

AMENDED MARYLAND TAX RETURN
For tax years prior to 01/01/10

Header section containing personal information: Your first name and initial, Last name, Social Security number, Check here if you are: 65 or over, Blind, Spouse's first name and initial, Last name, Social Security number, Check here if your spouse is: 65 or over, Blind, Present address (No. and street), City or town, State, ZIP code, Daytime telephone number, Name of County in which you were a resident on the last day of the tax year, Maryland county, Name of incorporated city, town, or special taxing area in which you were a resident on the last day of the tax year, City, town or taxing area.

Tax year being amended

IF THIS IS BEING FILED TO CARRY BACK A NET OPERATING LOSS, CHECK THIS BOX

Attach copies of the federal loss year return and NOL Worksheets. See Instruction 15.

IMPORTANT NOTE: Read the instructions and complete page 2 first.

Is this address different from the address on your original return? YES NO
Check: Full-year resident Part-year resident or Nonresident (See Instruction 14)
If part-year resident or nonresident enter dates you resided in Maryland
Did you request an extension of time to file the original return? YES NO
If yes, enter the date the return was filed
Is an amended Federal return being filed? YES NO
If yes, submit copy.
Has your original Federal return been changed or corrected by the Internal Revenue Service? YES NO
If yes, submit copy of the IRS notice.

CHANGE OF FILING STATUS
Original Amended
Single
Married filing joint return or spouse had no income
Married filing separately SPOUSE'S SOCIAL SECURITY NO.
Head of household
Qualifying widow(er) with dependent child
Dependent taxpayer

Main table with columns: A. As originally reported or as previously adjusted (See instructions), B. Net change - increase or (decrease) - explain on page 2, C. Corrected amount. Rows 1-28 detailing income, deductions, taxes, and credits.



## IMPORTANT NOTES

The instructions included here should enable you to complete an amended return for tax years beginning 2006 thru 2009. If you must amend a tax year prior to 2006, you should obtain an amended return and tax booklet for the year you wish to amend so that you will have the proper instructions and rates. Nonresidents, see Instruction 14 to determine which form to file.

Changes made as part of an amended return are subject to audit for up to three years from the date that the amended return is filed.

### WHEN AND WHERE TO FILE

Generally, Form 502X must be filed within three years from the date the original return was due (including extensions) or filed. The following exceptions apply.

- A claim filed after three years, but within two years from the time the tax was paid is limited to the amount paid within the two years immediately before filing the claim.
- A claim for refund based on a federal net operating loss carryback must be filed within 3 years after the due date (including extensions) of the return for the tax year of the net operating loss.
- A claim for refund resulting from a credit for taxes paid to another state must be filed within one year of the date of the final notification by the other state that income tax is due.
- If the claim for refund or credit for overpayment resulted from a final determination made by an administrative board or an appeal of a decision of an administrative board, that is more than three years from the date of filing the return or more than two years from the time the tax was paid, the claim for refund must be filed within one year of the date of the final decision of the administrative board or final decision of the highest court to which an appeal of the administrative board is taken.
- If the Internal Revenue Service issues a final determination of adjustments that would result in a decrease to Maryland taxable income, file Form 502X within one year after the final

adjustment report or the final court decision if appealed.

- If the Internal Revenue Service issued a final determination of adjustments that would result in an increase to Maryland taxable income, file Form 502X within ninety days after the final determination.

**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.** Please note that no refund for less than \$1.00 will be issued.

The amended return must be filed with the Comptroller of Maryland, Revenue Administration Division, Annapolis, Maryland 21411-0001.

For more information regarding refund limitations, see Administrative Release 20.

### PROTECTIVE CLAIMS

A protective claim is a claim for a specific amount of refund filed on an amended return with a request that the Comptroller delay acting on the refund request. The claim for refund may not be based on a federal audit. The delay requested must be due to a pending decision by a state or federal court which will affect the outcome of the refund, or for reasonable cause. The protective claim must be filed in accordance with the limitations outlined in the section WHEN AND WHERE TO FILE. The Comptroller may accept or reject a protective claim. If rejected, the taxpayer will be informed of a right to a hearing. We cannot accept a protective claim unless an original return has been filed.

### PENALTIES

There are severe penalties for failing to file a tax return, failing to pay any tax when due, filing false or fraudulent returns 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 when due.

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

### PRIVACY ACT INFORMATION

The Revenue Administration Division requests information on tax returns to administer the income tax laws of Maryland, including determination and collection of correct taxes. If you fail to provide all or part of the requested information, the 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 also be obtained with a proper legislative or judicial order.

