

who works on the Uintah and Ouray Reservation and lives on land removed from that reservation under Hagen vs. Utah (510 U.S. 399 (1994)) is exempt from Utah income tax on income earned on the reservation.

On TC-40A, Part 2, using code 77, enter the exempt income included in your federal adjusted gross income. Enter your enrollment/census number and a Native/Tribe Code from the list below in the box designating to which nation/tribe you belong.

Nation/Tribe Code	
1	Confederated Tribes of the Goshute Reservation
2	Navajo Nation Reservation
3	Paiute Indian Tribe of Utah Reservation
4	Skull Valley Band of Goshute Indians
5	Ute Indian Tribe
6	Other tribe

**(78) Railroad Retirement Income  
(UC §59-10-114(2)(d))**

Federal law does not permit states to tax railroad retirement or disability income received from the Railroad Retirement Board and reported on form RRB-1099. States are also prohibited from taxing unemployment and sickness benefits from this source. If a railroad retirement pension from form RRB-1099 is used to calculate the retirement credit on form TC-40C for a taxpayer under age 65, do not deduct the amount again as a deduction on TC-40A, Part 2.

Railroad retirement pensions are deductible on the Utah return only to the extent they are taxable on the federal return. If you received pension payments, disability income or unemployment payments under the Railroad Retirement Act and are required to report all or part of the amount received as income on lines 16b and/or 20b on federal form 1040, or lines 12b and/or 14b of federal form 1040A, you may deduct that amount from Utah income. If amounts derived from sources other than railroad retirement are included on lines 16b and/or 20b of federal form 1040, or lines 12b and/or 14b of federal form 1040A, only deduct the railroad retirement amounts reported on these lines.

**(79) Equitable Adjustments  
(UC §59-10-115(1))**

Enter any qualified equitable adjustment needed to prevent suffering a double tax detriment. Attach an explanation of any equitable adjustment claimed.

**(80) State Tax Refund Included in Federal Income  
(UC §59-10-114(2)(c))**

If you itemized your deductions on your 2007 federal form 1040, enter the amount reported on your 2008 federal form 1040, line 10. Otherwise leave this line blank.

**(82) Nonresident Active Duty Military Pay  
(UC §59-10-103(1)(I))**

Active duty military service pay received by a nonresident is not taxable on the Utah return. The amount of active duty military pay included in federal adjusted gross income should be deducted on TC-40A, Part 2, using code 82. Also, see instructions for TC-40B, line 30 and Pub 57, Military Personnel Instructions.

**(85) State Tax Refund Distributed to Beneficiary of Trust  
(UC §59-10-114(2)(c))**

Enter any state tax refund distributed to a beneficiary of a resident trust to the extent the tax was included in computing federal income of the resident trust for the year.

**8. Utah Taxable Income**

Subtract line 7 from line 6. If the result is less than "0". This is the income used to calculate the tax on

**9. Qualified Exempt Taxpayers**

If your federal adjusted gross income is less than or equal to the sum of your federal standard deduction (do not include the extra deduction for age 65 or older or for blindness) and federal exemption amount, you are exempt from Utah income tax. Complete the worksheet to see if you qualify.

