



# VERMONT

RESIDENT • NONRESIDENT • PART-YEAR RESIDENT

## DUE DATES

**APRIL 18, 2011\*** for 2010 VT Income Tax Return or Extension of Time to File VT Income Tax Return, 2011 Property Tax Adjustment Claim\*\*, Renter Rebate Claim for 2010 calendar year\*\*, and Homestead Declaration\*\*.

\* The IRS will be closed on April 15, 2011 for Emancipation Day celebrated in the District of Columbia.

\*\* An extension of time to file an income tax return does NOT extend the due date to file the Property Tax Adjustment Claim, Renter Rebate or Homestead Declaration.

**SEPTEMBER 1, 2011** is the last day to file a Property Tax Adjustment Claim or Renter Rebate.

**OCTOBER 17, 2011** for extended VT Income Tax Return. October 15 is a Saturday so the return is due the next business day.

### USE E-FILE TO

- **Get refunds faster** - generally 5 business days or less
- **Get refunds even faster** - use direct deposit option
- **Know your return is filed** - confirmation provided for receipt of your return
- **Prepare your return online** with nationally recognized tax preparation software



Listing of software companies offering Vermont tax preparation software online is available at the Department's website. **Some taxpayers may be eligible to use the software and e-file for free.**



**HOMEOWNERS** - You can file your 2011 Property Tax Adjustment Claim on the Department's website. **This is a free service.**

## 2010 INCOME TAX CHANGES

**Income Tax Rates** The 2010 income tax bracket tax rates are changed as follows:

2009 rate	2010 rate	2009 rate	2010 rate
3.55%	3.55%	8.90%	8.80%
7.00%	6.80%	9.40%	8.95%
8.25%	7.80%		

**State and Local Income Taxes Federal Deduction** If you added back state/local income taxes in tax year 2009 but received a Federal 2009 tax year income refund, an adjustment for the amount added back is available this year.

**Bonus Depreciation** Federal bonus depreciation is not allowed. VT Taxable Income is adjusted for the difference between the Federal depreciation and standard depreciation method for eligible property.

**Capital Gains Exclusion** The 2010 tax year exclusion for net long-term capital gain is the gain or \$2,500, whichever is less. Special exclusion calculation applies to taxpayers age 70 or older as of December 31, 2010 and on the capital gain attributable to sale of standing timber or farm.

**New Contribution Fund** The Vermont Veterans' Fund replaces the Vermont Campaign Fund.

**Solar Energy Income Tax Credit** New provisions for availability and eligibility apply to 2010 tax year credit claims.

**Additional Acreage Payment** The \$10 per acre payment (up to 5 acres) is repealed for the 2010 property tax adjustment and thereafter.

**Household Income** For 2010 Household Income and thereafter, Federal Deductions to adjust Household Income are limited to: business

expenses of reservists, one-half self-employment tax, alimony paid, and tuition and fees.

**Homestead Declaration** This no longer has an annual filing requirement. The declaration filed in 2010 remains in effect until the property is sold or the use of the homestead changes.

**Homestead Declaration Withdrawal** Sellers of a declared homestead are required to file a withdrawal of the declaration within 30 days of the sale date.

**Property Tax Adjustment Claim** must continue to be filed each year.

**Household Income Adjustment** An adjustment will add interest and dividend income that exceeds \$10,000 to the household income. This applies to Household Income for 2009, 2010 and 2011.

**Landlord Certificates** Landlords with two or more residential rental units must provide their tenants with the Landlord Certificate by January 31. A \$200 penalty per certificate applies for failure to give the tenant the certificate.

**Rent Eligible for Rebate** For 2010 Renter Rebate and thereafter, rent eligible for the rebate is based on the rent paid in the calendar year for that calendar year. Property tax on the rental unit can no longer be used.

**Maximum Household Income** for 2011 Property Tax Adjustment remains at \$97,000.

**Maximum amount** for 2011 Property Tax Adjustment or 2010 Renter Rebate remains at \$8,000.



## *Message from the Commissioner*

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**Dear Fellow Taxpayer:**

It's been an exciting year for Tax. We implemented a new computer system, Enterprise Tax Management (ETM), to process corporate income, business income, property transfer and fuel gross receipts taxes. The new system replaces thirty-year-old mainframe programming. We expect to offer much more efficient processing to taxpayers. More data will also be captured by the system which will provide our policy analysts, the Administration and the Legislature with data to aid in the determination of tax policy decisions.

We continue to make changes to more efficiently and effectively process all tax returns. Some upcoming initiatives are:

- Employers with 25 or more employees will be required to file their 2010 W-2s and 1099s electronically. Other employers are encouraged to use the electronic filing system.
- All property transfer tax preparers will be able to electronically file their property transfer tax returns beginning in January of 2011. Although this option is not mandatory, we expect preparers to find it more efficient to use than the alternatives.

Like all businesses, Tax is utilizing technology to become more efficient and provide better, more cost-effective services to its customers. And, as with all businesses, our list of what we'd like to do far outstrips our resources and budgets. We generally try to prioritize those enhancements that will affirmatively affect the greatest number of taxpayers.

Please avail yourselves of these new applications and let us know what your experience has been. Visit our website at <http://tax.vermont.gov> or Tax has its own Facebook page at <http://www.facebook.com/pages/Montpelier-VT/Vermont-Department-of-Taxes/286654596790>

Best wishes to all for a healthy and prosperous 2011.

Sincerely,

A handwritten signature in black ink that reads "Ellen H. Tofferi".

Ellen Tofferi  
Acting Commissioner of Taxes

# TAXPAYER ASSISTANCE

## We're Here To Answer Your Questions

### AUTOMATED INFORMATION

Check the Status of  
Your Tax Filings  
and Refunds

at <http://tax.vermont.gov>

OR



CALL 1-866-828-2865 (toll-free in VT)  
1-802-828-2865 (local & out-of-state)

Option 1

#### FOR INFORMATION ON:

- Status of 2010 Income Tax Return and refund
- Status of 2011 Property Tax Adjustment Claim
- Homestead Declaration on record
- 2010 Income Estimated Payments on record
- Status of 2010 Renter Rebate Claim

### SERVICES AVAILABLE ON OUR WEBSITE

<http://tax.vermont.gov>



**Electronic filing information.** Some taxpayers may be eligible for **FREE** tax preparation software and e-filing services

Homestead Declaration  
and  
Property Tax Adjustment  
FILE ONLINE FOR  
FREE!

Free on-line filing for Property Tax Adjustment Claim, Homestead Declaration & Homestead Declaration Withdrawal



- Locations and schedules for tax return preparation assistance
- Tax law changes and technical bulletins
- Filing checklist – forms and schedules needed and order to complete
- Property tax adjustment calculator

### NEED A VT FORM OR SCHEDULE?



Go to <http://tax.vermont.gov>  
to download



Call (802) 828-2515 to order paper  
forms or schedules

### TO SPEAK WITH A DEPARTMENT REPRESENTATIVE

Call between 7:45 a.m. and 4:30 p.m.



(866) 828-2865 (toll-free in VT) (802) 828-2865 (local & out-of-state) **Select Option 2, then Option 4**



### PAPER-FILED FORMS

- Sign all forms as required.
- Enclose all required supporting documents.
- Staple W-2s, 1099s to the lower left front of the first form. Please use only one staple.
- Use one of the mailing labels attached to the envelope. Use PINK mailing label for returns with payment. Use WHITE mailing label for returns with a refund and for filing renter rebate claim, homestead declaration and property tax adjustment claim.
- Affix appropriate postage to envelope. **NOTE:** More than five pieces of paper may require extra postage. Ask your post office to weigh the envelope to be sure it is not returned to you for postage due.
- To use your own envelope, mail to:

#### TAX DUE

VT Department of Taxes  
PO Box 1779  
Montpelier, VT 05601-1779  
(See *Payment Options* on page 5)

#### REFUND & NO TAX DUE

VT Department of Taxes  
PO Box 1881  
Montpelier, VT 05601-1881

### IDENTIFICATION LABEL

Using the preprinted label on this booklet speeds processing and prevents errors that may delay your refund. The number printed on the label above your name is a mailing ID only and cannot be used to process your return. You must print Social Security Number(s) in the space provided on each form or schedule. If filing an income tax form, **place the label on the income tax form** and print the Social Security number(s). Then print Social Security number(s), name(s), and address on the other forms and name(s) and Social Security number(s) on schedules. If filing Forms HS-145 and PR-141 without an income tax form, place the label on that form and print the Social Security number(s) and name(s) on accompanying schedules.

#### Incorrect identification label information:

Do not use the label if the information is incorrect or you need to add information such as a name or address change or adding the apartment number to the address. Also, if the label shows your name and your spouse's name but you are filing separately, do not use the label. Print the correct information in blue or black ink on all forms and schedules being filed.

Remember to keep  
a copy of your tax  
forms, schedules  
and documents for  
your records.

If you did not receive a preprinted identification label, you will need to print your information on all forms and schedules being filed.

## GENERAL INCOME TAX INFORMATION

### REQUIREMENT TO FILE A 2010 VT INCOME TAX RETURN

A 2010 VT income tax return must be filed by a Full-Year or Part-Year VT resident or a Nonresident if you are required to file a 2010 Federal income tax return, and

- You earned or received \$100 or more in VT income, OR
- You received gross income of \$1,000 or more from sources on pages 6-7.

### USE WHOLE DOLLARS

Round entries to the nearest whole dollar. The cents entry boxes are preprinted with zeros. To round: 1 cent to 49 cents, enter the existing dollar amount (*Example:* enter \$97.49 as \$97). For 50 cents to 99 cents, enter the next higher dollar amount (*Example:* \$97.50 as \$98).

### REQUESTS FOR ADDITIONAL INFORMATION

You may be asked to supply additional information to clarify items on your VT income tax form. Such a request does not necessarily mean that you filed improperly or that you have been selected for an audit. These requests are a routine part of processing.

### INCOMPLETE FORMS

If information necessary to support a credit or benefit is missing, your filing may be processed but the credit denied. This may result in a bill or reduced refund. You will have an opportunity to supply the information. In some instances, your tax forms may be returned to you.

### FORMS THAT CANNOT BE PROCESSED

If your filing is not acceptable for our processing equipment, the Department may send your filing back to you which means the filing date is the resubmission date. The Department may also transfer your filing information onto acceptable forms but you can be assessed a \$25 processing fee that partially covers the costs of transferring the information. Examples of unacceptable filings are: forms marked "draft", forms not pre-approved by the Department, photocopies of forms, faxed forms, writing in other than blue or black ink, mixing computer generated forms with forms printed by the Department.

### TIMELY FILING

Tax forms mailed through the U.S. Post Office are considered timely if received at the Department within 3 business days of the due date. Electronic filings transmitted on the due date are timely if you receive confirmation of filing. Bringing the return to the Department in person requires receipt at the Department on or before the due date to be timely.

### INCOME TAX DUE DATE

The due date for the 2010 tax year is April 18, 2011. See below for information on extension of time to file the VT income tax form.

### EXTENSION OF TIME TO FILE YOUR VT INCOME TAX FORM

To receive a six-month extension of time to file your income tax form, file Form IN-151 on or before April 18, 2011. An extension only allows more time to file the income tax return. It does not extend the due date for tax payment. Interest and penalty accrue on tax due from April 19 to the receipt of payment.

**NOTE:** An extension to file an income tax form does NOT apply to Homestead Declaration (HS-131) or Property Tax Adjustment Claim (HS-145) or Renter Rebate Claim (PR-141).

### LATE FILED INCOME TAX

A VT income tax form may be filed up to 60 days after April 18, 2011 without being charged a late file penalty, even if you have not filed an extension of time to file with the VT Department of Taxes. Filing the form on the 61st day after April 18, 2011 or later will result in a \$50 late file penalty.

**With extension of time to file on record with the VT Department of Taxes** An income tax form filed on or before the October 17, 2011 extended due date is not charged a late file penalty. Extended income tax forms filed one or more days after October 17, 2011 are charged a \$50 late file penalty.

**NOTE:** The late file penalty applies even if you have a refund or no tax is due. If any tax is due, late payment penalty and interest charges also apply.

### INCOME TAX DUE

Income tax due must be paid by April 18, 2011 to avoid interest and late pay penalty charges. See *Payment Options*. If the tax due is \$500 or more at the time of filing, see *Estimated Income Tax Payments* section.

### INTEREST AND LATE PAYMENT PENALTY

Tax paid after April 18, 2011 accrues interest and late payment penalty charges on the unpaid tax amount from April 19, 2011 until the date of payment. Interest is 0.4% per month. Penalty is 1% per month or portion of month, up to 25% of the unpaid amount.

### ESTIMATED INCOME TAX PAYMENTS

If withholding plus tax credits are less than the income tax due, an individual should either increase the amount withheld or make estimated payments. Estimated payments are required when there is no withholding or insufficient withholding on income.

**NOTE:** Making estimated payments is particularly important for recipients of income without withholding, VT residents working in another state, or non-VT residents working in VT.

**Exception:** Farmers or fishermen, as defined by the laws of the United States, are not required to make estimated payments. If you are a farmer or fisherman and are billed for underpayment of estimated income tax, contact the Department.

**Amount of Estimated Payments:** If the taxes withheld from your income are less than your income tax (reduced by any allowable credits), you may increase your withholding or make estimated tax payments in four equal installments. Estimated payments (together with withholding and credits) must equal 100% of the previous year's income tax or 90% of this year's income tax. If no income tax return was required or the tax liability was zero in the previous year, there are no underpayment charges. Interest and penalty is billed on the difference between the estimated payment that should have been made each quarter and the payment actually made. No interest and penalty will be assessed if your income tax from Line 26 of the VT income tax form, less withholding and credits, is less than \$500 for the taxable year. **Examples:** (1) Your previous year tax was \$800. This year it is \$1200. You had no withholding, but made four timely estimated payments of \$150 each. Estimated payments of \$600 and \$0 withholding did not equal either the previous year's tax or 90% of this year's tax. The tax due (Line 26 less withholding and credits) is more than \$500. Each estimated payment should have been \$200 instead of the \$150 estimated payment made. You owe interest and penalty on \$50 underpayment each quarter. Penalty and interest accrue on the \$50 from the due date of each payment to the date the tax is paid. (2) Your previous year tax was \$800. This year it is \$400. You had withholding of \$100 but made no estimated payments. Your total withholding of \$100 and \$0 estimated payments did not equal either the previous year's tax or 90% of this year's tax. However, your tax (Line 26 less withholding and credits) is less than \$500. No interest or penalty will be assessed. (3) Your previous year tax was \$800. This year it is \$1500. You had withholding of \$400 and made four timely estimated payments of \$100 each. Your total withholding and timely estimated payments equal \$800, which is 100% of the previous year's tax. No interest or penalty will be assessed. (4) Your previous year tax was \$800. This year it is \$600. You had withholding of \$110, but made no estimated payments. Your \$110 in withholding did not equal the previous year's tax and is less than 90% of this year's tax. However, your tax (Line 26 less withholding and credits), is less than \$500 (\$600 - \$110). No interest or penalty will be assessed. (5) Your previous year tax was \$800.

This year it is \$1000. You had withholding of \$300, but made no estimated payments. You owe \$700 tax. The \$300 withholding was less than the previous year's tax and did not equal 90% of this year's tax. Each estimated payment should have been \$200 instead of the \$75 quarter credit from withholding. There is a \$125 underpayment for each quarter. Penalty and interest accrue on the \$125 underpayment from the due date of each payment to the date the tax is paid. **(6)** Your previous year tax was \$800. This year it is \$1000. You had withholding of \$300 and made one estimated payment of \$800 in December. Each estimated payment should have been a minimum of \$200. Your withholding covered \$75 (\$300/4) of the installment. There is an underpayment of \$125. You owe interest and penalty on the \$125 underpayment for the April, June and September due dates up to the December payment date.

**Penalty & Interest Charges:** The underpayment or late payment in each quarter is assessed from the estimated payment due date to the date the tax is paid:

- Interest of 0.4% per month.
- Penalty of 1% per month or portion of month.

**NOTE:** The IN-152 and IN-152A worksheets are available on our website at <http://tax.vermont.gov>

**Calculating the Charges:** Use VT Worksheet IN-152 to calculate the amount. Enter the result on Form IN-111, Section 9, Line 36, and include the amount with your tax payment. Payment at the time of filing may reduce the charges as they accrue up to the time of payment. If you have an overpayment but owe underpayment charges, the charges are subtracted from the overpayment.

**Annualized Income Installment Method:** Taxpayers using the annualized method for Federal estimated payments should use IN-152A to calculate applicable interest and penalty. Send a copy of all four pages of the completed Federal Form 2210.

**Next Year:** If you made estimated payments for tax year 2010, the Department automatically sends you Form IN-114 voucher booklet for 2011 tax year. Estimated payments are due April 15, June 15, September 15, 2011 and January 15, 2012. To assure you do not owe more than \$500 tax next year, you may wish to adjust your withholding, or make estimated payments, or a combination of both.

## OFFSETS OF YOUR INCOME REFUND

Your income tax refund will be taken to pay a bill you or your spouse/civil union partner owe to the VT Department of Taxes and other government agencies such as Internal Revenue Service, Office of Child Support, Department of Corrections, VT courts, student loan agencies, VT State Colleges, and tax agency of another state. You will receive notification if your refund is offset.

## INJURED SPOUSE CLAIMS

Does your spouse/civil union partner owe money to VT state or Federal agency or tax agency of another state and you file a joint tax return? If your spouse/civil union partner is responsible for the debt, you may file an "injured spouse" claim for your portion of the refund.

You may receive the portion of the income tax refund equal to the percentage of your income to the combined income of you and your spouse/civil union partner.

To make an "injured spouse" claim, send the following information separately from your return **(1)** the request letter; **(2)** copy of Federal Form 8379, if one was filed with the IRS; **(3)** if self-employed, copy of Federal income tax return with Schedules C and SE. Mail to: VT Department of Taxes, ATTN: Injured Spouse Unit, PO Box 1645, Montpelier, VT 05601-1645. Electronic filers must also send copies of income statements such as W-2, 1099, etc.

→ You will receive a notice from the Department if the income tax refund is offset. You have 30 days from the date on the notice to submit the injured spouse claim to the Department.

## PAYMENT OPTIONS

**ACH Debit for Electronic Filers:** You can pay your tax at the same time you electronically file or you can schedule a payment date.

**By Credit Card:** Go to <http://tax.vermont.gov> to use VTPay. A convenience fee applies to payments over \$200.

**By Check:** Make checks payable to **VT Department of Taxes**

- **Check sent with Return:** Staple the check to Form IN-111 with the W-2s and 1099s to the lower left front of the return. Form IN-116, Payment Voucher, is NOT needed.
- **Check sent separate from Return:** Complete Form IN-116, Payment Voucher. Send the voucher and check to PO Box 1779, Montpelier, VT 05601-1779.

## FINANCIAL DIFFICULTIES

If you cannot pay your entire VT income tax, file the return on time and pay as much as you can. Then immediately write to the Department to apply for a payment plan. Do not include this request with your return. Send the request to: VT Department of Taxes, ATTN: Compliance, PO Box 429, Montpelier, VT 05601-0429.

You may be asked for financial information to determine the appropriate installment payments. Without a payment plan, unpaid income tax results in collection action that may include placement with a commercial collection agency, liens on your property, legal action, or loss or suspension of a professional license.

## NET OPERATING LOSSES

No VT refund is available for a carryback. The VT carryback or carryforward election for a net operating loss must be the same as elected for Federal purposes.

**BONUS DEPRECIATION PROVIDED BY FEDERAL ECONOMIC STIMULUS ACTS IN 2008, 2009 AND 2010 ARE NOT ALLOWED FOR VT INCOME TAX PURPOSES.** See instructions for Form IN-111, Line 12b on page 8 and Line 14c on page 8 to adjust for difference between Federal and VT depreciation amount.

## CLAIMING A VT REFUND

You must file a VT income tax return to receive a refund of VT withholding or estimated payments. You have up to 3 years from the due date of that tax year's return, including extension. *Example:* You did not file a return for tax year 2007 and now find that you are due a refund. You file the 2007 return on August 10, 2011. Tax year 2007 return was due April 15, 2008. The last date you could file and get a refund for the 2007 tax year was April 15, 2011. You filed after the three year date and no refund is available. If you had an extension of time to file on record with Vermont, the three year period runs to the extended due date.

## AMENDING OR CORRECTING VT INCOME TAX RETURN INFORMATION

You are required by VT law to file an amended VT return within 60 days of: 1) becoming aware of a change to VT income; 2) filing an amended return with the IRS; or 3) receipt of a notice of the change by the IRS. A late file penalty will be assessed if the amended VT return is not filed within the 60 days.

• **Change to VT income** An amended return is due even if the change is not the result of filing an amended Federal income tax return or an adjustment made by the Internal Revenue Service. For example, a nonresident or part-year resident may discover the amount of income

taxable to VT is different from the amount originally reported. The amended return must be filed within 3 years of the due date of the return, including extension.



**NOTE:** When amending for income change, Schedule HI-144, Household Income, used for a property tax adjustment claim or renter rebate claim must also be amended.

#### • **Change of Federal tax information by IRS**

You are required to file an amended VT return within 60 days of notification by the Internal Revenue Service, even if this is past the 3-year limit, when adjustments to your Federal return affect your VT income tax. These adjustments include, but are not limited to, changes in Federal taxable income, capital gains amount, earned income tax credit, the Federal tax credits passed through to VT tax, or any other change that affects your VT tax. Attach a copy of all Federal forms showing changes to the VT amended return. The IRS and VT Department of Taxes routinely share information. Differences in the information on file with the IRS and the VT Department of Taxes, other than those allowed by VT law, are identified and may be audited.

• **Filing an amended Federal tax return** You are required to file an amended VT return within 60 days of filing an amended return with the Internal Revenue Service if VT income is affected. See *Change of Federal tax information by IRS* for examples of changes affecting VT income tax.

### FORM FOR AMENDING VT INCOME TAX RETURN

Check the Amended box on Form IN-111, Section 1, for the applicable tax year. Enter the corrected amounts as if this were the original filing and also complete supporting schedules, even if there is no change to them. Below Section 9, use the amended box to enter the amount originally refunded or paid to arrive at the amended amount of tax due or refund. DO NOT send a copy of the original with the amended.

### TAXPAYER ADVOCATE

The VT Department of Taxes offers this free, confidential service when a taxpayer encounters difficulty resolving tax issues. The Taxpayer Advocate can help if:

- You are experiencing extreme economic harm or hardship from the Department's action, or
- It is taking more than 180 days to resolve your tax issue, or
- You have not received a response or resolution to the problem by the date promised by the Vermont Department of Taxes.

The Taxpayer Advocate will listen to your situation, independently review the problem, help you understand what needs to be done to resolve it, keep you updated on the progress of your situation and stay with you until the problem is resolved. Please note that the Taxpayer Advocate cannot override the provisions of the law.

To contact the Taxpayer Advocate:

Telephone: 802-828-2535 Fax: 802-828-2701

Email: [taxpayeradvocate@state.vt.us](mailto:taxpayeradvocate@state.vt.us)

Mail: Vermont Department of Taxes, ATTN: Taxpayer Advocate, PO Box 429, Montpelier, VT 05601-0429

### VT INCOME TAX DEFINITIONS

**Adjusted Gross Income or AGI** means adjusted gross income on your Federal income tax return filed or your recomputed Federal income tax return.

**Adjusted VT Income Tax** means the VT tax calculated on VT Taxable Income as adjusted by certain additions, subtractions, and provisions for exempted income.

**Adjustments to VT Income Tax** are (1) Additions: 24% of the Federal tax on Qualified Retirement Plans including IRA, MSA and other tax favored accounts; Recapture of Federal Investment Tax Credit; and Federal tax on

qualified lump-sum distributions from Federal Form 4972; plus any VT tax credit recapture. (2) Subtractions: 24% of the Federal tax credits for Child and Dependent Care Expenses (unless qualified for Low-Income Child & Dependent Care Credit); Credit for Elderly or Disabled; Investment Tax Credit attributable to the VT-property portion of the investment; and VT Farm Income Averaging Credit; Remaining 76% of Federal investment credit for VT-based business solar energy included in Investment Tax Credit or prior year carryforward. (3) Percentage reduction of VT tax for VT exempt income and/or ratio of VT income to non-VT income from Schedule IN-113.

**Domicile** is the place where you have your permanent home. Establishing a domicile depends on factors such as the location of residences owned or rented, the amount of time spent at the residences, the location of items considered of sentimental or financial value, how and where one's living is earned, an investment in a business or profession in this state, place of voter registration, state issuing driver's license and automobile registration, and the residence of the taxpayer's immediate family. No one factor is conclusive.

You can have only one domicile. Your domicile does not change unless you move to a new location with the intent to make it your permanent home. If you move to a new location but only intend to stay a limited time, your domicile does not change. For more information, see Department Regulation 1.5811.

**Nonresident** means, for purposes of income tax, an individual who is neither domiciled in VT nor has maintained a permanent place of abode in VT where the individual was present for more than 183 days of the taxable year.

**Part-Year Resident** means, for purposes of income tax, an individual who meets the criteria for Residency during a portion of the taxable year.

**Recomputed Federal Income Tax Return** means a Federal income tax return prepared for VT purposes only. You use the recomputed amounts where the VT return requires Federal line information. See *Filing Status* instructions on page 7 for information on when to do a recomputed Federal income tax return.

**Residency** means, for purposes of income tax, an individual who in that portion of the taxable year (1) is domiciled in VT; or (2) maintains a permanent place of abode and is present in VT for more than a combined total of 183 days of the taxable year.

