

Be on Guard against Identity Theft and Tax Scams

Identity theft, tax refund fraud, and similar tax scams continue to target taxpayers in Vermont. Taxpayers have reported emails and phone calls from people posing as employees of the Internal Revenue Service (IRS) and the Vermont Department of Taxes. Some scammers are clever enough to pose as their victims' tax preparers to obtain private information. A common ploy scammers use is to falsely claim taxes are owed and demand immediate payment using threats and bullying. Scammers often target the elderly using these tactics.

How to protect yourself from becoming a victim

- Never give out personal information unless you are sure of the identity of the person requesting it.
- If you suspect that an email or phone call is fraudulent, do not engage in conversation. Contact the Department at 802-828-2865 or 1-866-828-2865 (toll-free) to verify an email or phone call.

How to report fraud

- Report suspected fraud immediately to the Vermont Department of Taxes and the IRS. Information about how to report fraud is available on the Department website at www.bit.ly/idthftfraud.
- Suspected fraud also should be reported to the Vermont Attorney General's Consumer Assistance Program at 1-800-649-2424 (toll-free).

Online Options for Filers at www.myVTax.vermont.gov

You Can Do More Online through myVTax, no logon required!

- File extensions for personal income tax
- File Renter Rebate Claim (Form PR-141)
- Complete and submit Landlord's Certificate (Form LC-142)
- File the Homestead Declaration and Property Tax Adjustment (Form HS-122)
- View account status and balances
- Set up third party access for your tax preparer
- Respond to correspondence
- Access "Where's My Refund?" service to view information on your return and refund status
- Check your estimated payments and carryforwards
- Make payments via ACH Debit electronic payments for personal income tax
- File and pay Property Transfer Tax
- Enter into a payment plan

Please note: To e-file your IN-111 and associated schedules, you must use a commercial software vendor. If you are eligible, you may file for free using one of Vermont's Free File vendors. For eligibility guidelines, visit <http://tax.vermont.gov/individuals/free-file>.

General Instructions

Requirement to File a Vermont Income Tax Return

A 2017 Vermont Income Tax Return must be filed by a full-year or a part-year Vermont resident or a nonresident if you are required to file a 2017 federal income tax return, **AND**

- You earned or received more than \$100 in Vermont income,
- OR**
- You earned or received gross income of more than \$1,000 as a nonresident. Read Vermont law at 32 V.S.A. § 5861 and § 5823(b) for information on sources of income.

Visit our website for more information.

Due Date

The 2017 Vermont Income Tax Return must be filed by April 17, 2018.

Timely Filing

Tax returns mailed through the U.S. Post Office are considered to be submitted on time if we receive them at the Department **within three business days after the due date**. Electronic filings transmitted on the due date are on time if the Department receives them by midnight of the due date. If you bring the return to the Department, you must deliver it on or before the due date to be on time.

Late Filing Penalty and Interest after the April Due Date

You are allowed to file a Vermont income tax return up to 60 days after April 17, 2018, even if you have not filed an extension of time to file. However, if you file the return on the 61st day after the due date or later, the Department will assess a \$50 late file penalty. Late payment penalty and interest accrue after the due date.

Filing an Extension for the Vermont Income Tax Return

To receive a six-month extension of time to file your 2017 Income Tax Return, file Form IN-151, Application for Extension of Time to File Form IN-111, on or before the due date. An extension only allows additional time to file your income tax return. It does not extend the due date for your tax payment. Interest and penalty accrue on any tax due from April 18 to the date the Department receives your payment of tax. Extensions can be filed online at www.myVTax.vermont.gov.

Due dates: Extension requests must be filed by April 17, 2018.

Extended returns must be filed by Oct. 15, 2018.

Late Filing Penalty and Interest after the Extended Due Date

If you have filed an extension but do not file by the Oct. 15, 2018, extended due date, we will charge a \$50 late file penalty. Late payment penalty and interest accrue after the April due date. **NOTE:** The late filing 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.

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. The credit or benefit cannot be processed until the Department receives the missing document(s) or information.

Forms That Cannot Be Processed

If your filing is not acceptable for processing, the Department may return your paper forms to you and you must submit them again. The date you resubmit the forms becomes the filing date of your return. The Department may also transfer your filing information onto acceptable forms. We may assess a \$25 processing fee to partially cover the cost of transferring the information. Examples of unacceptable filings include the following: forms marked “draft” or “do not file,” forms not pre-approved by the Department, photocopies of forms, reduced or enlarged forms, faxed forms, forms not written in blue or black ink, or forms generated from different sources.