Qualified Exempt Taxpayer Worksheet	
1. Enter the federal adjusted gross income from:	1) _____
1040, line 37	1040NR, line 35
1040A, line 21	1040NR-EZ, line 10
1040EZ, line 4	
2. Enter your standard deduction. If your standard deduction was limited on your federal return, enter the amount allowable. Federal 1040NR and 1040NR-EZ filers, enter "0".	2) _____
a. <b>Single:</b> Enter \$5,450 (if you filed federal form 1040-EZ and you checked the box on line 5, enter the amount from line E on back of your 1040EZ form)	
b. <b>Head of Household:</b> Enter \$8,000	
c. <b>Married filing joint:</b> Enter \$10,900 (if you filed federal form 1040-EZ and you checked either box on line 5, enter the amount from line E on back of your 1040EZ form)	
d. <b>Married filing separate:</b> If your spouse did not itemize, enter \$5,450. If your spouse itemized, enter "0".	
e. <b>Qualifying widow(er):</b> Enter \$10,900	
3. Enter the exemption amount from:	3) _____
1040, line 42	1040NR, line 39
1040A, line 26	1040NR-EZ, line 13
1040EZ, if you checked either box on line 5, enter the amount from line F on back of your 1040EZ form. If you are single and did not check a box on line 5, enter \$3,500. If you are married filing joint and did not check a box on line 5, enter \$7,000.	
4. Add lines 2 and 3	4) _____
5. Subtract line 4 from line 1. If the amount is less than zero, enter "0".	5) _____
If the amount on line 5 of this worksheet is greater than zero, leave box on line 9 of TC-40 blank and go to line 10.	
If the amount on line 5 of this worksheet is zero, you are exempt from paying Utah income tax. Enter "X" in the box on line 9 of TC-40 and enter "0" on line 10, then complete the balance of the return.	

**10. Tax Calculation**

Multiply the Utah taxable income on line 8 by 5 percent (.05) and enter the result on line 10.

**Taxpayer Tax Credit (lines 11 - 20)  
(UC §59-10-1018)**

Taxpayers are allowed a credit against their Utah tax based on the total of their Utah exemptions and their adjusted federal itemized deductions or standard deduction. The taxpayer tax credit is phased-out for incomes over a specified amount, based on filing status.

**11. Exemption Calculation**

The Utah personal exemption is \$2,625 per person (75 percent of the federal exemption amount). If your federal adjusted gross income on line 4 of your Utah return is less than or equal to \$119,975, multiply \$2,625 by the number of exemptions claimed in box 2d and enter the result.

If adjusted gross income on line 4 exceeds the amount on the AGI TABLE below for your filing status, you must reduce the amount to a reduced exemption amount. Multiply your amount from form 1040 line 42, 1040A line 26, or 1040NR line 39 by 0.75 and enter the result.

AGI TABLE	Filing Status
\$119,975	Married-separate
\$159,950	Single
\$199,950	Head of household
\$239,950	Married-joint or Qualifying widow(er)

## 12. Federal Standard or Itemized Deductions

Enter the amount of your federal standard or itemized deductions, whichever was claimed on your federal return.

**Itemized Deductions:** If you itemized your deductions on your federal return, enter the same itemized deductions on line 12. This amount is found on federal form:

1040, line 40    1040NR, line 37    1040NR-EZ, line 11

**Standard Deduction:** If you used the standard deduction on your federal return, enter the same standard deduction on line 12. This amount is found on federal form:

1040, line 40    1040A, line 24

**1040EZ,** if you checked either box on line 5 of federal form 1040EZ, enter the amount from line E of the worksheet on the back of form 1040EZ. If you are single and did not check a box on line 5, enter \$5,450. If you are married filing joint and did not check a box on line 5, enter \$10,900.

## 13. Total Exemptions and Standard/Itemized Deductions

Add line 11 and line 12.

## 14. State Income Tax Itemized on 2008 Federal Schedule A

**TIP** If you did not itemize your deductions on federal form 1040 Schedule A, leave this line blank.

If you filed federal form 1040 and you claimed any state and local income tax paid as an itemized deduction on federal Schedule A, line 5, enter an amount as follows:

- A. For federal adjusted gross income LESS than or equal to \$159,950 (or \$79,975 for married filing separate) on line 4 on your Utah return, enter the state and local income tax itemized on your federal Schedule A, line 5.
- B. For federal adjusted gross income GREATER than \$159,950 (or \$79,975 for married filing separate) on line 4 on your Utah return, complete the worksheet located on this page to determine the amount to enter.