**Resident** means, for purposes of income tax, an individual who meets the criteria for Residency.

**Taxable Year** means the calendar year. Call the Department if you are a fiscal year filer.

**VT Income of Residents** means the Adjusted Gross Income of a Resident less the following:

- Income exempted from state taxation under the laws of the United States
- Certain military pay (see page 43)
- Payment by the State of VT to a family for the support of an eligible person with a developmental disability as defined by section 8722(2) of Title 18 of VT Statutes Annotated and when included in Federal adjusted gross income (see page 43)
- Wages received under Federal incentive work programs if wages are required as part of Federal adjusted gross income under Section 280C of the Internal Revenue Code (see page 43)
- Railroad Retirement Income Tier I and Tier II (see page 43)
- Expenditures or expenses incurred on VT property to meet the Americans with Disabilities Act (see page 43)
- Bond interest from VT Telecommunications Authority, VT Student Assistance Corporation, or VT Build America (see page 43)

**VT Income of Nonresidents** means the sum of the following items to the extent the items are required to be included in Federal adjusted gross income:

- Rents and royalties from ownership of property located in VT
- Gains from the sale or exchange of VT property, including the sale of timber or timber rights
- Wages, salaries, commissions, or other income received for services performed in VT. Excluded from VT tax are certain military pay (see page 43) and income received for a dramatic performance in a commercial film to the extent such income would be excluded from personal income tax in the state of residence
- Income from every business, trade, profession, or occupation conducted in VT, including money received (1) under an agreement not to compete with a business operation in VT, (2) for goodwill associated with the sale of a VT business, or (3) for contractual services associated with the sale of a VT business unless it is shown that the compensation for services does not constitute income from the sale of the business
- VT income previously deferred under a nonqualified deferred compensation plan and income derived from such previously deferred income
- Lottery winnings from ticket(s) purchased in VT for VT Lottery, Tri-State Lottery, or PowerBall

Not included in VT income for a nonresident is income from activities necessary to create or maintain a web page or Internet site. For more information, go to <http://tax.vermont.gov>

**VT Income of Part-Year Residents** means any income described in *VT Income of Nonresidents* and all items earned or received during the period of VT residency described in *VT Income of Residents*.

**VT Taxable Income** means Federal taxable income with (1) the addition of interest, dividends or other distributions from non-VT state and local obligations to the extent this income is excluded from Federal adjusted gross income; the capital gain deferral in a previous year for investment in a qualified business upon disposition of the taxpayer's interest in the business; the difference between depreciation using standard MACRS on assets qualified for 2010 Federal bonus depreciation and the reported Federal depreciation on those qualified assets as a result of VT disallowance of the bonus depreciation; state and local income taxes deduction on Form 1040, Schedule A in excess of \$5,000 with the (2) subtraction of interest income from U.S. government obligations to the extent such income is included in Federal adjusted gross income; capital gains exclusion; and as a result of VT disallowance of the bonus depreciation, the difference between depreciation using standard MACRS on assets qualified for 2008 and 2009 Federal bonus depreciation and the reported Federal depreciation on those qualified assets.



## INCOME TAX FORM INSTRUCTIONS

### FORM IN-111 VT INCOME TAX

**NOTE:** Forms HS-145 or PR-141 are not required to be filed with the VT income tax return.

**Remember to keep a copy of your tax forms, schedules and documents for your records.**

PLEASE do not make marks in boxes that you intend to leave blank.

**Section 1 Taxpayer Information** **REQUIRED entries.** If you have an identification label, affix to the "Place Label Here" space. Enter Social Security Number(s). If you do not have an identification label or the

information is incorrect, print your name(s), address and Social Security number(s) on the form.

**Amended Return**  Check here **ONLY** if you are filing an AMENDED 2010 income tax return. See AMENDING OR CORRECTING VT RETURN INFORMATION on page 5.

**Recomputed Federal Return**  Check this box if the information for Federal line references is from a recomputed Federal return. Because VT and IRS routinely share information, checking the recomputed Federal return box alerts the Department to expect differences between the IRS filing and VT filing. See *Filing Status* below for situations where the Federal return may be recomputed.

**Deceased Taxpayer**  Check the applicable box if the taxpayer or spouse/civil union partner died during 2010. **Administrator or Executor:** Use Form IN-111 to report the decedent's income from the beginning of 2010 to date of death. To claim an income tax refund on behalf of the deceased, attach one of the following documents to Form IN-111: the court certificate showing your appointment as administrator or executor (this is not needed if you are a surviving spouse); a completed Form 176 (Statement of Claimant to Refund Due on Behalf of Deceased Taxpayer); or a copy of completed Federal Form 1310. VT Fiduciary Return of Income; Form FI-161, should be filed to report the income of an estate or trust. Call 802-828-6820 for information.

**Line 1 VT School District Code:** **REQUIRED entry.**

Use the School District Code and town of your legal residence. This may be different from your mailing address.

**For school district codes, go to** <http://tax.vermont.gov> or page 14 of this booklet.

**VT Residents:** Use the 3-digit school district code for your residence on December 31, 2010.

**Nonresidents:** Enter 999 as your school district code.

**Line 2 City/Town of Legal Residence** Enter your legal residence as of December 31, 2010. If you live where there is both a city and town with the same name, specify city or town. *For example:* Rutland City or Rutland Town.

## Section 2 Tax Filing Information

**Filing Status** **REQUIRED entry.**  Check the box to show your VT filing status. The VT filing status is the same as your Federal filing status **except for the following two situations where Federal information may be recomputed for VT purposes:**

1. **CIVIL UNION or CIVIL MARRIAGE** (available to same sex couples holding a valid civil union or marriage license): **Recomputed Federal income tax information required.** The Federal government does not recognize civil unions or civil marriages.  Check the box for your applicable VT filing status.  Check the box at the upper right corner of IN-111 to show that you are using recomputed Federal return information. Complete a Federal return for VT purposes only that uses the exemptions, deductions and rules allowed by the IRS as if you filed Married Filing Jointly or Married Filing Separately. Exemptions and deductions must be reasonably allocated if filing separately. For instance, one taxpayer cannot claim all exemptions and deductions. Mark this return as "**Recomputed for VT purposes**" and attach a copy of the recomputed return along with a copy of the Federal return actually filed with the IRS. Enter the recomputed Federal return information where VT requires Federal information. If filing separately, enter the other person's name and Social Security number in the space provided on Line 7.

2. **NON-VT RESIDENT SPOUSE WITH NO VT INCOME:** **Recomputed Federal income tax information may be used.** See Technical Bulletin #55. If you are a VT resident but your spouse is a nonresident of VT and has no VT income, you may elect to file Married Filing Separately for VT income tax purposes even if you filed Married Filing Jointly with the Internal Revenue Service.  Check the box for your applicable VT filing

status.  Check the box at the upper right corner of IN-111 to show that you are using recomputed Federal return information. Complete a Federal return for VT purposes only using the exemptions, deductions and rules allowed by the IRS as if you filed Married Filing Separately. Exemptions and deductions must be reasonably allocated if filing separately. For instance, one taxpayer cannot claim all exemptions and deductions. Mark this return as **"Recomputed for VT purposes"** and attach a copy of the recomputed return along with a copy of the Federal return actually filed with the IRS. Enter the recomputed Federal return information where VT requires Federal information. Enter your spouse's name and Social Security number in the space provided on Line 7. If you elect to file your VT income tax return married jointly, you cannot use Schedule IN-113, Part I to apportion income of the nonresident spouse. The credit for income tax paid to another state, however, is available.


**Line 9 Exemptions** Enter the number of exemptions claimed on your Federal return or your recomputed Federal return.

**NOTE:** Federal Forms 1040EZ and 1040NR-EZ only, enter zero if you are claimed as a dependent by another taxpayer in 2010. Enter 1 if you are Single. Enter 2 if you are Married Filing Jointly or Civil Union Filing Jointly.

**Line 10 Adjusted Gross Income** **REQUIRED entry.** Enter the amount from your Federal return or, if applicable, from the recomputed Federal return.

### Section 3 Taxable Income

**Line 11 Federal Taxable Income** **REQUIRED entry.** Enter the amount from your Federal return or, if applicable, from the recomputed Federal return.

 Bonus Depreciation at Federal level is not allowed for VT income tax purposes. See Line 14c for the adjustment.

**NOTE:** If Federal Taxable Income is zero but you have an entry for Lines 12a, 12b or 12c calculate the actual loss amount from **Federal Form 1040**, subtract Line 42 from Line 41 or **Federal Form 1040A**, subtract Line 26 from Line 25.  Check the box to the left of the entry line to show a loss and enter the amount on Line 11.

### Additions to Federal Taxable Income

**Line 12a** Enter the Non-VT State and Local Obligations from Schedule IN-112, VT Calculation A, Part I, Line 3.

**Line 12b Federal Bonus Depreciation** The Small Business Jobs Act of 2010 extended the bonus depreciation to property put into service in 2010. VT does not recognize the bonus depreciation for VT income tax purposes. The depreciation must be recalculated without the bonus depreciation using standard MACRS method. Enter the difference between the depreciation calculated by standard MACRS methods and the depreciation calculated using the Federal bonus depreciation for assets placed in service in 2010. Go to <http://tax.vermont.gov>, "Publications" to see Technical Bulletin 44 for information on calculating the amount to add back to taxable income.

**Line 12c State and Local Income Tax Add Back** If you filed a Federal 1040 Schedule A for the 2010 tax year and the deduction for state/local income taxes exceeds \$5,000, you need to complete Schedule IN-154. See page 44.

**Line 13 Federal Taxable Income with Additions** Add Lines 11, 12a, 12b and 12c and enter result. To show a loss,  check the loss box to the left of the entry line.

### Subtractions from Federal Taxable Income


**Line 14a Interest Income from U.S. Obligations** Interest income from U.S. government obligations (such as U.S. Treasury Bonds, Bills, and Notes) is exempt from VT tax under the laws of the United States. Enter the amount of interest income from U.S. Obligations on this line.

Interest income is exempt when received directly from the U.S. Treasury or from a trust, partnership, or mutual fund that invests in direct obligations of the U.S. government.

➔ Income from the sale of U.S. government obligations is taxable in VT. Income from repurchase agreements, securities of FNMA, FHMC, or GNMA or other investments that are not direct obligations of the U.S. government are also taxable. See Technical Bulletin 24 for more information.

**Supporting Documentation Required:** No attachment to return required. However, obtain statements for your tax records in the event the Department requests such documentation. Acceptable statements are Federal Schedule B or other listing with amount and description. Summary information from a K-1 or just a statement "U.S. government securities" without further identification is not acceptable.

**Line 14b Capital Gains Exclusion** See Schedule IN-153 and instructions to calculate the capital gains exclusion for 2010. See page 44 and also Technical Bulletin 47 on our website under "Publications".

 Qualified Dividends reported for Federal purposes are not eligible for capital gains exclusion for VT tax purposes.

**Line 14c Adjustment for Bonus Depreciation on 2008 or 2009 Property** Enter the difference between the depreciation calculated by standard MACRS methods and the depreciation calculated at the Federal level. For information on calculating the amount that can be subtracted from taxable income, see Technical Bulletin 44 on our website under "Publications".

**Line 14d** Add Lines 14a, 14b and 14c.

**Line 15 VT Taxable Income** Subtract Line 14d from Line 13 and enter amount. If Line 14d is more than Line 13, enter "0".

### Section 4 VT Income Tax

**Line 16 VT Income Tax from Tax Table or Tax Rate Schedule** Using the VT Taxable Income amount from Line 15, calculate your VT tax using the applicable table or schedule and enter result.

- If Line 15 is zero, tax is \$0.
- If Line 15 amount is less than \$75,000 - You may use VT Tax Tables.
- If Line 15 amount is \$75,000 or more - Use VT Rate Schedules.


**Line 17 Additions to VT Income Tax** Complete VT Schedule IN-112, VT Calculation A, Part II. Additions to VT Income Tax are:

- recapture of a VT tax credit; or
- 24% of additional Federal tax on the following:
  - Qualified Retirement Plan distributions including IRA & MSA
  - Recapture of Federal Investment Tax Credit
  - Lump-sum Distribution from Federal Form 4972

**Line 18 VT Income Tax with Additions** Add Lines 16 and 17 and enter result.

**Line 19 Subtractions from VT Income Tax** Complete VT Schedule IN-112, VT Calculation A, Part II if you filed Federally for:

- Credit for Child and Dependent Care Expenses (See page 10 for Low-Income Child and Dependent Care Credit.)
- Credit for the Elderly or the Disabled
- Investment Tax Credit (as defined in IRC Section 46)
- Farm Income Averaging Credit
- Additional credit for VT-based business solar energy investment

 Only the VT-BASED investment portion of the Federal investment credit is eligible for VT tax credit.



**Line 20 VT Income Tax** Subtract Line 19 from Line 18 and enter result. If Line 19 is more than Line 18, enter zero.

**Line 21 Income Adjustment** Enter 100.00% or percent from Schedule IN-113, Line 43. → Entry of less than 100.00% requires filing Schedule IN-113.

Examples of income adjustment less than 100.00%:

- You were a nonresident or part-year resident in 2010. See Section 2 Tax Filing Information, Nonresident Spouse.
- You received exempt income as defined under VT Income of Residents on page 6.
- You claimed wages or expenses required to be added back to AGI under IRC Sections 280C or 44.

**Line 22 Adjusted VT Income Tax** Multiply Line 20 by the percentage on Line 21. If Line 21 is 100.00%, Line 22 will be the same as Line 20. An entry other than 100.00% requires completion of Schedule IN-113.

### Section 5 Credits and Use Tax

**Line 23 Credit for Income Tax Paid To Other State or Canadian Province** (FOR FULL-YEAR AND PART-YEAR RESIDENTS) Complete Schedule IN-112, VT Calculation B and enter result from Line 6. Attach to Form IN-111.

**Line 24 VT Tax Credits** Enter the amount from Schedule IN-112, VT Calculation D OR Schedule IN-119.

**Line 25 Total VT Credits** Add Lines 23 and 24 and enter result.

**Line 26 VT Income Tax After Credits** Subtract Line 25 from Line 22. If Line 25 is more than Line 22, enter zero.


**Line 27 Use Tax** (FOR FULL-YEAR AND PART-YEAR RESIDENTS) Use this line to report Use Tax on purchases made for your personal use. Business purchases must be reported on Form SU-451 or Form SU-452.

If you buy an item that would have been subject to VT Sales Tax but did not pay the Sales Tax and the item was used in VT, you owe Use Tax. You acquire a Use Tax obligation when buying goods on the Internet, over the telephone, by mail order, or from a business that did not collect the VT Sales and Use Tax, or when buying in states or countries that do not have or do not appropriately collect the Sales Tax.

Commonly purchased items that give rise to Use Tax liability are:

Electronic equipment; Appliances; Furniture & home furnishings; Building materials; Cabinetry; Jewelry; Downloads of movies (purchased or rented), music, books or ringtones; Computer software (packaged or downloaded); Computer hardware & accessories; Books (hard copy or downloaded); Magazines (hard copy or downloaded); Auto & truck parts & accessories; Sporting goods (including but not limited to bicycles, treadmills, boats); CDs and DVDs.

Use Tax is the same rate as the State Sales Tax. Use Tax does not include the local option Sales Tax. The tax is on the selling price which includes shipping and handling charges.

 NO Use Tax is due on purchases of food, clothing, medical prescription drugs, or newspapers.

**Examples:** (1) In May 2010, you paid \$200 for software delivered by download to your computer. The company charged no Sales Tax. You owe \$12 Use Tax (\$200 x 6%) (2) In July 2010, you purchased books from a mail-order company that shipped the books to your VT home. The charge for the books was \$100 plus \$7.50 shipping. The company did not charge the VT Sales Tax. You owe \$6.45 (\$100 + \$7.50 = \$107.50 x 6%).

You may use the optional Use Tax Reporting Table that bases your Use Tax liability on 0.08% of your Federal Adjusted Gross Income, provided that the cost of each item is less than \$1,000.

## USE TAX REPORTING TABLE

Adjusted Gross Income Form IN-111, Line 10 is:	Use Tax is:
\$10,000 - 24,999 .....	\$10.00
\$25,000 - 34,999 .....	\$20.00
\$35,000 - 49,999 .....	\$28.00
\$50,000 - 64,999 .....	\$40.00
\$65,000 - 79,999 .....	\$52.00
\$80,000 - 99,999 .....	\$65.00
Over \$99,999 .....	Multiply by 0.08%

**NOTE:** For each purchase with a total invoice amount of \$1,000 or more, the use tax must be calculated exactly. If also using the Use Tax Reporting table, add the table amount to the calculated amount.

**If you have no Use Tax to report, leave Line 27 blank or enter 0 (zero).**

If you use the Use Tax Reporting Table, the Department will not assess additional Use Tax unless a purchase with a total invoice amount of \$1,000 is unreported.

Use Tax on items purchased for a business must be reported on Form SU-451 or on Form SU-452 for a one-time purchase. Businesses cannot use the optional Use Tax Reporting Table.

Because proof of Sales Tax paid is required to register an ATV, dirt bike, boat, snowmobile or airplane, use Form SU-452. This form is available on the Department website, or by calling (802) 828-2515 or through the VT Department of Motor Vehicles. For more information or assistance, call the Department at (802) 828-2551.

**Line 28 Total VT Taxes** Add Lines 26 and 27 and enter result.

### Section 6 Voluntary Contributions

Enter the amount on the line(s) for the fund(s) to which you wish to contribute. Your refund will be reduced, or your payment increased, by this amount.

→ Your refund or payment must cover all contribution amounts or no contribution is made. **Example:** Your return calculations show a \$60 refund and you make a \$30 contribution - \$10 to each fund. Upon processing, the Department discovers a math error and your refund is now \$25. The refund is less than the \$30 contribution. You will receive the \$25 as an income tax refund and no contributions are made.

#### Line 29a VT Nongame Wildlife Fund Contribution

The Nongame Wildlife Fund was created to preserve our state's natural wildlife heritage that makes Vermont a special and unique place to live. Many species benefit from your gift, including loons, songbirds, frogs, turtles, bald eagles and butterflies.

This is a convenient way to select wildlife for charitable giving. This gift is deductible on next year's Federal tax return as a charitable contribution. Thank you for caring and giving a "voice" to many of VT's rarest creatures.

To receive a loon decal and annual newsletter featuring projects sponsored by the Nongame Wildlife Fund, contact: Nongame and Natural Heritage Program, VT Fish & Wildlife Department, 103 South Main Street, Waterbury, VT 05671-0501 or call 802-241-3700.

#### Line 29b Children's Trust Fund (VCTF) Contribution

This fund aims to improve the lives of children and youths by sponsoring programs such as parenting education classes, youth leadership programs, out-of-school time activities, mentoring programs and literacy projects. These programs work to prevent juvenile delinquency, child abuse, and other potential problems children and families face. Funds collected are distributed to VT community organizations. The programs are voluntary and open to the general public. All donations are tax-deductible. Information on VCTF's income and expenses is available on its website in the newsletter financial update section.

To learn more, go to the VCTF website at [www.vtchildrenstrust.org](http://www.vtchildrenstrust.org) or write to VCTF, 19 Marble Avenue, Burlington, VT 05401; or call 888-475-5437.

**Line 29c VT Veterans' Fund**

The VT Veterans Fund supports our nearly 60,000 honorably discharged veterans. It helps veterans who are homeless, need long-term care, or need transportation. It also helps veterans apply for benefits and supports recognition programs. You can show we care for our veterans by making a tax deductible contribution which will be used within VT. For more information, contact VT Office of Veterans Affairs, 118 State St., Montpelier, VT 05620-4401 or call 802-828-3379. Thank you.

**Section 7 Payments and Credits**

**Line 31a VT Income Tax Withheld** Enter the amount of VT income tax withheld. Attach the state copy of your W-2, Form 1099 or other payment statements to verify the amount. Failure to enter the withholding on this line and to attach the payment statement(s) will delay processing of your return or you may not receive credit for the withholding against your VT tax. **NOTE:** To claim tax withheld on a real estate sale, use Line 31e. Nonresident partners, members or shareholders use Line 31f for estimated taxes paid on your behalf by a business entity on Form WH-435.

! To get credit for VT withholding, you must enter the amount on Line 31a.

**Line 31b 2010 Estimated Tax or Extension Payments** Enter the amount of 2010 VT estimated income taxes you paid, the amount paid with Form IN-151, Extension of Time to File the 2010 return, and any 2009 VT refund credited towards 2010 taxes. Call 866-828-2865 (toll-free in VT) or 802-828-2865 (local or out-of-state) or go to our website for the amount of 2010 tax payments the Department has on record. **NOTE:** Nonresident partners, members or shareholders use Line 31f for estimated taxes paid on your behalf by a business entity on Form WH-435.

**Line 31c VT Earned Income Tax Credit (FOR FULL-YEAR AND PART-YEAR VT RESIDENTS)** Enter the amount from Schedule IN-112, VT Calculation C. Attach the completed Schedule IN-112 to Form IN-111.

**Line 31d Renter Rebate (FOR FULL-YEAR VT RESIDENTS ONLY)** If you are filing the Renter Rebate Claim with the income tax return, enter the renter rebate amount from Form PR-141, Line 9. **NOTE:** The Renter Rebate Claim is not required to be filed with the income tax form.

**Line 31e VT Real Estate Withholding** If you sold real estate in VT during 2010 and the buyer withheld VT income tax from the sales price, enter the amount withheld shown on Form RW-171, VT Withholding Tax Return for Transfer of Real Property, Schedule A, Line 12. Include a copy of the first two pages of your Federal income tax return and any Federal schedule that documents the income or loss from the VT sale. Do not enter this amount on Line 31a or 31b.

**NOTE:** It is the Tax Department's practice to allocate real estate withholding in proportion to each seller's share of the proceeds. If you claim a credit of Vermont real estate withholding on your Vermont Income Tax return that is not proportionate to your share of the proceeds as reported on your Federal Income Tax Return, the Department may adjust the amount of real estate withholding claimed on your Vermont Income Tax Return. If you believe you are entitled to claim real estate withholding in an amount that is not proportionate to your share of the proceeds, please provide supporting documentation.

**For installment sales:** You must report the balance of your gain to VT on future returns or elect to pay VT 6% tax on the entire gain in the year of the sale. If you choose the 6% tax, include a letter with the return asking for the "6% Tax Elect Out for VT Purposes", attach a copy of Federal Form 6252, and do not include the gain from the sale on Schedule IN-113,

Line 7. Call 802-828-2776 if you need assistance completing this portion of the VT return.

**Line 31f Business Entity Payments for Nonresident Partner, Member, or Shareholder (NONRESIDENTS ONLY)** Enter the estimated income tax payments made on your behalf by a partnership, limited liability company, or S corporation toward your 2010 VT income tax. The entity would have made these payments on Form WH-435. If the payments exceed your VT income tax liability, you may be entitled to a refund. Title 32 V.S.A. §§5914 and 5920 allow the entity, at its option, to recover any excess payment from you. Call 802-828-5723 if you need information on WH-435 payments. See Technical Bulletins 5 & 6. Do not enter this amount on Line 31a or 31b.

**Line 31g Low Income Child & Dependent Care Credit (FULL YEAR VT RESIDENTS ONLY)** Eligible taxpayers receive 50% of the Federal Child and Dependent Care Credit as a VT income tax credit instead of the 24% credit on Schedule IN-112. Taxpayers must meet the following requirements:

- Income of
    - less than \$30,000 Federal Adjusted Gross Income for taxpayers filing as Single, Head of Household, Married Filing Separately, Civil Union Filing Separately, or,
    - less than \$40,000 Federal Adjusted Gross Income for taxpayers filing as Married Filing Jointly, Civil Union Filing Jointly, Qualified Widow(er)
- and*
- Care in 2010 provided by a home or facility accredited by the VT Agency of Human Services. Include a copy of your Federal Form 2441. To determine if your care provider is accredited, go to the Department's website at <http://tax.vermont.gov> or call 800-649-2642.

**LOW INCOME CHILD & DEPENDENT CARE WORKSHEET**

1. Accredited care provider amount. . . . . 1. \_\_\_\_\_

2. Total care amount . . . . . 2. \_\_\_\_\_

3. Divide Line 1 by Line 2 . . . . . 3. \_\_\_\_\_

\$ \_\_\_\_\_ x \_\_\_\_\_ = \$ \_\_\_\_\_ x 50% = \$ \_\_\_\_\_

Federal Credit    Line 3 above    Eligible Credit                      Low Income Credit  
(1040, Line 48;                      1040A, Line 29)                      IN-111, Line 31g.

**You may wish to also calculate your VT tax credit using 24% of the full Federal credit and compare to the credit calculated on this worksheet to determine which credit is best for you. NOTE: You cannot take both credits.**

**Line 31h Total Payments and Credits** Add Lines 31a through 31g and enter result.

**Section 8 Refund**

**Line 32 Overpayment** If Line 30 is less than Line 31h, you have a refund. Subtract Line 30 from Line 31h and enter result here. This is the amount by which your payments and credits exceed your income tax, use tax and voluntary contribution entries.

**Line 33a Credit to 2011 Estimated Tax Payment** Enter the amount of refund from Line 32 you want credited toward your 2011 income tax. Your income refund will be reduced by this amount.

! The Renter Rebate from Line 31d can be refunded or used to pay 2010 VT tax. It cannot be applied to 2011 income taxes.

**Line 33b Credit to 2011 Homestead Property Tax Bill** If your property is a declared homestead and you filed the 2010 income tax

return on or before September 1, 2011, you may elect to use all or part of your refund to pay your homestead property tax bill. Your income refund will be reduced by this amount. The State will include an additional 1% to the refund credited to your property taxes.

**Line 34 Refund Amount** Subtract Lines 33a and 33b from Line 32 and enter the result. This is the amount of the refund to be sent to you. If you owe interest and penalty for underpayment of estimated income tax payment, this amount will be subtracted from the refund.

### Section 9 Amount You Owe

**Line 35** If Line 30 is more than Line 31h, this is the amount you owe. Subtract Line 31h from Line 30 and enter result.

**Line 36 Interest and Penalty on Underpayment of or Failure to Make Estimated Tax Payments** Paying charges at the time of filing may reduce the amount of charges that would be billed later. Use Worksheet IN-152 or IN-152A, available on our website, to calculate the charges. The paper worksheets can be obtained by calling 802-828-2515. If you have a refund, the interest and penalty will be deducted. See page 4 for more information and examples.

**Line 37 Total** Add Lines 35 and 36. Enter amount. This is the amount you owe. See *Payment Options* on page 5. If you are unable to pay all your taxes and want to request a payment plan, see page 5.

### Section 10 Signatures

**Signature** **REQUIRED entry.** Sign the return in the space provided. If filing this form jointly, both filers must sign.

**Date** Write the date on which the form was signed.

**Occupation** Enter your occupation. If filing jointly, enter both filers' occupations.

**Age**  Check this box at the applicable signature line if age 65 or older on December 31, 2010.

**Disclosure Authorization** If you wish to give the Department authorization to discuss your 2010 VT income tax return with your tax preparer,  check this box and include the preparer's name.

**Preparer** If you are a paid preparer, you must also sign the return, enter your Social Security Number or PTIN and, if employed by a business, the EIN of the business. If someone other than the filer(s) prepared the return without charging a fee, then that preparer's signature is optional.

## SCHEDULE IN-112 VT TAX ADJUSTMENTS and CREDITS

Print your name and social security number on this schedule. Use blue or black ink to make all entries.

