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# Maryland

## Tax Returns for Nonresident Individuals

- ◆ This booklet contains the most common forms for nonresident individuals.
- ◆ A complete **list of forms** included appears inside front cover.
- ◆ Information on **changes** and **table of contents** inside front cover.
- ◆ See **back cover** for how to get help with your taxes.
- ◆ **Index to instructions** inside back cover.

# To Maryland Nonresident Taxpayers

This Individual Income Tax booklet contains the forms and instructions you need to file your 1996 nonresident Maryland income tax return. Please read the instructions before preparing your return.

**Do you even have to file?** Many retirees don't – nor do many others, depending on their income level. See Instruction 4.

**Please use blue or black ink** when completing your forms and checks. Red ink and pencil do not process on our data imaging technology.

**Parents who adopted a child in 1996 may claim increased tax benefits.** See Instruction 13.

**Some businesses may qualify for a new tax credit for creating jobs.** See Instruction 22 for more information.

**You can contribute again to two programs on your return:** the Chesapeake Bay and Endangered

Species Trust Fund on line 63a and the Fair Campaign Financing Fund on line 63b.

**If the nonresident tax was paid by a partnership or S corporation,** the tax should be reported on line 67 of Form 505. The business entity should provide you with a statement or a modified K-1 to show the income attributable to Maryland and the amount of tax that was paid on your behalf. You must attach to your return a copy of the statement that was provided to you by the business entity.

**For assistance with your Maryland return, call 410-974-3981 or 1-800-MD TAXES** or any other taxpayer service office listed on the back of this booklet. Help is available Monday-Friday, 8:00a.m.-5:00p.m., Eastern Standard Time.

**Requesting an extension?** Check Form 502E inside to see if you can file by telephone.

**For information about your Maryland refund check, call 1-800-218-8160** any time, any day. Please have a copy of your tax return ready to verify information.

Thanks for your cooperation. If you have any suggestions for improving our forms or service, please write to us so they can be given immediate attention. With best wishes for continued success, good health and happiness, I am

Cordially yours,



Louis L. Goldstein  
Maryland State Comptroller

## In this booklet

- Form 505 Nonresident Maryland Tax Return
- Form 502D Declaration of Estimated Maryland Income Tax for the Year 1997
- Form 502E Application for Extension of Time to File
- Information concerning the Chesapeake Bay and Endangered Species Fund and Fair Campaign Financing Fund



**Need  
Maryland tax forms?**

From your fax machine, call:  
**410-974-FAXX (3299)**  
24 hours a day  
7 days a week

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FORM **505 MARYLAND TAX RETURN 1996**

NONRESIDENT (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

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

ATTACH LABEL

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

**YOUR FILING STATUS**—See Instruction 4 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 8)

**RESIDENCE INFORMATION**—See Instruction 9

Enter your state of legal residence.  Were you a resident for the entire year of 1996? Yes  No  If no, attach explanation.

Are you or your spouse a member of the military? Yes  No

Did you file a Maryland income tax return for 1995? Yes  No   
If "Yes," was it a  Resident or a  Nonresident Return? (See Instruction 1.)  
Advise dates you resided within Maryland for 1996. If none, enter "NONE."  
FROM \_\_\_\_\_ TO \_\_\_\_\_

**EXEMPTIONS**—See Instruction 10

(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)  Total Exemption Amount \$ \_\_\_\_\_

See Instruction 4 if you're filing for Maryland taxes withheld in error.

**INCOME AND ADJUSTMENTS INFORMATION** (See Instruction 11)

- 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			

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

**ADDITIONS TO INCOME** (See Instruction 12)

18. Non-Maryland loss	18	Dollars	Cents
19. Other (Enter code letter(s) from Instruction 12) <input type="text"/> <input type="text"/> <input type="text"/>	19		
20. Total Additions (Add lines 18 and 19)	20		

**SUBTRACTIONS FROM INCOME** (See Instruction 13)

21. Non-Maryland income	21		
22. Other (Enter code letter(s) from Instruction 13) <input type="text"/> <input type="text"/> <input type="text"/>	22		
23. Total Subtractions (Add lines 21 and 22)	23		

**MARYLAND INCOME FACTOR** (See Instruction 14)

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



FORM  
**502 D**

COMPTROLLER OF THE TREASURY  
REVENUE ADMINISTRATION DIVISION  
ANNAPOLIS, MD 21411-0001

**DECLARATION OF ESTIMATED  
MARYLAND INCOME TAX**

**1997**

**TAXPAYERS WHO FILED A 1996 DECLARATION OF ESTIMATED TAX WILL BE SENT A 1997 DECLARATION PACKET  
CONSISTING OF A WORKSHEET AND FOUR VOUCHERS FOR SUBMITTING QUARTERLY INSTALLMENTS.  
IF YOU RECEIVE THE DECLARATION PACKET, PLEASE USE THE VOUCHERS INSTEAD OF THIS FORM.**

**TAXPAYER'S WORKSHEET**

1. Total income expected in 1997 (federal adjusted gross income) . . . . .	1		
2. Net modifications (See instructions on reverse side) . . . . .	2		
3. Maryland adjusted gross income (line 1 above, plus or minus line 2) . . . . .	3		
4. Deductions:			
a. If standard deduction is used, see instructions on back for amount to enter.			
b. If deductions are itemized, enter total of federal itemized deductions less state and local income taxes . . . . .	4		
5. Maryland net income (line 3 less line 4) . . . . .	5		
6. Personal exemptions (See instructions on reverse side) . . . . .	6		
7. Taxable net income (line 5 less line 6) . . . . .	7		
8. Maryland income tax (See instructions on reverse side) . . . . .	8		
9. Local income tax: _____ percent of line 8 (See instructions on reverse side) . . . . .	9		
10. Total Maryland and local income tax (line 8 plus line 9) . . . . .	10		
11. Less: Maryland income tax to be withheld from wages by employers during the year 1997 . . . . .			
Credit for income tax paid another state . . . . .			
Business tax credits . . . . .			
12. Total estimated tax to be paid by declaration . . . . .	12		
13. Amount to be submitted with declaration . . . . .	13		

**RECORD OF INSTALLMENT PAYMENTS**

This is your record of the estimated tax paid, which is to be claimed as a credit on your 1997 Maryland income tax return.

1996 OVERPAYMENT APPLIED AS A CREDIT TO ESTIMATED TAX (Form 502, 503, or 505)

DATE DUE	Date Paid	Check No.	Amount
April 15, 1997	_____	_____	
June 16, 1997	_____	_____	
September 15, 1997	_____	_____	
January 15, 1998	_____	_____	
<b>Total</b>			

THE TOTAL OF PAYMENTS ABOVE SHOULD BE SHOWN AS A CREDIT ON LINE 66 OF FORM 502, 503 OR 505 FOR 1997.

CUT ALONG THIS LINE AND FILE WITH COMPTROLLER OF THE TREASURY, REVENUE ADMINISTRATION DIVISION, ANNAPOLIS, MARYLAND 21411-0001

**1997**  
FORM **502 D**

COMPTROLLER OF THE TREASURY  
REVENUE ADMINISTRATION DIVISION  
ANNAPOLIS, MD 21411-0001

**DECLARATION OF ESTIMATED  
MARYLAND INCOME TAX  
FOR THE YEAR 1997**

CHECK HERE IF THIS IS A CHANGE OF ADDRESS

CHECK HERE IF THIS IS A JOINT DECLARATION

CHECK HERE IF YOU NEED VOUCHERS FOR REMAINING PAYMENTS

Your first name and initial	Last name	Social security number
Spouse's first name and initial	Last name	Social security number
Present address (no. and street or rural rt.)	City or town	State Zip code

If this declaration is not for a calendar year, show ending date of fiscal year . . . . . **1998**

Amount submitted with this declaration (line 13) . . . . .	
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# DECLARATION OF ESTIMATED MARYLAND INCOME TAX FOR THE YEAR 1997

**Purpose of declaration.** — The filing of a declaration of estimated Maryland income tax is a part of the pay-as-you-go plan of income tax collection adopted by the State. If you have any income such as pensions, business income, lottery, capital gains, interest, dividends, etc., from which no tax is withheld, or wages from which not enough Maryland tax is withheld, you may have to pay estimated taxes. The law is somewhat similar to the federal law.

**Who must file a declaration.** — You must file a declaration of estimated tax if you are required to file a Maryland income tax return *and* your gross income would be expected to develop a tax of more than \$250 in excess of your Maryland withholding.

You must file a declaration with payment in full within 60 days of receiving \$500 or more of income from awards, prizes, lotteries, or raffles, whether paid in cash or property if Maryland tax has not been withheld.

**When to file a declaration.** — You must pay at least one-fourth of the total estimated tax on line 12 of this form on or before April 15, 1997. The remaining quarterly payments are due June 16, 1997, September 15, 1997, and January 15, 1998. You may pay the total estimated tax with your first payment, if you wish. If you are filing on a fiscal year basis, each payment is due on the 15th day after the close of each quarter.

**Overpayment of tax.** — If you overpaid your 1996 income tax (Form 502, 503, or 505) you may apply all or part of the overpayment to your 1997 estimated tax. If the overpayment applied equals or exceeds the estimated tax liability for the first quarterly payment, you are not required to file the declaration. If the overpayment applied is less than the estimated tax liability, you should file the declaration and pay the balance of the first installment. Preprinted vouchers will be mailed to you for the remaining payments.

**Joint declaration.** — A husband and wife may file a joint declaration.

**Farmers and fishermen.** — If your estimated gross income from farming or fishing is at least two-thirds of your total estimated gross income for the year, special provisions may apply. Your 1997 declaration and full payment of the estimated tax are due on or before January 15, 1998. You do not have to file the declaration if you file your complete tax return (Form 502, 503 or 505) and pay the full amount of tax due on or before March 1, 1998.

**Changes in income or exemptions.** — Your situation may not require you to file a declaration on April 15, 1997. However, a large increase in income after that date may require you to file a declaration. If at anytime during the year you need to amend your original declaration, simply increase or decrease the remaining payments.

**How to estimate your 1997 tax.** — If you complete the worksheet on page 1 of the form correctly, it should develop your 1997 estimated tax. You may also use your 1996 income tax return as a guide.

For the purpose of estimating, round all figures to the nearest whole dollar.

**Specific Instructions:**

Line 1. Total income expected in 1997 is your estimated federal adjusted gross income.

Line 2. Net modifications. You must add certain items to your federal adjusted gross income. See Instruction 12 on page 4 of the individual tax packet. You may subtract certain items from federal adjusted gross income. See Instruction 13 on page 5 of the individual tax packet. Enter on this line the net result of additions and subtractions.

Line 4. Deductions. You may compute your tax using the standard deduction method or the itemized deduction method.

Standard deduction. 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.