Homestead Declaration

Under Vermont law, every Vermont resident whose property meets the definition of a “homestead” must file a Homestead Declaration. A homestead is the principal dwelling and parcel of land surrounding the dwelling. It is your responsibility as the property owner to claim the property as a homestead if you meet, or expect to meet, the following requirements: **1)** you are a Vermont resident, and **2)** you own and occupy a homestead as your domicile as of April 1, 2018. **NOTE:** If you meet these requirements, except that your homestead is leased to a tenant on April 1, 2018, you may still claim it as a homestead if it is not leased for more than 182 days in the calendar year. For definitions of “domicile,” “resident,” and “nonresident,” see our website.

Due date: The Homestead Declaration must be filed by April 17, 2018.

Use Whole Dollars

Round entries to the nearest whole dollar. The cents are preprinted with zeroes.

Use Only Blue or Black Ink on Paper Forms

If you are completing a paper form, use only blue or black ink. Please print legibly. If the Department cannot read your forms, we may send them back to you. Then, you must resubmit properly completed, legible returns. See “Forms That Cannot Be Processed” below for more information.

Property Tax Adjustment Claim

Vermont homeowners may be eligible for a credit against their 2018/2019 Vermont property tax. The 2018 property tax adjustment is based on 2017 household income and 2017/2018 property tax. A homeowner may be eligible for an adjustment if **all four** of the following requirements are met:

1. Filed a valid Homestead Declaration
2. Domiciled in Vermont all of calendar year 2017
3. Not claimed as a dependent by another taxpayer for tax year 2017
4. Had household income in 2017 up to \$147,500 (Determine household income by completing Schedule HI-144.)

Due date: The Property Tax Adjustment Claim must be filed by April 17, 2018.

Renter Rebate Claim

Vermont renters may be eligible for a rebate based on the portion of rent paid that exceeds an established percentage of household income. A renter may be eligible for a rebate if **all five** of the following requirements are met:

1. Domiciled in Vermont for the entire calendar year 2017
2. Not claimed in 2017 as a dependent of another taxpayer
3. Is the only person in the household making a Renter Rebate claim
4. Rented in Vermont for all 12 months in 2017. (See Schedule HI-144 "Special Instructions" for the only exception.)
5. Had household income in 2017 of \$47,000 or less (Determine household income by completing Schedule HI-144.)

Due date: The Renter Rebate Claim must be filed by April 17, 2018.

Frequently Asked Questions

I received a request for more information. Did I do something wrong?

We may ask you to supply additional information to explain items on your Vermont income tax return. A request for more information does not necessarily mean that you filed improperly or that you have been selected for an audit. This type of request is a routine part of processing. **It is important that you respond promptly with the requested information.** Your return cannot be processed until the Department receives the information. You can submit the requested information at www.myVTax.vermont.gov.

Can my refund be taken to pay another debt?

Your income tax refund will be taken to pay a bill that you or your spouse/civil union partner owe to the Vermont Department of Taxes and/or other government agencies such as the Internal Revenue Service, Office of Child Support, Department of Corrections, Vermont courts, student loan agencies, Vermont state colleges, and tax agencies of other states. This is known as an "offset." We will notify you if your refund is used as an offset to pay outstanding debt.

Am I responsible for a tax debt owed by my spouse/civil union partner?

If you file a joint return with your spouse/civil union partner and believe tax debt owed by your spouse/civil union partner may reduce your portion of the refund, you may file an "injured spouse" claim. Visit www.bit.ly/injuredspouse for more information.

To make an injured spouse claim, please send the following four documents **before you file your return**:

1. A letter with details of your claim
2. Copy of federal Form 8379 (if you filed one with the IRS)
3. Copy of federal Schedules C and SE
4. Form 1099G for unemployment

Mail to: ATTN: Injured Spouse Unit
Vermont Department of Taxes
PO Box 1645
Montpelier, VT 05601-1645

I cannot pay my tax debt due to financial difficulties. What can I do?

If you cannot pay your entire Vermont income tax due, file your return on time and pay as much as you can. Then immediately write to the Department to apply for a payment plan. Send your request separately to:

ATTN: Compliance
Vermont Department of Taxes
PO Box 429
Montpelier, VT 05601-0429

Do not include your written request with your return.

We may ask you for financial information to determine the appropriate payment plan. Without a payment plan, unpaid income tax will result in collection action which may include the imposition of liens, court action, wage garnishment, bank levies, revocation of your business and/or professional license(s), imposition of a bond on your authority to do business, and the assignment of your debt to a private collection agency.

How do I claim a refund on my Vermont withholding or estimated tax payments?

You must file a Vermont Income Tax Return to claim a refund of Vermont withholding or estimated tax payments. You have up to three years from the due date of the return, including extensions, to file a claim for overpayment of tax due.

How do I correct a mistake or add information to my Vermont Income Tax Return?

