strawberry Square
 Harrisburg, PA 17128

General Information: (888) 728-2937
 Forms: (888) 728-2937
 Electronic Filing: See web site

 **Member of Federal/State E-file program**
 web site: www.revenue.state.pa.us
 IRS Processing Center: ANDOVER, MA

E-File Information	Tax site retains PA-8453 and all supporting documents for three years. Paper copies of rejected returns should be mailed to: PA Department of Revenue, Bureau of Individual Taxes, Department 280507, Harrisburg, PA 17128-0507. Can not E-file PA-1040EZ
Who must file?	Anyone who received more than \$35 gross PA taxable income.
What forms to file?	All taxpayers may use Form PA-40; full year residents may also use PA-40EZ. Part year and nonresidents file Schedule NRH to apportion income.
Requirements for Residency	Follows general residency rules, with the addition of a special "nonresident" category. An individual falls within that category if the following three requirements are met: The individual is absent from PA for a total of more than 335 days (midnight to midnight) of the taxable year; the individual maintains a permanent place of abode elsewhere for the entire taxable year; and the individual maintains no permanent place of abode in Pennsylvania at any time during the taxable year.
Exemptions	No personal exemptions.
Military Pay	Active duty military pay earned outside PA by PA residents is not taxable; military pay earned in PA by PA residents IS taxable. Otherwise, follows federal rules. Attach copy of orders to prove that pay was earned outside PA.
Spouses and Community Property	Not a community property state. May choose to file jointly or separately; may be advantageous where one spouse is a resident and the other a nonresident.
Income Exclusions	May exclude social security income.
Income Deductions	No itemized or standard deductions.
Capital Gains/Losses	Taxed as ordinary income; may not offset income in one PA income class with a loss in any other PA income class. A loss is recorded as a "zero" entry. Follows federal rules on sale of principal residence.
Retirement Income	May exclude military retired pay.
Payments	Due 15 April 2004
Notes	Tax rate increases from 2.8% to 3.07% this year.

RHODE ISLAND

Rhode Island Division of Taxation
One Capitol Hill
Providence, RI 02908

General Information: (401) 222-3911

Forms: (401) 222-1111

Electronic Filing:

(401) 222-2263 *[NOTE: This number for tax officers only- not for taxpayers!]*

 **Member of Federal/State E-file program**

Web site: www.tax.state.ri.us

IRS Processing Center: ANDOVER, MA

E-File Information	NEW: VITA sites no longer need to use form RI 8453
Who must file?	Full year residents must file if they were required to file a federal income tax return. Part year and nonresidents must file if they were required to file a federal income tax return, and if they had any RI-source income.
What forms to file?	Residents file RI-1040 or RI-1040EZ. Part year and nonresidents file RI-1040NR.
Requirements for Residency	Follows general residency requirements, with the addition that an individual who spends more than 183 days in RI and maintains a permanent home in RI is considered a resident for tax purposes.
Exemptions	N/A
Military Pay	Follows federal rules.
Spouses and Community Property	Not a community property state. Where one spouse is a resident and the other a nonresident, a separate tax return may be filed. In that case, must create a dummy federal return to divide the income of spouses.
Income Exclusions	Follows federal rules.
Income Deductions	Return automatically incorporates federal deduction, whether itemized or standard.
Capital Gains/Losses	Follows federal rules.
Retirement Income	Taxable; follows federal rules.
Payments	Due 15 April 2004.
Notes	N/A

SOUTH CAROLINA

South Carolina Department of Revenue
P.O. Box 125
Columbia, SC 29214

General Information: (800) 763-1295	Member of Federal/State E-file program
Forms: (800) 768-3676	Web site: www.sctax.org
Refund Status: (803) 898-5300	IRS Processing Center: ANDOVER, MA
Electronic Filing: (803) 898-5405	<i>[NOTE: This number for tax officers only- not for taxpayers!]</i>