Itemized deductions. Enter the total of federal itemized deductions less state and local income taxes.

Line 6. Personal exemptions. You are allowed:  
a. \$1,200 each for taxpayer and spouse.  
b. \$1,000 each for taxpayer and spouse if age 65 or over and/or blind.  
c. \$1,200 for each allowable dependent, other than taxpayer and spouse. The amount is doubled for allowable dependent age 65 or over.

Line 8. Maryland income tax. Compute your tax on the amount on line 7 using the following tax rate schedule:

**Tax rate schedule**

If the amount on line 7 is:		Amount of tax
At least	but not over	(Enter on line 8)
\$	0 - \$1,000	2% of the amount on line 7
	1,000 - 2,000	\$20 plus 3% of the excess over \$1,000
	2,000 - 3,000	\$50 plus 4% of the excess over \$2,000
	3,000 - over	\$90 plus 5% of the excess over \$3,000

Line 9. Local income tax. Maryland counties and Baltimore City may levy an income tax which is up to 60% of the State income tax.

Allegany County	60%	Queen Anne's County	55%
Baltimore County	55%	Somerset County	60%
Caroline County	60%	St. Mary's County	60%
Carroll County	58%	Talbot County	40%
Montgomery County	60%	Wicomico County	60%
Prince George's County	60%	Worcester County	30%

All other counties impose a 50% local income tax rate.

**Filing a return instead of fourth payment.** — Instead of making the fourth declaration payment on or before January 15, 1998, you may file your 1997 individual income tax return provided you file it on or before January 31, 1998 and pay in full with the return any balance of tax due.

**Forms and information.** — Declaration of estimated tax forms and any additional information may be obtained from the Comptroller of the Treasury, Revenue Administration Division, Annapolis, Maryland 21411-0001, or from any of its branch offices.

**Payment instructions.** — Make your check or money order payable to the "Comptroller of the Treasury." Put your social security number on your check. Do not send cash.

**Mailing instructions.** — Mail your declaration of estimated tax to:  
Comptroller of the Treasury  
Revenue Administration Division  
Remittance Processing Center  
Annapolis, Maryland 21411-0001

**Penalties and interest.** — If you are required by law to file a declaration of estimated tax for any taxable year and you either (1) fail to file on the date prescribed, (2) fail to pay the installment or installments when due, or (3) estimate a tax less than ninety (90) percent of the developed tax shown on the return for the current taxable year and which estimate was less than the tax paid for the prior year, you shall be subject to the penalties and interest as provided by law for the failure to file a return and the failure to pay a tax when due.

# APPLICATION FOR EXTENSION OF TIME TO FILE MARYLAND INDIVIDUAL INCOME TAX RETURN

**IMPORTANT:** The granting of an extension of time for filing your Maryland income tax return in no way changes the due date as provided by statute. Interest from the due date of the individual return must be computed on any balance of tax due on the individual income tax return, and included in the remittance accompanying the late-filed individual income tax return.

PLEASE PRINT OR TYPE

Your first name and initial	Last name	Social security number
Spouse's first name and initial	Last name	Social security number
Present address (no. and street or rural rt.)	City or town	State Zip code

- I request an automatic extension of time to August 15, 1997 to file for calendar year 1996.
- I request an extension of time to October 15, 1997 to file for calendar year 1996.
- I am a fiscal year taxpayer and am requesting an extension of time to file to \_\_\_\_\_, 19\_\_\_\_ for tax year ending \_\_\_\_\_, 19\_\_\_\_. (The extension period may not exceed six months.)

Complete the following:

Federal extension has been requested .....  Yes  No

Reason extension is needed: \_\_\_\_\_

1. Total income tax liability for 1996. (You may estimate this amount) ..... 1			
NOTE: You must enter an amount on line 1. If you do not expect to owe tax, enter zero (0).			
2. Maryland income tax withheld ..... 2			
3. 1996 estimated tax payments ..... 3			
4. Other payments and credits ..... 4			
5. Add lines 2, 3, and 4 ..... 5			
6. Income tax balance due (Subtract line 5 from line 1). Pay in full with this form. If line 5 is more than line 1, enter zero (0) ..... 6			

IF LINE 6 IS ZERO (0), AND YOU ARE REQUESTING AN AUTOMATIC EXTENSION TO AUGUST 15, 1997,  
YOU MAY FILE YOUR EXTENSION REQUEST BY TELEPHONE.

CALL (410) 974-5829 FROM CENTRAL MARYLAND OR 1-800-260-3664 FROM ELSEWHERE TO TELEFILE THIS FORM.  
PLEASE HAVE THE FORM IN FRONT OF YOU WHEN YOU CALL THIS NUMBER.

**Signature and Verification**

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and, if prepared by someone other than the taxpayer, that I am authorized to prepare this form.

Signature of taxpayer \_\_\_\_\_ Date \_\_\_\_\_

Signature of spouse \_\_\_\_\_ Date \_\_\_\_\_

or  
Signature of preparer \_\_\_\_\_ Date \_\_\_\_\_  
other than taxpayer

Make checks payable to and mail to:  
**COMPTROLLER OF THE TREASURY  
REVENUE ADMINISTRATION DIVISION  
ANNAPOLIS, MARYLAND 21411-0001  
(Write social security no. on check)**

# APPLICATION FOR EXTENSION OF TIME TO FILE MARYLAND INDIVIDUAL INCOME TAX RETURN

## GENERAL INSTRUCTIONS

### Purpose of Form

Use Form 502E to receive four more months to file Form 502, 503, 505 or 515. You do not have to explain why you are asking for the extension unless you are not requesting a federal extension. We will contact you only if your request is denied.

To get extra time you MUST:

1. Fill in Form 502E correctly AND
2. File it by the due date of your return AND
3. Pay ALL of the amount shown on line 6.

Do not file Form 502E if you want the Revenue Administration Division to figure your tax. Simply provide us with the necessary information and a written request for us to complete the return. Also, if you have completed your return but are unable to pay your tax in full, **do not file Form 502E**. File your return.

Individuals who are requesting an extension of more than four months must file Form 502E. You must enter on this application the reason for the request. No extension request will be granted for more than six months, except in the case of individuals who are out of the United States. In no case will an extension be granted for more than one year from the due date for submitting the individual tax return.

### When to File Form 502E

File Form 502E by April 15, 1997. If you are filing on a fiscal year basis, file by the regular due date of your return.

### Where to File

If line 6 is zero (0), and you are requesting an automatic extension to August 15, 1997, you may file your extension request by telephone. Call (410) 974-5829 from Central Maryland or 1-800-260-3664 from elsewhere to telefile this form. Please have the form in front of you when you call this number.

**NOTE:** The telefile service is available 24 hours a day, 7 days a week, from January 1, 1997 through April 15, 1997. Calling before April 10 and during non-peak hours will make it easier to file.

If line 6 is zero (0) and you are requesting an extension for a period longer than four months, mail this form to the Revenue Administration Division, Annapolis, MD 21411-0001.

If you entered an amount on line 6, mail this form and your payment to the Revenue Administration Division, Annapolis, MD 21411-0001.

### Filing Your Tax Return

You may file Form 502, 503, 505 or 515 at any time before the end of the extension period. Remember, Form 502E does not extend the time to pay taxes. If you do not pay the amount due by the regular due date, you will owe interest and be subject to a penalty.

### Interest

You will owe interest on tax not paid by the regular due date of your return. The interest will accrue until you pay the tax. Even if you had a good reason not to pay on time, you will still owe interest.

### Penalty

If tax and interest is not paid promptly, a penalty of 25% will be assessed on the tax.

### How to Claim Credit for Payment Made with This Form

When you file your return, show the amount of any payment (line 6) sent with Form 502E on line 66 of your return.

If you and your spouse each filed a separate Form 502E, but later filed a joint return, you may enter the total amount paid with both 502E forms on line 66 of your joint return.

If you and your spouse jointly filed Form 502E but later file separate returns, you may enter the total amount paid with Form 502E on either of your separate returns. Or, you and your spouse may agree to divide the payment between you. Be sure each return has the social security numbers of both spouses.

## SPECIFIC INSTRUCTIONS

### Your Signature

This form must be signed. If you plan to file a joint return, both of you should sign. If there is a good reason why one of you cannot, then the other spouse may sign for both. Attach an explanation why the other spouse cannot sign.

### Others Who Can Sign For You

Anyone with a power of attorney can sign. But the following can sign for you without a power of attorney:

- Attorneys, CPA's and enrolled agents.
- A person in close personal or business relationship to you who is signing because you cannot. There must be a good reason why you cannot sign (such as illness or absence.) Attach an explanation to the form.

# MARYLAND NONRESIDENT INCOME TAX RETURN FORM 505

# INSTRUCTIONS 1996

## IMPORTANT NOTES

### DUE DATE

Your return is due by April 15, 1997. If you are a fiscal year taxpayer, see Instruction 26.

### 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.

You may round off all cents to the nearest whole dollar. Fifty cents and above should be rounded to the next higher dollar.

### 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.

### SUBSTITUTE FORMS

You may file your Maryland income tax return on a computer-prepared or computer-generated substitute form provided that it is approved in advance by the Revenue Administration Division. The fact that a software package is available for retail purchase does not guarantee that it has been approved for use.

For additional information, see Administrative Release No. 26, Procedures for Computer-Printed Substitute Forms, which can be obtained from any office of the Maryland Revenue Administration Division.

You may also call the tax information number listed on the back cover (410-974-3981) to find out which computer generated forms have been approved for use.

## 1 WHAT FORM TO FILE?

IF YOU ARE A:	YOU SHOULD FILE:
Taxpayer whose permanent home (domicile) is a state other than Maryland unless you are a <b>statutory resident</b> ,	Form 505 Nonresident Return.
Taxpayer who maintains a place of abode (that is, a place to live) for more than six (6) months of the tax year in Maryland, you are a <b>statutory resident</b> .	Form 502 Resident Return.
Taxpayer who began or ended legal residence in Maryland during the taxable year, you must file as a resident for that portion of the year during which you maintained Maryland residence, even if less than six (6) months.	Form 502 Resident Return.
Nonresident of Maryland but received salary, wages or other compensation for personal services performed in any Maryland county or Baltimore City <b>and</b> you lived in a jurisdiction that imposes a local or earnings tax on Maryland residents, NOTE: If you have other income subject to Maryland tax, you must also file Form 505. (For further information and forms, call (410) 974-3981.)	Form 515 Nonresident Local Tax Return.
Taxpayer who moved into or out of Maryland during the tax year and received income from Maryland sources while you were a nonresident of Maryland,	Form 505 Nonresident Return and Form 502 Resident Return.

## 2 NONRESIDENT, RESIDENT AND PART-YEAR RESIDENT: You are a nonresident if you are not a resident under any of the conditions listed below:

You are a **resident** if your permanent home is in Maryland (the law refers to this as your domicile), or your home is outside Maryland but you maintained a place of abode (that is a place to

live) in Maryland for more than six (6) months of the tax year.

