

FORM 515 MARYLAND TAX RETURN 1996

FOR NONRESIDENTS EMPLOYED IN MARYLAND WHO RESIDE IN JURISDICTIONS THAT IMPOSE A LOCAL INCOME OR EARNINGS TAX ON MARYLAND RESIDENTS

NONRESIDENT LOCAL TAX (OR FISCAL YEAR BEGINNING 1996, ENDING 1997) \$



Your first name Initial Last name Social security number

Spouse's first name Initial Last name Social security number

Present address (No. and street or rural rt.) City or Town State Zip Code

ATTACH LABEL

Check here if you use a paid preparer and do not want Maryland forms mailed to you next year.

Name of county and incorporated city, town, or special taxing area in which you were employed on the last day of the taxable period. (See Instruction 6)

Maryland County City, Town or Taxing Area

**YOUR FILING STATUS**—See Instruction 2 to determine if you are required to file.

- Single (If you can be claimed on another person's tax return, use Filing Status 7)
- Married filing joint return or spouse had no income
- Married filing separately (SPOUSE'S SOCIAL SECURITY NUMBER)
- Head of household
- Qualifying widow(er) with dependent child
- Dependent taxpayer (Enter 0 in Exemption Box (A)—See Instruction 7)

**RESIDENCE INFORMATION**

Enter your state of legal residence. \_\_\_\_\_

If not a resident for a full year, give dates. FROM \_\_\_\_\_ TO \_\_\_\_\_

In what local taxing jurisdiction did you reside on the last day of the taxable period? \_\_\_\_\_

Did you file a Maryland income tax return for 1995? Yes  No

If "Yes," was it a  Resident or a  Nonresident Return?

**EXEMPTIONS**—See Instruction 9

(A) Yourself  Spouse  Enter No. Checked (A)  × \$1,200 \$ \_\_\_\_\_

Check here if you are: 65 or over  Blind  Spouse is: 65 or over  Blind  Enter No. Checked (B)  × \$1,000 \$ \_\_\_\_\_

(C) Dependent Children Enter No. (C)  × \$1,200 \$ \_\_\_\_\_

(D) Other Dependents  Regular  65 or over  Enter No. (D)  × \$1,200 \$ \_\_\_\_\_

Name(s) \_\_\_\_\_ Relationship(s) \_\_\_\_\_

(E) Total Exemptions (Add A, B, C and D) Enter No. (E)  Total Exemption \$ \_\_\_\_\_

**INCOME AND ADJUSTMENTS INFORMATION** (See Instruction 10)

- Wages, salaries, tips, etc.
- Taxable interest income
- Dividend income
- Taxable refunds, credits or offsets of state and local income taxes
- Alimony received
- Business income or (loss)
- Capital gain or (loss)
- Other gains or (losses) (from federal Form 4797)
- Taxable amount of pensions, IRA distributions, and annuities
- Rents, royalties, partnerships, estates, trusts, etc. (Circle appropriate item)
- Farm income or (loss)
- Unemployment compensation (insurance)
- Taxable amount of social security and tier 1 railroad retirement benefits
- Other income (including lottery or other gambling winnings)
- Total income (Add lines 1 through 14)
- Total adjustments to income from federal return (IRA, alimony, etc.)
- Adjusted gross income (Subtract line 16 from 15)

	COLUMN 1 FEDERAL INCOME (LOSS)	COLUMN 2 MARYLAND INCOME (LOSS)	COLUMN 3 NON-MARYLAND INCOME (LOSS)
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16			
17			

**ADDITIONS TO INCOME** (See Instruction 11)

	Dollars	Cents
18. Non-Maryland loss		
19. Other (Enter code letter(s) from Instruction 11)		
20. Total Additions (Add lines 18 and 19)		

**SUBTRACTIONS FROM INCOME** (See Instruction 12)

21. Non-Maryland income		
22. Other (Enter code letter(s) from Instruction 12)		
23. Total Subtractions (Add lines 21 and 22)		

**MARYLAND INCOME FACTOR** (See Instruction 13)

24. Enter your federal adjusted gross income (from line 17, Column 1)	Enter on line 51		
25. Enter total additions to income (from line 20 above)	Enter on line 52		
26. Add lines 24 and 25			
27. Enter total subtractions from income (from line 23 above)	Enter on line 54		
28. Subtract line 27 from line 26 (This is your Maryland adjusted gross income)			
29. Maryland income factor. (Divide line 28 by line 24.) (If greater than 1, enter 1)			

Place your check or money order on top of your wage and tax statements and fasten here with one staple.