You are required to file an amended Vermont return within 60 days of the following: **1)** you become aware of a change to your Vermont income; **2)** you file an amended return with the IRS; or **3)** you receive a notice of change from the IRS. A late filing penalty will be assessed if the amended Vermont return is not filed within the 60 days. Check the “AMENDED” box on Form IN-111, Section 1, when filing an amended return for the applicable tax year.

NOTE: If you filed a Property Tax Adjustment Claim or Renter Rebate Claim, you must also amend your income on Schedule HI-144, Household Income, which you should have submitted with your claim.

Income Tax Form Instructions

FORM IN-111 Vermont Income Tax

Section 1 Taxpayer Information **REQUIRED** entries.

Print your information in **blue or black ink** on all forms and schedules being filed. For best results, file electronically or complete the fillable PDF available on our website. If filing jointly, you must enter the name and Social Security Number of your spouse/civil union partner.

Mailing Address

Use the address where you receive mail from the United States Post Office. If you move after you submit your income tax return, see our website to learn how to change your mailing address.

Driver’s License Number

The Vermont Department of Taxes is now requesting your driver’s license information – number and state – as another way to verify your identification and fight identity theft. This will help us process your return and, if applicable, your refund. If you do not have a driver’s license, you may leave it blank.

Recomputed Federal Return

Check this box if the information for federal line references is from a recomputed federal return.

Deceased Taxpayer

Check the applicable box if the taxpayer or spouse/civil union partner died during 2017. Administrator or Executor: To claim an income tax refund on behalf of the deceased, attach the court certificate showing your appointment as administrator or executor and a copy of completed federal Form 1310. Vermont 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 **Vermont School District Code: REQUIRED entry.** School district codes are published in the instructions, or you may find them on our website.

- **Vermont residents:** Use the 3-digit school district code for your residence on Dec. 31, 2017.
- **Nonresidents:** Enter 999 as your school district code.

Line 2 Enter your 911 physical street address as of Dec. 31, 2017. We need your physical address, not your mailing address.

Section 2 Tax Filing Information

Filing Status **REQUIRED** entry.

Check the box to show your Vermont filing status. When filing separately, check the applicable Box 8a or 8b and enter the Social Security Number of your spouse/civil union partner. The Vermont filing status must be the same as your federal filing status **except in the following two situations where federal information may be recomputed for Vermont purposes:**

1. Civil Union (available to same sex couples holding valid civil union certificates): **Recomputed federal income tax information required.**
2. Only one spouse has sufficient nexus to Vermont subject to Vermont’s tax jurisdiction: **Recomputed federal income tax information may be used.** Read Technical Bulletin 55 on our website. If you choose to file your Vermont Income Tax Return as “Married Filing 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 is available by completing Schedule IN-117.

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

Section 3 Taxable Income

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

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

NOTE: If you have an entry on IN-111 for Lines 12a, 12b, or 12c, calculate the actual Federal Taxable Income loss. **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-Vermont State and Local Obligations from Schedule IN-112, Part I, Line 3.

Line 12b Federal Bonus Depreciation Vermont does not recognize the bonus depreciation allowed under federal law. 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 2017. Read Technical Bulletin 44 on our website for information on calculating the amount to add back to taxable income.

If you file a federal Form 1040, Schedule A, for 2017, you are required to complete and submit Schedule IN-155.

Line 12c Addback of Itemized Deductions Enter amount from Schedule IN-155, Line 11.

Line 13 Federal Taxable Income with Additions
Add Lines 11, 12a, 12b, and 12c and enter result. To indicate 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 Vermont tax under the laws of the United States. Enter the amount of interest income from U.S. Obligations on this line. Read Technical Bulletin 24 on our website.

Line 14b Capital Gains Exclusion See Schedule IN-153 and instructions to calculate the capital gains exclusion for 2017. Read Department regulation § 1.5811(21)(B)(ii) and Technical Bulletin 60 on our website to help determine your capital gain exclusion. Complete and submit Schedule IN-153.

Line 14c Adjustment for Bonus Depreciation on Prior Year 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, read Technical Bulletin 44 on our website.

Line 14d Taxable refunds of state and local income taxes Enter the amount from your federal Form 1040, Line 10. Skip if you do not file a federal Form 1040.

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

Line 15 Vermont Taxable Income Subtract Line 14e from Line 13 and enter amount. If Line 14e is more than Line 13, enter -0-.

Section 4 Vermont Income Tax

Line 16 Vermont Income Tax Taxpayers who have a federal adjusted gross income (AGI) greater than \$150,000 must pay a minimum Vermont tax of 3% of federal AGI. If your federal AGI, Line 10, is greater than \$150,000, enter the amount that is higher: **1)** 3% of your federal AGI less interest from U.S. obligations, **or 2)** tax calculated on Vermont Taxable Income, Line 15, using the applicable tax table or rate schedule.
If your federal AGI, Line 10, is less than or equal to \$150,000, calculate your Vermont tax on Vermont Taxable Income, Line 15, using the applicable tax table or rate schedule and enter the result.