You are a **part-year resident** if you established or abandoned legal residence during the

tax year.

If you are an active duty military member, see Instruction 27.

## 3 WHAT INCOME IS TAXABLE? A nonresident individual is subject to tax on that portion of the federal adjusted gross income that is derived from tangible property, real or personal, permanently located in Maryland (whether received directly or from a fiduciary) and on income from a business, trade, profession or occupation carried on in Maryland and on all gambling winnings derived from Maryland sources. Adjustments to federal gross income and losses not allocable to Maryland may not be used to reduce Maryland income.

## 4 WHO MUST FILE? In general, you must file this return if you are a nonresident of Maryland AND you are required to file a federal return based upon the income levels in Table 1 or 2 AND you received income from sources within Maryland. Remember, if your federal gross income is more than the federal minimum filing requirement for your filing status, you are required to file a Maryland return, even if the income attributable to Maryland is less than the federal filing requirement.

### IF YOU ARE A NONRESIDENT, YOU ARE NOT REQUIRED TO FILE A MARYLAND RETURN IF:

- your Maryland gross income is less than the minimum filing level for your filing status, OR
- you had no income from Maryland sources, OR
- you reside in the District of Columbia, Pennsylvania, Virginia, or West Virginia and had only wages from Maryland.

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

- a. Add up all of your federal **gross** income to determine your total income. Gross income is defined in the Internal Revenue Code and, in general, consists of all income from any source. It includes wages and other compensation for services, **gross** income derived from business, gains (not losses) derived from

- deals in property, interest, rents, royalties, dividends, alimony, annuities, pensions, income from partnerships or fiduciaries, etc. IRS Publication 525 provides additional information on taxable and nontaxable income.
- b. Do not include social security or railroad retirement benefits in your total income.
- c. Add to your total income any Maryland Additions to Income. (See Instruction 12.) **This is your Maryland gross income.**

- d. If you are a dependent, add to your total income any Maryland additions and subtract any Maryland subtractions. (See Instructions 12 and 13.) This is your Maryland gross income.
- e. You must file a Maryland return if your Maryland gross income equals or exceeds the income levels in Table 1 below.
- f. If you or your spouse is 65 or over, use Table 2, "Minimum Filing Levels for Taxpayers 65 or over," below.

**MARYLAND TAX WITHHELD IN ERROR**

If Maryland tax was withheld from your income, you must file to obtain a refund of the withholding. Complete all of the information at the top of the form through the filing status, residence information and exemption areas. Then complete lines 51-55, 65-69, 71, and 73.

Sign the return and attach withholding statements (Form W-2, 1099, or MW509) showing

the Maryland tax withheld equal to the refund you are claiming.

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

**Minimum Filing Level Tables**

Table 1 – For taxpayers under 65	Table 2 – For taxpayers 65 or over
Single persons (including dependent taxpayers) . . . . . \$ 6,550	Single, age 65 or over . . . . . \$ 7,550
Joint Return . . . . . 11,800	Joint Return, one spouse age 65 or over . . . . . 12,600
Married persons filing separately . . . . . 2,550	Joint Return, both spouses age 65 or over . . . . . 13,400
Head of Household . . . . . 8,450	Married persons filing separately, age 65 or over . . . . . 2,550
Qualifying widow(er) . . . . . 9,250	Head of Household, age 65 or over . . . . . 9,450
	Qualifying widow(er), age 65 or over . . . . . 10,050

**5 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.

**6 MAILING LABEL. Remove the label contained in this tax packet and place it over the name and address blanks of your tax return. Using the label speeds up processing your return, including getting your refund to you sooner. It also reduces the possibility of error which could delay your refund.**

**DO NOT USE YOUR LABEL IF:**

- a. your name, address or social security number is wrong, OR
- b. you and your spouse are going to file separate

rate returns and both of your names, initials or social security numbers are on the label, OR  
 c. You are going to file a joint return, and only one name is on the label.

**IF YOUR RETURN IS BEING COMPLETED BY SOMEONE ELSE:**

Take this packet to your tax preparer so that the preparer can attach the label to your return.

**7 NAME AND ADDRESS INFORMATION. Complete the "Name," "Address," and "Social security number" boxes.**

**8 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 tax return. If married, the dependent 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.

**9 RESIDENCE INFORMATION. Answer ALL the questions and fill in the appropriate boxes. If you are a Pennsylvania resident, list the township/boro in which you live.**

Your state of legal residence is your domicile or permanent home. It is the place you intend to return to after temporary absences. You do not

change or abandon a domicile until you establish a new domicile in another state. Military personnel retain their states of legal residence as

shown in their records until they take specific action to change the state. Duty assignments alone do not affect legal residence.

**10 EXEMPTIONS. Determine what exemptions you are entitled to, and complete the appropriate area 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.

If "Other Dependents" are 65 or over, you also 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 505 to determine the amount of exemption allowance to enter on line 38.

**PART-YEAR RETURNS**

If you are required to file **both** a resident and nonresident return for tax year 1996, each exemption is limited to a total of \$1,200. Your exemptions must be prorated on the resident return and nonresident return based on Maryland income.

# 11 INCOME AND ADJUSTMENTS. Complete lines 1 through 17 of Column 1 using the figures from your federal return.

Enter in the Maryland Income column all income or loss which was derived from Maryland sources and enter in the Non-Maryland Income column all income or loss derived from non-Maryland sources. Refunds of state or local income taxes, pensions, annuities, IRA distributions, unemployment compensation, and social security or railroad retirement benefits are not

considered to be from Maryland sources for income tax purposes when these items are received by a nonresident of Maryland. Adjustments to federal gross income are not generally applicable to Maryland unless they pertain to business carried on in Maryland or services performed in Maryland.

**If you are a resident of the District of Columbia, Pennsylvania, Virginia, or West Virginia,** and you did not actually reside in Maryland for more than six months of 1996, enter all wage and salary income in the Non-Maryland Income column, even if you earned the income from services performed in Maryland.

# 12 ADDITIONS TO INCOME. Determine which Additions to Income apply to you. Write the correct amounts on lines 18 and 19 of Form 505. 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.

**Line 19. OTHER ADDITIONS TO INCOME.** If one or more of these apply to you, enter the total amount on line 19 and identify each item using the code letter:

### CODE LETTER

- a. Net additions from federal Form K-1 for your share of income from partnerships, S corporations or fiduciaries.
- b. Tax Preference Items. If the total of your tax preference items is less than \$10,000 (\$20,000 for married taxpayers filing joint returns) this Addition to Income does not apply to you. Use federal Form 6251 to determine your tax preference items (even if you are not required to file Form 6251 with your federal return). If the total of your tax preference items is \$10,000 or more (\$20,000 for married taxpayers filing joint returns) you must complete and attach Maryland Form 502TP. Include the amount from line 5 of Form 502TP on line 19 of Form 505. See the instructions for nonresidents on the back of Form 502TP regarding the tax preference exclusion amount.
- c. Eligible wages paid in the current year to the extent allowed as a credit on line 58 of Form 500CR, Business Tax Credits.
- d. Oil percentage depletion allowance claimed under Section 613 of the Internal Revenue Code.
- e. Income exempt from federal tax under treaty but not from Maryland tax.
- f. Net operating loss deduction to the extent of a double benefit. Administrative Release No. 18

is available from any office of the Revenue Administration Division.

- g. Pickup contributions of a State retirement or pension system member. (The pickup amount will be stated separately on your W-2 wage statement.)
- h. The amount claimed and allowed as a deduction for federal income tax purposes for expenses attributable to operating a family day care home or a child care center in Maryland without having the registration or license required by the Family Law Article.
- i. Eligible wages and child care expenses paid or provided for qualified employment opportunity employees to the extent allowed as a credit on line 58 of Form 500CR, Business Tax Credits.

# 13 SUBTRACTIONS FROM INCOME. Determine which subtractions apply to your Maryland income. Write the correct amounts on lines 21 and 22 on the back of Form 505. 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.

**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:

### CODE LETTER

- a. Child care expenses. You may subtract the 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). To claim this Subtraction from Income, use the amount from line 4 of either federal Form 2441 or Form 1040A Schedule 2.
- b. Net subtractions from federal Form K-1 for your share of income from partnerships, S corporations or fiduciaries.
- c. Charitable travel expense. You may subtract from income unreimbursed vehicle travel expenses for:
  - 1. A volunteer fire company;
  - 2. Service as a volunteer for a charitable organization whose principal purpose is to provide medical, health or nutritional care; AND
- 3. Assistance for handicapped students at a Maryland community college (other than providing transportation to and from the college).  
Attach Maryland Form 502V to claim this subtraction from income.
- d. Amount of wages and salaries which were not allowed as a business expense because you took the federal Targeted Jobs Credit.
- e. 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.
- f. Expenses incurred for reforestation or timber stand improvement of commercial forest land. Qualifications and instructions are on Form DNR-393, available from the Department of Natural Resources, telephone (410) 974-3776.
- g. 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.

- h. Up to \$3,000 in expenses incurred by parents who adopt a child with special needs through a public or nonprofit adoption agency and up to \$2,000 in expenses incurred by parents who adopt a child without special needs.
- i. Purchase and installation costs of certain conservation tillage equipment as certified by the Maryland Department of Agriculture. Attach a copy of the certification.
- j. The value of farm products you donated to a gleaning cooperative as certified by the Maryland Department of Agriculture. Attach a copy of the certification.
- k. 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.
- l. The lesser of \$1,200 or the Maryland income of the spouse with the lower income if both spouses have Maryland income and you file a joint return.

# 14 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.

# 15 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. Use the appropriate worksheet on page 4 to determine the total standard deduction

for your filing status and Maryland income. 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 Maryland standard deduction.

# Figure your standard deduction

## If your filing status is:

- Single
- Married filing separately
- or*
- Dependent taxpayer

Use Worksheet 1, below.

- Married filing jointly
- Head of household
- or*
- Qualifying widow(er)

Use Worksheet 2, below.

### Worksheet 1

If your income on line 55 is between:	Your standard deduction is:
\$1 - 10,000 .....	\$ <u>1,500</u>
_____ <i>or</i> _____	

If your income on line 55 is between \$10,000-13,333

Enter income from line 55: .....\$ \_\_\_\_\_

Multiply by 15 percent (.15) .....X .15

This is your standard deduction .....\$ \_\_\_\_\_

\_\_\_\_\_ *or* \_\_\_\_\_

If your income on line 55 is:	Your standard deduction is:
\$13,333 or over .....	\$ <u>2,000</u>

Enter your standard deduction on line 30.