E-File Information	Tax sites must retain SC8453 and all supporting documents on file for three years. Do not mail documents to the state unless specifically requested.
Who must file?	Residents who were required to file a federal income tax return must file a South Carolina return. Part year or nonresidents with any South Carolina-source income must file a South Carolina return.
What forms to file?	All taxpayers must use SC1040. Full year residents may also use SC1040A. Part year and nonresidents file Schedule NR in addition to SC1040.
Requirements for Residency	Follows general residency rules.
Exemptions	SC1040 automatically takes federal exemption amounts. SC allows an additional \$3000 for each dependent who is under the age of six.
Military Pay	Taxable; follows federal rules. Reserve and National Guard pay may be excluded up to 15 days of annual training—see instructions.
Spouses and Community Property	Not a community property state. Must follow federal filing status election- if filed joint federal return, must file joint SC return, even if one spouse is a nonresident (in that case, use Schedule NR).
Income Exclusions	May exclude social security income
Income Deductions	SC1040 automatically takes federal deduction amounts; must add-in amounts deducted for state tax and other items if deductions are itemized.
Capital Gains/Losses	May exclude 44% of gain from capital assets held for one year or more. Remainder is taxed as ordinary income; follows federal rules.
Retirement Income	Taxpayers under age 65 who are receiving military retired pay may deduct up to \$3000 of this pay from their income; taxpayers over age 65 may deduct up to \$10,000 of such pay. These rules also apply to spouses who are receiving SBP. See line 46 Part 1
Payments	Due 15 April 2004.
Notes	Two wage earner credit for dual income couples see line 7 form 1040.

UTAH

Utah State Tax Commission
210 N. 1950 West
Salt Lake City, Utah 84134

General Information: (801) 297.2200

 **Member of Federal/State E-file program**

Forms: (800) 662-4335 ext 6700

Web site: www.incometax.utah.gov

IRS Processing Center: AUSTIN, TX

E-file help desk: (801) 297-7575 [NOTE: This number for tax officers only- not for taxpayers!]

E-File Information	Tax sites must maintain TC 8453 and all supporting documents for a period of 3 years. Exception, you must mail in TC8453 if you used the state only option to file the Utah return.
Who must file?	Any resident who was required to file a federal return must file a Utah return; any part-year (183 days) or nonresident who had Utah-source income must file a Utah return. In addition, residents whose income exceeded the following amounts must file: single, \$7,700; head of household, \$9,900; married filing jointly, \$13,850; married filing separately, \$3,000. If not required to file a federal return, not required to file state.
What forms to file?	All taxpayers may use Form TC-40. Part year and nonresidents use TC-40A, Part 3, to apportion Utah income. Format of "Income Tax Schedule A – Parts 1,2, and 3" have changed for tax season 2003.
Requirements for Residency	Follows general residency rules, with the addition that an individual who spends 183 days or more in Utah and maintains a permanent place of abode with in the state is considered a Utah resident for tax purposes (does not apply to military members or their spouses).
Exemptions	Personal exemptions are \$2,288 per person.
Military Pay	Taxable; follows federal rules.
Spouses and Community Property	Not a community property state. Where one spouse is a resident and the other a nonresident, may file separate Utah returns, even if joint federal return was filed (see "special instructions" for more information). See page 4 of the general instruction booklet
Income Exclusions	n/a
Income Deductions	May itemize or take standard deduction, but must follow federal election. Standard deduction amounts are the same as federal amounts. May also deduct half of amount paid in federal tax and amounts paid for health care insurance.
Capital Gains/Losses	Follows federal rules.
Retirement Income	Taxpayers over age 65 may deduct up to \$7500 of retirement income (\$15000 for married filing jointly). Taxpayers under age 65 may deduct up to \$4800 of retirement income. Income phase-outs apply; see instructions. Use TC-40B. NOTE: 401K and 457 plans do not qualify for the under 65 deduction.
Payments	Due 15 April 2004
Notes	Interest rate reduced to 3%. No longer have to attach a copy of your credit forms to the UT return, but must retain copies.

VERMONT
Vermont Department of Taxes
Taxpayer Services Division
109 State St.
Montpelier, VT 05609

General Information: (802) 828-2865  **Member of Federal/State E-file program-**
Forms: (802) 828-2515 Web site: www.state.vt.us/tax/
Refund Status: (866) 828-2865 IRS Processing Center: ANDOVER, MA
Electronic Filing: (802) 828-5563 [NOTE: This number for tax officers only- not for taxpayers!]