Line 17 Additions to Vermont Income Tax Complete and submit Vermont Schedule IN-112, Part II, to report:

- Recapture of a Vermont tax credit

OR

- 24% of additional federal tax on the following:
 - Qualified Retirement Plan distributions including IRA, HSA & MSA
 - Recapture of federal Investment Tax Credit
 - Lump-sum Distribution from federal Form 4972
-

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

Line 19 Subtractions from Vermont Income Tax Complete and submit Vermont Schedule IN-112, Part II, to claim:

- Credit for Child and Dependent Care Expenses (See Section 7 for Low-Income Child and Dependent Care Credit.)
- Credit for the Elderly or the Disabled
- Investment Tax Credit (as defined in IRC Section 46) for Vermont-based portion only
- Farm Income Averaging Credit

Line 20 Vermont Income Tax Subtract Line 19 from Line 18 and enter result. If Line 19 is more than Line 18, leave this line blank.

Line 21 Income Adjustment Enter 100% or complete and submit Schedule IN-113 and enter percent from Line 39.

Line 22 Adjusted Vermont Income Tax Multiply Line 20 by the percentage on Line 21. If Line 21 is 100%, Line 22 will be the same as Line 20.

Section 5 Credits and Use Tax

Line 23 Credit for Income Tax Paid To Other State or Canadian Province (For full-year and some part-year residents) Complete and submit Schedule IN-117 and enter the amount from the schedule here.

Line 24 Vermont Tax Credits Complete and submit Schedule IN-112, Part IV, and/or Schedule IN-119. Enter the amount from the applicable schedule here.

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

USE TAX WORKSHEET

Did you buy taxable items without paying Vermont Sales Tax? This includes orders over the internet, by mail, or by phone on which you did not pay Vermont Sales Tax. This also includes out-of-state purchases on which you paid tax at a rate less than 6%.

- Yes, but I did not keep accurate records.** Go to Part 1.
- Yes, and I kept accurate records.** Go to Part 2.
- No.** Skip to Part 4.

All of the following questions relate only to the type of purchases described above, where Vermont Sales Tax was not charged.

Part 1 If you did not keep accurate records

- 1a.** Enter the amount of use tax from the Estimated Use Tax Table below that corresponds to your Adjusted Gross Income from Form IN-111, Line 10 **1a.** _____
- 1b.** Did you make purchase(s) of \$1,000 or more per item?
- Yes.** Go to Part 3.
 - No.** Enter Line 1a amount onto Form IN-111, Line 27 and skip the remainder of this worksheet.

Estimated Use Tax Table

Adjusted Gross Income	Use Tax is:	Adjusted Gross Income	Use Tax is:	Adjusted Gross Income	Use Tax is:
Up to \$10,000	.....\$5	\$40,001 - \$50,000	.....\$40	\$80,001 - \$90,000	.....\$80
\$10,001 - \$20,000	.....\$10	\$50,001 - \$60,000	.....\$50	\$90,001 - \$100,000	.....\$90
\$20,001 - \$30,000	.....\$20	\$60,001 - \$70,000	.....\$60	\$100,001 and over	..... 0.1% (0.001) of AGI
\$30,001 - \$40,000	.....\$30	\$70,001 - \$80,000	.....\$70		or \$500, whichever is less.

Part 2 If you did keep accurate records

- 2a.** Enter the total amount of all purchases of items **under \$1,000** each **2a.** _____
- 2b.** Multiply Line 2a by 6% (0.06). Enter the amount here. **2b.** _____

Part 3 Total Use Tax due

- 3a.** Enter the total amount of all purchases of items **\$1,000 or more** each item **3a.** _____
- 3b.** Multiply Line 3a by 6% (0.06). Enter the amount here. **3b.** _____
- 3c.** Add Line 3b to either Line 1a or Line 2b (the line with a value entered). **3c.** _____
- 3d.** Enter the amount of sales tax paid to another state for the purchases on Lines 2a and 3a, if any. **3d.** _____
- 3e.** Line 3c minus Line 3d. Enter here and on Form IN-111, Line 27. **3e.** _____

Part 4 Certification of No Use Tax Due

You do not owe use tax if: **1)** you did not make any taxable purchases by internet, mail-order, over the phone, or out of state, or **2)** you made purchases using any of these methods but paid at least 6% sales tax at the time of purchase on all of them.

If one of the situations above is true, check the box below Line 27 and enter -0- on that line. The failure to pay use tax may result in the assessment of penalties of up to 100% of the unreported tax and interest.