### Worksheet 2

If your income on line 55 is between:	Your standard deduction is:
\$1 - 20,000 .....	\$ <u>3,000</u>
_____ <i>or</i> _____	

If your income on line 55 is between \$20,000-26,667

Enter income from line 55: .....\$ \_\_\_\_\_

Multiply by 15 percent (.15) .....X .15

This is your standard deduction .....\$ \_\_\_\_\_

\_\_\_\_\_ *or* \_\_\_\_\_

If your income on line 55 is:	Your standard deduction is:
\$26,667 or over .....	\$ <u>4,000</u>

Enter your standard deduction on line 30.

## 16 ITEMIZED DEDUCTIONS. If you figure your tax by the ITEMIZED DEDUCTION METHOD, complete lines 33 through 37 on Maryland Form 505.

### USE FEDERAL FORM 1040 SCHEDULE A

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 505. Complete lines 33 to 37 following instructions on the form.

**NOTE:** Certain high-income taxpayers are required to reduce their federal itemized deduc-

tions. 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 505.

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 Maryland itemized deductions.

## 17 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.

**18** FIGURE YOUR MARYLAND TAXABLE INCOME. **Begin at line 51 of Form 505. (Line numbers 41 to 50 are not used.) Complete lines 51 through 59 using the figures from the back of the form to compute your Maryland taxable income.**

**19** FIGURE YOUR MARYLAND TAX. **You must use the tax table if your taxable income is less than \$50,000.**

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 \$50,000 or more, use the Maryland Tax

Computation Worksheets at the end of the tax table.

**20** EARNED INCOME CREDIT. **You may claim a credit on line 61 equal to one-half of the earned income credit on your federal return.**

If you claimed an earned income credit on your federal return, then you may claim one-half (50%) of the federal credit on your Maryland return. Write one-half the federal credit on line

61 of Form 505. If the amount on line 61 is greater than the amount on line 60, put zero on line 62.

If you are required to file a 502 resident return

and a 505 nonresident return for the same tax year, you must prorate your earned income credit on the basis of the number of months covered by each return.

**21** TOTAL MARYLAND TAX AND CONTRIBUTION. **Enter your adjusted Maryland tax on line 62. Add any contribution amounts from boxes 63a and 63b and enter the total on line 63. Enter the total of lines 62 and 63 on line 64.**

**CHESAPEAKE BAY AND ENDANGERED SPECIES FUND**

You may contribute any amount you wish to this fund. The amount contributed will reduce your refund or increase your balance due. See the inside back cover of this packet for additional information.

**FAIR CAMPAIGN FINANCING FUND**

You may contribute any amount you wish up to \$500 (\$1,000 if you file a joint return). The amount contributed will reduce your refund or increase your balance due.

**IMPORTANT:** If there are not sufficient credits (lines 65-68) or other payments to satisfy your tax

and the contribution you have designated, the contribution amounts will be reduced. If you have entered amounts for contribution to both funds, any reduction will be applied proportionately.

**22** TAXES PAID AND CREDITS. **Write your taxes paid and credits on lines 65-68. Instructions for each line:**

**Line 65.** Write the total Maryland state and local tax withheld as shown on the wage and tax statements (Forms W-2, W-2G, 1099 or MW509) you have received. Add up the amounts identified as Maryland tax withheld on each form and write the total on line 65. Attach Forms W-2, W-2G, and MW509 to your return **if Maryland tax is withheld.**

**IMPORTANT:** Your wage and tax statements contain many numbers. Be sure you add only the amounts identified as Maryland tax withheld.

**Line 66.** Enter on line 66 the total of:

- a. Maryland estimated tax payments,
- b. Amount of overpayment applied from your 1995 return, AND
- c. Payment made with a request for an automatic extension of time to file your 1996 return. (See the instructions on Form 502E in this tax booklet.)

**NOTE:** Estimated tax payments are required if you expect to receive any income from which no

tax or not enough Maryland tax will be withheld. Read the instructions on the back of Form 502D, DECLARATION OF ESTIMATED MARYLAND INCOME TAX.

**Line 67.** If you were a member of a partnership, S corporation, or limited liability company doing business in Maryland and the entity paid nonresident tax on your behalf, enter the amount on line 67. You must attach a statement from the partnership, S corporation or limited liability company showing the amount of tax paid by them on your behalf.

**Line 68.** Business tax credits are allowed against the tax for the following expenses:

- a. Certain wages paid to qualifying employees in an officially designated enterprise zone, as established by the Maryland Department of Labor, Licensing and Regulation. For additional information regarding enterprise zones and locations, contact that Department.
- b. Certain wages paid to qualifying employment opportunity employees and expenses incurred

to provide or pay for approved day care services for a child or children of an employment opportunity employee recipient as certified by the Maryland Department of Labor, Licensing and Regulation.

**NOTE:** If you claim a business tax credit for either items (a) or (b) or both, an addition to income must be included on line 19. See Instruction 12.  
c. Certain wages paid to qualified employees or \$1,000 or \$1,500 times the number of qualified employees. This credit applies to those business entities that have been certified by the Office of Business and Economic Research as having created 60 qualified positions or 30 high-paying qualified positions.

**For additional information regarding the above income tax credits, see the instructions provided for Form 500CR-Business Tax Credits. Form 500CR is available from the Maryland Revenue Administration Division.**

**23**

**OVERPAYMENT OR BALANCE DUE. Calculate the Balance Due (line 70) or Overpayment (line 71). Read instructions under UNDERPAYMENT OF ESTIMATED TAX and then go to BALANCE DUE or OVERPAYMENT.**

**UNDERPAYMENT OF ESTIMATED TAX**

If you had income that did not have tax withheld or did not have enough tax withheld during the year, you may have owed an estimated tax. All taxpayers should refer to Form 502UP to determine if they owe interest because they paid too little estimated tax during the year.

If you owe interest, then complete Form 502UP and write the amount of interest (line 18 of Form 502UP) on line 74. Attach Form 502UP.

Generally, you do not owe interest if:

- a. You owe less than \$250 tax on income which is not subject to withholding, OR
- b. Each current year payment, made quarterly

as required, is equal to or more than one-fourth of last year's taxes, OR

- c. You made quarterly payments during the year which equal 90% of this year's tax.

Special rules apply if your gross income from farming or fishing is at least two-thirds of your total estimated gross income. See the back of Form 502UP for additional information and instructions for claiming this exemption from interest.

**BALANCE DUE**

If you have a balance due on line 70, add this amount to any amount on line 74. Put the total on line 75.

**OVERPAYMENT**

If you have an overpayment on line 71, the Revenue Administration Division will refund any amount of \$1.00 or more. If you want part or all of your overpayment credited to your 1997 estimated tax, then write the amount you want credited on line 72. If you must pay interest for underpayment of estimated tax, enter the amount of interest from line 18 of Form 502UP on line 74. Subtract lines 72 and 74 from your overpayment (line 71). This is the amount of your refund. Write this amount on line 73. No refunds of less than \$1.00 will be sent.

**24**

**SIGNATURE, TELEPHONE NUMBERS, CODE NUMBER AND ATTACHMENTS. Sign and date your return, and enter your telephone numbers. Be sure to attach all required forms, schedules, and statements.**

**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.

**CODE NUMBER**

If your gross income from farming or fishing is at least two-thirds of your total estimated gross income, you may be exempt from the interest for underpayment of estimated tax. Refer to Form 502UP for additional information. If you are exempt, enter "300" in the code number box located to the right of the signature area.

**ATTACHMENTS**

Be sure to attach wage and tax statements (Forms W-2, W-2G, 1099, and MW509) to the front of your return if Maryland tax is withheld. Be sure to attach all forms, schedules, and statements required by these instructions. Place your check or money order on top of your wage and tax statements and fasten with one staple on the front of your tax return.

**25**

**MAILING INSTRUCTIONS AND DEADLINES.**

**MAILING INSTRUCTIONS**

Mail your return in the gold envelope provided in this booklet. If the gold envelope is lost, mail your 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." Use blue or black ink. Do not use red ink. Put your social security number, type of tax and year of tax being paid on your check. Mark an "X" in the box for "Payment Enclosed" on the gold envelope. **DO NOT SEND CASH.**

**DUE DATE**

Returns must be mailed by April 15, 1997, for calendar year taxpayers. Persons filing on a fiscal year basis should see Instruction 26.

**EXTENSION OF TIME TO FILE**

Use Form 502E to request an automatic extension of the time to file your 1996 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 by April 15, 1997.

**26**

**FISCAL YEAR. You must file your Maryland return using the same tax year and the same basis (cash or accrual) as you used on your federal return.**

To file a fiscal year return, complete the Fiscal year information at the top of Form 505, and print "FY" in bold letters in the upper left hand corner of the form. Whenever the term "tax year"

appears in these instructions, fiscal year taxpayers should understand the term to mean "fiscal year." Use the 1996 forms in this package for fiscal years which end during calendar year 1997.

Fiscal year returns are due on the 15th day of the 4th month following the close of the fiscal year.

**Military personnel who are legal residents of Maryland**

1—without overseas pay	Must file a <b>resident</b> return (Form 502 or 503) and report all income from all sources, wherever earned. You must calculate the local portion of the tax regardless of whether you were stationed in Maryland or not. The location of your legal residence determines which county should be entered on Form 502. See Instructions 6 and 19.
2—with overseas pay	Same as above, may subtract up to \$15,000 in military pay earned outside U.S. boundaries or possessions, depending upon total income.