### USE OF FEDERAL RETURN

Most changes to your federal return will result in changes on your Maryland return and you will need the information from your federal amendment to complete your Maryland amended return. Therefore, complete your federal return first. 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 Comptroller's Office.

**If you are amending your federal return, attach a photocopy of the federal Form 1040X and any revised schedules to your Maryland Form 502X.** If your tax has been increased by the Internal Revenue Service, you must report this increase to the Maryland Revenue Administration Division within ninety (90) days from the final IRS determination.

## SPECIFIC INSTRUCTIONS

**1 NAME, ADDRESS AND YEAR INFORMATION.** Enter the year, Social Security number, correct name and current address in the boxes. Be sure to check the appropriate box if you or your spouse are 65 or over or blind on the last day of the tax year. Also enter the correct county, city or taxing area for the last day of the tax year being amended. If your address is different from the address on your original return, be sure to answer "Yes" to the first question.

**2 QUESTIONS.** Answer all of the questions and attach copies of any federal notices, amended forms and schedules. If you have checked part-year resident or nonresident, provide the dates you resided in Maryland for the tax year and explain any changes from your original filing in Part III on the back of Form 502X.

**3 FILING STATUS.** Enter the filing status you used on your original return and show any change of filing status. Your filing status should correspond to the filing status used on your federal return.

Generally, you may not change from married filing joint to married filing separately after the

original due date of the return. Any change in filing status to or from married filing joint requires

the signature of both spouses. Enter a complete explanation in Part III on the back of Form 502X.

**4 TURN THE FORM OVER AND COMPLETE PAGE 2.**

### PART I - Page 2

Enter your original or previously adjusted amounts of income in Column A. Enter any increase (or decrease) in Column B and enter the corrected amounts in Column C. If you are not making any changes to your income as

previously reported, complete Column A only and enter the total on line 17 of Column C.

### PART II - Page 2

If you itemized deductions, enter your original or previously adjusted amounts in Column

A. Enter any increase (or decrease) in Column B and enter the corrected amounts in Column C. If you are not making any changes to your deductions as previously reported, complete Column A only and enter the total on line 11 of Column C.

**NOTE:** Certain high-income taxpayers are required to reduce their federal itemized deductions. If you had to reduce your total federal itemized deductions, enter the limited amount from the federal Schedule A on line 7. Use the worksheet found in the Maryland tax booklet for the tax year of the amended return to determine the proper amount to subtract as state and local

income taxes on line 8. Also, any amount deducted as contributions of Preservation and Conservation Easements for which a credit is claimed on Form 502CR must be included on line 8.

**PART III**

Use this section to provide a detailed explanation of the changes being made on the

amended return. A filing status change must be fully explained here. If this is a part-year or non-resident return, give the dates you resided in Maryland for the tax year.

Enter the line number from page 1 for each item you are changing and state the reason for the change. Be sure to attach any required schedules or forms.

**NOW COMPLETE THE FRONT OF FORM 502X. COLUMNS A-C**

In Column A, enter the amounts from your return as originally filed or as previously adjusted or amended.

In Column B, enter the net increase or net decrease for each line you are changing. Show

all decreases in parentheses. Explain each change in Part III of Form 502X and attach any related schedule or form. If you need more space, show the required information on an attached statement.

For Column C, add the increase in Column B to the amount in Column A, or subtract the Column B decrease from Column A. For any item you do not change, enter the amount from Column A in Column C.

**5 FIGURE YOUR MARYLAND AND SPECIAL NONRESIDENT TAX.**

**LINE 1 – Income and adjustments from federal return.** Copy the amounts from your federal amended return or as corrected by the IRS and enter a complete explanation of the changes in Part III.

**LINE 2 – Additions to income.** For decoupling and tax preference items and amounts to be added when credits are claimed, attach corrected Maryland Form(s) 500DM, 502TP, 502CR or 500CR. Enter an explanation of the changes in Part III.

**LINE 4 – Subtractions from income.** Enter items such as child care expenses, pension exclusion and other subtractions (shown in the instructions for your original return). Enter an explanation of the changes in Part III and attach any corrected forms.

**LINE 6 – Method of computation.**

**Standard deduction method.** The standard deduction is 15% of the Maryland adjusted gross income with the following minimums and maximums.