Line 26 **Vermont Income Tax After Credits** Subtract Line 25 from Line 22. If Line 25 is more than Line 22, leave this line blank.

Line 27 **Use Tax on Out-of-State and Internet Purchases**
Online, Phone, and Out-of-State Purchases Complete this Use Tax Worksheet to calculate the amount to report on Line 27. Do not leave Line 27 blank.

What is Use Tax?

When a seller does not charge the buyer Vermont Sales Tax on an item taxable in Vermont, the buyer must pay Vermont Use Tax. Nontaxable items such as food and clothing are excluded. Taxable items sold over the internet, by mail-order, by phone, or bought out-of-state and used in Vermont generally qualify. Use tax applies whether you are resident or nonresident. The use tax rate is the same as the sales tax rate: 6%.

If you didn't keep records of qualifying purchases, Vermont offers an option for estimating them in Part 1. If you did keep records, you should use Part 2. The total for any purchases that cost over \$1,000 each needs to be reported on line 3a.

Please note: Act 73 of 2017 requires vendors to report certain transactions on which no sales tax was paid to the Department of Taxes. Included in these reports is buyer information which will be used in compliance efforts.

Note: Businesses must report use tax on Form SUT-451, Sales and Use Tax Return, or on Form SU-452, Use Tax Return. Individuals may also use Form SU-452 or use this worksheet. Do not include purchases already reported on those forms on this worksheet.

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

Section 6 Voluntary Contributions

Learn more about voluntary contributions to these organizations in Vermont at the beginning of the instructions.

Line 29
29a. **Vermont Veterans Fund**
29b. **Green Up Vermont**
29c. **Nongame Wildlife Fund**
29d. **Children's Trust Fund**

Line 30 Total of Vermont Taxes and Voluntary Contributions. Add Lines 28 & 29e.

Section 7 Payments and Credits

Line 31a **From W-2, 1099, etc., Statements of Vermont Income Tax Withheld** Enter the amount of Vermont 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 attach the payment statement(s) will delay processing of your return or you may not receive credit for the withholding against your Vermont 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, Estimated Income Tax Payments for Nonresident Shareholders, Partners or Members.

Line 31b **From Forms IN-114 or IN-151 2017 Estimated Tax or Extension Payments** Enter the amount of 2017 Vermont estimated income taxes you paid, the amount paid with Form IN-151, Extension of Time to File the 2017 return, and any 2016 Vermont refund credited towards your 2017 taxes. Go to www.myvtax.vermont.gov to obtain the 2017 tax payments the Department has on record for you.
NOTE: Nonresident partners, members or shareholders, use Line 31f for estimated taxes paid on your behalf by a business entity on Form WH-435, Estimated Income Tax Payments for Nonresident Shareholders, Partners or Members. For tax withheld on real estate transactions, use Line 31e.

Line 31c **Vermont Earned Income Tax Credit (for full-year and part-year Vermont residents)** Enter the amount from Schedule IN-112, Part III. Attach the completed Schedule IN-112 to Form IN-111.

Line 31d **Renter Rebate (for full-year Vermont residents)** If you are filing the Renter Rebate Claim with the income tax return, enter the renter rebate amount from Form PR-141, Line 9.

Line 31e **From Form RW-171, Vermont Real Estate Withholding** If you sold real estate in Vermont during 2017 and the buyer withheld Vermont income tax from the sales price, enter the amount withheld shown on Form RW-171, Vermont Withholding Tax Return for Transfer of Real Property, Schedule A, Line 12. Do not enter this amount on Line 31a or 31b. For information on installment sales, read Technical Bulletin 10 on our website.

Line 31f **From Form WH-435, Estimated Payments Made on Your Behalf by a Business Entity** Nonresidents enter the estimated income tax payments made on your behalf by a partnership, limited liability company, or S Corporation toward your 2017 Vermont income tax. The entity would have made these payments on Form WH-435, Estimated Income Tax Payments for Nonresident Shareholders, Partners or Members. Read Technical Bulletin 6 on our website. Do not enter this amount on Line 31a or 31b.

Line 31g Low Income Child & Dependent Care Credit (Vermont residents only)

If care expenses are from both accredited and non-accredited providers, complete the worksheet to calculate the credit.

Eligible taxpayers receive 50% of the federal Child and Dependent Care Credit as a refundable Vermont income tax credit instead of the non-refundable 24% credit from Schedule IN-112. Taxpayers must meet the following requirements:

- Your income must be either:
 - 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, Qualifying Widow(er)
- Care in 2017 must be provided by a home or facility located in Vermont accredited by the Vermont Agency of Human Services. Include a copy of your federal Form 2441. To determine if your care provider is accredited, go to our website or call the Department of Children and Families at 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 49; 1040A, Line 31) 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.