### VT Calculation A Adjustments to Income or VT Tax

#### Part I Income from State and Local Obligations

INTEREST AND DIVIDEND INCOME FROM NON-VT STATE AND LOCAL OBLIGATIONS ARE TAXABLE IN VT. A VT obligation is one from the State of VT or a VT municipality.

**Line 1** Enter the total interest and dividend income received from all state and local obligations exempted from Federal tax.

**Line 2** Enter the interest and dividend income from VT obligations. This may have been paid directly to you or through a mutual fund or other legal entity that invests in VT state and local obligations. If you receive this income from a mutual fund that has only a portion of its assets invested in VT state and local obligations, enter only the amount for the VT obligation(s).

**Line 3** Subtract Line 2 from Line 1. Also enter on Form IN-111, Line 12a. This is the amount of interest and dividend income from non-VT state and local obligations that must be included in VT Taxable Income.

### Part II Adjustments to VT Income Tax

#### Additions to VT Tax

**Line 4** Tax on Qualified Plans and tax favored accounts, including IRA, HSA and MSA.

**Line 5** Recapture of Federal Investment Tax Credit from Federal Form 4255.

**Line 6** Tax on lump sum distributions from Federal Form 4972.

**Line 7** Add Lines 4 through 6 and enter result.

**Line 8** Multiply Line 7 by 24% and enter result.

**Line 9 Recapture of Vermont tax credit(s).** Contact the Department at 1-866-828-2865 (toll-free in VT) or 802-828-2865 (local or out-of-state) for information on calculating the recapture amount.

**Line 10** Add Lines 8 and 9. Also enter result on Form IN-111, Line 17.

#### Subtractions from VT Tax

**Line 11 Credit for Child and Dependent Care Expenses** from Federal Form 1040, Line 48; 1040A, Line 29. Do not use this line if you qualify for the Low Income Child and Dependent Care Credit. See instructions on page 10. If the Federal tax credit is based on care provided by accredited and non-accredited providers, complete the Low Income Child & Dependent Care Worksheet on page 10 to determine if the Low Income credit or 24% of the total Federal tax credit is more beneficial to you. You cannot take both credits.

**Line 12 Credit for the Elderly or the Disabled** from Federal Schedule R.

**Line 13 Investment Tax Credit** from Form 3468. This credit is limited to the amount of investment tax credit attributable to the **VT-property** portion. This line includes 24% of the VT-based business solar energy investment. See Line 17 to claim the remaining 76% for a VT-based business solar energy investment.

**Line 14 VT Farm Income Averaging Credit** This credit is available to farmers who calculate Federal tax using Federal Schedule J. Complete the worksheet below.

#### VT FARM INCOME AVERAGING WORKSHEET

1. Calculate and enter here Federal income tax using Federal Schedule D, Federal Schedule D Worksheet, or Federal tax rate schedules as if Schedule J was not used. 1. \$ \_\_\_\_\_  
*less*
2. Enter Federal tax from Federal Schedule J Line 23 2. \$ \_\_\_\_\_
3. Subtract Line 2 from Line 1. This is your VT Farm Income Averaging Credit. Enter the result on Schedule IN-112, Part II, Line 14 ..... 3. \$ \_\_\_\_\_

**Line 15** Add Lines 11 through 14.

**Line 16** Multiply Line 15 by 24% and enter result.

**Line 17 VT-Based Business Solar Energy Investment Credit** (as defined by Section 48 of Internal Revenue Code). For Tax Year 2010, VT allows 100% of the Federal credit, with certain restrictions, for a VT-based business solar energy investment. On Line 13, taxpayers report the Federal investment tax credit for a VT-based business solar energy investment. Twenty-four percent of the investment tax credits are calculated on Line 16. On Line 17, taxpayers report the remaining 76% of the credit. **NOTE:** For VT-based business solar energy investment made on or after October 1, 2009, the credit is limited to project costs not covered by grants or similar funding from any public or private program that assists in providing capital investment for a renewable energy project. For credits initially claimed for 2010, a certificate from the Clean Energy Development Board must be submitted with your return. (For more information about the Business Solar Tax Credit Certificate, contact the Clean Energy Development Board.)

Unused VT-based business solar energy investment tax credit may be carried forward no more than five years following the year the credit is claimed (retroactive to credit claim in tax year 2008). See Technical Bulletin 45 on our website under "Publications".

**Line 18** Add Lines 16 and 17. Also enter on Form IN-111, Line 19.

**VT Calculation B VT Credit for Income Tax Paid to Other State or Canadian Province** (FOR FULL-YEAR AND SOME PART-YEAR VT RESIDENTS ONLY)

**See Technical Bulletin 38 if you have capital gain, business income, or made adjustments to arrive at Federal Adjusted Gross Income.**

**Part-Year Residents** - Go to our website at <http://tax.vermont.gov> or contact the Department for information on how to file for income earned in another state while a VT resident.

**Supporting Documents Required:** Copy of 2010 tax return filed in the other state(s). For Canadian Province(s), a copy of 2010 provincial tax return filed, copy of Federal Form 1116 (Foreign Tax Credit) and Revenue Canada income tax return. ➔ Convert amounts on Canadian returns to U.S. dollars.

A credit may be allowed against 2010 VT income tax for income tax paid in this tax year to another state or Canadian province on income taxed by both VT and the other taxing jurisdiction. The credit does not include city or county taxes. Credit for Canadian provincial income tax excludes the portion used as a foreign tax credit on Federal Form 1040. The credit is available for the tax imposed by New Hampshire on gambling winnings.

**More Than One State or Province?**

- Complete a VT Calculation B for each state or Canadian province. Do not combine the income and credit of all states or Canadian provinces on one Schedule IN-112.
- Add Line 6 from each VT Calculation B to get the tax credit entry on Form IN-111, Section 5, Line 23.
- Attach a Schedule IN-112, VT Calculation B for each state or Canadian province as well as a copy of each state or Canadian provincial income tax return to your VT income tax return.

**Line 1** Enter your adjusted gross income from sources outside VT in 2010. Include only income that is taxed by VT and also taxed by another state or Canadian province.

**Line 2** Enter the adjusted gross income from Form IN-111, Line 10.

**Line 3** Enter the VT Income Tax from Form IN-111, Line 20.

**Line 4** Divide Line 1 by Line 2; then multiply the answer by Line 3, and enter result. This is the amount of VT tax that would have been due on the income taxed in another state or Canadian province.

**Line 5** Enter the amount of 2010 tax year income tax paid to the other state or Canadian province on the income reported on Line 1 of this schedule. ➔ County and city taxes cannot be included. Use only the tax paid; withholding is not income tax paid.

**Line 6** Enter the lesser of Line 4 or Line 5. This is the allowable tax credit. Enter this amount on Form IN-111, Line 23.

**VT Calculation C VT Earned Income Tax Credit** (FOR FULL-YEAR AND PART-YEAR VT RESIDENTS ONLY)

Taxpayers Not Eligible for credit:

- Nonresidents of VT
- Those with filing status of Married Filing Separately or Civil Union Filing Separately.
- Those not eligible to receive the Federal Earned Income Tax Credit

**Supporting Documents Required: Evidence of earned income such as W-2 or self-employment schedule(s). Part-Year Residents must also file Schedule IN-113.**

Complete the Federal earned income tax credit worksheet before doing the VT calculation. A taxpayer must be allowed the Federal earned income tax credit to be eligible for the VT earned income tax credit. Vermont uses the Federal earned income tax credit definitions and rules.

➔ Eligibility questions A and B must be answered. The claim will be disallowed if the questions are not answered.

For Line 1 or Line 7: Use entry from Federal Form 1040, Line 64a; or Form 1040A, Line 41a; or Form 1040EZ, Line 9a.

**Full-Year Residents Only**

**Line 1** Enter the amount of your Federal earned income tax credit.

**Line 2** Multiply Line 1 by 32%. Enter the result and also enter on Form IN-111, Line 31c. This is your VT earned income tax credit.

**Part-Year Residents Only**

**Line 3** Enter the amount of wages, salaries, tips, etc. from Schedule IN-113, Part I, Line 1, Columns A and B respectively.

**Line 4** Other earned income includes income from a business, partnership, or farm. Add the amounts on Schedule IN-113, Part I, Lines 6, 10, and 12, Columns A and B respectively.

**Line 5, Column A** Add Lines 3 and 4 in Column A and enter result.

**Line 5, Column B** Add Lines 3 and 4 in Column B and enter result.

**Line 6** Divide Line 5, Column B by Line 5, Column A. Enter the result as a percentage carried out to two decimal places. This is the percentage of 2010 income earned in VT that is eligible for the VT earned income tax credit.

$$\text{Example } \frac{\$1,200 \text{ (Line 5, Column B)}}{\$3,300 \text{ (Line 5, Column A)}} = .3636 \text{ or } 36.36\%$$

**NOTE:** Adjustment can never be more than 100.00%.

**Line 7** Enter the amount of your Federal earned income tax credit.

**Line 8** Multiply Line 7 by 32% and enter result.

**Line 9** Multiply Line 8 by Line 6. Enter the result and also enter on Form IN-111, Line 31c. This is your VT earned income tax credit.

**VT Calculation D VT Income Tax Credits**

**Line 1 VT Higher Education Investment Plan (VHEIP)**

**The credit is available only for contributions to the 529 plan administered by VT Student Assistance Corporation. See Technical Bulletin 33 on our website under "Publications".**

**Supporting Document Required:** Statement or certificate from VT Student Assistance Corporation or administrator of the investment plan.

You may be eligible for a tax credit on contributions made during calendar year 2010 to the VT Student Assistance Corporation higher education investment plan. The tax credit equals 10% of the first \$2,500 of contributions per beneficiary. For jointly filed returns, each spouse can contribute to a beneficiary's account and each spouse may claim the credit for his or her contributions. Contributions made by another person not listed as the account owner (except spouses filing jointly) are not eligible for the credit.

**Example:** Canute and Olga, husband and wife, file a joint income tax return. Canute opens a VHEIP account for Junior, a grandchild, with a \$2,500 contribution in 2010. Canute also opens a VHEIP account for Sissy, a grandchild, with a \$1,000 contribution in 2010. Olga contributes \$1,000 to Junior's account and contributes \$3,000 to Sissy's account. The total tax

credit is \$700. Attributable to Canute's contribution is \$350 (10% of \$2,500 to Junior's account and 10% of \$1,000 to Sissy's account; attributable to Olga's contribution is \$350 (10% of \$1,000 to Junior's account and 10% of \$2,500 maximum for Sissy). The contributions may come from the spouse's joint bank account or their individual accounts.

*Example:* Ollie and Lena, husband and wife, use married filing separate status. Ollie opens a VHEIP account for Olaf, his son, with a \$2,500 contribution in 2010. Ollie also opens a VHEIP account for Frieda, his daughter, with a \$1,000 in 2010. Lena contributes \$1,000 to Olaf's account and \$3,000 to Frieda's account. Ollie's tax credit is \$350 (10% of \$1,000 + 10% of \$2,500 max). Since Lena is not a named account holder and filing separately, she cannot claim a credit.

*Example:* Briget opens an account for Arkin, her son. She contributes \$2,500 to the account in 2010. Uncle Jim also makes a \$1,000 contribution to Arkin's account. Briget's contribution provides a \$250 tax credit for her. Since Uncle Jim is not the owner of the account, he cannot claim a credit.

For more information on the VT Higher Education Investment plan, go to the VSAC website at [www.vsac.org](http://www.vsac.org) or call 1-800-637-5860 Monday through Friday, 8 a.m. to 8 p.m.

**Taxpayers receiving tax credit for Lines 2, 3 & 4 through S corporations, LLCs, LLPs, or partnerships, enter the name of each entity and its FEIN on the schedule.**

**Line 2 Commercial Film Production** A taxpayer may receive a credit against VT income tax if the taxpayer's state of residence also taxes income received from a dramatic performance in a commercial film production. The credit equals the difference between the income taxed at the VT tax rate and the income taxed at the other state's highest personal income tax rate.

**Line 3 Charitable Housing** A taxpayer making an investment in an eligible housing charity may receive a credit against VT income tax. The credit is the difference between the net income that would have been earned by the charitable threshold rate and the actual net income received, but not more than 3% of the average outstanding principal balance of the investment during the taxable year. The Commissioner of Housing and Community Affairs calculates the credit.

**Line 4 Qualified Sale of Mobile Home Park** A taxpayer may receive a credit against VT income tax equal to 7% of the taxpayer's gain subject to Federal income tax on a qualified sale of a mobile home park. A qualified sale means the sale is made to a group made up of a majority of the mobile home park tenants or to a nonprofit organization representing such group. Credit exceeding the tax liability may be carried forward for up to three years.

**Line 5 Total Credits** Add entries from Lines 1-4 in Column C. Enter on Form IN-111, Line 24, unless you claim income tax credits on Schedule IN-119. For Schedule IN-119 filers, enter credit on the appropriate Schedule IN-119 line(s). Use amount calculated from Schedule IN-119 for entry on Form IN-111, Line 24.

## SCHEDULE IN-113 INCOME ADJUSTMENT

**Supporting Documents Required:** Copies of pages 1 and 2 of Federal income tax return and any Federal schedules reporting VT income or loss.

➔ If you recomputed the Federal return for VT purposes only, use the recomputed amounts and send a copy of the Federal income tax return filed with the IRS and the recomputed return for VT tax purposes.

➔ For Married Filing Separately or Civil Union Filing Separately, all income of the individual filing must be included in Column A – not just VT income. The adjustment calculation excludes the non-VT income.

**Residents:** Use Part II to adjust for income exempt from VT income tax. A return filed as Married Filing Jointly where one spouse is not a VT resident and has no VT income cannot use Part I of IN-113. The income tax paid by the non-resident spouse is a credit for income taxes paid to another tax jurisdiction. See Schedule IN-112, VT Calculation B and Technical Bulletin #55.

**Part-Year Residents and Nonresidents:** Complete Parts I and II. Part-Year Residents may, in some cases, be able to adjust VT income by both the VT percentage of income and claim a credit for income tax paid to another tax jurisdiction. The income tax paid must be for income earned in VT while a VT resident. Go to our website at <http://tax.vermont.gov> or contact the Department for information on how to file for income earned in another state while a VT resident. See page 7 for a definition of nonresident and part-year VT income.

### PART I (For Nonresidents and Part-Year VT Residents)

**Lines 1 - 15, Column A** Enter the income for these categories as shown on your Federal income tax return.

**NOTE:** For Line 3A - Use amount from 1040, Line 9a or 1040A, Line 9a.

For Lines 6A, 10A, and 12A - Use amount from Federal K-1 **before** recalculation for exclusion of bonus depreciation.

For Line 13A - Use amount reported on Federal income tax return

For Line 15A - Use amounts from 1040, Lines 14 and 21.

**Nonresidents:** Use this line to adjust for non-VT state and local obligations and U.S. obligation interest.

**Line 15, Column A** Examples of other income: gambling winnings including lotteries, raffles or lump-sum payment from sale of right to receive future lottery annuity; reimbursement this year for items itemized last year such as medical expenses; interest; income from rental of personal property; taxable distributions from Coverdell ESA or Qualified Tuition Plan, medical savings account or Archer MSA.

**Lines 1 - 15, Column B** Enter the VT portion for these categories from your Federal income tax return.

**NOTE:** For Line 3B - Use the amount of ordinary dividends received while a VT resident.

For Lines 6B, 10B, and 12B - Use amount from K-1VT **before** recalculation for exclusion of bonus depreciation.

For Line 13B - Use amount received while a VT resident. See instructions for Line 17B for examples of how to calculate the VT portion.

For Line 15B - Use the amount of other income earned or received from 1040, Lines 14 and 21 from Vermont sources.

**Nonresidents:** Use this line to adjust for non-VT state and local obligations and U.S. obligation interest.

**Line 15, Column B** Enter the portion of Other Income earned or received from VT sources.

**Line 17, Column A** Enter the Federal adjustment for Keogh, SEP, or SIMPLE deduction from 1040 Line 28; IRA deduction from 1040, Line 32 or 1040A, Line 17.

**Line 17, Column B** Enter the VT portion. This is determined by using the percentage of VT earned income to the amount of earned income reported on the Federal return. *Examples:* (1) Charles moves to VT in July. His total Federal wages are \$20,000. Charles is a VT resident for six months. He earned \$10,000 in VT. The VT portion is 50% as he earned 50% of his income in VT. Charles has an IRA deduction of \$1,000. The amount to enter in this column is 50% of \$1,000 or \$500. For a joint return, use the

Instructions continued on page 43

## VT SCHOOL DISTRICT CODES

**Homeowners:** For Form IN-111, use the school district code where you owned and resided on December 31, 2010. For Form HS-145, use the school district code where you own and reside on April 1, 2011.

**Renters:** Use the school district code where you rented on December 31, 2010. Check with your landlord or local school officials if you are not sure which code to use. Enter the school district code on Form IN-111 (if you are required to file that form) and Form PR-141.

**Nonresidents:** Enter **999** for the school district code on Form IN-111.

VT SCHOOL CODE	SCHOOL DISTRICT NAME	VT SCHOOL CODE	SCHOOL DISTRICT NAME	VT SCHOOL CODE	SCHOOL DISTRICT NAME	VT SCHOOL CODE	SCHOOL DISTRICT NAME
001	ADDISON	064	ELMORE	125	MONTGOMERY	190	SPRINGFIELD
002	ALBANY	065	ENOSBURG	126	MONTPELIER	191	STAMFORD
003	ALBURGH	066	ESSEX JUNCTION	127	MORETOWN	192	STANNARD
004	ANDOVER	067	ESSEX TOWN	128	MORGAN	193	STARKSBORO
005	ARLINGTON	070	FAIR HAVEN	129	MORRISTOWN	194	STOCKBRIDGE
006	ATHENS	068	FAIRFAX	130	MOUNT HOLLY	195	STOWE
255	AVERILL	069	FAIRFIELD	131	MOUNT TABOR	196	STRAFFORD
256	AVERY'S GORE	071	FAIRLEE	135	NEW HAVEN	197	STRATTON
007	BAKERSFIELD	072	FAYSTON	132	NEWARK	198	SUDBURY
008	BALTIMORE	257	FERDINAND	133	NEWBURY	199	SUNDERLAND
009	BARNARD	073	FERRISBURGH	134	NEWFANE	200	SUTTON
010	BARNET	074	FLETCHER	136	NEWPORT CITY	201	SWANTON
011	BARRE CITY	075	FRANKLIN	137	NEWPORT TOWN	202	THETFORD
012	BARRE TOWN	076	GEORGIA	138	NORTH BENNINGTON ID	203	TINMOUTH
013	BARTON	258	GLASTENBURY	140	NORTH HERO	204	TOPSHAM
014	BELVIDERE	077	GLOVER	139	NORTHFIELD	205	TOWNSHEND
015	BENNINGTON	078	GOSHEN	141	NORTON	206	TROY
016	BENSON	079	GRAFTON	142	NORWICH	207	TUNBRIDGE
017	BERKSHIRE	080	GRANBY	143	ORANGE	208	UNDERHILL ID
018	BERLIN	081	GRAND ISLE	144	ORLEANS	209	UNDERHILL TOWN
019	BETHEL	082	GRANVILLE	145	ORWELL	210	VERGENNES
020	BLOOMFIELD	083	GREENSBORO	146	PANTON	211	VERNON
021	BOLTON	084	GROTON	147	PAWLET	212	VERSHIRE
022	BRADFORD	085	GUILDHALL	148	PEACHAM	213	VICTORY
023	BRAINTREE	086	GUILFORD	149	PERU	214	WAITSFIELD
024	BRANDON	087	HALIFAX	150	PITTSFIELD	215	WALDEN
025	BRATTLEBORO	088	HANCOCK	151	PITTSFORD	216	WALLINGFORD
026	BRIDGEWATER	089	HARDWICK	152	PLAINFIELD	217	WALTHAM
027	BRIDPORT	090	HARTFORD	153	PLYMOUTH	218	WARDSBORO
028	BRIGHTON	091	HARTLAND	154	POMFRET	261	WARNER'S GRANT
029	BRISTOL	092	HIGHGATE	155	POULTNEY	219	WARREN
030	BROOKFIELD	093	HINESBURG	156	POWNAI	262	WARREN'S GORE
031	BROOKLINE	094	HOLLAND	157	PROCTOR	220	WASHINGTON
032	BROWNINGTON	095	HUBBARDTON	158	PUTNEY	221	WATERBURY
033	BRUNSWICK	096	HUNTINGTON	159	RANDOLPH	222	WATERFORD
252	BUEL'S GORE	097	HYDE PARK	160	READING	223	WATERVILLE
034	BURKE	098	IRA	161	READSBORO	224	WEATHERSFIELD
035	BURLINGTON	099	IRASBURG	162	RICHFORD	225	WELLS
036	CABOT	100	ISLE LA MOTTE	163	RICHMOND	226	WELLS RIVER
037	CALAIS	101	JAMAICA	164	RIPTON	227	WEST FAIRLEE
038	CAMBRIDGE	102	JAY	165	ROCHESTER	230	WEST HAVEN
039	CANAAN	103	JERICHO	166	ROCKINGHAM	234	WEST RUTLAND
040	CASTLETON	253	JERICHO ID	167	ROXBURY	235	WEST WINDSOR
041	CAVENDISH	104	JOHNSON	168	ROYALTON	228	WESTFIELD
042	CHARLESTON	185	KILLINGTON	169	RUPERT	229	WESTFORD
043	CHARLOTTE	105	KIRBY	170	RUTLAND CITY	231	WESTMINSTER
044	CHELSEA	106	LANDGROVE	171	RUTLAND TOWN	232	WESTMORE
045	CHESTER	107	LEICESTER	172	RYEGATE	233	WESTON
046	CHITTENDEN	108	LEMINGTON	173	SAINT ALBANS CITY	236	WEYBRIDGE
047	CLARENDON	259	LEWIS	174	SAINT ALBANS TOWN	237	WHELOCK
048	COLCHESTER	109	LINCOLN	175	SAINT GEORGE	238	WHITING
049	CONCORD	110	LONDONDERRY	176	SAINT JOHNSBURY	239	WHITINGHAM
050	CORINTH	111	LOWELL	177	SALISBURY	240	WILLIAMSTOWN
051	CORNWALL	112	LUDLOW	178	SANDGATE	241	WILLISTON
052	COVENTRY	113	LUNENBURG	179	SEARSBURG	242	WILMINGTON
053	CRAFTSBURY	114	LYNDON	180	SHAFTSBURY	243	WINDHAM
054	DANBY	115	MAIDSTONE	254	SHAFTSBURY ID	244	WINDSOR
055	DANVILLE	116	MANCHESTER	181	SHARON	245	WINHALL
056	DERBY	117	MARLBORO	182	SHEFFIELD	246	WINOOSKI
057	DORSET	118	MARSHFIELD	183	SHELBURNE	247	WOLCOTT
058	DOVER	119	MENDON	184	SHELDON	248	WOODBURY
059	DUMMERSTON	120	MIDDLEBURY	186	SHOREHAM	249	WOODFORD
060	DUXBURY	121	MIDDLESEX	187	SHREWSBURY	250	WOODSTOCK
061	EAST HAVEN	122	MIDDLETOWN SPRINGS	260	SOMERSET	251	WORCESTER
062	EAST MONTPELIER	123	MILTON	188	SOUTH BURLINGTON		
063	EDEN	124	MONKTON	189	SOUTH HERO		



\* 1 0 1 1 1 1 0 0 \*

2010 VERMONT Income Tax Return FORM IN-111

1 Taxpayer Information: Taxpayer's Social Security Number, Spouse or CU Partner Social Security Number, Last Name, First Name, Initial, Mailing Address, City/Town, State, Zip Code, and checkboxes for AMENDED return, taxpayer died, and spouse/partner died.

2 Tax Filing Information: FILING STATUS (Single, Head of Household, Married Filing Jointly, CU Partner Filing Jointly, Married Filing Separately, CU Filing Separately, Qualifying Widow(er)), EXEMPTIONS CLAIMED, and ADJUSTED GROSS INCOME.

3 Taxable Income: FEDERAL TAXABLE INCOME, ADDITIONS (Non-VT State and Local Obligations, 50% Bonus Depreciation, Add Back of State and Local Income Taxes), SUBTRACTIONS (Interest Income from U.S. Obligations, Capital Gains Exclusion, Adjustment for 2008 & 2009 Bonus Depreciation), and VT TAXABLE INCOME.

4 VT Income Tax: VT INCOME TAX FROM VT TAX TABLE OR TAX RATE SCHEDULE, ADDITIONS TO VT INCOME TAX, VT INCOME TAX WITH ADDITIONS, SUBTRACTIONS FROM VT INCOME TAX, VT INCOME TAX, INCOME ADJUSTMENT, and ADJUSTED VT INCOME TAX.