E-File Information	For full year residents only. Tax sites retain VT 8453 and supporting documents on file for three years.
Who must file?	All Vermont residents are required to file, regardless of income. Part year and nonresidents are required to file if they have ANY Vermont-source income.
What forms to file?	All taxpayers may use IN-111. Part year or nonresidents also use IN-113 to apportion Vermont income.
Requirements for Residency	Follows general residency rules, with the addition that an individual who is present in Vermont and maintains a permanent place of abode in Vermont is a resident for tax purposes (does not apply to military).
Exemptions	Form IN-111 automatically uses exemption amounts from federal return.
Military Pay	For full year residents: Wages earned for full-time active duty military service performed outside Vermont may be excluded from taxable income. Must supply copy of orders showing service outside Vermont. For others, military pay is taxed as ordinary income. Follows federal rules. \$2000 of National Guard or Reserve pay exempted in AGI less than \$50000—see instructions.
Spouses and Community Property	Not a community property state. Where one spouse is a Vermont resident and the other a nonresident with no Vermont income , the spouses may file separately, even if they filed joint federal return. Must also complete a dummy federal return as MFS to mail in with VT return.
Income Exclusions	See Form IN-113, Schedule II, for Vermont adjustments to income.
Income Deductions	Form IN-111 automatically uses amounts deducted on federal return.
Capital Gains/Losses	May deduct up to 40% of federal capital gains. See instructions for lines 14b and c.
Retirement Income	Taxed as ordinary income; follows federal rules.
Payments	Due 15 April 2004.
Notes	Vermont charges a percentage of federal taxes due, with some adjustments. VT charges a use tax on items purchased outside VT for use or consumption in VT, on which sales tax was not paid. Eligible taxpayers can receive 50% of federal Child and Dependent Care Credit for tax season 2003 instead of 24%.

VIRGINIA

Virginia Department of Taxation
P.O. Box 1115
Richmond, VA 23218-1115

General Information: (804) 367-8031  **Member of Federal/State E-file program**
Forms: (804) 236-2760 Web site: www.tax.state.va.us
IRS Processing Center: ANDOVER, MA
E-file help desk: (804) 367-6100 *[NOTE: This number for tax officers only- not for taxpayers!]*

E-File Information	Tax sites must retain VA 8453 and all supporting documents for three years. Mail rejected returns to regular mailing address (different for each county in VA- see instructions).
Who must file?	Same rules for residents, part-year residents, and non-residents- must file if Single, with Virginia AGI over \$5,000; if Married, filing a joint or combined return, with total Virginia AGI for both spouses over \$8,000; if Married, filing a separate return, with VAGI over \$4000.
What forms to file?	Residents file Form 760 or 760S; Part Year Residents file Form 760PY; Nonresidents file Form 763.
Requirements for Residency	Follows general residency rules, with the addition that persons who live or maintain a home in VA for more than 183 days in a calendar year are considered VA residents (called "actual residents") for tax purposes. (Does not apply to military members.)
Exemptions	\$800 per person
Military Pay	Up to \$15000 of active duty military pay may be excluded; amount is phased out for incomes between \$15000 and \$30000. National Guard income may be excluded up to \$3000—see instructions.
Spouses and Community Property	Not a community property state. When one spouse is a resident and the other a nonresident, they may not file a joint return. Spouses filing jointly may use Spouse Tax Adjustment, which adjusts tax-rate disadvantage from joint filing.
Income Exclusions	Taxpayers may exclude social security payments from their income. Age Deduction: Taxpayers over age 62 may deduct \$6000 from their income; taxpayers over age 65 may deduct \$12,000 from their income.
Income Deductions	Standard Deduction: Single- \$3000; Married Filing Jointly-\$5000; Married Filing Separately- \$2500. If taxpayer itemized on federal return MUST itemize on VA return. Itemized deductions follow Federal Schedule A, with a subtraction for state and local income tax paid.
Capital Gains/Losses	Taxed as ordinary income. Follows federal rules.
Retirement Income	Follows federal rules.
Payments	Return and payments due 3 May 2004.
Notes	Subtraction for military death gratuity payments (retroactive from 2001—look for amended returns!)