<b>Filing Status</b>		
Single	–	Minimum of \$1,500 and maximum of \$2,000
Married filing separately		
Dependent taxpayer		
<b>Filing Status</b>		
Married filing joint or spouse had no income	–	Minimum of \$3,000 and maximum of \$4,000
Head of household		
Qualifying widow(er) with dependent child		

**Itemized deduction method.** Check the box and enter your total Maryland itemized deductions.

**LINE 8 – Exemptions.** For years 2006 through 2007, multiply all regular exemptions by \$2,400. Multiply exemptions for taxpayers 65 or over or blind by \$1,000. For tax years beginning in 2008, the personal exemption is \$3,200. This exemption is partially reduced once the taxpayer's federal adjusted gross income exceeds \$100,000 (\$150,000 if filing Joint, Head of Household, or Qualifying Widow(er) with Dependent Child). If you are subject to this reduction, see the exemption chart in the applicable booklet.

**LINE 10 – Computing the tax.** Line 9 will be your Maryland taxable income. Use the rate schedule below for the appropriate tax year. Nonresidents amending for tax years prior to 2008 should use Special Nonresident Tax Worksheet below.

<b>Tax Year Beginning 2008 and 2009</b>					
<b>Tax rate schedule I</b>			<b>Tax rate schedule II</b>		
(for taxpayers filing as Single, Married Filing Separately, or as Dependent Taxpayers. This rate is also used for taxpayers filing as Fiduciaries.)			(for taxpayers filing Joint Returns, Head of Household, or for Qualifying Widows/Widowers.)		
Taxable Net Income is:		Maryland Tax is:	Taxable Net Income is:		Maryland Tax is:
Over	But Not Over		Over	But Not Over	
\$ 0	\$ 1,000	2% of the amount	\$ 0	\$ 1,000	2% of the amount
1,000	2,000	\$20 plus 3% of the excess over \$1,000	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	2,000	3,000	\$50 plus 4% of the excess over \$2,000
3,000	150,000	\$90 plus 4.75% of the excess over \$3,000	3,000	200,000	\$90 plus 4.75% of the excess over \$3,000
150,000	300,000	\$7,072.50 plus 5% of the excess over \$150,000	200,000	350,000	\$9,447.50 plus 5% of the excess over \$200,000
300,000	500,000	\$14,572.50 plus 5.25% of the excess over \$300,000	350,000	500,000	\$16,947.50 plus 5.25% of the excess over \$350,000
500,000	1,000,000	\$25,072.50 plus 5.5% of the excess over \$500,000	500,000	1,000,000	\$24,822.50 plus 5.5% of the excess over \$500,000
1,000,000	-----	\$52,572.50 plus 6.25% of the excess over \$1,000,000	1,000,000	-----	\$52,322.50 plus 6.25% of the excess over \$1,000,000

<b>Tax Rate Schedule (before 2008)</b>		
If the amount on line 9 is:	Amount of tax	(Enter on line 10)
At least	but not over	
\$ 0	\$1,000	2% of the amount on line 9
1,000	2,000	\$20 plus 3% of excess over \$1,000
2,000	3,000	\$50 plus 4% of excess over \$2,000
3,000	-	\$90 plus 4.75% of excess over \$3,000

<b>SPECIAL NONRESIDENT TAX WORKSHEET</b>	
1. Taxable net income from line 9 of Form 502X	1. _____
2. Maryland tax (from tax rate schedule above)	2. _____
3. Special Nonresident tax rate in Instruction 7	3. 0 _____
4. Multiply line 1 by line 3.	4. _____
5. Special nonresident tax. Add lines 2 and 4. Enter here and on line 10 of Form 502X	5. _____

**6 EARNED INCOME CREDIT, POVERTY LEVEL CREDIT, CREDITS FOR INDIVIDUALS AND BUSINESS TAX CREDITS.** Enter each credit being claimed in the appropriate box on line 10a.

You may claim a credit equal to one-half of your federal earned income credit on line 10a. If you were a part-year resident or a nonresident, you must prorate the earned income credit using the Maryland income factor. See Instruction 13.

You may also claim a credit on line 10a equal to 5% of your earned income if your income is less than the poverty level guidelines. Please refer to the instructions and worksheet in the

Maryland tax booklet to compute the allowable credit. If you were a part-year resident or a nonresident, you must prorate the poverty level credit using the Maryland income factor. See Instruction 13.

Personal income tax credits from Form 502CR and business tax credits from Form 500CR should be entered in the appropriate box on line 10a. If these amounts are different from the origi-

nal return, be sure to attach the completed Form 502CR and/or Form 500CR with appropriate documentation or certifications.

If the total credits on line 10a are greater than the tax on line 10, enter zero on line 10b. The credits entered on line 10a are nonrefundable. For information concerning refundable credits, see Instruction 9.

**7 LOCAL AND SPECIAL NONRESIDENT INCOME TAX AND LOCAL CREDITS.** Complete lines 11, 11a and 11b.

The local income tax is calculated by multiplying the taxable net income from line 9 by the local tax rate shown on the following Local Tax Rate Chart. Use the local tax rate for the county (or Baltimore City) in which you resided on

the last day of the tax year. Enter the result on line 11.