Staple W-2/1099s here

Enter amount from Line 22 \_\_\_\_\_



\* 1 0 1 1 1 1 2 0 0 \*

<b>5</b> Credits and Use Tax	23. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b> + 24. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b> = 25. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	<b>CREDIT FOR INCOME TAX PAID TO OTHER STATE OR CANADIAN PROVINCE</b> (Schedule IN-112, VT Calculation B, Line 6)	<b>VT TAX CREDITS</b> (Schedule IN-112, VT Calculation D, Line 5 OR Schedule IN-119)	<b>TOTAL VT CREDITS</b> (Add Lines 23 and 24)
	26. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	26. <b>VT INCOME TAX AFTER CREDITS</b> (Subtract Line 25 from Line 22. If Line 25 is more than Line 22, enter zero.)		
	27. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	27. <b>USE TAX</b> (See page 9 for instructions and chart)		
	28. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	28. <b>TOTAL VT TAXES</b> (Add Lines 26 and 27)		

<b>6</b> Contributions	29a. <input type="text"/> , <input type="text"/> . <b>00</b> + 29b. <input type="text"/> , <input type="text"/> . <b>00</b> + 29c. <input type="text"/> , <input type="text"/> . <b>00</b> = 29d. <input type="text"/> , <input type="text"/> . <b>00</b>	Nongame Wildlife Fund	Children's Trust Fund	VT Veterans' Fund
	30. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	30. <b>TOTAL OF VT TAXES &amp; VOLUNTARY CONTRIBUTIONS</b> (Add Line 28 and Line 29d)		

<b>7</b> Payments and Credits	31a. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	31a. <b>VT Tax Withheld</b> (Attach state copy of W-2, 1099, etc.)
	31b. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	31b. <b>2010 Estimated Tax or Extension Payments</b>
	31c. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	31c. <b>Earned Income Tax Credit</b> (Schedule IN-112, VT Calculation C)
	31d. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	31d. <b>Renter Rebate</b> (Form PR-141, Line 9)
	31e. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	31e. <b>VT Real Estate Withholding</b> (See instructions on page 10)
	31f. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	31f. <b>Business Entity Payments for Nonresident Partner, Member, or Shareholder</b> (Form WH-435, see page 10)
	31g. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	31g. <b>Low Income Child &amp; Dependent Care Credit</b> (See instructions on page 10)
31h. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	31h. <b>TOTAL PAYMENTS AND CREDITS</b> (Add Lines 31a through 31g)	

<b>8</b> Refund	32. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	32. <b>OVERPAYMENT</b> If Line 30 is less than Line 31h, subtract Line 30 from Line 31h
	33a. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	33a. <b>REFUND TO BE CREDITED TO 2011 ESTIMATED TAX PAYMENT</b> <i>Amount on 31d cannot be credited to 2011 estimated tax payment</i>
	33b. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	33b. <b>REFUND TO BE CREDITED TO 2011 PROPERTY TAX BILL</b>
	34. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	34. <b>REFUND AMOUNT</b> (Subtract Lines 33a and 33b from Line 32)

<b>9</b> Due	35. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	35. If Line 30 is more than Line 31h, subtract Line 31h from Line 30. See page 11 for instructions on tax due.
	36. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	36. <b>Interest and Penalty on Underpayment of Estimated Tax</b> (Worksheet IN-152 or 152A)
	37. <input type="text"/> , <input type="text"/> , <input type="text"/> . <b>00</b>	37. Add Lines 35 and 36

For amended returns only Original refund received \_\_\_\_\_ Refund due now \_\_\_\_\_ Original payment \_\_\_\_\_ Amount due now \_\_\_\_\_

**10** Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct and complete. Preparers cannot use return information for purposes other than preparing returns.

<b>Signatures</b>	Signature	Date	Occupation	Check if age 65 or older <input type="checkbox"/>	Telephone Number (optional) <input type="text"/> - <input type="text"/> - <input type="text"/>
	Signature. If a joint return, BOTH must sign.	Date	Occupation	<input type="checkbox"/>	<input type="text"/> - <input type="text"/> - <input type="text"/>

Check here if authorizing the VT Department of Taxes to discuss this return and attachments with your preparer.

<b>Preparer's Use Only</b>	Preparer's signature	Date	Preparer's SSN or PTIN <input type="text"/>
	Firm's name (or yours if self-employed) and address		EIN <input type="text"/>
	Preparer's Telephone Number <input type="text"/>		



**SEE PAGE 15**  
**(IN-111, SIDE 1)**

**SEE PAGE 16**  
**(IN-111, SIDE 2)**



\* 1 0 1 1 2 1 1 0 0 \*

**PRINT in BLUE or BLACK INK**

**ATTACH TO FORM IN-111**

Taxpayer's Last Name	First Name	Initial
----------------------	------------	---------

Taxpayer's Social Security Number

□□□ - □□ - □□□□

**VT CALCULATION A. Adjustments to Income or VT Tax**

**PART I INCOME FROM STATE AND LOCAL OBLIGATIONS (See instructions on page 11)**

1. Total interest and dividend income from all state and local obligations exempt from federal tax ..... 1. □□, □□□, □□□ . 00

2. Interest and dividend income from VT state and local obligations included in Line 1 ..... 2. □□, □□□, □□□ . 00

3. **INCOME FROM NON-VT STATE AND LOCAL OBLIGATIONS TO BE ADDED TO VT TAXABLE INCOME** ..... 3. □□, □□□, □□□ . 00

Subtract Line 2 from Line 1, but not less than zero. ENTER ON FORM IN-111, LINE 12a.

**PART II ADJUSTMENTS TO VT INCOME TAX**

**ADDITIONS TO VT TAX:**

4. Tax on Qualified Plans including IRA (1040-Line 58 or Form 5329), HSA (Form 8889) and MSA (Form 8853) ..... 4. □□, □□□, □□□ . 00

5. Recapture of Federal Investment Tax Credit ..... 5. □□, □□□, □□□ . 00

6. Tax from Federal Form 4972-Line 7 or 30 ..... 6. □□, □□□, □□□ . 00

7. Add Lines 4 through 6 ..... 7. □□, □□□, □□□ . 00

8. Multiply Line 7 by 24% ..... 8. □□, □□□, □□□ . 00

9. Recapture of VT Credits (See instructions) ..... 9. □□, □□□, □□□ . 00

10. Add Lines 8 and 9. Also enter on Form IN-111, Line 17 ..... 10. □□, □□□, □□□ . 00

**SUBTRACTIONS FROM VT TAX:**

11. Credit for Child & Dependent Care Expenses (1040-Line 48; 1040A-Line 29) ..... 11. □□, □□□, □□□ . 00

12. Credit for the Elderly or the Disabled (Federal Schedule R) ..... 12. □□, □□□, □□□ . 00

13. Investment Tax Credit - VT-based only ..... 13. □□, □□□, □□□ . 00

14. VT Farm Income Averaging Credit (From worksheet on page 11) ..... 14. □□, □□□, □□□ . 00

15. Add Lines 11 through 14 ..... 15. □□, □□□, □□□ . 00

16. Multiply Line 15 by 24% ..... 16. □□, □□□, □□□ . 00

17. VT-based Business Solar Energy Credit. See page 11. .... 17. □□, □□□, □□□ . 00

New Credit  Carryforward

18. Add Lines 16 and 17. Also enter on Form IN-111, Line 19 ..... 18. □□, □□□, □□□ . 00

**VT CALCULATION B. VT Credit for income tax paid to other state or Canadian province For Residents and Some Part-Year Residents Only**

You must complete a separate Calculation B for each state or Canadian province. See instructions on page 12. COPIES OF NONRESIDENT RETURNS MUST BE ATTACHED

1. Adjusted Gross Income taxed in another state or Canadian province and also subject to VT tax ..... 1. □□, □□□, □□□ . 00

2. Adjusted Gross Income (Form IN-111, Line 10) ..... 2. □□, □□□, □□□ . 00

3. VT Income Tax (Form IN-111, Line 20) ..... 3. □□, □□□, □□□ . 00

4. Computed tax credit (Divide Line 1 by Line 2 and multiply result by Line 3). Result cannot be more than 100% of VT tax.

Line 1 \_\_\_\_\_ X Line 3 \_\_\_\_\_

Line 2 \_\_\_\_\_ ..... 4. □□, □□□, □□□ . 00

5. Amount of Income TAX paid to other state or Canadian province on income on Line 1 (See instructions on page 12) ..... 5. □□, □□□, □□□ . 00

6. **CREDIT FOR INCOME TAX PAID TO OTHER STATE OR CANADIAN PROVINCE:** Enter the *lesser* of Line 4 or Line 5. Also enter on Form IN-111, Line 23 ..... 6. □□, □□□, □□□ . 00

Name of state or Canadian province (Use standard two-letter abbreviation) □□



\* 1 0 1 1 2 1 2 0 0 \*

**VT CALCULATION C. VT Earned Income Tax Credit** **FOR FULL-YEAR RESIDENTS AND PART-YEAR RESIDENTS ONLY**  
Taxpayers filing *Married Filing Separately* or *Civil Union Filing Separately* are not eligible.

**ELIGIBILITY QUESTIONS - MUST BE ANSWERED**

- A. Enter number of qualifying children
- B. Were you (or your spouse if filing a joint return) at least age 25 but under age 65 at the end of 2010?  Yes  No  
If you answered "No" and do not have any qualifying children, you do not qualify for Earned Income Tax Credit.

**FULL-YEAR RESIDENTS: Answer eligibility questions above and complete Lines 1 and 2**

1. Earned income tax credit from Federal Form 1040-Line 64a; 1040A-Line 41a; or 1040EZ-Line 9a ..... 1.  ,  .   **00**
2. **VT EARNED INCOME TAX CREDIT** (Multiply Line 1 by 32%). Also enter on Form IN-111, Line 31c ..... → 2.  ,  .   **00**

**PART-YEAR RESIDENTS: Answer eligibility questions above and complete Lines 3-9**

- Enter figures in Column A from your federal worksheet and Schedule IN-113. For VT Portion, enter income earned while a VT resident as shown on Schedule IN-113, Column B, Lines 1, 6, 10, & 12.
- |   | A. Federal Amount \$   | B. VT Portion \$   |
|---|--|--|
| 3. Wages, salaries, tips, etc. (Schedule IN-113, Line 1) .....  | 3. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b> | 3. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b> |
| 4. Other earned income (Schedule IN-113, Lines 6, 10 & 12)..... <input type="checkbox"/> Check to indicate loss ← | 4. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b> | 4. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b> |
| 5. Total earned income (Add Lines 3 & 4) .....  | 5. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b> | 5. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b> |
| 6. Earned income tax credit adjustment (Divide Line 5B by Line 5A and enter here, but not more than 100%) .....   | 6. <input type="text"/> . <input type="text"/> %   | 6. <input type="text"/> . <input type="text"/> %   |
| 7. Earned income tax credit from Federal Form 1040-Line 64a; 1040A-Line 41a; or, 1040EZ-Line 9a .....             | 7. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b> | 7. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b> |
| 8. Multiply Line 7 by 32% and enter the result here .....   | 8. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b> | 8. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b> |
| 9. <b>VT EARNED INCOME TAX CREDIT</b> (Multiply Line 8 by Line 6). Also enter on Form IN-111, Line 31c..... →     | 9. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b> | 9. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b> |

**VT CALCULATION D. VT Income Tax Credits. See instructions on page 12.**

Credits for Lines 2-4 earned through an S-Corporation, LLC, LLP, or Partnership, enter name and FEIN of the entity.

Name of entity \_\_\_\_\_ FEIN:

If credits from more than one business entity, fill out a separate Schedule IN-112, VT Calculation D for each entity.

	2010 Contribution	Column A Earned in 2010	PLUS (+)	Column B Carryforward	EQUALS (=)	Column C Credit
1. VT Higher Education Investment (32 V.S.A. §5825a) .....	1. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>		TIMES (x) .10		=	1. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>
2. Commercial Film Production (32 V.S.A. §5826).....	2. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>	2. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>		<b>NOT AVAILABLE</b>	. <input type="text"/> <input type="text"/> <b>00</b>	2. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>
3. Charitable Housing (32 V.S.A. §5830c).....	3. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>	3. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>		3. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>		3. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>
4. Qualified Sale of Mobile Home Park (32 V.S.A. §5828) .....	4. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>	4. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>		4. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>		4. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>
5. <b>TOTAL CREDITS</b> (Add Column C, Lines 1-4). If you have credits from Schedule IN-119 (see page 44), this amount is entered on Schedule IN-119. If you do <b>NOT</b> have credits from Schedule IN-119, enter this amount on Form IN-111, Line 24.....	5. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>					5. <input type="text"/> , <input type="text"/> . <input type="text"/> <input type="text"/> <b>00</b>

**SEE PAGE 19**  
**(IN-112, SIDE 1)**

**SEE PAGE 20**  
**(IN-112, SIDE 2)**



\* 1 0 1 1 3 1 1 0 0 \*

**Nonresidents and Part-Year Residents Must Complete Parts I and II  
Full-Year Residents with Adjustments Complete Part II only**

**PRINT in BLUE or BLACK INK**

**ATTACH TO FORM IN-111**

Taxpayer's Last Name	First Name	Initial
----------------------	------------	---------

Taxpayer's Social Security Number

--	--	--	--	--	--	--	--	--	--

**PART I. Enter figures as they appear on your federal return or recomputed federal return in Column A and list the VT portion in Column B.  
See instructions starting on page 13.**

	A. Federal Amount \$	B. VT Portion \$
1. Wages, salaries, tips, etc. .... 1.	.00	.00
2. Taxable interest ..... 2.	.00	.00
3. Ordinary dividends ..... 3.	.00	.00
4. Taxable refunds of state and local income taxes ... 4.	.00	.00
5. Alimony received ..... 5.	.00	.00
6. Business income or loss ..... <input type="checkbox"/> Check to indicate loss ← 6.	.00	.00
7. Capital gain or loss ..... <input type="checkbox"/> Check to indicate loss ← 7.	.00	.00
8. Taxable IRA distributions ..... 8.	.00	.00
9. Taxable pensions and annuities ..... 9.	.00	.00
10. Partnerships/S Corporations, and LLCs ..... <input type="checkbox"/> Check to indicate loss ← 10.	.00	.00
11. Rents, royalties, estates, trusts, etc. .... <input type="checkbox"/> Check to indicate loss ← 11.	.00	.00
12. Farm income or loss ..... <input type="checkbox"/> Check to indicate loss ← 12.	.00	.00
13. Unemployment compensation ..... 13.	.00	.00
14. Taxable social security ..... 14.	.00	.00
15. Other: Specify _____ <input type="checkbox"/> Check to indicate loss ← 15. (See instructions on page 13)	.00	.00
<b>16. TOTAL INCOME</b> (Add Lines 1-15) ..... <input type="checkbox"/> Check to indicate loss ← 16.	.00	.00

**INCOME**

**Be sure to put your name and Social Security number at the top of this page.  
Attach copies of pages 1 and 2 of your filed or recomputed federal tax return and this schedule to your VT return.**



\* 1 0 1 1 3 1 2 0 0 \*

Carried forward from

	Line 16A				Line 16B				
	A. Federal Amount \$				B. VT Portion \$				
ADJUSTMENTS TO INCOME	17. IRA (1040-Line 32; 1040A-Line 17); Keogh/SEP/SIMPLE (1040-Line 28): Self _____ Spouse _____	17.							00
	18. Student Loan Interest (1040-Line 33; 1040A-Line 18)	18.							00
	19. <b>Employee Deductions:</b> Reservists, Performing Artists, Fee-basis Gov't Officials (1040-Line 24)	19.							00
	20. <b>Self-Employment Deductions:</b> Tax (1040-Line 27), and Health Insurance (1040-Line 29)	20.							00
	21. Health Savings Account (1040-Line 25)	21.							00
	22. Moving Expenses (1040-Line 26)	22.							00
	23. Penalty on Early Withdrawal of Savings (1040-Line 30)	23.							00
	24. Alimony Paid (1040-Line 31a)	24.							00
	25. Domestic Production Activities (1040-Line 35)	25.							00
	26. Educator Expenses (1040-Line 23; 1040A-Line 16), and Tuition & Fees (1040-Line 34; 1040A-Line 19)	26.							00
	27. Deductions not listed above but included on 1040-Line 36	27.							00
	28. <b>TOTAL ADJUSTMENTS</b> (Add Lines 17 - 27)	28.							00
	29. <b>Adjusted Gross Income</b> (Subtract Line 28A from Line 16A)								00
	30. <b>VT Portion of AGI</b> (Subtract Line 28B from Line 16B)								00
	31. <b>Non-VT Income</b> (Subtract Line 30 from Line 29). Also enter on Part II, Line 33 below								00

Dates of VT residency in 2010: From \_\_\_\_\_ to \_\_\_\_\_ Name of state(s), Canadian province or country during non-VT residency: \_\_\_\_\_

**PART II. Adjustment for VT Exempt Income**

VT EXEMPT INCOME	32. Adjusted Gross Income If Part I completed, enter Line 29. Otherwise, enter amount from Form IN-111, Line 10	32.							00	
	33. Non-VT Income (Line 31 above)	33.							00	
	<b>Part-Year Residents: For Lines 34-40, enter only income included in Part I, Line 30</b>									
	34. Military pay. Number of months on active duty _____ (See instructions)	34.								00
	35. Federal Employment Opportunity income adjustment	35.								00
	36. Railroad Retirement income	36.								00
	37. VT State payments to a family for support of developmentally disabled person(s) (See instructions on page 43)	37.								00
	38. Americans with Disabilities Credit	38.								00
	39. Nonresident Commercial Film Income	39.								00
	40. Bond/note interest income from _____ <input type="checkbox"/> VSAC <input type="checkbox"/> Build America <input type="checkbox"/> VT Telecommunication Authority bond/note interest	40.								00
41. Total (Add Lines 33-40)	41.								00	
42. VT income (Subtract Line 41 from Line 32)	42.								00	
43. <b>INCOME ADJUSTMENT %</b> (Divide Line 42 by Line 32) Also enter on Form IN-111, Line 21. (See instructions)	43.								%	



**SEE PAGE 23**  
**(IN-113, SIDE 1)**

**SEE PAGE 24**  
**(IN-113, SIDE 2)**



\* 1 0 1 4 1 1 1 0 0 \*

For the year Jan. 1-Dec. 31, 2010

2010 VERMONT	<i>Renter Rebate Claim</i>	FORM
	FOR HOUSEHOLD INCOME OF \$47,000 OR LESS	<b>PR-141</b>

**Must Be Filed With: Household Income (Schedule HI-144) and Landlord's Certificate (LC-142)**

Claimant's Social Security Number	<input type="text"/> - <input type="text"/> - <input type="text"/>	Spouse or CU Partner Social Security Number	<input type="text"/> - <input type="text"/> - <input type="text"/>	Claimant's Date of Birth	Month <input type="text"/> <input type="text"/> Day <input type="text"/> <input type="text"/> Year <input type="text"/> <input type="text"/>
Claimant's Last Name	<input type="text"/>	First Name	<input type="text"/>	Initial	<input type="text"/>
Spouse or CU Partner Last Name	<input type="text"/>	First Name	<input type="text"/>	Initial	<input type="text"/>
Mailing Address (Number and Street/Road or PO Box)	<input type="text"/>				
City/Town	<input type="text"/>	State	<input type="text"/>	Zip Code	<input type="text"/> - <input type="text"/>



Location of rental property  
  
 number, street / road name (DO NOT use PO Box, "same", or Town name)

1. VT School District Code	<input type="text"/>	2. City/Town of Legal Residence on 12/31/2010	<input type="text"/>	State	<input type="text"/>
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**ALL eligibility questions must be answered. You must have rented all 12 months in 2010. See instructions on page 46 for exception.**

- Q1.** Were you domiciled (legal resident) in VT all of calendar year 2010?  Yes, Go to Q2  No, STOP. You are not eligible.
- Q2.** Were you claimed as a dependent by another taxpayer in 2010?  Yes, STOP. You are not eligible.  No, Complete this form.

**REBATE CALCULATION**

Before doing rebate calculation, complete Household Income (Schedule HI-144).  
**YOU MUST ATTACH SCHEDULE HI-144 AND THE LC-142 TO THIS FORM.**

3. ALLOCABLE RENT (LC-142, Line 16)	3.	<input type="text"/> , <input type="text"/>	.00								
4. HOME USE. If more than 25% of this rental is used for business, see instructions. If not, enter 100.00%.	4.	<input type="text"/>	.00 %								
5. ALLOWABLE RENT FOR REBATE CLAIM (Multiply Line 3 by Line 4)	5.	<input type="text"/> , <input type="text"/>	.00								
6. HOUSEHOLD INCOME (Schedule HI-144, Line y) If more than \$47,000, you are not eligible.	6.	<input type="text"/> , <input type="text"/>	.00								
<input type="checkbox"/> Check here if AMENDED SCHEDULE HI-144, Household Income, is attached. See instructions.											
7. MAXIMUM PERCENTAGE OF INCOME FOR RENT	7.	<input type="text"/>	%								
<table border="1"> <tr> <td>If Line 6 Household Income is:</td> <td>\$0 - 9,999</td> <td>\$10,000 - 24,999</td> <td>\$25,000 - 47,000</td> </tr> <tr> <td>Enter this % on Line 7:</td> <td>2.0%</td> <td>4.5%</td> <td>5.0%</td> </tr> </table>				If Line 6 Household Income is:	\$0 - 9,999	\$10,000 - 24,999	\$25,000 - 47,000	Enter this % on Line 7:	2.0%	4.5%	5.0%
If Line 6 Household Income is:	\$0 - 9,999	\$10,000 - 24,999	\$25,000 - 47,000								
Enter this % on Line 7:	2.0%	4.5%	5.0%								
8. MAXIMUM RENT FOR HOUSEHOLD INCOME (Multiply Line 6 by Line 7 and enter result here). If Line 8 is more than Line 5, you do not qualify for a renter rebate.	8.	<input type="text"/> , <input type="text"/>	.00								
9. RENTER REBATE AMOUNT (Subtract Line 8 from Line 5 and enter result here. If result is zero, you do not qualify for a rebate.)	9.	<input type="text"/> , <input type="text"/>	.00								

**If filing this form with the VT Income Tax Return, also enter this amount on Form IN-111, Line 31d.**

**MAXIMUM REBATE AMOUNT IS \$8,000.**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct and complete. Preparers cannot use return information for purposes other than preparing returns.

Signature	Date	Telephone Number (optional)
Signature. If a joint return, BOTH must sign.	Date	

Check here if authorizing the VT Department of Taxes to discuss this return and attachments with your preparer.

<b>Preparer's Use Only</b>	Preparer's signature	Date	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed) and address		EIN

**Keep a copy for your records.**

**MAIL TO: VT Department of Taxes, PO Box 1881, Montpelier, VT 05601-1881**

# Instructions for Form PR-141 Renter Rebate Claim

The Renter Rebate Program refunds to eligible renters the portion of rent paid that exceeds an established percentage of household income.

**Do NOT file a renter rebate if you rent a lot for your mobile home from a nonprofit mobile home park or cooperative. See instructions for HS-145.**

## TENANTS ARE TO RECEIVE THE LANDLORD'S CERTIFICATE BY

<b>NEW!</b> Date	<b>If Landlord has</b>
January 31, 2011 or before	<b>2 or more</b> residential units
Upon tenant request	<b>1</b> residential unit

You must have a completed Landlord's Certificate, LC-142, for each rental unit you occupied in calendar year 2010.

**UNABLE TO GET A LANDLORD CERTIFICATE?** You may still file a renter rebate claim. Complete a Landlord's Certificate including your landlord's name, address, and telephone number, attach copies of your cancelled checks or receipts for rent paid, and attach a letter explaining why you could not get a Landlord's Certificate. To obtain a Landlord's Certificate, contact the Department at 802-828-2515, or e-mail [taxforms@state.vt.us](mailto:taxforms@state.vt.us) or fax to 802-828-2701.

**REBATE CLAIM DUE DATES:** APRIL 18, 2011 but claims may be filed up to SEPTEMBER 1, 2011. Claims may be filed separately from your income tax return, Form IN-111. **Returns filed after September 1st cannot be accepted regardless of the reason the claim could not be filed.**

**TIMELY FILING** The Department considers a renter rebate claim timely filed when it is mailed through the U.S. Post Office and the Department receives it within 3 business days of the due date. If you bring the renter rebate claim to the Department in person, you must deliver it on or before the return due date.

**REQUESTS FOR ADDITIONAL INFORMATION** You may be asked to supply additional information to clarify items on your claim. The request does not mean you filed improperly or that your claim has been selected for an audit.

**MISSING INFORMATION OR INCOMPLETE FILING** Claims that are incomplete or are missing information are not considered filed. The information must be provided by the September 1 filing deadline or our request date, whichever is later. Information received after that time cannot be accepted.

**OFFSET / INJURED SPOUSE CLAIMS** Does your spouse/civil union partner owe a VT tax or money to a state agency and you filed a joint renter rebate claim? The renter rebate will be used to pay the bill. If your spouse/civil union partner is the one responsible for the tax, file an "injured spouse" claim for your portion of the renter rebate. You may receive the portion of the renter rebate equal to the percentage of your income to the combined income of you and your spouse/civil union partner. To make an "injured spouse" claim, send the following information separate from your return (1) the request letter; and (2) copy of Federal Form 8379 (if you filed one with the IRS to: VT Department of Taxes, ATTN: Injured Spouse Unit, PO Box 1645, Montpelier VT 05601-1645).

The Department will notify you if the renter rebate is taken to pay the bill. You have 30 days from the date on the notice to submit the injured spouse claim to the Department.

**AMENDING or CHANGING RENTER REBATE INFORMATION** Correcting household income is the only amendment or change allowed. See page 48 for more information.

**ELIGIBILITY FOR RENTER REBATE** You must meet ALL of the following eligibility requirements:

- You were a legal resident of VT for the entire calendar year 2010; and
- You were not claimed in 2010 as a dependent of another taxpayer; and
- Your household income in 2010 did not exceed \$47,000; and
- You are the only person in the household making a renter rebate claim; and
- You rented for all 12 months in 2010. See page 46 for the one exception.

**DECEASED RENTER:** A claim cannot be filed on behalf of a deceased person. The right to file a renter rebate claim is personal to the Claimant and does not survive the Claimant's death.

**NURSING OR RESIDENTIAL CARE HOME:** The Renter Rebate Claim is for room occupancy charge only. Services such as heat, electricity, personal services, medical services, etc., must be deducted. Generally, the room charge is 25% of the total charges to the person. For a percentage greater than 25%, a breakout of costs must be provided. Payments by Medicaid on behalf of the Claimant to the nursing home are not part of rent paid.

**NOTE:** A person residing in a nursing or residential care home that owns a homestead with a sibling or spouse can claim a renter rebate if the sibling or spouse does not make a property tax adjustment claim.

## LINE-BY-LINE INSTRUCTIONS

Complete Schedule HI-144 FIRST. If Line y is more than \$47,000, you are ineligible.

**Supporting Documents Required:** Schedule HI-144 and LC-142

**Claimant's Date of Birth** Enter your date of birth (you are the claimant). *Example:* March 31, 1946, enter as 03 31 1946.

**Claimant Information** Enter your name, your spouse/civil union partner name (if applicable), mailing address and Social Security number(s). The rebate is issued to the name(s) and address on record. The Claimant is the leaseholder or the person responsible for the rent. Only one claim per household is allowed.

**Line 1 VT School District Code** Go to the table on page 14 and select the three-digit school district code for the town where you lived on December 31, 2010.

**Line 2 Legal Residence** Enter your legal residence as of December 31, 2010. Your legal residence is where you live and may be different from your mailing address. If you live where there is both a city and town with the same name, please specify the one in which you reside. *For example:* St. Albans City or St. Albans Town.

**Location of Rental Property** Enter the physical location of the homestead. *Examples:* 133 Main Street, Apt 2C; 425 Farm Road; 210 US Rt 7N **DO NOT** enter post office box, "same", "see above," or the town name.