WEST VIRGINIA

West Virginia State Tax Department
Taxpayer Services Division
P.O. Box 3784
Charleston, WV 25337-3784

General Information: (304) 558-3333  **Member of Federal/State E-file program**
Forms: (304) 344-2068 Web site: www.state.wv.us/taxdiv
Refund status: See web site IRS Processing Center: ANDOVER, MA
Electronic Filing: (304) 558-3333 [*NOTE: This number for tax officers only- not for taxpayers!*]

E-File Information	E-file for residents only. Tax sites are required to keep WV 8453 and all supporting documents on file for three years. Phone for instructions on disposition of rejected returns.
Who must file?	Residents must file a WV return if they were required to file a federal return, OR if their WV adjusted gross income exceeds their personal exemption allowance (\$2000 times the number of exemptions). Part year and nonresidents must file if they had WV-source income.
What forms to file?	Full year residents file Form WV/ IT-140; Part year and nonresidents file Form IT-140NR/PY.
Requirements for Residency	Follows general residency rules, with the addition that an individual who maintains a physical presence in West Virginia for more than 183 days may be considered a resident for tax purposes (does not apply to military members). Also, individuals who have spent more than 30 days in WV and who have the intent to become WV residents are considered Full Year residents. Part year residents are those who have spent less than 30 days in WV.
Exemptions	Personal exemptions are \$2000 per person.
Military Pay	For residents who are stationed outside of WV, and who are not present in WV for more than 30 days during the tax year, military pay is not taxed. For all other residents, military pay is taxable. See Nonresident book for more information.
Spouses and Community Property	Not a community property state. Spouses who filed joint federal returns may choose to file a joint or separate WV return; those who filed separate federal return MUST file separate WV return. There is a separate tax rate schedule for married persons filing separately and must use Schedule G- please see instructions.
Income Exclusions	Low Income Earned Income Exclusion for federal AGI of less than \$10,000 (\$5000 for married filing separately)- see instructions. Senior citizens may exclude \$8000—see schedule M.
Income Deductions	WV has no standard or itemized deductions comparable to federal standard and itemized deductions.
Capital Gains/Losses	Taxes as ordinary income; follows federal rules.
Retirement Income	There are two decreasing modifications for military retirees; a maximum of \$2,000 on line 31 of schedule M and an additional exclusion of years of service multiplied by 2% multiplied by military pension annuity or \$30,000 which ever is less—see schedule M.
Payments	Due 15 April 2004
Notes	Accepts credit card payments

WISCONSIN

Wisconsin Department of Revenue
Individual Income Tax Assistance
P.O. Box 8906
Madison, WI 53708-8906

General Information: (608) 266-2772 ↪ **Member of Federal/State E-file program**
Forms: (608) 261-6229 Web site: www.dor.state.wi.us
Refund status: (608) 266-8100 IRS Processing Center: AUSTIN, TX
Electronic Filing: (608) 264-6886 [NOTE: This number for tax officers only- not for taxpayers!]

E-File Information	8453W has been eliminated.
Who must file?	Residents with a net income of \$18000 if married filing jointly, or \$9000 for single or married filing separately; \$10760 for head of household; Part-year residents or non-residents with a net income of \$2000 or more.
What forms to file?	Residents: Form 1, 1A, or WI-Z. Part-year and nonresidents: Form 1NPR.
Requirements for Residency & Treatment of Nonresidents	Anyone domiciled in another state or country at <i>any</i> time during the year must file Form 1NPR. Also, if Married Filing Jointly, and one spouse is domiciled in another state at any time during they year (e.g. a military member who is a resident of another state), couple must file 1NPR. Spouse is considered a resident if the following are met: 1- there is an intent to abandon an old domicile; 2- there is an intent to acquire WI as a new domicile; and 3- spouse is physically present in WI.
Exemptions	\$700 per person
Military Pay	Follows federal rules; however, members of the armed forces are eligible for a credit of up to \$200 per service member for services performed while stationed outside the United States - see instructions. Enter amount on line 21 form 1.
Spouses and Community Property	Not a community property state. Not required to follow federal filing status election.
Income Exclusions	May exclude part of social security benefits see instructions for details
Income Deductions	Standard Deduction varies with income. Does not follow all federal rules; see instructions. If federal itemized deductions exceed WI standard deduction, may be eligible for an "Itemized Deduction Credit."
Capital Gains/Losses	May qualify for WI 60% capital gain exclusion complete schedule WD.
Retirement Income	All military retirement pay is non-taxable. Some retirement pay from federal or local government is non-taxable under certain circumstances—see instructions.
Payments	Due 15 April 2004. For balance due e-file returns, mail payments to: Wisconsin Department of Revenue, PO box 2942, Milwaukee, WI 53201-2942.
Notes	If you made Schedule I adjustments on your 2002 Wisconsin Income Tax Return, you may now be required to file an amended return—see instructions for more details.