A separate calculation of the earned income credit is required when computing the local income tax. Use the worksheets in the appropriate

Maryland tax booklet to compute the local credits and enter the result on line 11a. If you were a part-year resident, you must prorate the local credits using the Maryland income factor. See Instruction 13.

**Local and Special Nonresident Tax Rate Chart**

Subdivision	2006	2007	2008	2009	Subdivision	2006	2007	2008	2009
Baltimore City	.0305	.0305	.0305	.0305	Harford County	.0306	.0306	.0306	.0306
Allegany County	.0293	.0293	.0293	.0293	Howard County	.0320	.0320	.0320	.0320
Anne Arundel County	.0256	.0256	.0256	.0256	Kent County	.0285	.0285	.0285	.0285
Baltimore County	.0283	.0283	.0283	.0283	Montgomery County	.0320	.0320	.0320	.0320
Calvert County	.0280	.0280	.0280	.0280	Prince George's County	.0320	.0320	.0310	.0320
Caroline County	.0263	.0263	.0263	.0263	Queen Anne's County	.0285	.0285	.0285	.0285
Carroll County	.0305	.0305	.0305	.0305	St. Mary's County	.0305	.0300	.0300	.0300
Cecil County	.0280	.0280	.0280	.0280	Somerset County	.0315	.0315	.0315	.0315
Charles County	.0290	.0290	.0290	.0290	Talbot County	.0225	.0225	.0225	.0225
Dorchester County	.0262	.0262	.0262	.0262	Washington County	.0280	.0280	.0280	.0280
Frederick County	.0296	.0296	.0296	.0296	Wicomico County	.0310	.0310	.0310	.0310
Garrett County	.0265	.0265	.0265	.0265	Worcester County	.0125	.0125	.0125	.0125
					Special Nonresident Tax	.0125	.0125	.0125	.0125

**8 CONTRIBUTIONS TO THE CHESAPEAKE BAY AND ENDANGERED SPECIES FUND, FAIR CAMPAIGN FINANCING FUND AND MARYLAND CANCER FUND.** Enter the amounts of your contribution in 13A for the Chesapeake Bay and Endangered Species Fund, 13B for the Fair Campaign Financing Fund and 13C for the Maryland Cancer Fund. Contributions to the campaign fund are limited to \$500 (\$1,000 on a joint return) per year. Any contribution will increase your balance due or reduce your refund. Enter the total of your contributions in the appropriate columns. Additional information concerning the funds is contained in the Maryland tax booklet for the tax year of the amended return.

**9 TAXES PAID AND CREDITS.** Write your taxes paid and credits on lines 15-20.

Enter the correct amounts on lines 15 through 19 and attach any additional or corrected W-2 statements, photocopies of cancelled checks or money orders for estimated account payments not credited on your original return. Attach corrected Form 502CR and other state returns, or corrected Form 500CR or Form 502H for the applicable year being amended.

**Refundable Earned Income Credit.** You may be eligible for a refundable earned income credit if one-half of your federal earned income credit is greater than your Maryland tax for years prior to 2008 and you have one or more

dependents that you may claim as an exemption on your federal income tax return. Please refer to the Refundable Earned Income Credit Worksheet in the Maryland tax booklet, and enter the allowable credit on line 17.

**Refundable Income Tax Credits.** Enter the total of your refundable income tax credits on line 19. Beginning with tax year 2001 you must attach Form 502CR.

a. **NEIGHBORHOOD STABILIZATION CREDIT.** Beginning with tax year 1999, individuals certified by Baltimore City or Baltimore County as qualified for the neighborhood stabilization credit may claim a

credit equal to the property tax credit granted by Baltimore City or Baltimore County. Attach a copy of the certification.

- b. **HERITAGE STRUCTURE REHABILITATION TAX CREDIT.** A credit is allowed for a percentage of qualified rehabilitation expenditures as certified by the Maryland Historical Trust. Attach a copy of Form 502H and certification.
- c. **REFUNDABLE BUSINESS INCOME TAX CREDIT.** See Form 500CR for instructions and qualifications.

**10 BALANCE DUE OR OVERPAYMENT.** Calculate the balance due or overpayment by subtracting the total on line 20 from the amount on line 14 and enter the result on either line 21 or line 22.

Enter the tax paid with the original return plus any additional tax paid after filing on line 23 (do not enter interest or penalty paid) OR enter the overpayment from your original return plus any additional overpayments from prior amendments or adjustments on line 24.