# MARYLAND INCOME TAX RETURN

## FORM 515

For nonresidents employed in Maryland who reside in jurisdictions that impose a local income or earnings tax on Maryland residents

# INSTRUCTIONS

# 1996

### IMPORTANT NOTES

#### DUE DATE

Your return is due by April 15, 1997.

#### EXTENSION OF TIME TO FILE

Use Form 502E to request an automatic extension of the time to file your return. Filing this form extends the time to file your return, but does not extend the time to pay your taxes. Payment of the expected tax due is required with Form 502E.

#### COMPLETING THE RETURN

You must use blue or black ink when completing your return. DO NOT use pencil or red ink. Submit the original return, not a photocopy.

#### PENALTIES

There are severe penalties for failing to file a tax return, failing to pay any tax when due, filing a false or fraudulent return, or making a false certification. The penalties include criminal fines, imprisonment, and a penalty on your taxes. In addition, interest is charged on amounts not paid.

To collect unpaid taxes, the Comptroller is directed to enter liens against the salary, wages or property of delinquent taxpayers.

#### EXPLANATION OF TAX

The individual's employer shall withhold the Maryland local income tax. The individual shall not be required to file a Maryland return, nor the employer withhold the tax, if the Comptroller determines that the locality in which the individual resides does not impose a tax on Maryland residents with respect to income from salary, wages, or other compensation for personal services performed in the locality or, if it does impose such a tax, that it provides an exemption, credit or other procedure whereby the income of residents of Maryland is rendered free of taxation and withholding.

### 1 WHO IS A NONRESIDENT? In general, every individual other than a resident of Maryland is a nonresident.

You are a nonresident if you do not have your permanent home in Maryland and did not maintain a place of abode (that is, a place to

live) in Maryland for more than six months of the tax year.

If you establish or abandon legal residence

in Maryland during the taxable year, you are taxable as a resident for the portion of the year during which your legal residence was in Maryland. (See Form 502 Instructions.)

### 2 WHO MUST FILE? Decide if you must file a nonresident Maryland income tax return, Form 515. In general, you are liable for local income tax and must file this return if you are a nonresident of Maryland AND you received salary, wages or other compensation for personal services performed in any county of Maryland or in Baltimore City AND you lived in a jurisdiction that imposed a local or earnings tax on Maryland residents AND you are required to file a federal return.

TO DETERMINE IF YOU ARE REQUIRED TO FILE A MARYLAND RETURN:

- Add up all of your federal gross income (except any income which is exempt by law) to determine your total income.
- Do not include social security or railroad retirement benefits in your total federal income.
- Add to your total federal income any Maryland Additions to Income (See Instruction 11). This is your Maryland gross income.
- If you are a dependent taxpayer, add to your total federal income any Maryland additions and subtract any Maryland subtractions (See

Instructions 11 and 12). This is your Maryland gross income.

- You must file a Maryland return if your Maryland gross income equals or exceeds the income levels in Table 1.
- If you or your spouse is 65 or over, use Table 2, "Minimum Filing Levels for Taxpayers 65 or Over" on this page.

IF YOU ARE NOT REQUIRED TO FILE A MARYLAND RETURN:

To get a refund of Maryland income taxes withheld from your income, you still must file a Maryland form.

When you file such a form, complete all the information at the top of the form, down through EXEMPTIONS.

Then complete lines 51-55, 65-69, and 71 of Form 515.

Sign the form and attach withholding statements (Form W-2, 1099 or MW509) showing Maryland tax withheld equal to the refund you are claiming.

Your form is then complete. You must file within three years of the original due date to receive any refund.