### Line 14 Worksheet

1. Add lines 4, 9, 15, 19, 20, 27, and 28 on federal Schedule A \$ \_\_\_\_\_
2. Add lines 4, 14 and 20, plus any gambling and casualty or theft losses included on line 28 on federal Schedule A \$ \_\_\_\_\_
3. Subtract worksheet line 2 from line 1. If your answer is zero or less, stop here. Enter the amount from federal Schedule A, line 5 on line 13 of your Utah return. \$ \_\_\_\_\_
4. Enter the amount from line 29 on Schedule A \$ \_\_\_\_\_
5. Subtract line 4 from line 1 \$ \_\_\_\_\_
6. Subtract line 5 from line 3 \$ \_\_\_\_\_
7. Divide line 6 by line 3 (decimal) \_\_\_\_\_
8. Multiply the amount on line federal Schedule A, line 5 by the decimal on line 7. Enter the amount here and on line 14 of your Utah return. \$ \_\_\_\_\_

## 15. Total Exemptions and Federal Deductions

Subtract line 14 from line 13.

## 16. Initial Taxpayer Tax Credit Before Phase-out

Multiply line 15 by 6 percent (.06).

## 17. Phase-out Base Amount

Enter the base phase-out amount based on the filing status shown on line 1.

Filing Status	Base Amount
Single	\$12,000
Married filing jointly	\$24,000
Married filing separately	\$12,000
Head of household	\$18,000
Qualifying widow(er)	\$24,000

## 18. Income Subject to Phase-out

Subtract line 17 (the base phase-out) from line 8 (Utah taxable income). If less than zero enter "0".

## 19. Phase-out Amount

Multiply line 18 by 1.3 percent (.013). This is the credit phase-out amount.

## 20. Taxpayer Tax Credit

Subtract the phase-out amount on line 19 from the initial credit on line 16. If the result is less than zero, enter "0".

## 21. Utah Income Tax

Subtract the taxpayer tax credit on line 20 from the tax calculated on line 10. If the result is less than zero, enter "0".

## 22. Apportionable Nonrefundable Credits

**TIP** Apportionable nonrefundable credits can reduce your income tax to zero, but cannot result in a refund.

Keep all related documents with your records. You may be asked to furnish this information later to verify a credit claimed on your Utah return.

If you claim any of the following apportionable nonrefundable credits (credits that must be apportioned for non and part-year residents), complete TC-40A, Part 3 and attach it to your Utah return. On TC-40A, write the **code and**

### 13. Income Tax Itemized on 2009 Federal Schedule A

If you did not itemize your deductions on federal form 1040 Schedule A, leave this line blank. If you itemized on federal form 1040 Schedule A and claimed the general sales tax on line 5 (instead of income tax), leave this line blank.

If you claimed any income tax paid as an itemized deduction on federal form 1040, Schedule A, line 5, enter an amount as follows:

- A. For federal adjusted gross income LESS than or equal to \$166,800 (or \$83,400 for married filing separate) on your TC-40, line 4, enter the income tax (not sales tax) itemized on your federal Schedule A, line 5.
- B. For federal adjusted gross income MORE than \$166,800 (or \$83,400 for married filing separate) on your TC-40, line 4, complete the following worksheet.

#### Line 13 Worksheet

- |   |          |
|---|----------|
| 1. Add lines 4, 9, 15, 19, 20, 27, and 28 on federal Schedule A   | \$ _____ |
| 2. Add lines 4, 14 and 20, plus any gambling and casualty or theft losses included on line 28 of federal Schedule A   | \$ _____ |
| 3. Subtract worksheet line 2 from line 1. If your answer is zero or less, stop here. Enter the state income tax from federal Schedule A, line 5 on your TC-40, line 13. | \$ _____ |
| 4. Enter the amount from line 29 on Schedule A  | \$ _____ |
| 5. Subtract line 4 from line 1  | \$ _____ |
| 6. Subtract line 5 from line 3  | \$ _____ |
| 7. Divide line 6 by line 3 (decimal)  | _____    |
| 8. Multiply the amount on federal form 1040 Schedule A, line 5 by the decimal on line 7. Enter the amount here and on your TC-40, line 13.                              | \$ _____ |

**Note: Only income tax deducted on federal Schedule A is to be entered here. If you claimed general sales tax instead of income tax on Schedule A, check the box and enter "0" on line 13.**

### 14. Total Exemptions and Federal Deductions

Subtract line 13 from line 12.