**Eligibility Questions** Check the appropriate "Yes" or "No" box for Q1 and Q2 to determine your eligibility.

### Rebate Calculation

**NEW!** Only the rent paid during the calendar year is eligible for a renter rebate. Property tax on the rental unit can no longer be used.

**Line 3 Allocable Rent** Enter from Landlord's Certificate, LC-142, Line 16. Allocable rent is based on rent paid in a calendar year. **MORE THAN ONE LANDLORD'S CERTIFICATE:** Add Line 16 from each certificate and enter on this line. File all LC-142s with your claim.

**Line 4 Home Use** If you use more than 25% of your rental unit's floor space for business purposes, the allowable rent amount is adjusted. The percentage of business use is generally the same percentage used on your Federal income tax return when there is more than 25% business use. To calculate business use, divide the square feet used for business by the total square feet in the rental unit. *Example:* You use an 11' x 12' room for an office and inventory storage. Your rental unit is 484 square feet (including the business use). Your business use is  $11 \times 12 = 132 \text{ sf} / 484 = 27.00$  business use. Entry on Line 4 for home use is  $73.00 (100\% - 27\%)$ .

If all home use, or business use is 25% or less, enter 100.00% on Line 4.

**Line 5 Allowable Rent for Rebate Claim** Multiply Line 3 by Line 4.

**Line 6 Household Income** Enter the amount from Schedule HI-144, Line y. See page 48 for definition of household income.

**Line 7 Maximum Percentage of Income for Rent** Use the chart to find your household income group and applicable percentage. Enter that percentage here.

**Line 8 Maximum Allowable Rent for Household Income** Multiply Line 6 by Line 7. If Line 8 is more than or the same as Line 5, you are not eligible.

**Line 9 Renter Rebate Amount** Subtract Line 8 from Line 5. This is your 2010 renter rebate. If you are filing the renter rebate claim with your 2010 VT income tax return, also enter this amount on Form IN-111, Line 31d. You will be issued one check combining any income refund or rebate due you.

**NOTE: A Renter rebate cannot exceed \$8,000.**

**Signature** Sign the claim.

**Date** Write the date on which the claim form was signed.

**Disclosure Authorization** If you wish to give the Department authorization to discuss your 2010 Renter Rebate Claim with your tax preparer,  check this box and include the preparer's name.

**Preparer** If you are a paid preparer, you must also sign the claim, enter your Social Security number or PTIN and, if employed by a business, the EIN of the business.

If someone other than the filer(s) prepared the return without charging a fee, then that preparer's signature is optional.

**SEE PAGE 27**  
**(PR-141, SIDE 1)**

**SEE PAGE 28**  
**(PR-141, INSTRUCTIONS)**

2011  
VERMONT

Property Tax  
Adjustment Claim

FORM  
HS-145



\* 1 1 1 4 5 1 1 0 0 \*

**DUE DATE: April 18, 2011 (Claims allowed up to September 1, 2011 but late filing penalties apply)**

**PRINT in BLUE or BLACK INK**

Claimant Social Security Number	<input type="text"/>	-	<input type="text"/>	-	<input type="text"/>	Spouse or CU Partner Social Security Number	<input type="text"/>	-	<input type="text"/>	-	<input type="text"/>	Claimant's Date of Birth	Month <input type="text"/>	Day <input type="text"/>	Year <input type="text"/>
---------------------------------	----------------------	---	----------------------	---	----------------------	---	----------------------	---	----------------------	---	----------------------	--------------------------	----------------------------	--------------------------	---------------------------

Claimant's Last Name	<input type="text"/>	First Name	<input type="text"/>	Initial	<input type="text"/>
Spouse or CU Partner Last Name	<input type="text"/>	First Name	<input type="text"/>	Initial	<input type="text"/>
Mailing Address (Number and Street/Road or PO Box)	<input type="text"/>				
City/Town	<input type="text"/>	State	<input type="text"/>	Zip Code	<input type="text"/>

Location of Homestead	<input type="text"/>	1. VT School District Code	<input type="text"/>	2. City/Town of Legal Residence on 04/01/2011	<input type="text"/>	State	<input type="text"/>
	number, street / road name (Do not use PO Box, "same", or Town name)						

3. SPAN Number (REQUIRED)  -  -  (From your 2010/2011 property tax bill)

**ALL eligibility questions must be answered. You must own and occupy the property as your home on April 1, 2011.**

- 4. Were you domiciled in (legal resident of) VT all of calendar year 2010?  Yes, **Go to Line 5.**  No, **STOP**
- 5. Were you claimed as a dependent in 2010 by another taxpayer?  Yes, **STOP**  No, **Go to Line 6.**
- 6. Do you anticipate selling your VT housesite on or before April 1, 2011?  Yes, **STOP**  No, **CONTINUE**

**Amounts for Lines 7 - 9 are found on your 2010/2011 property tax bill.**

7. Housesite Value	7.	<input type="text"/>	,	<input type="text"/>	,	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	00
8. Housesite Education Tax	8.	<input type="text"/>	,	<input type="text"/>	,	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	00
9. Housesite Municipal Tax	9.	<input type="text"/>	,	<input type="text"/>	,	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	00
10. Ownership Interest	10.	<input type="text"/>	.	<input type="text"/>	%					
11. Household Income (Schedule HI-144, Line y)	11.	<input type="text"/>	,	<input type="text"/>	,	<input type="text"/>	.	<input type="text"/>	<input type="text"/>	00

Check here if **AMENDED SCHEDULE HI-144**, Household Income, is attached. See instructions.

**Select applicable Line 12 OR Lines 13-14. Do not make entry on all three lines. See instructions on reverse side.**

**Lot Rent**

12. Mobile Home Lot Rent (LC-142, Line 16) 12.  ,  .  00

**OR Allocated Property Tax from Land Trust, Cooperative, or Nonprofit Mobile Home Park**

13. Allocated Education Tax 13.  ,  .  00

14. Allocated Municipal Tax 14.  ,  .  00

**MAXIMUM ADJUSTMENT AMOUNT IS \$8,000.**

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct and complete. Preparers cannot use return information for purposes other than preparing returns.

**SIGN HERE**



Claimant Signature

Date



Spouse or CU Partner Signature

Date

Check here if authorizing the VT Department of Taxes to discuss this return and attachments with your preparer.

**Preparer's Use Only**



Preparer's signature

Date

Firm's name and address

Preparer's Phone No.

Preparer's SSN or PTIN

Preparer's EIN

# Instructions for Form HS-145

## Property Tax Adjustment Claim

The property tax adjustment assists VT residents to pay their property tax.

**Eligibility For Property Tax Adjustment** You may be eligible for an adjustment of your homestead property tax if: (1) the property is your declared homestead; (2) you were a VT resident for the entire 2010 calendar year; (3) you own and occupy the property as your principal residence as of April 1, 2011; (4) you are not claimed as a dependent of another taxpayer for the 2010 tax year; and (5) you meet the household income criteria.

Property held by a trust, holders of a life estate, and homesteads located on a farm may be eligible for an adjustment. See page 47 in the 2010 tax year income tax booklet for information.

For more information, see *Definitions, Special Situations, Ownership Situations* and *Buying and Selling Property* sections starting at page 45 of the 2010 tax year income tax booklet.

**Selling Your Property Before April 1, 2011** If you filed a claim before April 1, 2011, you must notify the Department of the sale and withdraw the claim using Form HS-132 within 30 days of the transaction.

**Deceased Homeowner** See page 46 of the 2010 tax year income tax booklet.

**Buying A Home On Or Before April 1, 2011** You must file Form HS-131, Homestead Declaration, by April 18, 2011. You may also be eligible for a property tax adjustment.

**Due Date** - APRIL 18, 2011 Property Tax Adjustment Claims may also be filed between April 19 and September 1, 2011; however, a \$15 late filing penalty is deducted.

**2011 Property Tax Adjustment Claims filed after September 1, 2011 cannot be accepted.**

**Receipt Date** Forms mailed through the U. S. Post Office are considered timely if received by the Department within 3 business days of the due date. If you file electronically, the receipt date is the transmission date. If you bring the form to the Department in person, the Department must receive the form on or before the due date.

**Extension of Time** There is NO extension of time to file Form HS-145. See page 48 of the 2010 tax year income tax booklet on calculating household income when you have an extension of time for your income tax return.

**Amending Form HS-145** An error on the 2011 Form HS-145 may be corrected up to September 1, 2011. After that date, only household income may be amended. See page 48 for information on amending household income.

**OFFSET / INJURED SPOUSE CLAIMS** If your spouse or civil union partner has a bill for VT tax or from VT state agency and you filed a jointly, the property tax adjustment will be used to pay the bill. If you are not responsible for the bill, file an "injured spouse" claim. You may receive the portion of the property tax adjustment equal to your ownership percentage of the homestead. To make an "injured spouse" claim, send the following information separate from your claim (1) the request letter; (2) copy of Federal Form 8379 (if you filed one with the IRS); (3) documentation of your ownership interest to: VT Department of Taxes, ATTN: Injured Spouse Unit, PO Box 1645, Montpelier VT 05601-1645.

### LINE-BY-LINE INSTRUCTIONS

Complete Schedule HI-144 first to determine if you meet the household income criteria.

Schedule HI-144 must be submitted with Form HS-145. See instructions for Line 12 and Lines 13 & 14 for additional documents that may be required.

**Claimant Information:** Enter your Social Security number, name and address. If applicable, enter the Social Security number and name of your spouse/civil union partner. Enter your date of birth. *Example:* March 27, 1948 date of birth is entered as 03 27 1948

**Location of Homestead** Enter the physical location (street, road name) *Examples* 123 Maple Street 276 Route 12A Please **do not** use a post office box or write in "same," "see above" or the city/town name.

**Line 1 VT School District Code** Enter the 3-digit school district code where you pay education property tax as of April 1, 2011. Most towns print the code on the property tax bill. A school district code chart is available at <http://tax.vermont.gov> or in the income tax booklet. Be sure to use the school

district code for the physical location of the homestead as this may be different from the town used in your mailing address.

**Line 2 Legal Residence** Enter the town or city name of your legal residence as of April 1, 2011. If there is both a city and town with the same name, please specify. *Examples* Barre City or Barre Town St. Albans City or St. Albans Town

**Line 3 SPAN (School Property Account Number)** This is a unique 11-digit identification number assigned by the town or city and is printed on the property tax bill. It is very important to verify your SPAN. The property tax adjustment is credited to the property tax bill for this SPAN.

**Lines 4 - 6 Eligibility Questions** Check the appropriate "Yes" or "No" box to answer the eligibility questions. ALL eligibility questions must be answered or the claim cannot be processed.

→ Information for Lines 7 - 9 is found on your property tax bill.

**Line 7 Housesite Value** Enter the value assessed by the town or city as of April 1, 2010 and found on the 2010/2011 property tax bill. See 2010 tax year income tax booklet for information on new construction or purchase of a new home.

**Line 8 Housesite Education Tax** Enter the education property tax as shown on your 2010/2011 property tax bill.

**NEW!** Household Income less than \$90,000 - the education property tax eligible for adjustment is based on the tax assessed or tax on \$500,000 equalized housesite value, whichever is less.

Household Income \$90,000 or more - the education property tax eligible for adjustment is based on the tax assessed or tax on \$200,000 equalized housesite value, whichever is less.

**Line 9 Municipal Tax** Homeowners with \$47,000 or less household income may be eligible for adjustment on municipal property tax. Enter the municipal property tax as shown on your 2010/2011 property tax bill.

**Line 10 Ownership Interest** If you and the members of the household own and occupy the property as your principal home, enter 100.00%. If there is another owner(s) that does not live in the household, see page 46. If you live in a duplex, see page 46.

**Line 11 Household Income** Enter the amount calculated on Schedule HI-144, Line y. See page 48 of the 2010 tax year income tax booklet on calculating household income when you have an extension of time for your income tax return.

**If applicable, complete Line 12 OR Lines 13 & 14. Do not put entries in all three.**

**Line 12 Lot Rent for a Mobile Home** If you rent a lot in a for-profit mobile home park, obtain Form LC-142, Landlord Certificate, and enter the amount of allocable rent from LC-142, Line 16.

**Lines 13 - 14 Allocated Tax from Land Trust, Cooperative or Nonprofit Mobile Home Park** Enter the amount of education and municipal property tax shown on the statement issued to you by the land trust, cooperative or nonprofit mobile home park.

### MAXIMUM 2011 PROPERTY TAX ADJUSTMENT IS \$8,000

The property tax adjustment will appear as a credit on your 2011/2012 property tax bill.

**Signature** Sign the property tax adjustment form.

**Date** Write the date you signed this form.

**Disclosure Authorization**  Check this box if you wish to give the Vermont Department of Taxes authorization to discuss this form with your tax preparer. Be sure the tax preparer's name is included.

**Preparer** If you are a paid preparer, you must sign this form, enter your Social Security number or PTIN, and if employed by a business, include the EIN of the business. If someone other than the Homeowner prepared this form without charging a fee, the preparer signature is optional.

If mailing this return separate from your income tax return, send to:

VT Department of Taxes  
PO Box 1881  
Montpelier, VT 05601-1881



**SEE PAGE 31**  
**(HS-145, SIDE 1)**

**SEE PAGE 32**  
**(HS-145, INSTRUCTIONS)**



\* 1 0 1 4 4 1 1 0 0 \*

For the year Jan. 1 - Dec. 31, 2010

**PRINT in BLUE or BLACK INK**

**This schedule must be attached to Renter Rebate Claim (Form PR-141) OR  
Property Tax Adjustment Claim (Form HS-145)**

**Read instructions before completing schedule.**

Claimant's Last Name	First Name	Initial
Spouse or CU Partner Last Name	First Name	Initial

Claimant's Social Security Number  
 -  -

Spouse or CU Partner Social Security Number  
 -  -

List the names and Social Security Numbers of all other persons (other than a Spouse or CU Partner) who had income and lived with you during 2010. Include their income in Column 3. Use a separate sheet of paper if needed.

1. \_\_\_\_\_ 2. \_\_\_\_\_

	1. Claimant	2. Spouse/CU Partner	3. Other Persons	
<b>INCOME</b>	a. Cash public assistance and relief ..... a.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00
	b. Social security/railroad retirement/veteran's benefits, taxable and nontaxable ..... b.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00
	c. Unemployment compensation/worker's compensation ..... c.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00
	d. Wages, salaries, tips, etc. (See instructions for dependent's exempt income.) ..... d.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00
	e. Interest and dividends ..... e.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00
	f. Interest on U.S., state, and municipal obligations, taxable and nontaxable ..... f.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00
	g. Alimony, support money, child support, cash gifts ..... g.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00
	h. Business income. If the amount is a loss, enter zero. See instructions for offsetting a loss. . h.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00
	i. Capital gains, taxable and nontaxable. If the amount is a loss, enter zero. See instructions for offsetting a loss. .... i.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00
	j. Taxable pensions, annuities, retirement fund distributions. See instructions ..... j.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00
	k. Rental and royalty income. If the amount is a loss, enter zero. See instructions for offsetting a loss ..... k.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00
	l. Farm/partnerships/S corporations/LLC/Estate or Trust income. If the amount is a loss, enter zero. See Line i instructions for only exception to offset a loss. .... l.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00
	m. Other income (See instructions for examples of other income). Please specify _____ . m.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00
	n. TOTAL INCOME: Add Lines a through m. .... n.	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00	<input type="text"/> , <input type="text"/> . 00

continued on back



\* 1 0 1 4 4 1 2 0 0 \*

	1. Claimant	2. Spouse/CU Partner	3. Other Persons
	\$	\$	\$
	1. Amount from Line n, Column 1	2. Amount from Line n, Column 2	3. Amount from Line n, Column 3
<b>ADJUSTMENTS TO INCOME</b> o. Social Security and Medicare tax withheld on wages on income reported. <b>Self-Employed:</b> Enter self-employment tax paid here. Attach W-2 and/or Federal Schedule SE if not included with income tax filing.	o. <input type="text"/> , <input type="text"/> . 00	o. <input type="text"/> , <input type="text"/> . 00	o. <input type="text"/> , <input type="text"/> . 00
p. Child support paid. You must attach proof of payment. See instructions.	p. <input type="text"/> , <input type="text"/> . 00	p. <input type="text"/> , <input type="text"/> . 00	p. <input type="text"/> , <input type="text"/> . 00
Support paid to: _____			SSN: _____
q. Allowable Adjustments from Federal Form 1040 or 1040A			
q1. Business Expenses for Reservists (1040, Line 24)	q1. <input type="text"/> , <input type="text"/> . 00	q1. <input type="text"/> , <input type="text"/> . 00	q1. <input type="text"/> , <input type="text"/> . 00
q2. Alimony paid (1040, Line 31a)	q2. <input type="text"/> , <input type="text"/> . 00	q2. <input type="text"/> , <input type="text"/> . 00	q2. <input type="text"/> , <input type="text"/> . 00
q3. Tuition and Fees (1040, Line 34 or 1040A, Line 19)	q3. <input type="text"/> , <input type="text"/> . 00	q3. <input type="text"/> , <input type="text"/> . 00	q3. <input type="text"/> , <input type="text"/> . 00
r. Add Lines o, p and total of Lines q1 to q3 for each column	r. <input type="text"/> , <input type="text"/> . 00	r. <input type="text"/> , <input type="text"/> . 00	r. <input type="text"/> , <input type="text"/> . 00
s. Subtract Line r from Line n of each column. If a negative amount, enter zero (0)	s. <input type="text"/> , <input type="text"/> . 00	s. <input type="text"/> , <input type="text"/> . 00	s. <input type="text"/> , <input type="text"/> . 00
t. Add all three amounts from Line s. If a negative amount, enter zero (0)	t. <input type="text"/> , <input type="text"/> . 00	t. <input type="text"/> , <input type="text"/> . 00	t. <input type="text"/> , <input type="text"/> . 00
u. Enter interest and dividend income from Lines e and f	u. <input type="text"/> , <input type="text"/> . 00	u. <input type="text"/> , <input type="text"/> . 00	u. <input type="text"/> , <input type="text"/> . 00
v. Add all three amounts from Line u.	v. <input type="text"/> , <input type="text"/> . 00	v. <input type="text"/> , <input type="text"/> . 00	v. <input type="text"/> , <input type="text"/> . 00
w.	w. 10 , 000 . 00	w. <input type="text"/> , <input type="text"/> . 00	w. <input type="text"/> , <input type="text"/> . 00
x. Subtract Line w from Line v. If Line w is more than Line v, enter zero (0)	x. <input type="text"/> , <input type="text"/> . 00	x. <input type="text"/> , <input type="text"/> . 00	x. <input type="text"/> , <input type="text"/> . 00
y. <b>HOUSEHOLD INCOME.</b> Add Line t and Line x.	y. <input type="text"/> , <input type="text"/> . 00	y. <input type="text"/> , <input type="text"/> . 00	y. <input type="text"/> , <input type="text"/> . 00

**RENTERS:**

If Household Income is \$47,000 or less, enter Line y on Form PR-141, Line 6. This schedule must be filed with the Renter Rebate Claim. Claims are due April 18, 2011 but can be filed up to September 1, 2011.

If Household Income is more than \$47,000, you do not qualify for a renter rebate.

**HOMEOWNERS:**

**Form HS-145 , Property Tax Adjustment Claim,** must be filed each year.

**Homeowners with Household Income up to \$97,000 on Line y should complete Form HS-145.** You may be eligible for a property tax adjustment. This schedule must be filed with the HS-145.

**Form HS-145 Due Date - April 18, 2011.** Homeowners filing a completed HS-145 and HI-144 between April 19 and September 1, 2011 may still qualify for a property tax adjustment. A \$15 late filing penalty will be deducted from the adjustment.

**SEE PAGE 35**  
**(HI-144, SIDE 1)**

**SEE PAGE 36**  
**(HI-144, SIDE 2)**

## Vermont Pharmacy Programs

Vermont has several pharmacy programs to help uninsured Vermonters and those enrolled in Medicare pay for prescription medications. Eligibility for these programs is based on income, age, and disability. In the past, the pharmacy application has been included in the state tax packet; however, due to updates and the size of the application, the pharmacy application is no longer being included in tax packets.

If you **ARE ALREADY ENROLLED** in one of the state pharmacy programs (VPharm, VHAP Pharmacy, VScript, or Healthy Vermonters Program), *you do not need to do anything at this time.* We will send you an application when your current coverage needs to be reviewed.

If you **ARE NOT ALREADY ENROLLED** in one of the state pharmacy programs and you want to apply, **you can do one of the following:**

- Complete the section below and return it in the tax department's envelope provided and we will mail you an application; or
- Call Member Services for **Green Mountain Care** at **1-800-250-8427** to request an application be mailed to you; or
- Go to [www.GreenMountainCare.org](http://www.GreenMountainCare.org) to see if you qualify and to print an application.

Name \_\_\_\_\_ Social Security No. \_\_\_\_\_  
Last First MI

Mailing Address \_\_\_\_\_

City, State, ZIP Code \_\_\_\_\_

Phone \_\_\_\_\_  Home  Cell  Work

*Again, if you are already enrolled in one of our state pharmacy programs, you do not need to reapply at this time. If you have any questions, call*

Member Services for Green Mountain Care  
1-800-250-8427 (TDD: 1-888-834-7898)



**THIS PAGE INTENTIONALLY LEFT BLANK**





You may be eligible for a credit of at least \$13.00 toward payment of your monthly Vermont basic telephone charge. To apply, return this form by June 15, 2011. **You must reapply for the credit each year.**

**If you will be 65 or OLDER by June 15, 2011.**  
 Complete this checklist to see if you are eligible:

Are you a Vermont resident?  Yes  No

Will you be at least 65 by June 15, 2011?  Yes  No

Was your 2010 household income for you and your spouse less than \$25,498 (from Income section below, Line p.)?  Yes  No

---

*If you answer "Yes" to all questions, you are eligible.*

**OR**

**If you will be UNDER 65 on June 15, 2011.**  
 Complete this checklist to see if you are eligible:

Are you a Vermont resident?  Yes  No

Will you be younger than 65 on June 15, 2011?  Yes  No

Was your 2010 household income for you and your spouse less than \$21,855 (from Income section below, Line p.)?  Yes  No

---

*If you answer "Yes" to all questions, you are eligible.*

The following section must be filled out completely or your application will be returned and benefits will be delayed.

Your Name \_\_\_\_\_ Spouse or CU Partner Name \_\_\_\_\_

Name on phone bill \_\_\_\_\_ Name of your telephone company \_\_\_\_\_

Street, P.O. Box or RD \_\_\_\_\_ Telephone Number \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

**Social Security Number**

Yours    -   -

Spouse or CU Partner    -   -

**Birthdate**

Yours Month   Day   Year

Spouse or CU Partner Month   Day   Year

**Sex**

Yours  F  M

Spouse or CU Partner  F  M

**INCOME (Total, You and Spouse or CU Partner combined)**

- a. Cash public assistance/welfare ..... a. \_\_\_\_\_
- b. Social Security/railroad retirement/veteran's benefits, **taxable and nontaxable** ..... b. \_\_\_\_\_
- c. Unemployment compensation/worker's compensation ..... c. \_\_\_\_\_
- d. Wages, salaries, tips, etc. .... d. \_\_\_\_\_
- e. Interest and dividends ..... e. \_\_\_\_\_
- f. Interest on U.S., state and municipal obligations, **taxable and nontaxable** ..... f. \_\_\_\_\_
- g. Alimony, support money/child support ..... g. \_\_\_\_\_
- h. Business income: **If you have a loss, enter -0-** ..... h. \_\_\_\_\_
- i. Capital gains, taxable and nontaxable. **If you have a loss, enter -0-** ..... i. \_\_\_\_\_
- j. Pensions and annuities, **taxable and nontaxable** ..... j. \_\_\_\_\_
- k. Rental income: **If you have a loss, enter -0-** ..... k. \_\_\_\_\_
- l. Farm/partnership/Subchapter S income: **If you have a loss, enter -0-** ..... l. \_\_\_\_\_
- m. Other income. Please specify \_\_\_\_\_ ..... m. \_\_\_\_\_
- n. SUBTOTAL: Add Lines a through m. .... n. \_\_\_\_\_
- o. LESS adjustments to income from Federal Form 1040, Line 36 or 1040A, Line 20. .... o. \_\_\_\_\_
- p. **TOTAL INCOME:** Subtract Line o from Line n and enter the result here. .... p. \_\_\_\_\_

NR **OFFICIAL USE ONLY**

I declare under penalties of perjury this application is true, correct, and complete to the best of my knowledge. If prepared by a person other than the applicant, this declaration further provides that under 32 V.S.A. §5901 this information has not been and will not be used for any other purpose, or made available to any other person other than for the preparation of this application unless a separate valid consent form is signed by the applicant and retained by the preparer. I authorize the VT Department of Taxes to disclose this information and other information necessary to process the Lifeline Credit to the Secretary of Human Services.

Subscriber's signature \_\_\_\_\_ Date \_\_\_\_\_

Spouse or Civil Union Partner signature (if filing jointly) \_\_\_\_\_ Date \_\_\_\_\_

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

Address of preparer \_\_\_\_\_

# ***Instructions for Lifeline Telephone Service Credit***

---

## **What is the Lifeline Telephone Credit?**

The Lifeline program provides a credit of at least \$13.00 on the monthly telephone bills of income-eligible Vermont residents.

## **Who is eligible for the Lifeline Telephone Credit?**

Two groups of Vermont residents with telephone service are eligible for the credit. You are eligible if you reside in Vermont, have phone service, and

- you will be 65 or older by June 15, 2011 and your household income is less than \$25,498;

***OR***

- you are under 65 and your household income is less than \$21,855

You need to submit an application for Lifeline credit each year.

## **What income must be included?**

You must include your Adjusted Gross Income (Federal Form 1040, Line 37; or 1040A, Line 21; or 1040EZ, Line 4). This is before deduction of any loss from a trade or business, partnership, small business corporation, rental property or capital loss. This is added to all other taxable and nontaxable income such as alimony, support money, cash public assistance and relief, cost of living allowance, serviceman's dependent allowances, gross amount of pensions and annuities, railroad retirement benefits, Social Security payment, veteran's benefit act payments, nontaxable interest received from Federal or state instrumentality, unemployment and worker's compensation, gross amount of "lost time" insurance and total capital gains. It does not include gifts from nongovernmental sources, food stamps, relief in kind supplied by a government agency, or payments made by the State for foster care or care of a developmentally disabled person.

## **When and how do you apply?**

All eligible telephone subscribers should mail the completed application on or before June 15, 2011 to:

**Vermont Department of Taxes  
133 State Street  
Montpelier, VT 05633-1401**

Electronic submissions are not accepted.