TABLE 1

#### MINIMUM FILING LEVELS FOR TAXPAYERS UNDER 65

Single persons (including dependent taxpayers) .....	\$ 6,550
Joint return .....	11,800
Married persons filing separately .....	2,550
Head of household .....	8,450
Qualifying widow(er) .....	9,250

TABLE 1

#### MINIMUM FILING LEVELS FOR TAXPAYERS 65 OR OVER

Single, age 65 or over .....	\$ 7,550
Joint return, one spouse age 65 or over .....	12,600
Joint return, both spouses age 65 or over .....	13,400
Married persons filing separately, age 65 or over .....	2,550
Head of household, age 65 or over .....	9,450
Qualifying widow(er), age 65 or over .....	10,050

### 3 WHAT INCOME IS TAXABLE? If you are required to file Form 515, then you are subject to local income tax on that portion of your federal adjusted gross income that is derived from salary, wages or other compensation for personal services performed in any county of Maryland or Baltimore City. If you reside in New York City or Wilmington, Delaware, your wages are also subject to Maryland tax. If you have income other than wages subject to Maryland tax, you must also file Form 505. For further information and forms, call 410-974-3981.

**4 USE OF FEDERAL RETURN?** First complete your 1996 federal income tax return.

You will need the information from your federal return in order to complete your Maryland return. Therefore, complete your federal return before you continue beyond this point. Maryland

law requires that your income and deductions be entered on your Maryland return exactly as they were reported on your federal return. However, all items reported on your Maryland return

are subject to verification, audit and revision by the Maryland State Comptroller's Office.

**5 NAME AND ADDRESS INFORMATION.** Complete the "Name," "Address" and "Social Security Number" boxes.

**6 COUNTY, CITY, TOWN INFORMATION.** Fill in the boxes for MARYLAND COUNTY, and CITY, TOWN OR TAXING AREA based on where you were employed on the last day of the taxable period.

**If you worked in BALTIMORE CITY:**

Leave the MARYLAND COUNTY box blank.

Write "Baltimore" in the CITY, TOWN OR TAXING AREA box.

**If you worked in a MARYLAND COUNTY (NOT BALTIMORE CITY):**

1. Write the name of the county in the MARYLAND COUNTY box.
2. Find the county in the list below.
3. If you worked in one of the areas listed

under the county, write its name in the CITY, TOWN OR TAXING AREA box.

4. If you did not work in one of the areas listed for the county, leave the CITY, TOWN OR TAXING AREA box blank.

**List of Incorporated Towns, Cities and Taxing Areas in Maryland**

**Allegany County**

Barton  
Belair  
Bowling Green  
Roberts Place  
Cresaptown  
Cumberland  
Ellaerslie  
Frostburg  
LaVale  
Lonaconing  
Luke  
McCoole  
Midland  
Mt. Savage  
Potomac Park Addition  
Westernport

**Caroline County (continued)**

Henderson  
Hillsboro  
Marydel  
Preston  
Ridgely  
Templeville

**Carroll County**

Hampstead  
Manchester  
Mt. Airy  
New Windsor  
Sykesville  
Taneytown  
Union Bridge  
Westminster

**Cecil County**

Cecilton  
Charlestown  
Chesapeake City  
Elkton  
North East  
Perryville  
Port Deposit  
Rising Sun

**Charles County**

Indian Head  
La Plata  
Port Tobacco

**Dorchester County**

Brookview  
Cambridge  
Church Creek  
East New Market  
Eldorado

**Dorchester County (continued)**

Galestown  
Hurlock  
Secretary  
Vienna

**Frederick County**

Brunswick  
Burkittsville  
Emmitsburgh  
Frederick  
Middletown  
Mt. Airy  
Myersville  
New Market  
Rosemont  
Thurmont  
Walkersville  
Woodsboro

**Garrett County**

Accident  
Deer Park  
Friendsville  
Grantsville  
Kitzmillersville  
Loch Lynn Heights  
Mountain Lake Park  
Oakland

**Harford County**

Aberdeen  
Bel Air  
Havre De Grace

**Howard County**

No incorporated cities or towns

**Kent County**

Betterton  
Chestertown  
Galena  
Millington  
Rock Hall

**Montgomery County**

Barnesville  
Brookeville  
Chevy Chase Sec. 3  
Town of Chevy Chase (Formerly Sec. 4)  
Chevy Chase Sec. 5  
Chevy Chase View  
Chevy Chase Village  
Drummond  
Friendship Heights  
Gaithersburg  
Garrett Park  
Glen Echo  
Kensington  
Latonsville  
Martin's Addition  
North Chevy Chase  
Oakmont  
Poolesville  
Rockville  
Somerset  
Takoma Park  
Washington Grove