**Military personnel who are legal residents of another state**

1—with military income only	Not required to file a Maryland return.
2—with military income and other income outside Maryland	Not required to file a Maryland return.
3—with military and other income earned in Maryland, single or with an unemployed civilian spouse	Must file a <b>nonresident</b> return (Form 505), reporting total income, subtracting military pay, unearned and non-Maryland income, then computing the tax on Maryland earned income only. Deductions and exemptions must be apportioned using the ratio of Maryland income to federal adjusted gross income.
4—with military income, and civilian spouse employed in Maryland, residing in Maryland <b>less than six months</b>	Military person and civilian spouse must file a joint <b>nonresident</b> return (Form 505), subtracting military pay, unearned and non-Maryland income, computing the tax on Maryland income only. Deductions and exemptions must be apportioned using the ratio of Maryland income to federal adjusted gross income.
5—with military income, and civilian spouse with any income residing in Maryland <b>more than six months</b>	<p>The civilian taxpayer becomes a statutory resident because of residency in Maryland more than six months of the taxable year and the couple may file a joint resident return (Form 502) or the civilian spouse may file a separate resident return. If the civilian spouse files a separate resident return, the military spouse is not required to file a Maryland return. If you are not certain which filing status to use, figure your tax both ways to determine which status is best for you.</p> <p>If the civilian spouse files a separate resident return, see Instruction 8. If the couple files a joint return, report your federal adjusted gross income on your Maryland return. Subtract military pay and the military taxpayer's portion of any investment income (interest, dividends, etc.) from the joint federal adjusted gross income. See Instruction 26 (c) through (k) in the resident booklet.</p> <p>The Maryland tax is then computed based on the balance of the total income. The standard deduction or itemized deductions and exemptions must be adjusted using the ratio of Maryland adjusted gross income to federal adjusted gross income. In this situation, Worksheet A on the next page should be used to compute the amount of itemized deductions and the allowable exemptions.</p>
6—with military income and other income in Maryland and civilian spouse with any income residing in Maryland for <b>more than six months</b>	<p>The civilian taxpayer becomes a statutory resident because of residency for more than six months of the taxable year. The military spouse remains a nonresident for purposes of Maryland taxation. The military taxpayer may file a separate nonresident return (Form 505) and the civilian spouse may file a separate resident return (Form 502). (See Instruction 8.) However, if the couple chooses to file a joint resident return (Form 502):</p> <ul style="list-style-type: none"> <li>• The military taxpayer's Maryland income is not subject to the local tax.</li> <li>• Standard or itemized deductions and exemptions must be adjusted, using a ratio of Maryland adjusted gross income to federal adjusted gross income.</li> <li>• The local tax must be adjusted using Worksheet B. In this situation, Worksheets A and B should be used to compute the adjustment to the standard deduction or itemized deductions and exemptions and to compute the local tax for the civilian taxpayer.</li> </ul>
7—both spouses in the military and not domiciled in Maryland and one or both have Maryland income	Must file a joint nonresident return. Exemptions and the standard deduction or itemized deductions must be adjusted.

*Military personnel should be aware that there may be provisions for tax credits granted either by Maryland or another state. See Maryland Form 502CR and instructions. Read carefully the instructions provided by the state of legal residence for any possible credits allowed by that state.*

**28** PART-YEAR RESIDENTS. If you moved into or out of Maryland during 1996 AND received taxable Maryland income both while you were a resident and while you were a nonresident AND you are required to file a federal return, you are required to file two returns with the State of Maryland.

Complete your resident return (Form 502) using the instructions for part-year residents. Complete your nonresident return (Form 505) using the instructions in this packet with the following exceptions:

**INCOME AND ADJUSTMENTS**

Treat your Maryland **resident** income as non-Maryland income. You will be taxed on this income on your resident return.

**STANDARD DEDUCTION**

Your combined total standard deduction may not exceed the maximum amount for your filing status.

**EXEMPTIONS**

Each exemption is limited to a total of \$1,200. Your exemption must be prorated on the resident and nonresident returns based on Maryland income.

**EARNED INCOME CREDIT**

You must prorate your earned income credit on the basis of the number of months covered by each return.

**WITHHOLDING AND ESTIMATED TAX PAYMENTS**

You must allocate your total payments between your two returns.

**29** PARTNERSHIPS (INCLUDING LIMITED LIABILITY COMPANIES) AND S CORPORATIONS may file a composite income tax return on behalf of nonresident partners and shareholders.

Nonresident partners and shareholders who receive income from partnerships and S corporations doing business in Maryland are required to file Maryland nonresident returns. With the approval of the Comptroller, any partnership or S corporation doing business in the state of Maryland may file a composite return on behalf of its nonresident partners or shareholders if:

- 1. The return accurately reflects the Maryland

- taxable income and tax liability of each partner or shareholder shown on the return, AND
- 2. A schedule is attached containing the following information for each partner or shareholder:
  - a. Name, social security number, and address
  - b. Distribution share
  - c. Number of exemptions and filing status
  - d. Maryland apportioned income

- e. Standard deduction
  - f. Maryland taxable income
  - g. Maryland tax, AND
  - 3. The partnership or S corporation pays the tax, interest and penalty due by each partner or shareholder shown on the return.
- For more information, Administrative Release No. 6 may be obtained from any office of the Comptroller.

**30** FILING RETURN OF DECEASED TAXPAYER. Do not use the preprinted label. Special instructions for the return of a taxpayer who died during the tax year:

**FILING THE RETURN**

If an individual required to file an income tax return dies, the final income tax return shall be filed:

- a. by the personal representative of the individual's estate;
- b. if there is no personal representative, by the decedent's surviving spouse; OR
- c. jointly by the personal representatives of each if both husband and wife are deceased.

**JOINT RETURN**

If the spouse of the deceased taxpayer filed a joint return with the decedent, then a joint Maryland return must be filed.

The word "DECEASED" and the date of death should be written after the decedent's name at the top of the form. The name and any position of any person, other than the surviving spouse, filing the return should be clearly noted on the form. Attach a copy of the Letters of Administration or, if the return is filed solely by the surviving spouse, attach a death certificate.

**ALL OTHER RETURNS**

If the return is filed by the personal representative, write the words "ESTATE OF" before the decedent's first name and the date of death after the last name. The name and position of the person filing the return should be clearly noted on the form. Attach a copy of the Letters of Administration.

If there is no personal representative, write the word "DECEASED" and the date of death after the decedent's last name. The name and position of the person filing the return should be clearly noted on the form. Attach a copy of federal Form 1310.

**31** AMENDED RETURNS. If you need to change a return which you have already filed, or if the Internal Revenue Service changes your return, you must file an amended return.

**FILING AN AMENDED RETURN**

You must file an amended return to make certain changes on your original return. These include changes in income, filing status, amount of deductions, the number of exemptions, and the amount of Additions to Income and Subtractions from Income. Use Form 502X to file an amended return.

**CHANGES IN YOUR FEDERAL TAX**

If the Internal Revenue Service makes any changes on your federal return, you must notify the State of Maryland. Send notification to the Maryland Revenue Administration Division within 90 days of the final determination of the changes by the IRS.

If you file an amended federal return which changes your Maryland return, you must file an amended Maryland return.

**IF YOUR ORIGINAL RETURN SHOWED A REFUND**

If you expect a refund from your original return, do not file an amended return until you have received your refund check. Then cash the check; do not return it. If your amended return shows a smaller refund, send a check for the difference with the amended return. If your amended return shows a larger refund, the Revenue Administration Division will issue an additional refund check.

**ADDITIONAL INFORMATION**

Do not file an amended return until sufficient time has passed to allow the original return to be processed. For current year returns, allow at least six weeks.

Generally, you must file your claim for refund within three years from the date your original return was filed or within two years from the date the tax was paid, whichever is later. A return filed early is considered filed on the date it was due.

A claim for refund based on a federal net operating loss carryback must be filed within three years from the due date of the return for the year of the net operating loss.

If the claim for refund resulted from a federal adjustment or final decision of a federal court which is more than three years from the date of filing or more than two years from the time the tax was paid, a claim for refund must be filed within one year from the date of the adjustment or final decision.

No refund for less than \$1.00 will be issued. No payment of less than \$1.00 is required.

**32** PRIVACY ACT INFORMATION

The Tax-General Article of the Annotated Code of Maryland authorizes the Revenue Administration Division to request information on tax returns to administer the income tax laws of Maryland, including determination and collection of correct taxes. Code Section 10-804 says that you must include your social security number on what you file. This is so we know who you are and can process your return and papers. If you fail to provide all or part of the requested information,

then exemptions, exclusions, credits, deductions, or adjustments may be disallowed and you may owe more tax. In addition, the law provides penalties for failing to supply information required by law or regulations.

You may look at any records held by the Revenue Administration Division which contain personal information about you. You may inspect such records, and you have certain rights to amend or correct them.

As authorized by law, information furnished to the Revenue Administration Division may be given to the United States Internal Revenue Service, a proper official of any state that exchanges tax information with Maryland and to an officer of this State having a right to the information in that officer's official capacity. The information may be obtained in accordance with a proper legislative or judicial order.

# 1996 MARYLAND TAX TABLE

## INSTRUCTIONS:

1. Find the income range that applies to the amount you reported on line 59 of your return.
2. Find the Maryland tax corresponding to your income range.
3. Enter the tax amount on line 60 of your return.
4. This table does not include the local income tax.
5. If your taxable income on line 59 is \$50,000 or more, use the Maryland Tax Computation Worksheet at the end of the tax table.