The application may be submitted with your Vermont tax forms. If you are not required to file, you may send just this application to the VT Department of Taxes.

The VT Agency of Human Services processes your application. Your telephone company will receive notice of your eligibility and apply the credit to the telephone account of the name and telephone number you write on this application. It is very important the information on the application matches the information with your telephone company. **Before mailing your application, check your telephone bill for the spelling of your name and your telephone number.** If it is convenient, attach a copy of your telephone bill to this application.

## **When will the Lifeline Credit begin?**

If this is the first time you applied for the Lifeline credit, it may take up to three (3) months for the credit to appear on your telephone bill.

## **Do all telephone companies participate in Lifeline?**

No. Only the companies listed below must offer the Lifeline discount. Other companies may offer a Lifeline discount, but are not required to do so and do not get reimbursed for their Lifeline costs. Cell phone numbers are not currently eligible for the Lifeline Credit.

## **Participating Telephone Companies**

FairPoint Telecom  
FairPoint Northern New England  
Franklin Telephone  
Ludlow TDS  
Northfield TDS  
Perkinsville TDS  
Shoreham Telephone  
Topsham Telephone  
Vermont Telephone  
Waitsfield-Champlain Valley Telecom

## **How can I get answers to my questions about Lifeline?**

For help completing this application:

- Seniors call the Senior Helpline at 1-800-642-5119 to reach your local area agency on aging;
- Under 65 call the AHS Economic Services Division (formerly PATH) at 1-800-479-6151.

Persons who receive Reach Up, Food Stamps, Medicaid, or Fuel Assistance benefits may be eligible to apply year-round for Lifeline through the AHS Economic Services Division. For questions about the credit call the Economic Services Division Benefits Service Center at 1-800-479-6151.

**YOU MUST REAPPLY FOR LIFELINE EACH YEAR.**

same allocation method, but do a separate calculation for each spouse. (2) Charlene lives in NH and earns her income in VT. Her total Federal and VT wages are \$20,000 with an IRA deduction of \$1,000. The amount to enter in this column is \$1,000. (3) Chuck lives in NH and earns income in VT. His total Federal wages are \$20,000 with \$15,000 from VT. He has a \$1,000 IRA deduction. The amount to enter in this column is 75% (\$15,000/\$20,000) of \$1,000 or \$750.

**See examples for Line 17, Column B for proration of deductions to VT for Lines 18, 19, 21, 23, 24, and 26.**

**Line 18, Column A** Enter the amount for Student Loan Interest from 1040, Line 33 or 1040A, Line 18.

**Line 18, Column B** Enter the portion of Student Loan Interest paid while a VT resident.

**Line 19, Column A** Enter the amount of expenses for reservists, performing artists or fee-basis government officials from 1040, Line 24.

**Line 19, Column B** Enter the portion of the Employee Deductions paid or incurred while a VT resident.

**Line 20, Column A** Enter the combined amounts of self-employment tax from 1040, Line 27; self-employed health insurance from 1040, Line 29.

**Line 20, Column B** Enter the VT portion of these self-employment deductions. Entries are based on where tax or insurance was imposed.

**Line 21, Column A** Enter the deduction amount for Health Savings Account from 1040, Line 25.

**Line 21, Column B** Enter the VT portion paid while a VT resident.

**Line 22, Column A** Enter the amount for moving expenses from 1040, Line 26.

**Line 22, Column B** The VT portion for moving expenses are expenses incurred for a move into VT.

**Line 23, Column A** Enter the amount for penalty on early withdrawal of savings from 1040, Line 30.

**Line 23, Column B** The VT portion of penalty on early withdrawal of savings is the penalty imposed during VT residency.

**Line 24, Column A** Enter the amount for Alimony from 1040, Line 31a.

**Line 24, Column B** The VT portion is the alimony paid during VT residency.

**Line 25, Column A** Enter the amount for Domestic Production Activities from 1040, Line 35.

**Line 25, Column B** If you used the Domestic Production Activities deduction, go to <http://tax.vermont.gov> or contact the Department for instructions on calculating the VT portion.

**Line 26, Column A** Enter the combined amounts of Educator Expenses from 1040, Line 23 or 1040A, Line 16, and Tuition and fees from 1040, Line 34 or 1040A, Line 19.

**Line 26, Column B** The VT portion of Educator Expenses and Tuition and fees during VT residency.

**Deductions not listed but included on 1040, Line 36 or 1040A, Line 20**

**Line 27, Column A** Enter deduction(s) to AGI that are included in the total on Form 1040, Line 36 or Form 1040A, Line 20. *Examples:* repayment of supplemental unemployment compensation, certain attorney or court costs for unlawful discrimination claim. See Federal instructions for Form 1040, Line 36 or 1040A, Line 20 for other deductions and more information.

**Line 27, Column B** Enter the portion of the deductions paid or incurred during your VT residency or resulting from VT income earned or received.

**Dates of VT Residency in 2010** Enter the dates you lived in VT in 2010.

**Name of State(s) During Non-VT Residency** Write the names of the other states, Canadian provinces, or countries where you were a resident in 2010.

## **PART II Adjustment for VT Exempt Income**

**Line 32** If Part I completed, enter the amount from Line 29. Otherwise, enter Adjusted Gross Income from Form IN-111, Line 10.

**Line 33** Part-Year Residents and Nonresidents: Enter the amount from Part I, Line 31. Full-Year Residents: Enter 0.

**Line 34** Enter the amount of VT exempt military pay received in 2010 that is included in your Federal adjusted gross income. Exempt military pay is:

I. Wages earned from the armed services for full-time active duty outside of VT. **Supporting Documents Required:** Copy of active duty orders.

II. Up to \$2,000 for National Guard or U.S. Reserve training pay earned in VT if your adjusted gross income for tax year 2010 is less than \$50,000. **Supporting Documents Required:** Copy of DFAS form or certification statement from unit that all training was completed during the calendar year.

III. Student loan repayment can be taken only if the amount is included in your adjusted gross income. Enter the repayment benefit made under 10 U.S.C. Chapters 109 and 1609 for 2010 year. **Supporting Documents Required:** Certification statement from armed services showing your name, address, social security number, amount of student loan repayment, and payment date.

➔ Deployed members of the National Guard or U.S. Reserve may be eligible for exemption of both full-time military pay and monthly training.

➔ Persons assigned by their employer to work on a military project are not members of the armed services.

**Line 35 Federal Employment Opportunity** Enter the amount of wages or expenses required to be added back to Federal AGI under IRC Sections 280C or 44.

**Line 36** Enter the amount you received in 2010 for Regular Railroad Retirement Benefits (Tier 1) and Supplemental Railroad Annuity Payments (Tier 2). This income is taxable at the Federal level, but exempt from VT income tax. If you receive social security that includes Tier 1 or Tier 2 benefits, enter only the portion included in your Federal adjusted gross income. **Supporting Documents Required:** Copy of 1099, 1099RB, WP-4 or any other document you received showing payment of these benefits.

**Line 37** Enter the amount paid by the State of VT to a family for the support of an eligible person with a developmental disability, as defined in 18 V.S.A. §8722(2). This exclusion does not apply to income of caretakers or contractors hired by the family or guardian of the person with a developmental disability, even if the payment comes directly from the State. ➔ This amount may be excluded only if the payment is included in your adjusted gross income.

**Line 38** Enter the amount or the portion eligible for business expenses made to comply with the Americans with Disabilities Act under Internal Revenue Code §44 for a business located in VT. **Supporting Documents Required:** Copy of Federal form.

**Line 39 (For Nonresidents Only)** Enter the amount of VT income earned for a dramatic performance in a commercial film production that is excluded from income tax in your state of legal residence.

**Line 40** The interest or income from a bond or note of (1) VT Telecommunications Authority; (2) Vermont Student Assistance

Corporation (VSAC); OR (3) VT Build America bonds is exempt from VT income tax to the extent the interest or income is included in Federal Adjusted Gross Income. Enter the amount of interest or income from these sources that is also included in your Federal Adjusted Gross Income.

**Line 41** Add Lines 33 through 40 and enter result. This is the total amount of income not subject to VT income tax. ➔ No entry is needed on this line if you did not have entries on Lines 33 - 40.

**Line 42** Subtract Line 41 from Line 32. This is the VT income subject to tax.

**Line 43** Divide Line 42 by Line 32. Also enter on Form IN-111, Line 21.

➔ Carry out to two decimal places.

*Example:*  $\frac{\text{Line 42 } \$ 4,000}{\text{Line 32 } \$18,000} = .2222 \times 100 = 22.22\%$

**NOTE:** If Line 42 (VT income) equals or exceeds Line 32 (adjusted gross income), enter 100.00%. Also enter 100.00% on Form IN-111, Line 21.

If Line 32, 33, 41, or 42 is negative, go to the Department website at <http://tax.vermont.gov> or call 866-828-2865 (toll-free in VT) or 802-828-2865 for instructions.

## SCHEDULE IN-119 VT TAX CREDITS

**Schedule IN-119 is not included in this booklet.** Use Schedule IN-119 if you have a tax credit not listed on Schedule IN-112, VT Calculation D. This schedule may be downloaded at <http://tax.vermont.gov> in the "Forms" section, or mailed to you by calling 802-828-2515. See tax credit information on our website for more information.

## SCHEDULE IN-153 CAPITAL GAINS EXCLUSION

**Schedule IN-153 is not included in this booklet.** Use Schedule IN-153 if you have capital gains to calculate the amount of capital gains excluded from VT income tax. The schedule and instructions may be downloaded at <http://tax.vermont.gov> in the "Forms" section, or mailed to you by calling 802-828-2515.

## SCHEDULE IN-154 STATE/LOCAL INCOME TAX ADDBACK

**Schedule IN-154 is not included in this booklet.** Use Schedule IN-154 if you filed Federal Form 1040 Schedule A for tax year 2010 and the deduction for state/local income taxes is more than \$5,000. Also, if you received a 2009 state/local refund for state/local income taxes, use this form to adjust the amount added back last year. The schedule and instructions can be downloaded at <http://tax.vermont.gov> in the "Forms" section or mailed to you by calling 802-828-2515.

## FORM HS-131 HOMESTEAD DECLARATION

**Form HS-131 is not included in this booklet.** See page 44 for instructions when a VT Homestead Declaration must be filed. The form and instructions can be downloaded at <http://tax.vermont.gov> in the "Forms" section or mailed to you by calling 802-828-2515.

## FORM HS-132 NOTICE TO WITHDRAW VERMONT HOMESTEAD DECLARATION

**Form HS-132 is not included in this booklet.** See page 45 for instructions when a VT Notice of Homestead Change must be filed. The form and instructions can be downloaded at <http://tax.vermont.gov> in the "Forms" section or mailed to you by calling 802-828-2515.



## EDUCATION PROPERTY TAX RATES, HOMESTEAD DECLARATION, AND PROPERTY TAX ADJUSTMENT

(FOR VT RESIDENTS ONLY)

The State of VT funds public elementary and high school education through a statewide property tax. VT offers property tax relief to eligible homeowners based on a percentage of their household income.

### EDUCATION PROPERTY TAX RATES

VT towns classify property on their grand lists as either homestead or nonresidential. A different education property tax rate applies to each classification.

*Homestead Property* is owned and occupied by a VT resident as his or her principal home on April 1 and is declared as a homestead on Form HS-131 filed with the VT Department of Taxes.

*Nonresidential Property* is (1) property used for commercial purposes or as a camp, second home or summer cottage; (2) property not used as a homestead on April 1; or (3) property not declared as a homestead by the due date.

### FORM HS-131, HOMESTEAD DECLARATION

**NEW!** *The Homestead Declaration is no longer required to be filed each year.*

The 2010 Homestead Declaration remains on record until the property is sold, business/rental use changes or is not being used as a homestead.

**NOTE:** The Property Tax Adjustment Claim, Form HS-145, must be filed each year.

The Homestead Declaration and Property Tax Adjustment Claim that were previously combined on Form HS-122 are now two separate forms.

### When to File A Homestead Declaration

- **Use Change** If you increase or decrease the portion of the homestead that is rented or used for business from the 2010 declaration, you must file a new declaration.
- **Purchase of a Homestead** If you buy property that you will own and occupy as your principal residence on April 1, you need to file a declaration. You can complete the declaration and file it with the Department at the time of the closing.

If you conveyed your homestead into a revocable trust (grantor trust) and you are the sole beneficiary of the trust, you need to file a new Homestead Declaration and check box 4a. If you sold the homestead but retained a life estate, you need to file a new Homestead Declaration and check box 4b.

**NOTE:** If you sold property declared as your homestead, you must also file Form HS-132, Notice to Withdraw Vermont Homestead Declaration, within 30 days of the transaction.

**Due Date** APRIL 18, 2011 The Homestead Declaration may also be filed between April 19 and September 1, 2011; however, a late filing penalty applies.

**A Homestead Declaration filed after September 1, 2011 will result in the property not being classified as homestead and the education property tax will be at the higher rate.**

**Penalty** Failure to file a Homestead Declaration in accordance with the law may result in a penalty in an amount equal to 3% of the education property tax on the property if the nonresidential rate is higher than the homestead rate; or in any other case the penalty is an amount equal to 8% of the education property tax on the property.

**Homestead and Nonresidential Property Use** A property may be classified as both homestead and nonresidential. The property tax bill will show a homestead education property tax rate and a nonresidential education property tax rate. When a portion of the property is the homestead and a portion is used for business purposes or rented, the following rules apply for Form HS-131, Homestead Declaration, or Form HS-132, Homestead Use Change:

**Business Use:** If no part of the homestead is used for business or the business use is 25% or less of the homestead, the entire property is taxed at the homestead education property tax rate. More than 25% business use of the homestead - enter the appropriate percentage. The business use is the same as reported on your Federal income tax return. Examples for calculating business use: (a) 1,800 square foot home with 635 square feet used as a home office and inventory storage. There is 35.28% of business use (635/1800); round the business use to 35%. The business use portion will be taxed at the nonresidential education property tax rate. (b) 1,200 square foot home with 250 square feet used as a home office. There is 20.83% business use (250/1200); round the business use to 21%. Because the business use is less than 25%, the entire property will be taxed at the homestead education property tax rate.

**Rental Use:** The portion of your home that you rent to another person is not part of your home and is taxed at the nonresidential education tax rate. All rental use must be reported. **There is no 25% allowance for rentals.** The rental use percentage is the same as reported on your Federal income tax return. Example for calculating rental use: 1,800 square foot home with 400 square feet rented out. There is 22.22% rental use (400/1800); round the rental use to 22%. Seventy-eight percent of the homestead will be taxed at the homestead education property tax rate and twenty-two percent at the nonresidential education property tax rate.

**NEW!** **FORM HS-132, NOTICE TO WITHDRAW VERMONT HOMESTEAD DECLARATION**

The property owner is required to notify the Department within 30 days of the following:

- **Property Sold** The seller must withdraw the declaration when transferring the title of the homestead to another owner. **NOTE:** The property tax adjustment remains with the property. The allocation of the seller's property tax adjustment is determined at the closing. Selling includes conveyance of the property to a trust, an estate, or creation of a life estate. You can complete the notice and file with the Department at the time of the closing. See *Ownership Situations* for information on eligible trusts; *Special Situations* for estates; *Definitions of life estate*.
- **Property No Longer A Homestead**
- **Property Owned By Estate** and it has been more than one year since homeowner's death.
- **Declaration Submitted In Error**

**NOTE:** A new owner of the homestead must file his or her own Homestead Declaration.

**Due Date** Notification needs to be provided to the VT Department of Taxes within 30 days of the event.

**NEW!** **FORM HS-145, PROPERTY TAX ADJUSTMENT CLAIM**

**Eligibility** A homeowner eligible for an adjustment is one who (1) owned and occupied the property as his or her principal home on April 1, 2011; (2) was a VT resident all of calendar year 2010; (3) was not claimed as a dependent by another taxpayer for tax year 2010; and (4) has household income of \$97,000 or less in 2010.

**The Adjustment** The town receives notification of the adjustment amount which is credited to the property tax bill. The town issues the homeowner a bill for the balance due.

**Adjustment Calculation Basis** The 2011 property tax adjustment is based on 2010 household income and the 2010/2011 property taxes.

**Claiming an Adjustment** To make a property tax adjustment claim, complete Form HS-145. See instructions on page 32.

**Due Dates**

On or before April 18, 2011 is a timely filed Form HS-145. When filed by the due date, eligible homeowners receive a credit on their 2011/2012 property tax bill on July 1, 2011.

Between April 19 and September 1, 2011 is a late filed Form HS-145. However, eligible homeowners can still receive a credit on their 2011/2012 property tax bill that is applied on September 15, 2011. A \$15 late filing penalty is deducted.

After September 1, 2011 the filing of Form HS-145 cannot be accepted.

**Receipt Date** A return mailed through the U.S. Post Office will be considered timely if it is received by the Department within 3 business days of the due date. If you file electronically, the receipt date is the date of transmission. If you bring the return to the Department in person, the Department must receive the return on or before the due date.

**Extension of Time** No extension of time to file Form HS-145 is available. Form HS-145 must be filed by the due date.

**Determining Household Income When You Have An Extension of Time to File Your Income Tax Return** If you are not able to determine your household income by the due date and are making a property tax adjustment claim, complete Schedule HI-144 using the best information available and file Form HS-145 with the Schedule HI-144 no later than September 1, 2011. You are responsible for filing an amended Schedule HI-144 as soon as your household income is known. See page 48 for information on household income.

**Property Tax Adjustment Calculation by Household Income**

**NEW!** \$47,000 or less Household Income Eligible homeowners receive an adjustment to education property tax based on a percentage of household income OR the education property tax on \$15,000, whichever is more. No adjustment is available for education property taxes on equalized housesite value exceeding \$500,000.

Some homeowners may also be eligible for an additional adjustment on the municipal property tax.

**NEW!** \$47,001 to \$89,999 Household Income Eligible homeowners receive an adjustment to education property tax based on a percentage of household income. No adjustment is available for education property taxes on equalized housesite value exceeding \$500,000.

\$90,000 or more Household Income Eligible homeowners receive an adjustment to education property tax based on a percentage of household income. No adjustment is available for education property taxes on equalized housesite value exceeding \$200,000. Generally, the calculation for homeowners with household income of \$97,000 or more is zero adjustment.

**Maximum property tax adjustment for 2011 is \$8,000**

**DEFINITIONS FOR PROPERTY TAX ADJUSTMENT**

**Allocable Mobile Home Lot Rent** means rent paid for a lot in a for-profit mobile home park and supported by Form LC-142, Landlord's Certificate.

**Allowable Property Tax** means the property tax on the portion of the housesite you own and occupy as a home. If the housesite is owned by you and another person(s), see *Ownership* on page 46.

**Cooperative** means a housing corporation organized under 11 V.S.A. Chapter 14.

**Domiciled** means, for purposes of declaring a VT homestead, that VT is your home state, and you own and occupy the property as your principal home on April 1, 2011. For purposes of the property tax adjustment program, the homeowner must also have been domiciled in VT for all of calendar year 2010. For factors considered in determining domicile, see VT Department of Taxes Regulation 1.5811.

**Education Property Tax Allocated from Land Trust, Co-Op or Nonprofit Mobile Home Park** means the education property tax on the portion of land owned by one of the above entities that is part of your housesite.

**Eligible Education Property Tax** means, for purposes of the property tax adjustment program, the education property tax assessed on the housesite or the education property tax on the maximum housesite value, whichever is less.

**Homeowner** means a person who owns and occupies the housesite as his or her principal home. Homeowner also means a person who meets the eligibility requirements for a property tax adjustment. Only one claim for property tax adjustment per household is allowed and the claim must be from the owner who lives in the property. Husband and wife owners are considered as one homeowner. See definition of *Joint Homeowners*.

**Homestead** means your principal home and improvements and contiguous land. **NOTE:** A separate parcel contiguous to your homestead requires a separate Homestead Declaration and Property Tax Adjustment Claim for each parcel.

**Household and Household Income** See page 48.

**Housesite** means the portion of the homestead that is owned and occupied by the homeowner as his/her primary home plus improvements and up to 2 acres of land.

**Joint Homeowners** means more than one person owns the homestead. The owners may or may not occupy the homestead. Only one claim for property tax adjustment per household is allowed and the claim must be from eligible owner(s) who lives in the property. See *Ownership Situations*.

**Land Trust** means a nonprofit corporation or community land trust exempt under Section 501(c)(3) of the Internal Revenue Code. The corporation's purpose must be the creation or retention of affordable housing for lower income Vermonters and its bylaws must require that such housing be maintained affordable for lower income Vermonters on a perpetual basis.

**Legal Separation** means, for purposes of the property tax adjustment program, a status granted by a court order similar to an order granting absolute divorce or civil union dissolution. A preliminary order in a divorce or civil union dissolution may also be accepted as evidence of legal separation. The Department will use the terms of the court as the basis to determine eligibility and the adjustment amount.

**Life Estate** means an interest in the property conveyed through a deed and recorded in the town records.

**Municipal Property Tax Allocated from Land Trust, Co-Op or Nonprofit Mobile Home Park** means the municipal property tax on the portion of land owned by one of the above entities that is part of your housesite.

**Nonprofit Mobile Home Park** means a corporation exempt under Section 501(c)(3) of the Internal Revenue Code, or its wholly-owned subsidiary, which has as its purpose the preservation of housing for low income families; or a housing cooperative organized under 11 V.S.A. Chapter 14.

**Nonresidential Property** means property used for commercial, rental, business, second home, camp or vacation purposes; or property not properly declared as a homestead.

**Spouse** means the husband, wife or civil union partner of the homeowner.

## **SPECIAL SITUATIONS**

### ***Deceased Homeowner***

**Property Tax Adjustment:** An estate cannot make a property tax adjustment claim on behalf of a deceased homeowner. If a homeowner files a property tax adjustment claim but dies prior to April 1, the estate must withdraw the claim. The estate is responsible to repay any adjustment issued. If the homeowner filed a property tax adjustment claim between January and March 31 and dies after April 1, the commissioner may pay the adjustment to the town on behalf of another member of the household with ownership interest.

**Homestead Declaration:** If the spouse/civil union partner of the deceased homeowner or another owner occupies the property as his or her principal residence, a new HS-131, Homestead Declaration, must be filed if the homeowner died prior to April 1.

An estate may continue classification of the property as a homestead until the following April provided the property was the deceased homeowner's homestead at the time of death and the property is not rented. The estate must file Form HS-132, Notice to Withdraw Vermont Homestead Declaration, the following April if the property is not being used as a homestead or within 30 days of the sale of the property, whichever event occurs first.

**Delinquent Property Tax** The 2011 property tax adjustment applies to the current year property tax. The municipality may use any remaining adjustment towards penalty, interest or prior year property taxes.

**Nursing Home or Residential Care** If the homeowner is age 62 or older and another owner who also lives in the homestead is the homeowner's spouse/civil union partner or sibling and has moved indefinitely from the homestead to a nursing home or residential care facility, the homeowner makes the property tax adjustment claim with 100% ownership interest provided that the spouse/civil union partner or sibling does not make a Renter Rebate Claim or the spouse/civil union partner or sibling does not make a property tax adjustment claim for the same homestead.

If the homeowner has moved to a nursing home or residential care facility, a property tax adjustment claim may be made if there is a reasonable likelihood that the homeowner will be returning to the homestead and provided that the homeowner does not make a Renter Rebate Claim. The Department may ask for a doctor's certificate to help determine whether the nursing home or residential care facility is a temporary location.

**Renting at the End of the Year** If you owned a VT homestead in 2010, sold the homestead before April 1, 2010, did not receive a property tax adjustment on the property sold, and rented between the date of the sale and December 31, 2010, you may be eligible for a renter rebate on rent paid in 2010. A renter rebate is available to those persons with household income of \$47,000 or less. **NOTE:** This is the only situation where a renter rebate can be claimed for less than 12 months rental.

### **OWNERSHIP SITUATIONS**

**Homeowner Age 62 or Older in 2010** If the homeowner shares ownership of the homestead with his or her descendant(s), the homeowner may claim 100% ownership interest on the property tax adjustment claim, even if the other owners (descendants) do not live in the homestead. A letter of explanation may be requested.

**Divorced or Legally Separated Joint Owners** If you are (1) divorced or legally separated from your spouse/civil union partner, and (2) the name of the spouse/civil union partner from whom you are divorced or legally separated remains on the deed, and (3) you are awarded possession of the home, you claim as ownership percentage the property taxes for which you are responsible under the final divorce decree or court order. If the divorce decree or court order does not specify responsibility for the property taxes, the person residing in the homestead uses 50% ownership interest.

The person not living in the homestead cannot make a property tax adjustment claim. *Examples:* (a) Dan and Lynn are divorced/legally separated but both names remain on the deed. Lynn is granted possession of the homestead and full responsibility for all the property taxes. Lynn claims 100% ownership on the property tax adjustment. (b) Ethan and Myrna are divorced/legally separated but both names stay on the deed. Myrna is given possession of the homestead and Ethan has responsibility for all the property taxes. Myrna cannot make a property tax adjustment claim as she is not responsible for the property taxes. Ethan cannot make a property tax adjustment claim as he does not occupy the homestead as his principal residence. (c) Paul and Robert are divorced/legally separated but both names remain on the deed. Robert is given possession of the homestead. The divorce decree/court order does not specify who is responsible for the property taxes on the homestead. Robert claims 50% as ownership interest on the property tax adjustment claim. Paul cannot make a property tax adjustment claim as he does not occupy the homestead as his principal residence.

The Department may ask for a copy of the portions of the court documents showing the court, date filed, signature page, and the homestead related provisions.

**NOTE:** Unless the use of the property has changed, the Homestead Declaration filed in 2010 remains in effect. See page 44 for information when a new Homestead Declaration or change notice must be filed.

**Duplex Housing WHEN BOTH OWNERS OCCUPY THE BUILDING AS THEIR PRINCIPAL RESIDENCE,** the eligible housesite education property tax is the tax on the portion owned by each homeowner. If the town issues a property tax bill to each homeowner for his or her portion of the homestead, use the housesite value, housesite property tax and 100% ownership interest. If the property tax bill is for the total property, pro rate the housesite value, housesite property tax and ownership interest. *Examples:* (a) Jack and Jill own a duplex and each occupies half as their principal residence. The town sends them separate property tax bills for their units. Jack and Jill complete the property tax adjustment claim using the housesite value and property tax on the property tax bill and 100% ownership interest. (b) Sally and Sara own a duplex and each occupies half as her principal residence. The town sends one property tax bill for the whole parcel. Sally and Sara use one-half of the housesite value and property tax on the property tax bill and 100% ownership interest.