**If there is an amount on line 21:**

- and line 21 is more than line 23, you owe additional tax. Enter the difference on line 26 and compute the interest due using the interest rates in Instruction 11.
- and there is also an amount on line 24, you owe additional tax. Add the two together and enter the total on line 26. Compute the interest due. See Instruction 11.
- and line 21 is less than line 23, you are due a refund. Enter the difference on line 25.

**If there is an amount on line 22:**

- and line 22 is more than line 24, you are due an additional refund. Enter the difference on line 25.
- and there is also an amount on line 23, you are due an additional refund. Add the two together and enter on line 25.
- and line 22 is less than line 24, you owe additional tax. Enter the difference on line 26 and compute the interest due using the interest rates in Instruction 11.

**Previous interest and penalty**

Interest and/or penalty charges for the year you are amending, whether previously paid or still outstanding, may be adjusted as a result of your amendment. Any payments made on the account have been applied first to penalty, then to interest and lastly to tax due. These payments may require reallocation depending on the result of the amendment. We will notify you of the net balance due or refund when we have completed processing your Form 502X.

**NOTE:** If all or part of the overpayment on your original return was credited to an estimated tax account for next year, we cannot reduce or remove this credit without specific authorization from you. If you have a balance due, and wish to apply monies credited to a 2010 estimated tax account, please attach written authorization for the amount to be removed. Interest charges are assessed even if the balance due is removed from the 2010 account.

**11 INTEREST ON TAX DUE AND INTEREST FOR UNDERPAYMENT OF ESTIMATED TAX.** Interest must be computed and paid on any balance of tax due. Interest is due from the date the return was originally due to be filed until the date the tax is paid. The annual interest rate has been 13% since January 1, 1993.

**UNDERPAYMENT OF ESTIMATED TAX**

If you do not meet the requirement for avoidance of interest for underpayment of estimated tax, obtain the proper Form 502UP for the tax year in question from any office of

the Revenue Administration Division. Complete and attach it to your amended return. Enter any interest due on line 27 of Form 502X.

If you calculated and paid interest on underpayment of estimated tax with your original

return, please recalculate the interest based on your amended tax return, and attach a copy of a revised Form 502UP showing your recalculation.

**12 SIGNATURE, ATTACHMENTS AND PAYMENT INSTRUCTIONS.** Sign and date your return on page 2 and 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.

**TAX PREPARERS**

If another person prepared your return, that person must also sign the return and enter their Social Security number or preparer's tax identification number (PTIN). 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. Penalties may be imposed for tax preparers who fail to sign the tax return and provide their Social Security number or preparers tax identification number.

**ATTACHMENTS**

Be sure to attach wage and tax statements (Forms W-2 and 1099) to the front of your return if you are claiming additional Maryland withholding. Be sure to attach all forms, schedules and statements required by these instructions. Do not attach worksheets. Enclose your check or money order, if required.

**MAILING INSTRUCTIONS**

Mail your return to:  
Comptroller of Maryland  
Revenue Administration Division  
Amended Return Unit  
Annapolis, Maryland 21411-0001

**PAYMENT INSTRUCTIONS**

Make your check or money order payable to "Comptroller of Maryland." Write the type of tax and year of tax being paid on your check. It is recommended that you include your Social Security number on check using blue or black ink. **DO NOT SEND CASH.**

**13 CHANGE OF RESIDENT STATUS.** Be sure to enter a full explanation of the change of resident status in Part III on the back of the amended form.

If you are changing your resident status from a resident to a nonresident, complete Part III with a full explanation of your reasons for the change. A nonresident of Maryland is subject to tax on income from Maryland sources; that is, wages and salaries from services performed in Maryland, income from business carried on in Maryland, gambling winnings from Maryland sources, income from pass-through entities with Maryland income and gain or loss from the sale of property located in Maryland. Other income (interest, dividends, pensions, salaries or business income from sources outside Maryland, etc.) may be subtracted. Itemized deductions must be allocated according to the Maryland income

factor. Exemptions must be prorated according to the Maryland income factor.

If you are amending to show part-year resident status, include dates of residence and indicate the other state of residence in Part III. Subtract all income received during your nonresident period. If you have any losses or adjustments to federal income that do not pertain to the resident period, you must show them as additions. Your standard deduction or itemized deductions and exemptions must be prorated according to the Maryland income factor. Be sure to enter the dates of residence in Part III and attach a photocopy of the income tax return filed with the other state or states of residence.