### 15. Initial Credit Before Phase-out

Multiply line 14 by 6% (.06).

### 16. Base Phase-out Amount

Enter the following base phase-out amount determined by your filing status shown on line 1.

Filing Status	Base Amount
Single	\$12,511
Married filing jointly	\$25,022
Married filing separately	\$12,511
Head of household	\$18,767
Qualifying widow(er)	\$25,022

### 17. Income Subject to Phase-out

Subtract line 16 (the base phase-out) from line 8 (Utah taxable income). If the result is zero or less, enter "0."

### 18. Phase-out Amount

Multiply line 17 by 1.3% (.013). This is the credit phase-out amount.

### 19. Taxpayer Tax Credit

Subtract the phase-out amount on line 18 from the initial credit on line 15. If the result is zero or less, enter "0."

### 20. Qualified Exempt Taxpayers

If your federal adjusted gross income is less than or equal to the sum of your federal exemption amount and your federal standard deduction you are exempt from Utah income tax. For this purpose, the federal standard deduction **does not** include the extra deduction for age, blindness, real estate tax, sales tax on new vehicle purchase, or disaster loss.

Complete the worksheet to see if you qualify.

#### Qualified Exempt Taxpayer Worksheet

- Enter the federal adjusted gross income from:
 

1040, line 37	1040NR, line 35
1040A, line 21	1040NR-EZ, line 10
1040EZ, line 4	

 1) \_\_\_\_\_
- Enter your standard deduction. If your standard deduction was limited on your federal return, enter the amount allowed. Federal 1040NR and 1040NR-EZ filers, enter "0."
 

a. <b>Single:</b> Enter \$5,700 (if you filed federal form 1040-EZ and checked the box on line 5, enter the amount from line E on back of your 1040EZ form)	2) _____
b. <b>Head of Household:</b> Enter \$8,350	
c. <b>Married filing joint:</b> Enter \$11,400 (if you filed federal form 1040-EZ and checked either box on line 5, enter the amount from line E on back of your 1040EZ form)	
d. <b>Married filing separate:</b> If your spouse did not itemize, enter \$5,700. If your spouse itemized, enter "0."	
e. <b>Qualifying widow(er):</b> Enter \$11,400	
- Enter your exemption amount from:
 

1040, line 42	1040NR, line 39
1040A, line 26	1040NR-EZ, line 13

 3) \_\_\_\_\_
 

1040EZ, if you checked either box on line 5, enter the amount from line F on back of your 1040EZ form. If you are single and did not check a box on line 5, enter \$3,650. If you are married filing jointly and did not check a box on line 5, enter \$7,300.
- Add lines 2 and 3
 

4) _____
----------
- Subtract line 4 from line 1. If the amount is less than zero, enter "0."
 

5) _____
----------

If the amount on line 5 of this worksheet is more than zero, leave box on TC-40, line 20 blank and go to line 21.

If the amount on line 5 of this worksheet is zero, you are exempt from Utah income tax. Enter "X" in the box on TC-40, line 20 and enter "0" on line 21. Then complete the balance of the return.

### 21. Utah Income Tax

Subtract the taxpayer tax credit on line 19 from the tax calculated on line 9. If the result is zero or less, enter "0."

If you qualified as exempt from Utah tax (see worksheet for line 20) and checked the box on line 20, enter "0."

### 22. Apportionable Nonrefundable Credits

Apportionable nonrefundable credits can reduce your income tax to zero, but cannot result in a refund.

Claim the following apportionable nonrefundable credits (credits that must be apportioned for non and part-year residents) on TC-40A, Part 3 and attach it to your Utah