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 the result here. You may apply all or a portion of the overpayment towards your 2018 estimated payment or your Vermont homestead property tax bill.

Line 33a Credit to 2018 Estimated Tax Payment Enter the amount of your refund from Line 32 you want credited toward your 2018 income tax. Your income refund will be reduced by this amount.

Line 33b Credit to 2018 Homestead Property Tax Bill If your property is a declared homestead and you filed the 2017 income tax return on or before Oct. 15, 2018, you may choose to use all or part of your income tax refund to pay your homestead property tax bill. Your refund will be reduced by this amount. The state will include an additional 1% to the refund credited to your property taxes. For details of this credit, read "State Property Tax Incentive" in Vermont law at 32 V.S.A. § 6066(h).

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. **Direct deposit is available for most electronically filed returns.**

NOTE: If you owe taxes or a debt to another state agency, all or part of the refund may be taken to pay the bill.

Section 9 Amount You Owe

Line 35 If Line 30 is more than Line 31h, subtract Line 31h from Line 30 and enter the result.

Line 36 Interest and Penalty on Underpayment of or Failure to Make Estimated Tax Payments Paying underpayment charges at the time of filing may reduce the amount that will 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 underpayment, interest, and penalty will be deducted. Estimated tax payments must either be: **1)** equal to 100% of last year's tax liability **OR 2)** 90% of this year's tax liability. If tax liability due, less withholding, is less than \$500, you will not be subject to penalty or interest charges. In order to avoid underpayment of estimated tax, see instructions on Form IN-114, Individual Income Estimated Tax Payment Voucher.

Line 37 Total Add Lines 35 and 36. Enter the amount. This is the amount you owe. Electronic payment options available at www.myvtax.vermont.gov:
- ACH debit (no fee)
- Credit card (3% service fee applies)
You may also pay by check or money order payable to the Vermont Department of Taxes

For information on payment plans, see "Financial Difficulties" in the General Instructions section.

Section 10 Signatures

Signature(s) **REQUIRED entry.** Sign the return in the space provided. If filing your return jointly, both filers must sign.

Date Enter the date on which you sign the return.

Date of Birth Enter your date of birth.

Telephone Number Enter the number where you can be reached during the day.

Disclosure Authorization If you wish to give the Department authorization to discuss the information on your 2017 Vermont 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.

FILING THE RETURN

E-file: Go to our website for information on electronic filing. Some taxpayers may be eligible for free electronic filing through Free File.

Paper Filing:

REFUND OR NO TAX DUE

Mail your return to:

Vermont Department of Taxes

PO Box 1881

Montpelier, VT 05601-1881

BALANCE DUE

Attach your check to the lower left side of the return and mail to:

Vermont Department of Taxes

PO Box 1779

Montpelier, VT 05601-1779

FOLLOW THE PROCESSING OF YOUR RETURN

You may check the status of your return by visiting www.myvtax.vermont.gov.

VT SCHOOL DISTRICT CODES

Homeowners: For Form IN-111, use the school district code where you owned a home and resided last Dec. 31. For Form HS-122, use the school district code where you own a home and reside on April 1 this year.

Renters: Use the school district code where you rented last Dec. 31. 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
001	ADDISON
002	ALBANY
003	ALBURGH
004	ANDOVER
005	ARLINGTON
006	ATHENS
255	AVERILL
256	AVERY'S GORE
007	BAKERSFIELD
008	BALTIMORE
009	BARNARD
010	BARNET
011	BARRE CITY
012	BARRE TOWN
013	BARTON
014	BELVIDERE
015	BENNINGTON
016	BENSON
017	BERKSHIRE
018	BERLIN
019	BETHEL
020	BLOOMFIELD
021	BOLTON
022	BRADFORD
023	BRAINTREE
024	BRANDON
025	BRATTLEBORO
026	BRIDGEWATER
027	BRIDPORT
028	BRIGHTON
029	BRISTOL
030	BROOKFIELD
031	BROOKLINE
032	BROWNINGTON
033	BRUNSWICK
252	BUEL'S GORE
034	BURKE
035	BURLINGTON
036	CABOT
037	CALAIS
038	CAMBRIDGE
039	CANAAN
040	CASTLETON
041	CAVENDISH
042	CHARLESTON
043	CHARLOTTE
044	CHELSEA
045	CHESTER
046	CHITTENDEN
047	CLARENDON
048	COLCHESTER
049	CONCORD
050	CORINTH
051	CORNWALL
052	COVENTRY
053	CRAFTSBURY
054	DANBY
055	DANVILLE
056	DERBY
057	DORSET
058	DOVER
059	DUMMERSTON
060	DUXBURY
061	EAST HAVEN
062	EAST MONTPELIER
063	EDEN