**Maryland Income Factor**

You must adjust your standard or itemized deductions and exemptions based on the percentage of your income subject to Maryland tax. Divide your Maryland adjusted gross income (line 5) by your federal adjusted gross income (line 1) to figure the percentage of Maryland income to total income. Use amended amounts if either of these lines were changed. The factor cannot exceed 1 (100%) and cannot be less than zero (0%). If line 5 is 0 or less, the factor is 0. If line 5 is greater than 0 and line 1 is 0 or less, the factor is 1. Another method of allocating itemized deductions may be allowed if you receive written approval prior to the filing of your return.

**14 NONRESIDENTS.** Nonresidents who are amending their Maryland income tax returns for years prior to 2008 should indicate in Part III that they are amending Form 505, and should not complete line 11 on Form 502X. Exemptions, deductions and certain credits must be prorated using the Maryland income factor. See Instruction 13. For tax year 2008, complete a revised Form 505 and Form 505NR. Enter the result on line 21 or 22 of Form 502X and refer to instruction 10. Attach revised Forms 505 and 505NR to your amended return. For tax year 2009, nonresidents will use 2009 Form 505X and Form 505NR.

**15 NET OPERATING LOSS (NOL).** To claim a deduction for a federal NOL on the Maryland return, you must first calculate the NOL for federal purposes. A deduction will be allowed on the Maryland return for the amount of the loss actually utilized on the federal return. The amount of loss utilized for federal purposes is generally equal to the federal taxable income (before loss is used) or the federal modified taxable income as calculated for the year of carryback or carryforward.

An addition or subtraction modification may be required in a carryback or carryforward year when the federal NOL, or the year to which the NOL is carried, includes certain provisions of the Internal Revenue Code from which the State of Maryland has decoupled, including certain special depreciation allowances and 5-year carryback provisions. For more information, refer to Administrative Release 38.

An NOL generated when an individual or a business entity is not subject to Maryland income tax law, in a tax year beginning on or after October 22, 2007, cannot be used as a deduction to offset Maryland income. For acquisitions or liquidations occurring on or after October 22, 2007, the acquiring business entity which is subject to Maryland income tax law cannot use the

acquired or liquidated business entity's NOL as a deduction to offset Maryland income, if the acquired or liquidated business entity was not subject to Maryland income tax law when its NOL was generated. An NOL being carried forward from tax years beginning before October 22, 2007 can be used until exhausted.

An addition to income may be required in a carryback or carryforward year if the total Maryland additions to income exceeds the total Maryland subtractions from income in the loss year. The required addition to income represents a recapture of the excess additions over subtractions. The addition to income required is generally equal to the lesser of the NOL deduction in the carryback year or the net addition modification (NAM) in the loss year unless the loss year

includes a decoupling modification. For more information regarding NAM, refer to Administrative Release 18.

If an election to forgo a carryback is made, a copy of the federal election must have been included with the Maryland return for the loss year.

You must attach copies of federal Form 1045 or 1040X, whichever was used for federal purposes, and a copy of the federal income tax return for the year of the loss. Also include Schedules A and B of Form 1045 or the equivalent worksheets used to develop the federal NOL and show the amounts utilized on the federal return in the carryback or carryforward years. Check the box on the front of Form 502X located directly below the name and address.

**16 INCOME TAX ASSISTANCE.** If you need additional information contact the Maryland Revenue Administration Division at 410-260-7980 from Central Maryland or 1-800-MDTAXES (1-800-638-2937) from elsewhere.

MARYLAND  
**SHORT AMENDED TAX RETURN**  
For tax years prior to 01/01/2010

Tax year  
being amended

Your first name		Initial	Last name		Social Security number	
Spouse's first name		Initial	Last name		Spouse's Social Security number	
Present address (Number and street)			City or town	State	ZIP code	Daytime telephone number
Name of County in which you were a resident on the last day of the tax year. (Baltimore City residents leave blank)		Maryland county		Name of incorporated city, town, or special taxing area in which you were a resident on the last day of the tax year.		City, town or taxing area

**THIS IS A LIMITED USE FORM. PLEASE SEE INSTRUCTIONS.**

If you are amending for an earned income credit, refundable earned income credit or poverty level credit, you must use **Form 502X**.

You may use this form to amend your Maryland income tax return for any or all of the following reasons. Check the applicable box or boxes:

- To change amount of previously reported wages. Complete line 1 below.
- To change amount of previously reported interest and dividends. Complete line 2 below.
- To change itemized deductions to a standard deduction. No entry is necessary on line 3.
- To change the amount of itemized deductions when associated with a change in income. Complete line 3 below.
- To change amount of Maryland withholding tax. Complete line 5 below.
- To change the number of exemptions. Complete Part II on page 2 of this form.