If your income from line 59 is . . .			If your income from line 59 is . . .			If your income from line 59 is . . .			If your income from line 59 is . . .			If your income from line 59 is . . .		
At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .
\$ 0	\$ 50	\$ 0	<b>3,000</b>			<b>6,000</b>			<b>9,000</b>			<b>12,000</b>		
50	75	1	3,000	3,050	91	6,000	6,050	241	9,000	9,050	391	12,000	12,050	541
75	100	2	3,050	3,100	94	6,050	6,100	244	9,050	9,100	394	12,050	12,100	544
100	150	3	3,100	3,150	96	6,100	6,150	246	9,100	9,150	396	12,100	12,150	546
150	200	4	3,150	3,200	99	6,150	6,200	249	9,150	9,200	399	12,150	12,200	549
200	250	5	3,200	3,250	101	6,200	6,250	251	9,200	9,250	401	12,200	12,250	551
250	300	6	3,250	3,300	104	6,250	6,300	254	9,250	9,300	404	12,250	12,300	554
300	350	7	3,300	3,350	106	6,300	6,350	256	9,300	9,350	406	12,300	12,350	556
350	400	8	3,350	3,400	109	6,350	6,400	259	9,350	9,400	409	12,350	12,400	559
400	450	9	3,400	3,450	111	6,400	6,450	261	9,400	9,450	411	12,400	12,450	561
450	500	10	3,450	3,500	114	6,450	6,500	264	9,450	9,500	414	12,450	12,500	564
500	550	11	3,500	3,550	116	6,500	6,550	266	9,500	9,550	416	12,500	12,550	566
550	600	12	3,550	3,600	119	6,550	6,600	269	9,550	9,600	419	12,550	12,600	569
600	650	13	3,600	3,650	121	6,600	6,650	271	9,600	9,650	421	12,600	12,650	571
650	700	14	3,650	3,700	124	6,650	6,700	274	9,650	9,700	424	12,650	12,700	574
700	750	15	3,700	3,750	126	6,700	6,750	276	9,700	9,750	426	12,700	12,750	576
750	800	16	3,750	3,800	129	6,750	6,800	279	9,750	9,800	429	12,750	12,800	579
800	850	17	3,800	3,850	131	6,800	6,850	281	9,800	9,850	431	12,800	12,850	581
850	900	18	3,850	3,900	134	6,850	6,900	284	9,850	9,900	434	12,850	12,900	584
900	950	19	3,900	3,950	136	6,900	6,950	286	9,900	9,950	436	12,900	12,950	586
950	1,000	20	3,950	4,000	139	6,950	7,000	289	9,950	10,000	439	12,950	13,000	589
<b>1,000</b>			<b>4,000</b>			<b>7,000</b>			<b>10,000</b>			<b>13,000</b>		
1,000	1,050	21	4,000	4,050	141	7,000	7,050	291	10,000	10,050	441	13,000	13,050	591
1,050	1,100	22	4,050	4,100	144	7,050	7,100	294	10,050	10,100	444	13,050	13,100	594
1,100	1,150	24	4,100	4,150	146	7,100	7,150	296	10,100	10,150	446	13,100	13,150	596
1,150	1,200	25	4,150	4,200	149	7,150	7,200	299	10,150	10,200	449	13,150	13,200	599
1,200	1,250	27	4,200	4,250	151	7,200	7,250	301	10,200	10,250	451	13,200	13,250	601
1,250	1,300	28	4,250	4,300	154	7,250	7,300	304	10,250	10,300	454	13,250	13,300	604
1,300	1,350	30	4,300	4,350	156	7,300	7,350	306	10,300	10,350	456	13,300	13,350	606
1,350	1,400	31	4,350	4,400	159	7,350	7,400	309	10,350	10,400	459	13,350	13,400	609
1,400	1,450	33	4,400	4,450	161	7,400	7,450	311	10,400	10,450	461	13,400	13,450	611
1,450	1,500	34	4,450	4,500	164	7,450	7,500	314	10,450	10,500	464	13,450	13,500	614
1,500	1,550	36	4,500	4,550	166	7,500	7,550	316	10,500	10,550	466	13,500	13,550	616
1,550	1,600	37	4,550	4,600	169	7,550	7,600	319	10,550	10,600	469	13,550	13,600	619
1,600	1,650	39	4,600	4,650	171	7,600	7,650	321	10,600	10,650	471	13,600	13,650	621
1,650	1,700	40	4,650	4,700	174	7,650	7,700	324	10,650	10,700	474	13,650	13,700	624
1,700	1,750	42	4,700	4,750	176	7,700	7,750	326	10,700	10,750	476	13,700	13,750	626
1,750	1,800	43	4,750	4,800	179	7,750	7,800	329	10,750	10,800	479	13,750	13,800	629
1,800	1,850	45	4,800	4,850	181	7,800	7,850	331	10,800	10,850	481	13,800	13,850	631
1,850	1,900	46	4,850	4,900	184	7,850	7,900	334	10,850	10,900	484	13,850	13,900	634
1,900	1,950	48	4,900	4,950	186	7,900	7,950	336	10,900	10,950	486	13,900	13,950	636
1,950	2,000	49	4,950	5,000	189	7,950	8,000	339	10,950	11,000	489	13,950	14,000	639
<b>2,000</b>			<b>5,000</b>			<b>8,000</b>			<b>11,000</b>			<b>14,000</b>		
2,000	2,050	51	5,000	5,050	191	8,000	8,050	341	11,000	11,050	491	14,000	14,050	641
2,050	2,100	53	5,050	5,100	194	8,050	8,100	344	11,050	11,100	494	14,050	14,100	644
2,100	2,150	55	5,100	5,150	196	8,100	8,150	346	11,100	11,150	496	14,100	14,150	646
2,150	2,200	57	5,150	5,200	199	8,150	8,200	349	11,150	11,200	499	14,150	14,200	649
2,200	2,250	59	5,200	5,250	201	8,200	8,250	351	11,200	11,250	501	14,200	14,250	651
2,250	2,300	61	5,250	5,300	204	8,250	8,300	354	11,250	11,300	504	14,250	14,300	654
2,300	2,350	63	5,300	5,350	206	8,300	8,350	356	11,300	11,350	506	14,300	14,350	656
2,350	2,400	65	5,350	5,400	209	8,350	8,400	359	11,350	11,400	509	14,350	14,400	659
2,400	2,450	67	5,400	5,450	211	8,400	8,450	361	11,400	11,450	511	14,400	14,450	661
2,450	2,500	69	5,450	5,500	214	8,450	8,500	364	11,450	11,500	514	14,450	14,500	664
2,500	2,550	71	5,500	5,550	216	8,500	8,550	366	11,500	11,550	516	14,500	14,550	666
2,550	2,600	73	5,550	5,600	219	8,550	8,600	369	11,550	11,600	519	14,550	14,600	669
2,600	2,650	75	5,600	5,650	221	8,600	8,650	371	11,600	11,650	521	14,600	14,650	671
2,650	2,700	77	5,650	5,700	224	8,650	8,700	374	11,650	11,700	524	14,650	14,700	674
2,700	2,750	79	5,700	5,750	226	8,700	8,750	376	11,700	11,750	526	14,700	14,750	676
2,750	2,800	81	5,750	5,800	229	8,750	8,800	379	11,750	11,800	529	14,750	14,800	679
2,800	2,850	83	5,800	5,850	231	8,800	8,850	381	11,800	11,850	531	14,800	14,850	681
2,850	2,900	85	5,850	5,900	234	8,850	8,900	384	11,850	11,900	534	14,850	14,900	684
2,900	2,950	87	5,900	5,950	236	8,900	8,950	386	11,900	11,950	536	14,900	14,950	686
2,950	3,000	89	5,950	6,000	239	8,950	9,000	389	11,950	12,000	539	14,950	15,000	689

# 1996 MARYLAND TAX TABLE

Continued:

If your income from line 59 is . . .			If your income from line 59 is . . .			If your income from line 59 is . . .			If your income from line 59 is . . .			If your income from line 59 is . . .		
At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .
<b>15,000</b>			<b>18,000</b>			<b>21,000</b>			<b>24,000</b>			<b>27,000</b>		
15,000	15,050	691	18,000	18,050	841	21,000	21,050	991	24,000	24,050	1,141	27,000	27,050	1,291
15,050	15,100	694	18,050	18,100	844	21,050	21,100	994	24,050	24,100	1,144	27,050	27,100	1,294
15,100	15,150	696	18,100	18,150	846	21,100	21,150	996	24,100	24,150	1,146	27,100	27,150	1,296
15,150	15,200	699	18,150	18,200	849	21,150	21,200	999	24,150	24,200	1,149	27,150	27,200	1,299
15,200	15,250	701	18,200	18,250	851	21,200	21,250	1,001	24,200	24,250	1,151	27,200	27,250	1,301
15,250	15,300	704	18,250	18,300	854	21,250	21,300	1,004	24,250	24,300	1,154	27,250	27,300	1,304
15,300	15,350	706	18,300	18,350	856	21,300	21,350	1,006	24,300	24,350	1,156	27,300	27,350	1,306
15,350	15,400	709	18,350	18,400	859	21,350	21,400	1,009	24,350	24,400	1,159	27,350	27,400	1,309
15,400	15,450	711	18,400	18,450	861	21,400	21,450	1,011	24,400	24,450	1,161	27,400	27,450	1,311
15,450	15,500	714	18,450	18,500	864	21,450	21,500	1,014	24,450	24,500	1,164	27,450	27,500	1,314
15,500	15,550	716	18,500	18,550	866	21,500	21,550	1,016	24,500	24,550	1,166	27,500	27,550	1,316
15,550	15,600	719	18,550	18,600	869	21,550	21,600	1,019	24,550	24,600	1,169	27,550	27,600	1,319
15,600	15,650	721	18,600	18,650	871	21,600	21,650	1,021	24,600	24,650	1,171	27,600	27,650	1,321
15,650	15,700	724	18,650	18,700	874	21,650	21,700	1,024	24,650	24,700	1,174	27,650	27,700	1,324
15,700	15,750	726	18,700	18,750	876	21,700	21,750	1,026	24,700	24,750	1,176	27,700	27,750	1,326
15,750	15,800	729	18,750	18,800	879	21,750	21,800	1,029	24,750	24,800	1,179	27,750	27,800	1,329
15,800	15,850	731	18,800	18,850	881	21,800	21,850	1,031	24,800	24,850	1,181	27,800	27,850	1,331
15,850	15,900	734	18,850	18,900	884	21,850	21,900	1,034	24,850	24,900	1,184	27,850	27,900	1,334
15,900	15,950	736	18,900	18,950	886	21,900	21,950	1,036	24,900	24,950	1,186	27,900	27,950	1,336
15,950	16,000	739	18,950	19,000	889	21,950	22,000	1,039	24,950	25,000	1,189	27,950	28,000	1,339
<b>16,000</b>			<b>19,000</b>			<b>22,000</b>			<b>25,000</b>			<b>28,000</b>		
16,000	16,050	741	19,000	19,050	891	22,000	22,050	1,041	25,000	25,050	1,191	28,000	28,050	1,341
16,050	16,100	744	19,050	19,100	894	22,050	22,100	1,044	25,050	25,100	1,194	28,050	28,100	1,344
16,100	16,150	746	19,100	19,150	896	22,100	22,150	1,046	25,100	25,150	1,196	28,100	28,150	1,346
16,150	16,200	749	19,150	19,200	899	22,150	22,200	1,049	25,150	25,200	1,199	28,150	28,200	1,349
16,200	16,250	751	19,200	19,250	901	22,200	22,250	1,051	25,200	25,250	1,201	28,200	28,250	1,351
16,250	16,300	754	19,250	19,300	904	22,250	22,300	1,054	25,250	25,300	1,204	28,250	28,300	1,354
16,300	16,350	756	19,300	19,350	906	22,300	22,350	1,056	25,300	25,350	1,206	28,300	28,350	1,356
16,350	16,400	759	19,350	19,400	909	22,350	22,400	1,059	25,350	25,400	1,209	28,350	28,400	1,359
16,400	16,450	761	19,400	19,450	911	22,400	22,450	1,061	25,400	25,450	1,211	28,400	28,450	1,361
16,450	16,500	764	19,450	19,500	914	22,450	22,500	1,064	25,450	25,500	1,214	28,450	28,500	1,364
16,500	16,550	766	19,500	19,550	916	22,500	22,550	1,066	25,500	25,550	1,216	28,500	28,550	1,366
16,550	16,600	769	19,550	19,600	919	22,550	22,600	1,069	25,550	25,600	1,219	28,550	28,600	1,369
16,600	16,650	771	19,600	19,650	921	22,600	22,650	1,071	25,600	25,650	1,221	28,600	28,650	1,371
16,650	16,700	774	19,650	19,700	924	22,650	22,700	1,074	25,650	25,700	1,224	28,650	28,700	1,374
16,700	16,750	776	19,700	19,750	926	22,700	22,750	1,076	25,700	25,750	1,226	28,700	28,750	1,376
16,750	16,800	779	19,750	19,800	929	22,750	22,800	1,079	25,750	25,800	1,229	28,750	28,800	1,379
16,800	16,850	781	19,800	19,850	931	22,800	22,850	1,081	25,800	25,850	1,231	28,800	28,850	1,381
16,850	16,900	784	19,850	19,900	934	22,850	22,900	1,084	25,850	25,900	1,234	28,850	28,900	1,384
16,900	16,950	786	19,900	19,950	936	22,900	22,950	1,086	25,900	25,950	1,236	28,900	28,950	1,386
16,950	17,000	789	19,950	20,000	939	22,950	23,000	1,089	25,950	26,000	1,239	28,950	29,000	1,389
<b>17,000</b>			<b>20,000</b>			<b>23,000</b>			<b>26,000</b>			<b>29,000</b>		
17,000	17,050	791	20,000	20,050	941	23,000	23,050	1,091	26,000	26,050	1,241	29,000	29,050	1,391
17,050	17,100	794	20,050	20,100	944	23,050	23,100	1,094	26,050	26,100	1,244	29,050	29,100	1,394
17,100	17,150	796	20,100	20,150	946	23,100	23,150	1,096	26,100	26,150	1,246	29,100	29,150	1,396
17,150	17,200	799	20,150	20,200	949	23,150	23,200	1,099	26,150	26,200	1,249	29,150	29,200	1,399
17,200	17,250	801	20,200	20,250	951	23,200	23,250	1,101	26,200	26,250	1,251	29,200	29,250	1,401
17,250	17,300	804	20,250	20,300	954	23,250	23,300	1,104	26,250	26,300	1,254	29,250	29,300	1,404
17,300	17,350	806	20,300	20,350	956	23,300	23,350	1,106	26,300	26,350	1,256	29,300	29,350	1,406
17,350	17,400	809	20,350	20,400	959	23,350	23,400	1,109	26,350	26,400	1,259	29,350	29,400	1,409
17,400	17,450	811	20,400	20,450	961	23,400	23,450	1,111	26,400	26,450	1,261	29,400	29,450	1,411
17,450	17,500	814	20,450	20,500	964	23,450	23,500	1,114	26,450	26,500	1,264	29,450	29,500	1,414
17,500	17,550	816	20,500	20,550	966	23,500	23,550	1,116	26,500	26,550	1,266	29,500	29,550	1,416
17,550	17,600	819	20,550	20,600	969	23,550	23,600	1,119	26,550	26,600	1,269	29,550	29,600	1,419
17,600	17,650	821	20,600	20,650	971	23,600	23,650	1,121	26,600	26,650	1,271	29,600	29,650	1,421
17,650	17,700	824	20,650	20,700	974	23,650	23,700	1,124	26,650	26,700	1,274	29,650	29,700	1,424
17,700	17,750	826	20,700	20,750	976	23,700	23,750	1,126	26,700	26,750	1,276	29,700	29,750	1,426
17,750	17,800	829	20,750	20,800	979	23,750	23,800	1,129	26,750	26,800	1,279	29,750	29,800	1,429
17,800	17,850	831	20,800	20,850	981	23,800	23,850	1,131	26,800	26,850	1,281	29,800	29,850	1,431
17,850	17,900	834	20,850	20,900	984	23,850	23,900	1,134	26,850	26,900	1,284	29,850	29,900	1,434
17,900	17,950	836	20,900	20,950	986	23,900	23,950	1,136	26,900	26,950	1,286	29,900	29,950	1,436
17,950	18,000	839	20,950	21,000	989	23,950	24,000	1,139	26,950	27,000	1,289	29,950	30,000	1,439