**WHEN BOTH OWNERS DO NOT OCCUPY THE DUPLEX AS THEIR PRINCIPAL RESIDENCE,** the owner occupying the duplex as his or her principal residence must pro rate for the other owner's interest. *Examples:* (a) Tom and Jerry own a duplex. Tom owns and occupies his portion of the duplex as his principal residence. Jerry rents out his portion. The town issues a property tax bill to each owner for his portion of the homestead. Tom may make a property tax adjustment claim and uses the housesite value and property tax but must use 50% ownership to adjust for Jerry's ownership interest in Tom's portion of the duplex. (b) Dick and Jane own a duplex. The town issues a single property tax bill for the whole parcel. Dick occupies his portion of the duplex as his principal residence, Jane does not. He may make a property tax adjustment claim and uses one-half of the housesite value and property tax and must use 50% ownership to adjust for Jane's ownership interest in Dick's portion of the duplex.

**Entity Ownership** Property owned by a C or S corporation, partnership, or limited liability company cannot be claimed as an individual's homestead and is not eligible for property tax adjustment. There is an exception for a homestead located on a farm. See Regulation 1.5401.

**Life Estate** A person who holds a life estate interest in a property that he or she occupies as a principal residence may make a property tax adjustment claim as if the life estate holder was the owner of the property. The deed does not have to be attached to the property tax adjustment claim but must be available for review upon Department request.

**Shared Ownership of the Homestead** When a homestead is owned by someone(s) other than the homeowner making a property tax adjustment

claim and member(s) of the household, the ownership interest is the combined ownership percentage of the household. *Example:* (a) James, Grace and Lucinda jointly own the homestead and all occupy the homestead as their principal residence. The ownership interest is 100%. (b) Tim and Al own a home. Tim occupies the property as his principal residence; Al does not live there. The ownership interest on Tim's property tax adjustment claim is 50% to adjust for Al's ownership interest in the property.

**Trust Ownership** A property owned by a trust is not a homestead unless the trust is (1) revocable, or becomes irrevocable solely by reason of the grantor's death; (2) the property is the principal residence of the grantor; and (3) the grantor is the sole beneficiary of the trust. The term "sole beneficiary" is satisfied if the homeowner and the spouse/civil union partner of the spouse are the only beneficiaries of the trust. A property owned by an irrevocable trust cannot be a homestead except as stated in (1) above. The trust document does not have to be attached to the property tax adjustment claim but must be available for review upon Department request.

### **BUYING and SELLING PROPERTY**

**NOTE:** The property tax adjustment stays with the property. The allocation of the seller's property tax adjustment is determined at the closing.

**Buying after April 1, 2010** For property purchased as your principal residence, you need to file a 2011 Homestead Declaration. If you are eligible to make a 2011 property tax adjustment claim and if the property was declared as a homestead in 2010, use the seller's property tax bill. If the property was not a homestead in 2010, ask the town for the housesite value and the property taxes on the housesite as if were a homestead in 2010.

**Property Transactions between July 1, 2010 and March 31, 2011** A new law effective July 1, 2010 requires the Seller to notify the Department of the sale of a homestead and to withdraw the Homestead Declaration within 30 days of the transaction date. The Seller uses Form HS-132 to withdraw the declaration. The Seller may complete and file Form HS-132 with the Department at the time of the closing.

If the property is purchased for use as a homestead that will be owned and occupied by the owner on April 1, 2011, the Buyer files his or her own Homestead Declaration on Form HS-131. The Buyer may complete and file Form HS-131 with the Department at the time of the closing. The Buyer may also be eligible for a 2011 property tax adjustment. The property tax adjustment may be claimed by filing Form HS-145. See page 32.

Unless agreed otherwise by the Buyer and Seller, any property tax adjustment paid on behalf of the seller is treated as a payment of property tax by the Seller and allocated at closing.

**Property Transactions after April 1, 2011** The Seller must file Form HS-132 to withdraw the Homestead Declaration within 30 days of the transaction date. If the property is purchased for use as a homestead that will be owned and occupied by the Buyer on April 1, 2012, the Buyer files his or her own Homestead Declaration on Form HS-131. The Buyer may complete and file Form HS-131 with the Department at the time of the closing.

Unless agreed otherwise by the Buyer and Seller, any property tax adjustment paid on behalf of the Seller is treated as a payment of property tax by the Seller and allocated at closing.

### **NEW CONSTRUCTION**

New homestead construction where the property was built after April 1, 2010 and is owned and occupied as a principal residence on April 1, 2011, file Form HS-131 Homestead Declaration. Eligible homeowners may make a 2011 property tax adjustment claim. The claim will be based on the value as of April 1, 2010 of the parcel, site improvements or structures in existence and up to two acres of land.

## SCHEDULE HI-144 HOUSEHOLD INCOME

Complete this schedule before completing Form HS-145, Property Tax Adjustment Claim, or Form PR-141, Renter Rebate Claim to determine your eligibility for a Property Tax Adjustment or a Renter Rebate.

**Homeowners:** If your total household income is less than \$97,000, you may be eligible for a property tax adjustment.

**Renters:** If your total household income is less than \$47,000, you may be eligible for a Renter Rebate.

### GENERAL INSTRUCTIONS

**Due Dates.** This schedule must be filed with Form HS-145 or PR-141 by APRIL 18, 2011. Claims filed between April 19 and September 1, 2011 are late but will be accepted. Claims filed after September 1 cannot be accepted. **NOTE:** A \$15 late filing penalty applies to the property tax adjustment claim.

#### Do You Have An Extension of Time to File Your VT Income Tax Return?

If you cannot determine your household income (for instance, K-1 statements or other information is unavailable), complete Schedule HI-144 with the best information available and file the HI-144 with the HS-145 or PR-141 no later than September 1. *You are responsible for filing an amended HI-144 when your final tax return is filed if the amount reported on the HI-144 turns out to be incorrect.* See the instructions for Amending or Changing your Household Income.

**NOTE:** There is NO extension of time available to file Form HS-145 or Form PR-141 beyond the September 1, 2011 date.

**Household Members** include you, your spouse/civil union partner, roommates, and family members (including children) even if they file their own income tax returns and are not considered dependents.

Exceptions - The following are not considered household members:

- A person who is not related to any member of the household and who is living in the household under a written homesharing agreement pursuant to a nonprofit homesharing program authorized by the VT Department of Disability, Aging and Independent Living.
- A person living in the household who is a bona fide employee hired to provide personal care to an unrelated household member.
- A person who resides with the claimant for the primary reason of providing attendant care services or homemaker or companionship services with or without compensation that allows the claimant to remain in his or her home or avoid institutionalization and the claimant is disabled or was at least 62 years of age as of December 31, 2010.

**Members of the household for a portion of the year.** You must include the income received by any person during the time he or she resided in the house or apartment. For example, Joe lived in the household from September to December of 2010. Joe's annual income was \$30,000 but he received \$21,000 during the time he lived in the household. \$21,000 is the amount that must be included in the household income.

**Household Income** Lines a-m on Schedule HI-144 list the items of income that are required to be reported for Household Income.

Report your income under Column 1, Claimant.

Your spouse/civil union partner income is reported under Column 2.

**Exceptions applying to spouse/civil union partner** - (1) Unless you are legally separated, your spouse/civil union partner's income must be included even if that person is not living with you; and (2) Income of a spouse who is age 62 or older and has moved permanently to a nursing home or other care facility is not included.

Income from all others who resided in your house or apartment under Column 3, Other Persons.

**Exclusions:** The following are not part of household income:

- Payments by the State of Vermont for foster care pursuant to Chapters 49 and 55 of Title 33.
- Payments by the State of Vermont to a family for the support of an eligible person with a developmental disability.
- Payments by the State of Vermont or an agency designated in Title 18 Section 8907 for adult foster care payments (formerly "difficulty of care" payments).
- Surplus food or other relief in kind supplied by a government agency.
- The first \$6,500 of income received (earned or unearned) by a person who qualifies as a dependent of the claimant under the Internal Revenue Code and who is the claimant's parent or disabled adult child.
- The first \$6,500 of income earned, such as wages, salaries, tips, etc., by a full-time student who qualifies as a dependent of the claimant (all unearned income must be reported)
- The first \$6,500 of gifts of cash and cash equivalents received by all household members.
- Distributions from the contributions to a ROTH IRA (distributions from the earnings of the ROTH IRA are to be reported in household income).
- Gifts from a nongovernmental source, such as aid provided by the Red Cross, Salvation Army, a church, to assist paying a living expense - for example, fuel, utilities, rent.

Contact the Department of Taxes or go to the website for information on when the income of a grantor to a trust may need to be included.

**Amending or Changing your Household Income.** You can change the household income reported on the Schedule HI-144 that accompanied the original filing of Form HS-145 or Form PR-141 provided the change is made within three years of the April 15 due date.

To amend household income, complete HS-145 or PR-141 and check the amendment box on Line 11 on the HS-145 or Line 6 on the PR-141. All the entries on HS-145 or PR-141 must be the same as originally filed except the household income amount. Complete Schedule HI-144, Household Income, for the appropriate year with the new household income information.

Examples of when household income needs to be amended include: (1) you received a corrected K-1 that increases or decreases the amount reported on HI-144; (2) you received a late W-2; (3) the IRS made changes to your income; (4) you estimated household income because you were filing your income tax return under an extension. Remember to correct the adjustment for Social Security and Medicare taxes withheld on Line o to correspond with the corrected amounts.

### LINE BY LINE INSTRUCTIONS

**Line a Cash public assistance and relief** Enter all payments from the State of Vermont Agency of Human Services except for foster care payments, difficulty of care payments and fuel assistance. The first \$6,500 of refugee settlement payment is excluded.

**Line b Social security, railroad retirement, and veterans' benefits (taxable and nontaxable)** Enter payments from Social Security as reported in Box 5 of your SSA-1099 (this box adjusts for any repayment of Social Security benefits you were required to make) or from Federal Form 1040, Line 20a or 1040A, Line 14a. Social Security benefits also includes SSI and SSD payments. Enter all railroad retirement from RRB-1099 and veterans' benefits.



**Line c Unemployment compensation and workers' compensation** Enter the full unemployment compensation shown on Federal Form 1099-G plus any workers' compensation you received.

**Line d Wages, salaries, tips, etc** Enter the income shown in Box 1 of the W-2. Also report Federal Form 1099-MISC issued for nonemployee compensation if this is income not included as part of Line h, Business Income. See exclusions in Household Income section before completing this line.

**Line e Interest and dividends** Enter the income required to be reported on Lines 8a & 8b and 9a of Federal Forms 1040 or 1040A; or on Line 2 of Federal Form 1040EZ plus the nontaxable interest not required to be reported on Federal Form 1040EZ.

**Line f Interest on U.S., state, or municipal obligations** Enter the income reported on Line 8b of Federal Form 1040 or 1040A and all interest income from federal, state or municipal government bonds. This includes interest taxed at the Federal level but exempted for VT income tax purposes and interest not taxed at the Federal level.

**Line g Alimony, support money, child support, cash and cash equivalent gifts** Enter the total received for alimony, child support and other support money. Support money includes payment of housing expenses for household member, or other financial assistance that makes it possible for the household member to live in the homestead or rental unit. Also gifts of cash or cash equivalent received by household members must be reported. However, \$6,500 of the *combined total of the gifts received by all household members* is excluded. Cash equivalent includes stocks, bonds, treasury obligations, certificates of deposit or other instruments convertible to cash.

**Line h Business income** Enter income attributable to a business. If there is a business loss, enter zero (0). You cannot offset the loss of one business against the income of another business. Each Schedule C stands on its own. Do NOT use the aggregate amount on Federal Form 1040 Line 12. You can offset a business loss against a capital gain if it occurred in the same tax year and for the same business. See Technical Bulletin #56.

**Line i Capital gains** Report gains from Federal Form 1040 Schedule D: Add Lines 6 and 14 and subtract this amount from Line 16. If Line 16 is smaller than total of Lines 6 and 14, enter zero. For Federal Form 1040A, use Line 10 but not less than zero. For purposes of household income, a capital loss carryforward cannot offset a current year capital gain.

**NOTE:** Capital gains on the sale of your primary dwelling that is excluded from Federal adjusted gross income must be reported in household income.

**Exception:** A business loss may offset a capital gain on the sale of the business' property provided (1) the loss and capital gain are for the same business; and (2) the Internal Revenue Service requires the capital gain to be reported; and (3) the business loss and capital gain from the sale of the business' property both occurred in the 2010 tax year. If the offset of the capital gain by the loss creates a negative amount, enter zero (0). A capital loss cannot offset business income.

**Line j Taxable pensions, annuities, and retirement fund distributions** Enter the income from retirement, deferred compensation plans and annuities as reported on Federal Form 1040, Lines 15b and 16b; or Federal Form 1040A, Lines 11b and 12b. Household income includes non-qualified distributions from retirement and deferred compensation plans and both taxable and nontaxable federal pension and annuity benefits.

**Line k Rental and Royalty income** Enter the income from each rental property you own as reported on Federal Schedule E, Part I. Each rental property stands on its own. A loss generated by one property may not be used to reduce income from a different property. See Technical Bulletin #56 for the proper treatment of rental income and losses. Room and

board payments made to you by member(s) of the household is rental income and must be reported on this line. Royalty income - Report income from Federal Form 1099-MISC, 1099-S, K-1 or Schedule E, Part I.

**Line l Income from Partnerships, S Corporations, LLCs, Farms, Trusts and Estates** Federal Schedule K-1 pass-through income as required to be reported on Federal Form 1040, Schedules E and/or F. Report ordinary business income, rental income and guaranteed payments from K-1 on this line. The loss from one K-1 cannot offset income from another K-1. A loss is reported as zero. See Line i instructions for the only provision allowing netting of a business loss.

**Line m Other income** Sources of other income include, but are not limited to, prizes and awards, gambling or lottery winnings, director's fees, employer allowances, taxable refunds from Federal Form 1040, Line 10, allowances received by dependents of armed service personnel and military subsistence payments (BAH, FSA), loss of time insurance, cost of living adjustment paid to federal employees, and other gains from Federal Form 1040, Line 14. Report on this line income reported to you by Federal Form 1099-MISC or W-2G.

**Line n** Add items a through m by column. Carry those amounts over to the top of the next page.

**ADJUSTMENTS TO INCOME:** The following adjustments to household income may be made for each member of the household for whom such item of income was reported.

**Line o Social Security and Medicare Tax Withheld and Self-Employment Tax on Income Reported**

Social Security and Medicare Taxes

If these taxes are withheld from your income, they may be subtracted from household income to the extent the income is included. Generally, the Social Security and Medicare taxes withheld is found on your W-2. Do NOT use the W-2 withholding amount for:

**NOTE:** This adjustment is for Social Security and Medicare taxes; not the Medicare premium deducted from Social Security payments.

(1) Deferred compensation contributions not included in Federal adjusted gross income but with respect to which Social Security and Medicare taxes were withheld. Because the deferred compensation contribution is not reported in household income, the Social Security and Medicare taxes on the W-2 must be reduced for this adjustment. Multiply the taxable income in Box 1 of the W-2 by 7.65% and use this amount. *Example:* You contribute \$5,000 to a deferred compensation plan. Your W-2 Box 1 shows \$50,000 taxable income and \$55,000 taxable for Social Security and Medicare taxes in Boxes 3 and 5. The deferred compensation contribution is not reported in household income. Multiply \$50,000 by 7.65%. The resulting \$3,825 is the Line o adjustment entry for this household member's income; NOT the W-2 amounts.

(2) Portions of income not required to be reported in household income upon which Social Security and Medicare taxes were withheld. *Example:* The first \$6,500 of income earned by a full-time student qualified as your dependent is not required to be reported in household income. The student earns \$10,000. Because \$6,500 of the income is not included in household income, multiply \$3,500 by 7.65%. The resulting \$268 is the Line o adjustment entry for this household member's income; NOT the W-2 amounts.

Self-Employed Social Security and Medicare Taxes Paid Self-employed claimants may subtract from household income the amount from Federal Schedule SE, Line 5 or 12 that represents the Social Security and Medicare taxes paid for 2010. The amount of Social Security and Medicare taxes reported on this line includes the allowable deduction for one-half self-employment tax on Federal Form 1040 Line 27. You may be asked for a copy of your Federal Schedule SE.

**Line p Child support paid** Report only those payments for which receipts or other evidence of payment is available. This evidence may include cancelled checks or a statement from the Office of Child Support in addition to the name and social security number of the parent receiving the payment.

**Line q Allowable Adjustments from Federal Form 1040 or Form 1040A** The following expenses may be subtracted from income. They should be entered on Line q.

- Certain business expenses of reservists - Line 24 from Federal Form 1040
- Alimony paid - Line 31a from Federal Form 1040
- Tuition and fees - Line 34 from Federal Form 1040 or Line 19 from Federal Form 1040A

Several adjustments that were available in calculating household income for the 2009 tax year are no longer available for 2010. The one-half self-employment tax expense deduction continues to be allowed but it is included on the Line o entry.

**Line s** Subtract the total adjustments on Line r from the total income on Line n for each column. The adjustments for any individual in your household cannot exceed the income of that individual. If Line n minus Line r is negative, enter zero (0).

**Line t** Add columns 1, 2, and 3 and enter sum. Entry cannot be less than zero (0).

**Line u** Enter the total of interest and dividends for all household members reported on Lines e and f in each column.

**Line v** Add the three columns on Line u.

**Line w** No entry required. For purposes of calculating the property tax adjustment or renter rebate, household income is increased by the household total of interest and dividend income greater than \$10,000.

**Line x** Subtract Line w from Line v. If Line w is more than Line v, enter zero (0).

**Line y** Household Income. Add Line t and Line x. Enter this figure on HS-145 or PR-141.

## 2010 VT Rate Schedules

### Schedule X

Use if your filing status is:  
Single

If VT Taxable Income is Over	But Not Over	VT Base Tax is	Plus	of the amount over
0	34,000	0.00	3.55%	0
34,000	75,000	1,207.00	6.80%	34,000
<b>TAXABLE INCOME UNDER \$75,000 USE THE TAX TABLES</b>				
75,000	82,400	3,995.00	6.80%	75,000
82,400	171,850	4,498.00	7.80%	82,400
171,850	373,650	11,475.00	8.80%	171,850
373,650	-	29,234.00	8.95%	373,650

### Schedule Y-2

Use if your filing status is:  
Married Filing Separately; or Civil Union Filing Separately

If VT Taxable Income is Over	But Not Over	VT Base Tax is	Plus	of the amount over
0	28,400	0.00	3.55%	0
28,400	68,650	1,008.00	6.80%	28,400
68,650	75,000	3,745.00	7.80%	68,650
<b>TAXABLE INCOME UNDER \$75,000 USE THE TAX TABLES</b>				
75,000	104,625	4,241.00	7.80%	75,000
104,625	186,825	6,551.00	8.80%	104,625
186,825	-	13,785.00	8.95%	186,825

### Schedule Y-1

Use if your filing status is:  
Married Filing Jointly; Qualifying Widow(er); or Civil Union Filing Jointly

If VT Taxable Income is Over	But Not Over	VT Base Tax is	Plus	of the amount over
0	56,800	0.00	3.55%	0
56,800	75,000	2,016.00	6.80%	56,800
<b>TAXABLE INCOME UNDER \$75,000 USE THE TAX TABLES</b>				
75,000	137,300	3,254.00	6.80%	75,000
137,300	209,250	7,490.00	7.80%	137,300
209,250	373,650	13,103.00	8.80%	209,250
373,650	-	27,570.00	8.95%	373,650

### Schedule Z

Use if your filing status is:  
Head of Household

If VT Taxable Income is Over	But Not Over	VT Base Tax is	Plus	of the amount over
0	45,550	0.00	3.55%	0
45,550	75,000	1,617.00	6.80%	45,550
<b>TAXABLE INCOME UNDER \$75,000 USE THE TAX TABLES</b>				
75,000	117,650	3,620.00	6.80%	75,000
117,650	190,550	6,520.00	7.80%	117,650
190,550	373,650	12,206.00	8.80%	190,550
373,650	-	28,319.00	8.95%	373,650

*Example:* VT Taxable Income is \$82,000 (Form IN-111, Line 15). Filing Status is Married Filing Jointly. Use Schedule Y-1. Base Tax is \$3,254.00. Subtract \$75,000 from \$82,000. Multiply the result (\$7,000) by 6.8%. Add this amount (\$476.00) to Base Tax (\$3,254.00) for VT Tax of \$3,730.00. Enter \$3,730.00 on Form IN-111, Line 16.

# 2010 VT Tax Tables

If Taxable Income is --		And your filing status is --				If Taxable Income is --		And your filing status is --				If Taxable Income is --		And your filing status is --				
At Least	But Less Than	Single	Married filing jointly*	Married filing separately**	Head of household	At Least	But Less Than	Single	Married filing jointly*	Married filing separately**	Head of household	At Least	But Less Than	Single	Married filing jointly*	Married filing separately**	Head of household	
		Then your VT Tax is --						Then your VT Tax is --						Then your VT Tax is --				
<b>0 - 1,000</b>																		
0	100	0	0	0	0	5,000	5,100	179	179	179	179	10,000	10,100	357	357	357	357	
100	200	5	5	5	5	5,100	5,200	183	183	183	183	10,100	10,200	360	360	360	360	
200	300	9	9	9	9	5,200	5,300	186	186	186	186	10,200	10,300	364	364	364	364	
300	400	12	12	12	12	5,300	5,400	190	190	190	190	10,300	10,400	367	367	367	367	
400	500	16	16	16	16	5,400	5,500	193	193	193	193	10,400	10,500	371	371	371	371	
500	600	20	20	20	20	5,500	5,600	197	197	197	197	10,500	10,600	375	375	375	375	
600	700	23	23	23	23	5,600	5,700	201	201	201	201	10,600	10,700	378	378	378	378	
700	800	27	27	27	27	5,700	5,800	204	204	204	204	10,700	10,800	382	382	382	382	
800	900	30	30	30	30	5,800	5,900	208	208	208	208	10,800	10,900	385	385	385	385	
900	1,000	34	34	34	34	5,900	6,000	211	211	211	211	10,900	11,000	389	389	389	389	
<b>1,000</b>																		
1,000	1,100	37	37	37	37	6,000	6,100	215	215	215	215	11,000	11,100	392	392	392	392	
1,100	1,200	41	41	41	41	6,100	6,200	218	218	218	218	11,100	11,200	396	396	396	396	
1,200	1,300	44	44	44	44	6,200	6,300	222	222	222	222	11,200	11,300	399	399	399	399	
1,300	1,400	48	48	48	48	6,300	6,400	225	225	225	225	11,300	11,400	403	403	403	403	
1,400	1,500	51	51	51	51	6,400	6,500	229	229	229	229	11,400	11,500	406	406	406	406	
1,500	1,600	55	55	55	55	6,500	6,600	233	233	233	233	11,500	11,600	410	410	410	410	
1,600	1,700	59	59	59	59	6,600	6,700	236	236	236	236	11,600	11,700	414	414	414	414	
1,700	1,800	62	62	62	62	6,700	6,800	240	240	240	240	11,700	11,800	417	417	417	417	
1,800	1,900	66	66	66	66	6,800	6,900	243	243	243	243	11,800	11,900	421	421	421	421	
1,900	2,000	69	69	69	69	6,900	7,000	247	247	247	247	11,900	12,000	424	424	424	424	
<b>2,000</b>																		
2,000	2,100	73	73	73	73	7,000	7,100	250	250	250	250	12,000	12,100	428	428	428	428	
2,100	2,200	76	76	76	76	7,100	7,200	254	254	254	254	12,100	12,200	431	431	431	431	
2,200	2,300	80	80	80	80	7,200	7,300	257	257	257	257	12,200	12,300	435	435	435	435	
2,300	2,400	83	83	83	83	7,300	7,400	261	261	261	261	12,300	12,400	438	438	438	438	
2,400	2,500	87	87	87	87	7,400	7,500	264	264	264	264	12,400	12,500	442	442	442	442	
2,500	2,600	91	91	91	91	7,500	7,600	268	268	268	268	12,500	12,600	446	446	446	446	
2,600	2,700	94	94	94	94	7,600	7,700	272	272	272	272	12,600	12,700	449	449	449	449	
2,700	2,800	98	98	98	98	7,700	7,800	275	275	275	275	12,700	12,800	453	453	453	453	
2,800	2,900	101	101	101	101	7,800	7,900	279	279	279	279	12,800	12,900	456	456	456	456	
2,900	3,000	105	105	105	105	7,900	8,000	282	282	282	282	12,900	13,000	460	460	460	460	
<b>3,000</b>																		
3,000	3,100	108	108	108	108	8,000	8,100	286	286	286	286	13,000	13,100	463	463	463	463	
3,100	3,200	112	112	112	112	8,100	8,200	289	289	289	289	13,100	13,200	467	467	467	467	
3,200	3,300	115	115	115	115	8,200	8,300	293	293	293	293	13,200	13,300	470	470	470	470	
3,300	3,400	119	119	119	119	8,300	8,400	296	296	296	296	13,300	13,400	474	474	474	474	
3,400	3,500	122	122	122	122	8,400	8,500	300	300	300	300	13,400	13,500	477	477	477	477	
3,500	3,600	126	126	126	126	8,500	8,600	304	304	304	304	13,500	13,600	481	481	481	481	
3,600	3,700	130	130	130	130	8,600	8,700	307	307	307	307	13,600	13,700	485	485	485	485	
3,700	3,800	133	133	133	133	8,700	8,800	311	311	311	311	13,700	13,800	488	488	488	488	
3,800	3,900	137	137	137	137	8,800	8,900	314	314	314	314	13,800	13,900	492	492	492	492	
3,900	4,000	140	140	140	140	8,900	9,000	318	318	318	318	13,900	14,000	495	495	495	495	
<b>4,000</b>																		
4,000	4,100	144	144	144	144	9,000	9,100	321	321	321	321	14,000	14,100	499	499	499	499	
4,100	4,200	147	147	147	147	9,100	9,200	325	325	325	325	14,100	14,200	502	502	502	502	
4,200	4,300	151	151	151	151	9,200	9,300	328	328	328	328	14,200	14,300	506	506	506	506	
4,300	4,400	154	154	154	154	9,300	9,400	332	332	332	332	14,300	14,400	509	509	509	509	
4,400	4,500	158	158	158	158	9,400	9,500	335	335	335	335	14,400	14,500	513	513	513	513	
4,500	4,600	162	162	162	162	9,500	9,600	339	339	339	339	14,500	14,600	517	517	517	517	
4,600	4,700	165	165	165	165	9,600	9,700	343	343	343	343	14,600	14,700	520	520	520	520	
4,700	4,800	169	169	169	169	9,700	9,800	346	346	346	346	14,700	14,800	524	524	524	524	
4,800	4,900	172	172	172	172	9,800	9,900	350	350	350	350	14,800	14,900	527	527	527	527	
4,900	5,000	176	176	176	176	9,900	10,000	353	353	353	353	14,900	15,000	531	531	531	531	
<b>5,000</b>																		
5,000	5,100	179	179	179	179	10,000	10,100	357	357	357	357	15,000	15,100	534	534	534	534	
5,100	5,200	183	183	183	183	10,100	10,200	360	360	360	360	15,100	15,200	537	537	537	537	
5,200	5,300	186	186	186	186	10,200	10,300	364	364	364	364	15,200	15,300	540	540	540	540	
5,300	5,400	190	190	190	190	10,300	10,400	367	367	367	367	15,300	15,400	543	543	543	543	
5,400	5,500	193	193	193	193	10,400	10,500	371	371	371	371	15,400	15,500	546	546	546	546	
5,500	5,600	197	197	197	197	10,500	10,600	375	375	375	375	15,500	15,600	549	549	549	549	
5,600	5,700	201	201	201	201	10,600	10,700	378	378	378	378	15,600	15,700	552	552	552	552	
5,700	5,800	204	204	204	204	10,700	10,800	382	382	382	382	15,700	15,800	555	555	555	555	
5,800	5,900	208	208	208	208	10,800	10,900	385	385	385	385	15,800	15,900	558	558	558	558	
5,900	6,000	211	211	211	211	10,900	11,000	389	389	389	389	15,900	16,000	561	561	561	561	
<b>6,000</b>																		
6,000	6,100	215	215	215	215	11,000	11,100	392	392	392	392	16,000	16,100	564	564	564	564	
6,100	6,200	218	218	218	218	11,100	11,200	396	396	396	396	16,100	16,200	567	567	567	567	
6,200	6,300	222	222	222	222	11,200	11,300	399	399	399	399	16,200	16,300	570	570	570	570	
6,300	6,400	225	225	225	225	11,300	11,400	403	403	403	403	16,300	16,400	573	573	573	573	
6,400	6,500	229	229	229	229	11,400	11,500	406	406	406	406	16,400	16,500	576	576	576	576	
6,500	6,600	233	233	233	233	11,500	11,600	410	410	410	410	16,500	16,600	579	579	579	579	
6,600	6,700	236	236	236	236	11,600	11,700	414	414	414	414	16,600	16,700	582	582	582	582	
6,700	6,800	240	240	240	240	11,700	11,800	417	417	417	417	16,700	16,800	585	585	585	585	
6,800	6,900	243	243	243	243	11,800	11,900	421	421	421	421	16,800	16,900	588	588	588	588	
6,900	7,000	247	247	247	247	11,900	12,000	424	424	424	424	16,900	17,000	591	591	591	591	
<b>7,000</b>																		
7,000	7,100	250	250	250	250	12,000	12,100	428	428	428	428	17,000	17,100	594	594	594	594	
7,100	7,200	254	254	254	254	12,100	12,200	431	431	431	431	17,100	17,200	597				