**IF YOU WISH TO AMEND YOUR RETURN FOR ANY OTHER REASON, YOU MUST USE FORM 502X.**

	A. As originally reported or as previously adjusted (See instructions)	B. Net change – increase or (decrease) – explain in Part I below	C. Corrected amount
1. W-2 income . . . . . 1.			
2. Interest and dividends . . . . . 2.			
3. Deductions . . . . . 3.			
4. Exemptions (From Part II on page 2) . . . . . 4.			
5. Withholding tax . . . . . 5.			

**STOP** We will complete the calculations for you and notify you of the result.

**Continue with Part I - Explanation of Changes**

**Part I. EXPLANATION OF CHANGES**

Enter the line number for each item above you are changing and give the reason for each change. Attach supporting forms and schedules only for the items changed. If you do not attach the required information, your amendment on your Form 502XS may be denied. Be sure to include your Social Security number on any attachments.

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Complete page 2 ONLY if changing EXEMPTION AMOUNT

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete. If prepared by a person other than taxpayer, the declaration is based on all information of which the preparer has any knowledge.

Make checks payable and mail to:  
**COMPTROLLER OF MARYLAND**  
It is recommended that you write your Social Security number on your check in blue or black ink.

Your signature	Date	<div style="border: 1px solid black; width: 100%; height: 20px;"></div>	Preparer's SSN or PTIN (required by law)      Signature of preparer other than taxpayer
Spouse's signature	Date	Address of preparer	

# MARYLAND FORM 502XS, Page 2. For tax years prior to 01/01/2010

Name \_\_\_\_\_ Social Security # \_\_\_\_\_

**Part II. EXEMPTIONS.** See Form 502 instructions.

If you are not **changing your exemptions**, do not complete this part.  
 If claiming **more dependent exemptions**, complete lines 6 through 15.  
 If claiming **fewer exemptions**, complete lines 6 through 14.

		A. Original number of exemptions reported or as previously adjusted	B. Net change increase or (decrease)	C. Corrected Number of exemptions
6. Yourself and spouse .....	6.			
7. Your dependent children .....	7.			
8. Other dependents .....	8.			
9. Exemptions for other dependents age 65 or over .....	9.			
10. Total number of personal exemptions. Add lines 6 through 9 .....	10.			
11. Multiply line 10 by the amount in the chart in Instruction 10 in the Resident booklet ...	11.	\$	\$	\$
12. Total number of exemptions for age and/or blindness for you and your spouse .....	12.			
13. Multiply the number of exemptions claimed on line 12 by \$1,000 .....	13.	\$	\$	\$
14. Add amount from lines 11 and 13. Enter this result here and on line 4 on Page 1 of this Form .....	14.		\$	
15. Dependent children and others not claimed on original or previously adjusted return:				
(a) First name	Last name	(b) Dependent's social security number	(c) Dependent's relationship to you	(d) Check below if 65 or over
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

## GENERAL INSTRUCTIONS

### PURPOSE OF FORM

Form 502XS is used by certain eligible taxpayers as a means to simplify the filing of their amended tax return.

The instructions included here should enable you to complete a short amended return for tax years beginning 2006 thru 2009. If for any reason you find yourself ineligible to file this amended tax return you must file Form 502X to amend your tax return.

Changes made as part of an amended return are subject to audit for up to three years from the date that the amended return is filed.

### WHEN AND WHERE TO FILE

Generally, Form 502X or Form 502XS must be filed within 3 years from the date the original return was due or filed. A return filed before the due date is considered to have been filed on the date it was due. Please refer to the instructions for Form 502X to read about the exceptions that apply.

The amended return must be filed with: Comptroller of Maryland  
Revenue Administration Division  
Annapolis, MD 21411-0001.

### WHO MAY FILE FORM 502XS

Form 502XS is a **limited** use form. Only taxpayers **who are residents** for the entire tax year may use Form 502XS. In addition, the filing of this form is limited to amending your Maryland tax return for the following reasons:

- To change amount previously reported as wages or salaries.
- To change amount of Maryland withholding tax.
- To change amount previously reported as interest and/or dividends.
- To change number of exemptions.
- To change itemized deductions to the standard deduction.
- To change itemized deductions claimed due to a change in income.

If you wish to amend your tax return for any other reason, you may not use Form 502XS, but must use Form 502X to accomplish your amended filing.

### SIGNATURES

Sign and date your return on page 1 of Form 502XS. 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.

### TAX PREPARERS

If another person prepared your return, that person must also sign the return and enter their social security number or preparer's tax identification number (PTIN). 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. Penalties may be imposed for tax preparers who fail to sign the tax return and provide their Social Security number or PTIN.