**Prince George's County**

Berwyn Heights  
Bladensburg  
Bowie  
Brentwood  
Capitol Heights  
Cheverly

**Prince Georg's County**

(continued)  
College Park  
Colmar Manor  
Cottage City  
District Heights  
Eagle Harbor  
Edmonston  
Fairmount Heights  
Forest Heights  
Glenarden  
Greenbelt  
Hyattsville  
Landover Hills  
Laurel  
Morningside  
Mt. Rainier  
New Carrollton  
North Brentwood  
Riverdale  
Seat Pleasant  
Takoma Park  
University Park  
Upper Marlboro

**Queen Anne's County**

Barclay  
Centreville  
Church Hill  
Millington  
Queen Anne  
Queenstown  
Sudlersville  
Templeville

**St. Mary's County**

Leonardtown

**Somerset County**

Crisfield  
Princess Anne

**Talbot County**

Easton  
Oxford  
Queen Anne  
St. Michaels  
Trappe

**Washington County**

Boonsboro  
Clearspring  
Funkstown  
Hagerstown  
Hancock  
Keedysville  
Sharpsburg  
Smithsburg  
Williamsport

**Wicomico County**

Delmar  
Fruitland  
Hebron  
Mardela Springs  
Pittsville  
Salisbury  
Sharptown  
Willards

**Worcester County**

Berlin  
Ocean City  
Pocomoke City  
Snow Hill

**7 FILING STATUS.** Check the filing status box which matches the filing status you used on your federal return unless you are a dependent taxpayer.

A dependent taxpayer is one who can be claimed as a dependent on another person's federal return. If married, taxpayer and spouse must file separate returns. A dependent taxpayer may not claim a personal exemption for himself. Check the box for filing status 7.

Generally, if you filed a joint federal return for 1996, you must file a joint Maryland return. Married couples who file joint federal returns may file separate Maryland returns when one spouse is a resident of Maryland and the other spouse is a nonresident of Maryland. If you and

your spouse filed separate federal returns, you must file separate Maryland returns. A surviving spouse may file a joint return with a decedent if a joint federal return was filed.

**8 RESIDENCE INFORMATION.** Answer all questions and fill in the appropriate boxes.

**9 EXEMPTIONS.** Determine what exemptions you are entitled to, and check the appropriate boxes on the form.

**EXEMPTIONS ALLOWED**

You are permitted the same number of exemptions which you are permitted on your federal return; however, the exemption amount is different on the Maryland return. Even if you are not required to file a federal return, the federal rules for claiming exemptions still apply to

you. Refer to the federal income tax instructions for further information.

In addition to the exemptions allowed on your federal return, you and your spouse are permitted to claim exemptions for being age 65 or over or for blindness. These additional exemptions are in the amount of \$1,000 each.

NOTE: If "Other Dependents" are 65 or over, you receive an extra exemption of \$1,200 which is not permitted on the federal return. Simply check the appropriate boxes.

Complete the exemptions area on the front of Form 515 to determine the amount of exemption allowance to enter on line 38.

**10 INCOME AND ADJUSTMENTS.** Copy the figures for INCOME and ADJUSTMENTS TO INCOME from your federal return onto lines 1-17, Column 1, of Form 515.

Enter in the Maryland Income column all salaries or wages which were derived from Maryland sources. Enter in the Non-Maryland Income column all other income or loss. Adjustments to federal gross income are not

generally applicable to Maryland unless they pertain to compensation for services performed in Maryland.

If you have income from Maryland such as business income, rental income, lottery win-

nings, etc., other than salary, wages or other compensation for services performed in Maryland, you must file two nonresident returns. The wage income is taxed on Form 515 and the non-wage income on Form 505.

**11 ADDITIONS TO INCOME.** Determine which Additions to Income apply to you. Write the correct amounts on lines 18 and 19 of Form 515. Instructions for each line:

**Line 18. NON-MARYLAND LOSS.** If the amount on line 17 in Column 3 is a loss, enter it on line 18 and do not make any entry on line 21.

total amount on line 19 and identify each item using the code letter.