If Taxable Income is –		And your filing status is –				If Taxable Income is –		And your filing status is –				If Taxable Income is –		And your filing status is –				
At Least	But Less Than	Single	Married filing jointly*	Married filing separately**	Head of household	At Least	But Less Than	Single	Married filing jointly*	Married filing separately**	Head of household	At Least	But Less Than	Single	Married filing jointly*	Married filing separately**	Head of household	
		Then your VT Tax is –						Then your VT Tax is –						Then your VT Tax is –				
<b>15,000</b>																		
15,000	15,100	534	534	534	534	20,000	20,100	712	712	712	712	25,000	25,100	889	889	889	889	
15,100	15,200	538	538	538	538	20,100	20,200	715	715	715	715	25,100	25,200	893	893	893	893	
15,200	15,300	541	541	541	541	20,200	20,300	719	719	719	719	25,200	25,300	896	896	896	896	
15,300	15,400	545	545	545	545	20,300	20,400	722	722	722	722	25,300	25,400	900	900	900	900	
15,400	15,500	548	548	548	548	20,400	20,500	726	726	726	726	25,400	25,500	903	903	903	903	
15,500	15,600	552	552	552	552	20,500	20,600	730	730	730	730	25,500	25,600	907	907	907	907	
15,600	15,700	556	556	556	556	20,600	20,700	733	733	733	733	25,600	25,700	911	911	911	911	
15,700	15,800	559	559	559	559	20,700	20,800	737	737	737	737	25,700	25,800	914	914	914	914	
15,800	15,900	563	563	563	563	20,800	20,900	740	740	740	740	25,800	25,900	918	918	918	918	
15,900	16,000	566	566	566	566	20,900	21,000	744	744	744	744	25,900	26,000	921	921	921	921	
<b>16,000</b>																		
16,000	16,100	570	570	570	570	21,000	21,100	747	747	747	747	26,000	26,100	925	925	925	925	
16,100	16,200	573	573	573	573	21,100	21,200	751	751	751	751	26,100	26,200	928	928	928	928	
16,200	16,300	577	577	577	577	21,200	21,300	754	754	754	754	26,200	26,300	932	932	932	932	
16,300	16,400	580	580	580	580	21,300	21,400	758	758	758	758	26,300	26,400	935	935	935	935	
16,400	16,500	584	584	584	584	21,400	21,500	761	761	761	761	26,400	26,500	939	939	939	939	
16,500	16,600	588	588	588	588	21,500	21,600	765	765	765	765	26,500	26,600	943	943	943	943	
16,600	16,700	591	591	591	591	21,600	21,700	769	769	769	769	26,600	26,700	946	946	946	946	
16,700	16,800	595	595	595	595	21,700	21,800	772	772	772	772	26,700	26,800	950	950	950	950	
16,800	16,900	598	598	598	598	21,800	21,900	776	776	776	776	26,800	26,900	953	953	953	953	
16,900	17,000	602	602	602	602	21,900	22,000	779	779	779	779	26,900	27,000	957	957	957	957	
<b>17,000</b>																		
17,000	17,100	605	605	605	605	22,000	22,100	783	783	783	783	27,000	27,100	960	960	960	960	
17,100	17,200	609	609	609	609	22,100	22,200	786	786	786	786	27,100	27,200	964	964	964	964	
17,200	17,300	612	612	612	612	22,200	22,300	790	790	790	790	27,200	27,300	967	967	967	967	
17,300	17,400	616	616	616	616	22,300	22,400	793	793	793	793	27,300	27,400	971	971	971	971	
17,400	17,500	619	619	619	619	22,400	22,500	797	797	797	797	27,400	27,500	974	974	974	974	
17,500	17,600	623	623	623	623	22,500	22,600	801	801	801	801	27,500	27,600	978	978	978	978	
17,600	17,700	627	627	627	627	22,600	22,700	804	804	804	804	27,600	27,700	982	982	982	982	
17,700	17,800	630	630	630	630	22,700	22,800	808	808	808	808	27,700	27,800	985	985	985	985	
17,800	17,900	634	634	634	634	22,800	22,900	811	811	811	811	27,800	27,900	989	989	989	989	
17,900	18,000	637	637	637	637	22,900	23,000	815	815	815	815	27,900	28,000	992	992	992	992	
<b>18,000</b>																		
18,000	18,100	641	641	641	641	23,000	23,100	818	818	818	818	28,000	28,100	996	996	996	996	
18,100	18,200	644	644	644	644	23,100	23,200	822	822	822	822	28,100	28,200	999	999	999	999	
18,200	18,300	648	648	648	648	23,200	23,300	825	825	825	825	28,200	28,300	1003	1003	1003	1003	
18,300	18,400	651	651	651	651	23,300	23,400	829	829	829	829	28,300	28,400	1006	1006	1006	1006	
18,400	18,500	655	655	655	655	23,400	23,500	832	832	832	832	28,400	28,500	1010	1010	1011	1010	
18,500	18,600	659	659	659	659	23,500	23,600	836	836	836	836	28,500	28,600	1014	1014	1018	1014	
18,600	18,700	662	662	662	662	23,600	23,700	840	840	840	840	28,600	28,700	1017	1017	1025	1017	
18,700	18,800	666	666	666	666	23,700	23,800	843	843	843	843	28,700	28,800	1021	1021	1032	1021	
18,800	18,900	669	669	669	669	23,800	23,900	847	847	847	847	28,800	28,900	1024	1024	1039	1024	
18,900	19,000	673	673	673	673	23,900	24,000	850	850	850	850	28,900	29,000	1028	1028	1045	1028	
<b>19,000</b>																		
19,000	19,100	676	676	676	676	24,000	24,100	854	854	854	854	29,000	29,100	1031	1031	1052	1031	
19,100	19,200	680	680	680	680	24,100	24,200	857	857	857	857	29,100	29,200	1035	1035	1059	1035	
19,200	19,300	683	683	683	683	24,200	24,300	861	861	861	861	29,200	29,300	1038	1038	1066	1038	
19,300	19,400	687	687	687	687	24,300	24,400	864	864	864	864	29,300	29,400	1042	1042	1073	1042	
19,400	19,500	690	690	690	690	24,400	24,500	868	868	868	868	29,400	29,500	1045	1045	1079	1045	
19,500	19,600	694	694	694	694	24,500	24,600	872	872	872	872	29,500	29,600	1049	1049	1086	1049	
19,600	19,700	698	698	698	698	24,600	24,700	875	875	875	875	29,600	29,700	1053	1053	1093	1053	
19,700	19,800	701	701	701	701	24,700	24,800	879	879	879	879	29,700	29,800	1056	1056	1100	1056	
19,800	19,900	705	705	705	705	24,800	24,900	882	882	882	882	29,800	29,900	1060	1060	1107	1060	
19,900	20,000	708	708	708	708	24,900	25,000	886	886	886	886	29,900	30,000	1063	1063	1113	1063	

\* This column also applies to qualifying widow(er) and civil union filing jointly status

\*\* This column also applies to civil union filing separately status



If Taxable Income is –		And your filing status is –			
At Least	But Less Than	Single	Married filing jointly*	Married filing separately**	Head of household
		Then your VT Tax is –			

45,000					
45,000	45,100	1958	1599	2140	1599
45,100	45,200	1965	1603	2147	1603
45,200	45,300	1972	1606	2154	1606
45,300	45,400	1979	1610	2161	1610
45,400	45,500	1986	1613	2167	1613
45,500	45,600	1992	1617	2174	1617
45,600	45,700	1999	1621	2181	1624
45,700	45,800	2006	1624	2188	1631
45,800	45,900	2013	1628	2195	1637
45,900	46,000	2020	1631	2201	1644

46,000					
46,000	46,100	2026	1635	2208	1651
46,100	46,200	2033	1638	2215	1658
46,200	46,300	2040	1642	2222	1665
46,300	46,400	2047	1645	2229	1671
46,400	46,500	2054	1649	2235	1678
46,500	46,600	2060	1653	2242	1685
46,600	46,700	2067	1656	2249	1692
46,700	46,800	2074	1660	2256	1699
46,800	46,900	2081	1663	2263	1705
46,900	47,000	2088	1667	2269	1712

47,000					
47,000	47,100	2094	1670	2276	1719
47,100	47,200	2101	1674	2283	1726
47,200	47,300	2108	1677	2290	1733
47,300	47,400	2115	1681	2297	1739
47,400	47,500	2122	1684	2303	1746
47,500	47,600	2128	1688	2310	1753
47,600	47,700	2135	1692	2317	1760
47,700	47,800	2142	1695	2324	1767
47,800	47,900	2149	1699	2331	1773
47,900	48,000	2156	1702	2337	1780

48,000					
48,000	48,100	2162	1706	2344	1787
48,100	48,200	2169	1709	2351	1794
48,200	48,300	2176	1713	2358	1801
48,300	48,400	2183	1716	2365	1807
48,400	48,500	2190	1720	2371	1814
48,500	48,600	2196	1724	2378	1821
48,600	48,700	2203	1727	2385	1828
48,700	48,800	2210	1731	2392	1835
48,800	48,900	2217	1734	2399	1841
48,900	49,000	2224	1738	2405	1848

49,000					
49,000	49,100	2230	1741	2412	1855
49,100	49,200	2237	1745	2419	1862
49,200	49,300	2244	1748	2426	1869
49,300	49,400	2251	1752	2433	1875
49,400	49,500	2258	1755	2439	1882
49,500	49,600	2264	1759	2446	1889
49,600	49,700	2271	1763	2453	1896
49,700	49,800	2278	1766	2460	1903
49,800	49,900	2285	1770	2467	1909
49,900	50,000	2292	1773	2473	1916

If Taxable Income is –		And your filing status is –			
At Least	But Less Than	Single	Married filing jointly*	Married filing separately**	Head of household
		Then your VT Tax is –			

50,000					
50,000	50,100	2298	1777	2480	1923
50,100	50,200	2305	1780	2487	1930
50,200	50,300	2312	1784	2494	1937
50,300	50,400	2319	1787	2501	1943
50,400	50,500	2326	1791	2507	1950
50,500	50,600	2332	1795	2514	1957
50,600	50,700	2339	1798	2521	1964
50,700	50,800	2346	1802	2528	1971
50,800	50,900	2353	1805	2535	1977
50,900	51,000	2360	1809	2541	1984

51,000					
51,000	51,100	2366	1812	2548	1991
51,100	51,200	2373	1816	2555	1998
51,200	51,300	2380	1819	2562	2005
51,300	51,400	2387	1823	2569	2011
51,400	51,500	2394	1826	2575	2018
51,500	51,600	2400	1830	2582	2025
51,600	51,700	2407	1834	2589	2032
51,700	51,800	2414	1837	2596	2039
51,800	51,900	2421	1841	2603	2045
51,900	52,000	2428	1844	2609	2052

52,000					
52,000	52,100	2434	1848	2616	2059
52,100	52,200	2441	1851	2623	2066
52,200	52,300	2448	1855	2630	2073
52,300	52,400	2455	1858	2637	2079
52,400	52,500	2462	1862	2643	2086
52,500	52,600	2468	1866	2650	2093
52,600	52,700	2475	1869	2657	2100
52,700	52,800	2482	1873	2664	2107
52,800	52,900	2489	1876	2671	2113
52,900	53,000	2496	1880	2677	2120

53,000					
53,000	53,100	2502	1883	2684	2127
53,100	53,200	2509	1887	2691	2134
53,200	53,300	2516	1890	2698	2141
53,300	53,400	2523	1894	2705	2147
53,400	53,500	2530	1897	2711	2154
53,500	53,600	2536	1901	2718	2161
53,600	53,700	2543	1905	2725	2168
53,700	53,800	2550	1908	2732	2175
53,800	53,900	2557	1912	2739	2181
53,900	54,000	2564	1915	2745	2188

54,000					
54,000	54,100	2570	1919	2752	2195
54,100	54,200	2577	1922	2759	2202
54,200	54,300	2584	1926	2766	2209
54,300	54,400	2591	1929	2773	2215
54,400	54,500	2598	1933	2779	2222
54,500	54,600	2604	1937	2786	2229
54,600	54,700	2611	1940	2793	2236
54,700	54,800	2618	1944	2800	2243
54,800	54,900	2625	1947	2807	2249
54,900	55,000	2632	1951	2813	2256

If Taxable Income is –		And your filing status is –			
At Least	But Less Than	Single	Married filing jointly*	Married filing separately**	Head of household
		Then your VT Tax is –			

55,000					
55,000	55,100	2638	1954	2820	2263
55,100	55,200	2645	1958	2827	2270
55,200	55,300	2652	1961	2834	2277
55,300	55,400	2659	1965	2841	2283
55,400	55,500	2666	1968	2847	2290
55,500	55,600	2672	1972	2854	2297
55,600	55,700	2679	1976	2861	2304
55,700	55,800	2686	1979	2868	2311
55,800	55,900	2693	1983	2875	2317
55,900	56,000	2700	1986	2881	2324

56,000					
56,000	56,100	2706	1990	2888	2331
56,100	56,200	2713	1993	2895	2338
56,200	56,300	2720	1997	2902	2345
56,300	56,400	2727	2000	2909	2351
56,400	56,500	2734	2004	2915	2358
56,500	56,600	2740	2008	2922	2365
56,600	56,700	2747	2011	2929	2372
56,700	56,800	2754	2015	2936	2379
56,800	56,900	2761	2019	2943	2385
56,900	57,000	2768	2026	2949	2392

57,000					
57,000	57,100	2774	2033	2956	2399
57,100	57,200	2781	2040	2963	2406
57,200	57,300	2788	2047	2970	2413
57,300	57,400	2795	2053	2977	2419
57,400	57,500	2802	2060	2983	2426
57,500	57,600	2808	2067	2990	2433
57,600	57,700	2815	2074	2997	2440
57,700	57,800	2822	2081	3004	2447
57,800	57,900	2829	2087	3011	2453
57,900	58,000	2836	2094	3017	2460

58,000					
58,000	58,100	2842	2101	3024	2467
58,100	58,200	2849	2108	3031	2474
58,200	58,300	2856	2115	3038	2481
58,300	58,400	2863	2121	3045	2487
58,400	58,500	2870	2128	3051	2494
58,500	58,600	2876	2135	3058	2501
58,600	58,700	2883	2142	3065	2508
58,700	58,800	2890	2149	3072	2515
58,800	58,900	2897	2155	3079	2521
58,900	59,000	2904	2162	3085	2528

59,000					
59,000	59,100	2910	2169	3092	2535
59,100	59,200	2917	2176	3099	2542
59,200	59,300	2924	2183	3106	2549
59,300	59,400	2931	2189	3113	2555
59,400	59,500	2938	2196	3119	2562
59,500	59,600	2944	2203	3126	2569
59,600	59,700	2951	2210	3133	2576
59,700	59,800	2958	2217	3140	2583
59,800	59,900	2965	2223	3147	2589
59,900	60,000	2972	2230	3153	2596

\* This column also applies to qualifying widow(er) and civil union filing jointly status

\*\* This column also applies to civil union filing separately status

If Taxable Income is –		And your filing status is –				If Taxable Income is –		And your filing status is –				If Taxable Income is –		And your filing status is –				
At Least	But Less Than	Single	Married filing jointly*	Married filing separately**	Head of household	At Least	But Less Than	Single	Married filing jointly*	Married filing separately**	Head of household	At Least	But Less Than	Single	Married filing jointly*	Married filing separately**	Head of household	
		Then your VT Tax is –						Then your VT Tax is –						Then your VT Tax is –				
<b>60,000</b>																		
60,000	60,100	2978	2237	3160	2603	65,000	65,100	3318	2577	3500	2943	70,000	70,100	3658	2917	3854	3283	
60,100	60,200	2985	2244	3167	2610	65,100	65,200	3325	2584	3507	2950	70,100	70,200	3665	2924	3862	3290	
60,200	60,300	2992	2251	3174	2617	65,200	65,300	3332	2591	3514	2957	70,200	70,300	3672	2931	3870	3297	
60,300	60,400	2999	2257	3181	2623	65,300	65,400	3339	2597	3521	2963	70,300	70,400	3679	2937	3878	3303	
60,400	60,500	3006	2264	3187	2630	65,400	65,500	3346	2604	3527	2970	70,400	70,500	3686	2944	3885	3310	
60,500	60,600	3012	2271	3194	2637	65,500	65,600	3352	2611	3534	2977	70,500	70,600	3692	2951	3893	3317	
60,600	60,700	3019	2278	3201	2644	65,600	65,700	3359	2618	3541	2984	70,600	70,700	3699	2958	3901	3324	
60,700	60,800	3026	2285	3208	2651	65,700	65,800	3366	2625	3548	2991	70,700	70,800	3706	2965	3909	3331	
60,800	60,900	3033	2291	3215	2657	65,800	65,900	3373	2631	3555	2997	70,800	70,900	3713	2971	3917	3337	
60,900	61,000	3040	2298	3221	2664	65,900	66,000	3380	2638	3561	3004	70,900	71,000	3720	2978	3924	3344	
<b>61,000</b>																		
61,000	61,100	3046	2305	3228	2671	66,000	66,100	3386	2645	3568	3011	71,000	71,100	3726	2985	3932	3351	
61,100	61,200	3053	2312	3235	2678	66,100	66,200	3393	2652	3575	3018	71,100	71,200	3733	2992	3940	3358	
61,200	61,300	3060	2319	3242	2685	66,200	66,300	3400	2659	3582	3025	71,200	71,300	3740	2999	3948	3365	
61,300	61,400	3067	2325	3249	2691	66,300	66,400	3407	2665	3589	3031	71,300	71,400	3747	3005	3956	3371	
61,400	61,500	3074	2332	3255	2698	66,400	66,500	3414	2672	3595	3038	71,400	71,500	3754	3012	3963	3378	
61,500	61,600	3080	2339	3262	2705	66,500	66,600	3420	2679	3602	3045	71,500	71,600	3760	3019	3971	3385	
61,600	61,700	3087	2346	3269	2712	66,600	66,700	3427	2686	3609	3052	71,600	71,700	3767	3026	3979	3392	
61,700	61,800	3094	2353	3276	2719	66,700	66,800	3434	2693	3616	3059	71,700	71,800	3774	3033	3987	3399	
61,800	61,900	3101	2359	3283	2725	66,800	66,900	3441	2699	3623	3065	71,800	71,900	3781	3039	3995	3405	
61,900	62,000	3108	2366	3289	2732	66,900	67,000	3448	2706	3629	3072	71,900	72,000	3788	3046	4002	3412	
<b>62,000</b>																		
62,000	62,100	3114	2373	3296	2739	67,000	67,100	3454	2713	3636	3079	72,000	72,100	3794	3053	4010	3419	
62,100	62,200	3121	2380	3303	2746	67,100	67,200	3461	2720	3643	3086	72,100	72,200	3801	3060	4018	3426	
62,200	62,300	3128	2387	3310	2753	67,200	67,300	3468	2727	3650	3093	72,200	72,300	3808	3067	4026	3433	
62,300	62,400	3135	2393	3317	2759	67,300	67,400	3475	2733	3657	3099	72,300	72,400	3815	3073	4034	3439	
62,400	62,500	3142	2400	3323	2766	67,400	67,500	3482	2740	3663	3106	72,400	72,500	3822	3080	4041	3446	
62,500	62,600	3148	2407	3330	2773	67,500	67,600	3488	2747	3670	3113	72,500	72,600	3828	3087	4049	3453	
62,600	62,700	3155	2414	3337	2780	67,600	67,700	3495	2754	3677	3120	72,600	72,700	3835	3094	4057	3460	
62,700	62,800	3162	2421	3344	2787	67,700	67,800	3502	2761	3684	3127	72,700	72,800	3842	3101	4065	3467	
62,800	62,900	3169	2427	3351	2793	67,800	67,900	3509	2767	3691	3133	72,800	72,900	3849	3107	4073	3473	
62,900	63,000	3176	2434	3357	2800	67,900	68,000	3516	2774	3697	3140	72,900	73,000	3856	3114	4080	3480	
<b>63,000</b>																		
63,000	63,100	3182	2441	3364	2807	68,000	68,100	3522	2781	3704	3147	73,000	73,100	3862	3121	4088	3487	
63,100	63,200	3189	2448	3371	2814	68,100	68,200	3529	2788	3711	3154	73,100	73,200	3869	3128	4096	3494	
63,200	63,300	3196	2455	3378	2821	68,200	68,300	3536	2795	3718	3161	73,200	73,300	3876	3135	4104	3501	
63,300	63,400	3203	2461	3385	2827	68,300	68,400	3543	2801	3725	3167	73,300	73,400	3883	3141	4112	3507	
63,400	63,500	3210	2468	3391	2834	68,400	68,500	3550	2808	3731	3174	73,400	73,500	3890	3148	4119	3514	
63,500	63,600	3216	2475	3398	2841	68,500	68,600	3556	2815	3738	3181	73,500	73,600	3896	3155	4127	3521	
63,600	63,700	3223	2482	3405	2848	68,600	68,700	3563	2822	3745	3188	73,600	73,700	3903	3162	4135	3528	
63,700	63,800	3230	2489	3412	2855	68,700	68,800	3570	2829	3753	3195	73,700	73,800	3910	3169	4143	3535	
63,800	63,900	3237	2495	3419	2861	68,800	68,900	3577	2835	3761	3201	73,800	73,900	3917	3175	4151	3541	
63,900	64,000	3244	2502	3425	2868	68,900	69,000	3584	2842	3768	3208	73,900	74,000	3924	3182	4158	3548	
<b>64,000</b>																		
64,000	64,100	3250	2509	3432	2875	69,000	69,100	3590	2849	3776	3215	74,000	74,100	3930	3189	4166	3555	
64,100	64,200	3257	2516	3439	2882	69,100	69,200	3597	2856	3784	3222	74,100	74,200	3937	3196	4174	3562	
64,200	64,300	3264	2523	3446	2889	69,200	69,300	3604	2863	3792	3229	74,200	74,300	3944	3203	4182	3569	
64,300	64,400	3271	2529	3453	2895	69,300	69,400	3611	2869	3800	3235	74,300	74,400	3951	3209	4190	3575	
64,400	64,500	3278	2536	3459	2902	69,400	69,500	3618	2876	3807	3242	74,400	74,500	3958	3216	4197	3582	
64,500	64,600	3284	2543	3466	2909	69,500	69,600	3624	2883	3815	3249	74,500	74,600	3964	3223	4205	3589	
64,600	64,700	3291	2550	3473	2916	69,600	69,700	3631	2890	3823	3256	74,600	74,700	3971	3230	4213	3596	
64,700	64,800	3298	2557	3480	2923	69,700	69,800	3638	2897	3831	3263	74,700	74,800	3978	3237	4221	3603	
64,800	64,900	3305	2563	3487	2929	69,800	69,900	3645	2903	3839	3269	74,800	74,900	3985	3243	4229	3609	
64,900	65,000	3312	2570	3493	2936	69,900	70,000	3652	2910	3846	3276	74,900	75,000	3992	3250	4236	3616	

If your taxable income is \$75,000 or more, please go to the tax rate schedules.

\* This column also applies to qualifying widow(er) and civil union filing jointly status

\*\* This column also applies to civil union filing separately status

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