### ATTACHMENTS

Be sure to attach wage and tax statements (Forms W-2 and 1099) to the front of your return if you are claiming additional Maryland withholding tax. Be sure to attach all forms, schedules and statements required by these instructions.

### USE OF FEDERAL FIGURES

A presumption is made that your amendment is based upon federal figures. Therefore, all items reported on your Maryland return are subject to verification, audit and revision by the Maryland Comptroller's Office.

### PRIVACY ACT INFORMATION

The Revenue Administration Division requests information on tax returns to administer the income tax laws of Maryland, including determination and collection of correct taxes. If you fail to provide all or part of the requested information, the 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 also be obtained with a proper legislative or judicial order.

## SPECIFIC INSTRUCTIONS FOR PAGE 1

If you are using Form 502XS to change the number of exemptions from your previously filed return, turn to Part II of page 2 and follow the **Specific Instructions for Page 2**. Otherwise, begin with the step-by-step instructions below:

**Step 1** – Complete name, address, social security number, and county area at the top of page 1 of Form 502XS. Also indicate the year for which you are filing Form 502XS.

**Step 2** – Check the box or boxes to indicate the items you are amending.

**Step 3** – Complete lines 1 through 5 Columns A, B and C for each item you are amending. Enter in Column A the amount originally reported or as previously adjusted. In Column B, enter the amount of change as either an increase or decrease. Reflect decreases with the use of parentheses ( ).

If a change in federal adjusted gross income necessitates a change in your itemized deductions, enter this change on line 3.

If you are changing your exemptions, enter on line 4 the amount from page 2, Part II, Column B, line 14. Remember to complete Part II of page 2 of Form 502XS **ONLY** if you are changing your exemptions.

**Step 4** – Attach wage and tax statements (Form W-2), and any other forms, schedules, and statements related to the changes you are making.

**Step 5** – Complete Part I explaining any changes. Enter the line number from page 1 for each item you are changing and give the reason for each change.

**Step 6** – Sign and date the return and mail it to us. We will send you any resulting refund or bill.

## DID YOU IFILE YOUR ORIGINAL MARYLAND RETURN?

If you have electronically filed your original Maryland tax return using the Comptroller's iFile system, you should use iFile to amend your Maryland return, instead of using Form 502XS. This is the fastest method of filing an amended tax return. This method of amending a Maryland return is only available to users of iFile.

## SPECIFIC INSTRUCTIONS FOR PAGE 2

### PART II – EXEMPTIONS

You need to complete Part II **only** if you are changing the exemptions from your original return or your previously adjusted return. If you are making **no** adjustments to your exemptions, leave Part II blank.

Please refer to our resident instructions to determine the correct amount of exemptions you may claim. Resident instructions are available for download at our Web site at [www.marylandtaxes.com](http://www.marylandtaxes.com)

If you are claiming more **dependent** exemptions than you claimed on your original return, you must complete lines 6 through 15. If you are claiming fewer exemptions, complete lines 6 through 14.

**Line by Line Instructions for Part II - Exemptions.** For each of the lines referenced below: use Column A to represent the amounts from your original return (or previously adjusted return); use Column C to reflect the correct amount of exemptions; and use column B to reflect the difference between the two columns.

**Line 6** – Enter the number of exemptions for yourself and your spouse, if applicable from your original or previously adjusted return.

**Note:** There is no change permitted on this line. If you need to make an adjustment due to a filing status change, you must file Form 502X.

**Line 7** – Enter the number of exemptions for your dependent children.

**Line 8** – Enter the number of other dependents.

**Line 9** – Enter the number of exemptions for other dependents who are age 65 or over.

**Line 10** – Enter the sum of lines 6 through 9 in Columns A, B and C.

**Line 11** – For tax years 2008 and after, multiply the number of exemptions on line 10 by \$2,400. For tax years beginning in 2008, multiply the number of exemptions by the amount on the chart in Instruction 10 of the resident tax booklet.

**Line 12** – Enter the number of exemptions for you and your spouse that relate to an age exemption or a blindness exemption.

**Line 13** – Multiply the number of exemptions on line 12 by \$1,000 and enter the result on line 13.

**Line 14** – Add the amount from Column B, line 11 to the amount in Column B of line 13, and enter the result on line 14 and on line 4 on page 1 of Form 502XS.

**Line 15** – Identify any additional exemptions being claimed on Form 502XS, that did not appear on your original return. Indicate by checking the applicable box in Column (d) if the dependent claimed is 65 years or older.

If you claim more dependent exemptions, and you fail to complete this area, the additional exemptions will be disallowed.