VT SCHOOL CODE	SCHOOL DISTRICT NAME
064	ELMORE
065	ENOSBURG
066	ESSEX JUNCTION
067	ESSEX TOWN
070	FAIR HAVEN
068	FAIRFAX
069	FAIRFIELD
071	FAIRLEE
072	FAYSTON
257	FERDINAND
073	FERRISBURGH
074	FLETCHER
075	FRANKLIN
076	GEORGIA
258	GLASTENBURY
077	GLOVER
078	GOSHEN
079	GRAFTON
080	GRANBY
081	GRAND ISLE
082	GRANVILLE
083	GREENSBORO
084	GROTON
085	GUILDHALL
086	GUILFORD
087	HALIFAX
088	HANCOCK
089	HARDWICK
090	HARTFORD
091	HARTLAND
092	HIGHGATE
093	HINESBURG
094	HOLLAND
095	HUBBARDTON
096	HUNTINGTON
097	HYDE PARK
098	IRA
099	IRASBURG
100	ISLE LA MOTTE
101	JAMAICA
102	JAY
103	JERICO
253	JERICO ID
104	JOHNSON
185	KILLINGTON
105	KIRBY
106	LANDGROVE
107	LEICESTER
108	LEMINGTON
259	LEWIS
109	LINCOLN
110	LONDONDERRY
111	LOWELL
112	LUDLOW
113	LUNENBURG
114	LYNDON
115	MAIDSTONE
116	MANCHESTER
117	MARLBORO
118	MARSHFIELD
119	MENDON
120	MIDDLEBURY
121	MIDDLESEX
122	MIDDLETOWN SPRINGS
123	MILTON
124	MONKTON

VT SCHOOL CODE	SCHOOL DISTRICT NAME
125	MONTGOMERY
126	MONTPELIER
127	MORETOWN
128	MORGAN
129	MORRISTOWN
130	MOUNT HOLLY
131	MOUNT TABOR
135	NEW HAVEN
132	NEWARK
133	NEWBURY
134	NEWFANE
136	NEWPORT CITY
137	NEWPORT TOWN
138	NORTH BENNINGTON ID
140	NORTH HERO
139	NORTHFIELD
141	NORTON
142	NORWICH
143	ORANGE
144	ORLEANS
145	ORWELL
146	PANTON
147	PAWLET
148	PEACHAM
149	PERU
150	PITTSFIELD
151	PITTSFORD
152	PLAINFIELD
153	PLYMOUTH
154	POMFRET
155	POULTNEY
156	POWNAI
157	PROCTOR
158	PUTNEY
159	RANDOLPH
160	READING
161	READSBORO
162	RICHFORD
163	RICHMOND
164	RIPTON
165	ROCHESTER
166	ROCKINGHAM
167	ROXBURY
168	ROYALTON
169	RUPERT
170	RUTLAND CITY
171	RUTLAND TOWN
172	RYEGATE
173	SAINT ALBANS CITY
174	SAINT ALBANS TOWN
175	SAINT GEORGE
176	SAINT JOHNSBURY
177	SALISBURY
178	SANDGATE
179	SEARSBURG
180	SHAFTSBURY
254	SHAFTSBURY ID
181	SHARON
182	SHEFFIELD
183	SHELBURNE
184	SHELDON
186	SHOREHAM
187	SHREWSBURY
260	SOMERSET
188	SOUTH BURLINGTON
189	SOUTH HERO

VT SCHOOL CODE	SCHOOL DISTRICT NAME
190	SPRINGFIELD
191	STAMFORD
192	STANNARD
193	STARKSBORO
194	STOCKBRIDGE
195	STOWE
196	STRAFFORD
197	STRATTON
198	SUDBURY
199	SUNDERLAND
200	SUTTON
201	SWANTON
202	THETFORD
203	TINMOUTH
204	TOPSHAM
205	TOWNSHEND
206	TROY
207	TUNBRIDGE
208	UNDERHILL ID
209	UNDERHILL TOWN
210	VERGENNES
211	VERNON
212	VERSHIRE
213	VICTORY
214	WAITSFIELD
215	WALDEN
216	WALLINGFORD
217	WALTHAM
218	WARDSBORO
261	WARNER'S GRANT
219	WARREN
262	WARREN'S GORE
220	WASHINGTON
221	WATERBURY
222	WATERFORD
223	WATERVILLE
224	WEATHERSFIELD
225	WELLS
226	WELLS RIVER
227	WEST FAIRLEE
230	WEST HAVEN
234	WEST RUTLAND
235	WEST WINDSOR
228	WESTFIELD
229	WESTFORD
231	WESTMINSTER
232	WESTMORE
233	WESTON
236	WEYBRIDGE
237	WHEELOCK
238	WHITING
239	WHITINGHAM
240	WILLIAMSTOWN
241	WILLISTON
242	WILMINGTON
243	WINDHAM
244	WINDSOR
245	WINHALL
246	WINOOSKI
247	WOLCOTT
248	WOODBURY
249	WOODFORD
250	WOODSTOCK
251	WORCESTER