# 1996 MARYLAND TAX TABLE

Continued:

If your income from line 59 is . . .			If your income from line 59 is . . .			If your income from line 59 is . . .			If your income from line 59 is . . .			If your income from line 59 is . . .		
At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .
<b>30,000</b>			<b>33,000</b>			<b>36,000</b>			<b>39,000</b>			<b>42,000</b>		
30,000	30,050	1,441	33,000	33,050	1,591	36,000	36,050	1,741	39,000	39,050	1,891	42,000	42,050	2,041
30,050	30,100	1,444	33,050	33,100	1,594	36,050	36,100	1,744	39,050	39,100	1,894	42,050	42,100	2,044
30,100	30,150	1,446	33,100	33,150	1,596	36,100	36,150	1,746	39,100	39,150	1,896	42,100	42,150	2,046
30,150	30,200	1,449	33,150	33,200	1,599	36,150	36,200	1,749	39,150	39,200	1,899	42,150	42,200	2,049
30,200	30,250	1,451	33,200	33,250	1,601	36,200	36,250	1,751	39,200	39,250	1,901	42,200	42,250	2,051
30,250	30,300	1,454	33,250	33,300	1,604	36,250	36,300	1,754	39,250	39,300	1,904	42,250	42,300	2,054
30,300	30,350	1,456	33,300	33,350	1,606	36,300	36,350	1,756	39,300	39,350	1,906	42,300	42,350	2,056
30,350	30,400	1,459	33,350	33,400	1,609	36,350	36,400	1,759	39,350	39,400	1,909	42,350	42,400	2,059
30,400	30,450	1,461	33,400	33,450	1,611	36,400	36,450	1,761	39,400	39,450	1,911	42,400	42,450	2,061
30,450	30,500	1,464	33,450	33,500	1,614	36,450	36,500	1,764	39,450	39,500	1,914	42,450	42,500	2,064
30,500	30,550	1,466	33,500	33,550	1,616	36,500	36,550	1,766	39,500	39,550	1,916	42,500	42,550	2,066
30,550	30,600	1,469	33,550	33,600	1,619	36,550	36,600	1,769	39,550	39,600	1,919	42,550	42,600	2,069
30,600	30,650	1,471	33,600	33,650	1,621	36,600	36,650	1,771	39,600	39,650	1,921	42,600	42,650	2,071
30,650	30,700	1,474	33,650	33,700	1,624	36,650	36,700	1,774	39,650	39,700	1,924	42,650	42,700	2,074
30,700	30,750	1,476	33,700	33,750	1,626	36,700	36,750	1,776	39,700	39,750	1,926	42,700	42,750	2,076
30,750	30,800	1,479	33,750	33,800	1,629	36,750	36,800	1,779	39,750	39,800	1,929	42,750	42,800	2,079
30,800	30,850	1,481	33,800	33,850	1,631	36,800	36,850	1,781	39,800	39,850	1,931	42,800	42,850	2,081
30,850	30,900	1,484	33,850	33,900	1,634	36,850	36,900	1,784	39,850	39,900	1,934	42,850	42,900	2,084
30,900	30,950	1,486	33,900	33,950	1,636	36,900	36,950	1,786	39,900	39,950	1,936	42,900	42,950	2,086
30,950	31,000	1,489	33,950	34,000	1,639	36,950	37,000	1,789	39,950	40,000	1,939	42,950	43,000	2,089
<b>31,000</b>			<b>34,000</b>			<b>37,000</b>			<b>40,000</b>			<b>43,000</b>		
31,000	31,050	1,491	34,000	34,050	1,641	37,000	37,050	1,791	40,000	40,050	1,941	43,000	43,050	2,091
31,050	31,100	1,494	34,050	34,100	1,644	37,050	37,100	1,794	40,050	40,100	1,944	43,050	43,100	2,094
31,100	31,150	1,496	34,100	34,150	1,646	37,100	37,150	1,796	40,100	40,150	1,946	43,100	43,150	2,096
31,150	31,200	1,499	34,150	34,200	1,649	37,150	37,200	1,799	40,150	40,200	1,949	43,150	43,200	2,099
31,200	31,250	1,501	34,200	34,250	1,651	37,200	37,250	1,801	40,200	40,250	1,951	43,200	43,250	2,101
31,250	31,300	1,504	34,250	34,300	1,654	37,250	37,300	1,804	40,250	40,300	1,954	43,250	43,300	2,104
31,300	31,350	1,506	34,300	34,350	1,656	37,300	37,350	1,806	40,300	40,350	1,956	43,300	43,350	2,106
31,350	31,400	1,509	34,350	34,400	1,659	37,350	37,400	1,809	40,350	40,400	1,959	43,350	43,400	2,109
31,400	31,450	1,511	34,400	34,450	1,661	37,400	37,450	1,811	40,400	40,450	1,961	43,400	43,450	2,111
31,450	31,500	1,514	34,450	34,500	1,664	37,450	37,500	1,814	40,450	40,500	1,964	43,450	43,500	2,114
31,500	31,550	1,516	34,500	34,550	1,666	37,500	37,550	1,816	40,500	40,550	1,966	43,500	43,550	2,116
31,550	31,600	1,519	34,550	34,600	1,669	37,550	37,600	1,819	40,550	40,600	1,969	43,550	43,600	2,119
31,600	31,650	1,521	34,600	34,650	1,671	37,600	37,650	1,821	40,600	40,650	1,971	43,600	43,650	2,121
31,650	31,700	1,524	34,650	34,700	1,674	37,650	37,700	1,824	40,650	40,700	1,974	43,650	43,700	2,124
31,700	31,750	1,526	34,700	34,750	1,676	37,700	37,750	1,826	40,700	40,750	1,976	43,700	43,750	2,126
31,750	31,800	1,529	34,750	34,800	1,679	37,750	37,800	1,829	40,750	40,800	1,979	43,750	43,800	2,129
31,800	31,850	1,531	34,800	34,850	1,681	37,800	37,850	1,831	40,800	40,850	1,981	43,800	43,850	2,131
31,850	31,900	1,534	34,850	34,900	1,684	37,850	37,900	1,834	40,850	40,900	1,984	43,850	43,900	2,134
31,900	31,950	1,536	34,900	34,950	1,686	37,900	37,950	1,836	40,900	40,950	1,986	43,900	43,950	2,136
31,950	32,000	1,539	34,950	35,000	1,689	37,950	38,000	1,839	40,950	41,000	1,989	43,950	44,000	2,139
<b>32,000</b>			<b>35,000</b>			<b>38,000</b>			<b>41,000</b>			<b>44,000</b>		
32,000	32,050	1,541	35,000	35,050	1,691	38,000	38,050	1,841	41,000	41,050	1,991	44,000	44,050	2,141
32,050	32,100	1,544	35,050	35,100	1,694	38,050	38,100	1,844	41,050	41,100	1,994	44,050	44,100	2,144
32,100	32,150	1,546	35,100	35,150	1,696	38,100	38,150	1,846	41,100	41,150	1,996	44,100	44,150	2,146
32,150	32,200	1,549	35,150	35,200	1,699	38,150	38,200	1,849	41,150	41,200	1,999	44,150	44,200	2,149
32,200	32,250	1,551	35,200	35,250	1,701	38,200	38,250	1,851	41,200	41,250	2,001	44,200	44,250	2,151
32,250	32,300	1,554	35,250	35,300	1,704	38,250	38,300	1,854	41,250	41,300	2,004	44,250	44,300	2,154
32,300	32,350	1,556	35,300	35,350	1,706	38,300	38,350	1,856	41,300	41,350	2,006	44,300	44,350	2,156
32,350	32,400	1,559	35,350	35,400	1,709	38,350	38,400	1,859	41,350	41,400	2,009	44,350	44,400	2,159
32,400	32,450	1,561	35,400	35,450	1,711	38,400	38,450	1,861	41,400	41,450	2,011	44,400	44,450	2,161
32,450	32,500	1,564	35,450	35,500	1,714	38,450	38,500	1,864	41,450	41,500	2,014	44,450	44,500	2,164
32,500	32,550	1,566	35,500	35,550	1,716	38,500	38,550	1,866	41,500	41,550	2,016	44,500	44,550	2,166
32,550	32,600	1,569	35,550	35,600	1,719	38,550	38,600	1,869	41,550	41,600	2,019	44,550	44,600	2,169
32,600	32,650	1,571	35,600	35,650	1,721	38,600	38,650	1,871	41,600	41,650	2,021	44,600	44,650	2,171
32,650	32,700	1,574	35,650	35,700	1,724	38,650	38,700	1,874	41,650	41,700	2,024	44,650	44,700	2,174
32,700	32,750	1,576	35,700	35,750	1,726	38,700	38,750	1,876	41,700	41,750	2,026	44,700	44,750	2,176
32,750	32,800	1,579	35,750	35,800	1,729	38,750	38,800	1,879	41,750	41,800	2,029	44,750	44,800	2,179
32,800	32,850	1,581	35,800	35,850	1,731	38,800	38,850	1,881	41,800	41,850	2,031	44,800	44,850	2,181
32,850	32,900	1,584	35,850	35,900	1,734	38,850	38,900	1,884	41,850	41,900	2,034	44,850	44,900	2,184
32,900	32,950	1,586	35,900	35,950	1,736	38,900	38,950	1,886	41,900	41,950	2,036	44,900	44,950	2,186
32,950	33,000	1,589	35,950	36,000	1,739	38,950	39,000	1,889	41,950	42,000	2,039	44,950	45,000	2,189