↓----- CODE LETTER

**Line 19. OTHER ADDITIONS TO INCOME.** If one or more of these apply to you, enter the

a. Wages, salaries or other compensation for services performed in Maryland that are not

subject to federal tax because of a treaty.  
b. Pickup contributions of a state retirement or pension system member. (The pickup amount will be stated separately on your W-2 form.)

**12 SUBTRACTIONS FROM INCOME.** Determine which Subtractions to Income apply to you. Write the correct amounts on lines 21 and 22 of Form 515. Instructions for each line:

**Line 21. NON-MARYLAND INCOME.** If the amount on line 17 in Column 3 is not a loss, enter it on line 21 and do not make any entry on line 18.

cost of caring for your dependents while you work. There is a limitation of \$2,400 (\$4,800 if two or more dependents receive care.) Copy the amount from line 4 of either federal Form 2441 or Form 1040A Schedule 2.

**Line 22. OTHER SUBTRACTIONS FROM INCOME.** If one or more of these apply to your Maryland income, enter the total amount on line 22 and identify each item using the code letter.

b. Expenses up to \$5,000 incurred by a blind person for a reader, or up to \$1,000 incurred by an employer for a reader for a blind employee.

↓----- CODE LETTER

a. Child care expenses. You may subtract the

c. The amount added to your taxable income for the use of an official vehicle used by a

member of a state, county, or local police or fire department. The amount is stated separately on Form W-2.  
d. Earned income received by certain taxpayers whose earned income and federal adjusted gross income are less than the poverty level income for the number of members of the household. Information is available at all offices of the Revenue Administration Division.

**13 MARYLAND INCOME FACTOR.** You must adjust your standard or itemized deductions and exemptions based on the percentage of your income subject to Maryland tax. Complete lines 24 through 29 to figure the percentage of Maryland income to total income. If the percentage is 0, less than 0 or greater than 100, use 1 as your factor.

**14 STANDARD DEDUCTION.** Complete lines 30 through 32 only if you are not itemizing deductions.

The standard deduction method gives you a standard deduction without the need to itemize deductions.

Compute 15% of line 3. For Filing Status 1, 4, 7: if the amount computed is less than \$1,500, enter \$1,500; if the amount is between

\$1,500 and \$2,000, enter that amount; if the amount is more than \$2,000, enter \$2,000.

For Filing Status 2, 5, 6: if the amount computed is less than \$3,000, enter \$3,000; if the amount is between \$3,000 and \$4,000, enter that amount; if the amount is more than \$4,000,

enter \$4,000.

You must adjust the total standard deduction on line 30 based on the percentage of Maryland income. On line 31 enter the Maryland income factor from line 29 to figure your allowable Maryland standard deduction.

**15 ITEMIZED DEDUCTIONS.** If you figure your tax by the ITEMIZED DEDUCTION METHOD, complete lines 33 to 37 of Maryland Form 515.

To use the ITEMIZED DEDUCTION METHOD, you must itemize your deductions on your federal return and complete federal Form 1040 Schedule A. Copy the amount from Schedule A, line 28, Total Itemized Deductions, onto line 33 of Form 515. Complete lines 33 to 37 following instructions on the form. Note: Certain high-income taxpayers are required to reduce their federal itemized deductions. If you

had to reduce your total federal itemized deductions, use the ratio of allowed deductions (federal Schedule A, line 28) to total deductions (the sum of lines 4, 9, 14, 18, 19, 26 and 27) to calculate the amount of state and local taxes to be entered on line 34 of Form 515.

You are not required to itemize deductions on your Maryland return simply because you itemized on your federal return. Figure your tax

each way to determine which method is best for you.

Your Maryland itemized deductions are limited to those deductions related to Maryland income. You must adjust the total itemized deductions on line 35 based on the percentage of Maryland income. On line 36 enter the Maryland income factor from line 29 to figure your allowable Maryland itemized deductions.

**16** **EXEMPTION ALLOWANCE COMPUTATION.** You must adjust the total exemption amount on line 38 based on the percentage of Maryland income. On line 39 enter the Maryland income factor from line 29 to figure your Maryland exemption allowance.