# 1996 MARYLAND TAX TABLE

Continued:

If your income from line 59 is . . .			If your income from line 59 is . . .			If your income from line 59 is . . .			If your income from line 59 is . . .			If your income from line 59 is . . .		
At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .	At least	But less than	Your Maryland tax is . . .
<b>45,000</b>			<b>46,000</b>			<b>47,000</b>			<b>48,000</b>			<b>49,000</b>		
45,000	45,050	2,191	46,000	46,050	2,241	47,000	47,050	2,291	48,000	48,050	2,341	49,000	49,050	2,391
45,050	45,100	2,194	46,050	46,100	2,244	47,050	47,100	2,294	48,050	48,100	2,344	49,050	49,100	2,394
45,100	45,150	2,196	46,100	46,150	2,246	47,100	47,150	2,296	48,100	48,150	2,346	49,100	49,150	2,396
45,150	45,200	2,199	46,150	46,200	2,249	47,150	47,200	2,299	48,150	48,200	2,349	49,150	49,200	2,399
45,200	45,250	2,201	46,200	46,250	2,251	47,200	47,250	2,301	48,200	48,250	2,351	49,200	49,250	2,401
45,250	45,300	2,204	46,250	46,300	2,254	47,250	47,300	2,304	48,250	48,300	2,354	49,250	49,300	2,404
45,300	45,350	2,206	46,300	46,350	2,256	47,300	47,350	2,306	48,300	48,350	2,356	49,300	49,350	2,406
45,350	45,400	2,209	46,350	46,400	2,259	47,350	47,400	2,309	48,350	48,400	2,359	49,350	49,400	2,409
45,400	45,450	2,211	46,400	46,450	2,261	47,400	47,450	2,311	48,400	48,450	2,361	49,400	49,450	2,411
45,450	45,500	2,214	46,450	46,500	2,264	47,450	47,500	2,314	48,450	48,500	2,364	49,450	49,500	2,414
45,500	45,550	2,216	46,500	46,550	2,266	47,500	47,550	2,316	48,500	48,550	2,366	49,500	49,550	2,416
45,550	45,600	2,219	46,550	46,600	2,269	47,550	47,600	2,319	48,550	48,600	2,369	49,550	49,600	2,419
45,600	45,650	2,221	46,600	46,650	2,271	47,600	47,650	2,321	48,600	48,650	2,371	49,600	49,650	2,421
45,650	45,700	2,224	46,650	46,700	2,274	47,650	47,700	2,324	48,650	48,700	2,374	49,650	49,700	2,424
45,700	45,750	2,226	46,700	46,750	2,276	47,700	47,750	2,326	48,700	48,750	2,376	49,700	49,750	2,426
45,750	45,800	2,229	46,750	46,800	2,279	47,750	47,800	2,329	48,750	48,800	2,379	49,750	49,800	2,429
45,800	45,850	2,231	46,800	46,850	2,281	47,800	47,850	2,331	48,800	48,850	2,381	49,800	49,850	2,431
45,850	45,900	2,234	46,850	46,900	2,284	47,850	47,900	2,334	48,850	48,900	2,384	49,850	49,900	2,434
45,900	45,950	2,236	46,900	46,950	2,286	47,900	47,950	2,336	48,900	48,950	2,386	49,900	49,950	2,436
45,950	46,000	2,239	46,950	47,000	2,289	47,950	48,000	2,339	48,950	49,000	2,389	49,950	50,000	2,439

## MARYLAND TAX *Computation Worksheet*

1. Use this worksheet only if your income on line 59 of Form 505 is more than \$50,000.
2. Complete the worksheet in step-by-step order, entering the amount from line 59 on line 1.

1. Enter the amount from line 59 of Form 505 . . . . .	\$	
2. Subtract this amount . . . . .	-3000	00
3. The difference is . . . . .		
4. Multiply amount on line 3 by 5% . . . . .	x	.05
5. Carry the answer to two decimal places . . . . .		
6. Add this amount to the amount on line 5 . . . . .	+ 90	00
7. This is your MARYLAND TAX . . . . .	\$	

3. Write the amount of **MARYLAND TAX** computed above on line 60 of Form 505.



THE CHECKOFF WORKS



# LINE 63A

CHECKOFF DONATIONS are at work across the state supporting hundreds of community-based Bay restoration and wildlife protection activities. Please consider a tax deductible contribution to these special causes that affect the quality of life in our state.

1. Check Box at  line 63A.
2. Enter amount you choose to donate.
3. The amount will be deducted from your refund or added to your tax payment.
4. The donation is tax-deductible in the following year.

*Donations are divided evenly between the Bay restoration grants program of the Chesapeake Bay Trust and the nongame and endangered species programs of the Fish Heritage and Wildlife Administration of the Department of Natural Resources.*

*For further information call the Chesapeake Bay Trust at 410-974-2941 or the Department of Natural Resources at 410-974-3195.*

***Help Our Wildlife – Back Our Bay***

## ***You can make a contribution...***

...to the Fair Campaign



Financing Fund. Your contribution helps to provide a funding alternative to large private contributions in elections for

governor/lieutenant governor when candidates accept a spending limit.

1. Check line 63b on your Maryland income tax form.
2. Enter amount you choose to donate (up to \$500).
3. The amount will be deducted from your refund or added to your tax payment.

# Need tax help?

**(410) 974-3981 from Central Maryland**  
**1-800-MD TAXES (1-800-638-2937) from elsewhere**

The best times to call are Wednesday through Friday.  
Save tax dollars by using the local number whenever possible.

## Want refund information?

The 24-hour automated refund hotline is available 7 days a week for toll-free information about your state tax refund. Have a copy of your tax return ready to verify information.

**(410) 974-3701 from Central Maryland**  
**or 1-800-218-8160 from elsewhere**

### How we can help

#### World Wide Web

Visit our web site for tax forms, instructions, publications and e-mail access to taxpayer assistance. Our address is [www.comp.state.md.us](http://www.comp.state.md.us).

#### Not on the net?

In addition to telephone and walk-in assistance, you can e-mail your questions to us at [taxhelp@comp.state.md.us](mailto:taxhelp@comp.state.md.us).

#### Electronic filing

Consider electronic filing for fewer errors and faster refunds. It's often free – just ask your tax preparer. You may file electronically even if you owe additional tax.

#### Forms-by-fax

You can use our fax on demand system to receive forms and publications 24-hours a day. For best service, call from the handset of a fax machine. 410-974-FAXX (3299).

#### Filing extensions without paper

If you do not owe additional tax but need an extension of time to file your Maryland income tax return, you can file your extension request by calling 410-974-5-TAX (974-5829). You may also file for an extension at the Comptroller's web site.

#### Need special assistance?

If you are planning to visit one of our offices and need reasonable accommodation for a disability, please contact us in advance of your visit.

Baltimore Metro (TTY) . . .(410) 974-3157 or (410) 767-1967  
Washington Metro (TTY) . . . . .(301) 565-0450  
Wheaton (TTY) . . . . .(301) 949-6032  
Maryland Relay Service (MRS) . . . . .1-800-735-2258  
Large format tax forms . . . . .(410) 974-3951

### Taxpayer service offices

We'll prepare your Maryland return free of charge if you bring a completed copy of your federal return and all W-2 statements. You may obtain forms and assistance from the following taxpayer service offices. See the Government Blue Pages of your telephone directory for location addresses.

Annapolis . . . . .(410) 974-3981  
Forms . . . . .(410) 974-3951  
Baltimore . . . . .(410) 767-1995  
Bel Air . . . . .(410) 836-4890  
Centreville . . . . .(410) 758-5050  
Cumberland . . . . .(301) 777-2165  
Garrett County Residents . . . . .(301) 334-8880  
Denton . . . . .(410) 479-5720  
Elkton . . . . .(410) 996-0580  
Ellicott City . . . . .(410) 461-0170  
Frederick . . . . .(301) 694-1982  
Hagerstown . . . . .(301) 791-4776  
Jessup . . . . .(410) 799-4009  
Leonardtwn . . . . .(301) 475-4850  
New Carrollton . . . . .(301) 459-9195  
Prince Frederick . . . . .(410) 535-8830  
Salisbury . . . . .(410) 543-6800  
Towson . . . . .(410) 321-2306  
Upper Marlboro . . . . .(301) 952-2810  
Waldorf . . . . .(301) 645-2226 or (301) 843-0977  
Westminster . . . . .(410) 848-4699  
Wheaton . . . . .(301) 949-6030

### Extra tax help

Free state income tax assistance, including tax form preparation, is available from any of the State Comptroller's Taxpayer Service Offices, Monday through Friday, 8:00 a.m. until 5:00 p.m. In addition, the offices will be open the following holidays and special hours:

Monday, January 20, 1997	8:00 a.m.-5:00 p.m.	Saturday, April 5, 1997	9:00 a.m.-1:00 p.m.
Monday, February 17, 1997	8:00 a.m.-5:00 p.m.	Saturday, April 12, 1997	9:00 a.m.-1:00 p.m.