**17** **FIGURE YOUR MARYLAND TAXABLE INCOME.** Begin at line 51 of Form 515. (Line numbers 41 to 50 are not used.) Complete lines 51-59 using the figures from the back of the form to compute your Maryland taxable income.

**18** **FIGURE THE MARYLAND TAX.** You must use the tax table if your taxable income is less than \$100,000.

Find the income range in the tax table that applies to the amount you reported on line 59 of your return. Find the Maryland tax corresponding to your income range. Enter the tax amount on line 60 of your return. If your taxable income on line 59 is \$100,000 or more, use the Maryland Tax Computation Worksheets at the end of the tax table.

**19** **EARNED INCOME CREDIT.** You may claim a credit on line 61 equal to one-half of the earned income credit on your federal return, but not more than the Maryland tax on line 60.

**20** **LOCAL INCOME TAX.** Maryland counties and Baltimore City may levy an income tax which is up to 60% of the state income tax. Use the LOCAL TAX RATE CHART and the LOCAL TAX WORKSHEET to figure your local income tax. Use the county (or Baltimore City) in which you were employed on the last day of the tax year and which you showed in the box at the top of Form 515.

**LOCAL TAX RATE CHART**

Subdivision	Rate	Subdivision	Rate
Baltimore City	50%	Harford County	50%
Allegany County	60%	Howard County	50%
Anne Arundel County	50%	Kent County	50%
Baltimore County	55%	Montgomery County	60%
Calvert County	50%	Prince George's County	60%
Caroline County	60%	Queen Anne's County	55%
Carroll County	58%	St. Mary's County	60%
Cecil County	50%	Somerset County	60%
Charles County	50%	Talbot County	55%
Dorchester County	50%	Washington County	50%
Frederick County	50%	Wicomico County	60%
Garrett County	50%	Worcester County	30%

**LOCAL TAX WORKSHEET**

1. Enter the Maryland tax from line 62a of Form 515..... \$ \_\_\_\_\_
2. Local tax rate from chart. Change the percent to a decimal (Example: 50% = .50)..... X \_\_\_\_\_
3. Local income tax (Multiply line 1 by line 2). Copy this amount onto line 62b of Form 515..... \$ \_\_\_\_\_

**21** **TAXES PAID AND CREDITS.** Write your taxes paid and credits on lines 65-67.

**Line 65.** Add up the amount labeled "Maryland Tax Withheld" on your wage and tax statements and write the total on line 65. Attach Forms W-2, 1099 and MW509 to your return.

**Line 66.** Enter on line 66 the total of:  
**a.** Maryland estimated tax payments, AND  
**b.** Payment made with a request for an automatic extension of time to file your return.

**Line 67.** If you reside in New York City or Wilmington, Delaware, do not make an entry on this line. Residents of these cities are subject to both the state tax and the local tax on wages earned in Maryland.

**22** **OVERPAYMENT OR BALANCE DUE.** Calculate the balance due (line 70) or overpayment and refund (line 71).

**23** **SIGNATURE AND ATTACHMENTS.** Sign and date your return, and attach all required forms, schedules, and statement

**SIGNATURES**

You must sign your return. Both husband and wife must sign a joint return. Your signature(s) signify that your return, including all attachments, is, to the best of your knowledge and belief, true, correct, and complete, under the penalties of perjury.

If a power of attorney is necessary, complete federal Form 2848 and attach to your return.

**TAX PREPARERS**

If another person prepared your return, that person must also sign the return. The preparer declares that the return is based on all information required to be reported of which the preparer has knowledge, under the penalties of perjury.

**ATTACHMENTS**

Be sure to attach wage and tax statements (Forms W-2, W-2G, 1099 and MW509) to the front of your return. Be sure to attach all forms, schedules, and statements required by these instructions. Enclose your check or money order, if required.

**24** **MAILING INSTRUCTIONS AND DEADLINES.**

**Mail your tax return to:**

Comptroller of the Treasury  
 Revenue Administration Division  
 Annapolis. Maryland 21411-0001

**PAYMENT INSTRUCTIONS**

Make your check or money order payable to "Comptroller of the Treasury". Put

your social security number on your check. Do not send cash.