2017 VT Rate Schedules

Single Individuals, 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	37,900	0.00	3.55%	0
37,900	75,000	1,345.00	6.80%	37,900
TAXABLE INCOME UNDER \$75,000 USE THE TAX TABLES				
75,000	91,850	3,868.00	6.80%	75,000
91,850	191,650	5,014.00	7.80%	91,850
191,650	416,650	12,798.00	8.80%	191,650
416,650	-	32,598.00	8.95%	416,650

Married Filing Separately, 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	31,650	0.00	3.55%	0
31,650	75,000	1,124.00	6.80%	31,650
TAXABLE INCOME UNDER \$75,000 USE THE TAX TABLES				
75,000	76,550	4,071.00	6.80%	75,000
76,550	116,650	4,177.00	7.80%	76,550
116,650	208,325	7,305.00	8.80%	116,650
208,325	-	15,372.00	8.95%	208,325

Married Filing Jointly, 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	63,300	0.00	3.55%	0
63,300	75,000	2,247.00	6.80%	63,300
TAXABLE INCOME UNDER \$75,000 USE THE TAX TABLES				
75,000	153,100	3,043.00	6.80%	75,000
153,100	233,300	8,354.00	7.80%	153,100
233,300	416,650	14,609.00	8.80%	233,300
416,650	-	30,744.00	8.95%	416,650

Heads of Household, 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	50,800	0.00	3.55%	0
50,800	75,000	1,803.00	6.80%	50,800
TAXABLE INCOME UNDER \$75,000 USE THE TAX TABLES				
75,000	131,200	3,449.00	6.80%	75,000
131,200	212,450	7,271.00	7.80%	131,200
212,450	416,650	13,608.00	8.80%	212,450
416,650	-	31,578.00	8.95%	416,650

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 \$3,043. Subtract \$75,000 from \$82,000. Multiply the result (\$7,000) by 6.8%. Add this amount (\$476) to Base Tax (\$3,043) for VT Tax of \$3,519. Enter \$3,519 on Form IN-111, Line 16.

Please note: For Adjusted Gross Incomes (IN-111, Line 10) exceeding \$150,000, Line 16 is the greater **1)** of 3% of Adjusted Gross Income less interest from U.S. obligations, or **2)** Tax Rate Schedule/Tax Table calculation.

Your Contribution Matters

Use your tax refund or tax payment to support these Vermont organizations. Enter the amount of your gift on Form IN-111, Vermont Income Tax Return, Line 29. You may contribute to more than one organization.



Vermont Veterans Fund

Item 29a on Form IN-111

Give to our nearly 50,000 honorably discharged veterans. The fund helps veterans who are homeless, need long-term care, or need transportation. It also helps veterans apply for benefits and supports recognition programs.

www.veterans.vermont.gov
(802) 828-3379



Green Up Vermont

Item 29b on Form IN-111

Keep Vermont green and clean! Your gift supports Green Up Day, a unique Vermont tradition that brings together families, neighbors, and communities to remove litter and restore the natural beauty of our state every spring.

www.greenupvermont.org
(802) 229-4586



Vermont Nongame Wildlife Fund

Item 29c on Form IN-111

Together we saved the loon. Let's not stop now! Other animals like bats and bald eagles are still at risk. Your donation helps protect Vermont's endangered wildlife for future generations to enjoy. Every \$1 you give means an extra \$2 helping Vermont's wildlife.

www.vtfishandwildlife.com
(802) 828-1000



Vermont Children's Trust Fund

Item 29d on Form IN-111

Connected kids are safe, successful kids. Support prevention programs for children in your community, including after-school care, mentoring, teen leadership, literacy, arts programs, substance abuse prevention, and more.

www.vtchildrenstrust.org
(888) 475-5437

Your gifts are deductible on next year's federal tax return as a charitable contribution.

Taxpayer Assistance

Visit Our Website for Forms Not Included in this Booklet

We have provided the forms in this booklet that most Vermonters need to file their taxes. All forms are available at www.tax.vermont.gov. The following forms are not included in this booklet:

- IN-117 Vermont Credit for Income Tax Paid to Other State or Canadian Province
- IN-119 Vermont Economic Incentive Income Tax Credits
- IN-153 Vermont Capital Gains Exclusion
- IN-151 Application for Extension of Time to File Form IN-111

2018 Due Dates

Form #	Form Description	Initial Due Date	Final Date Accepted <i>NOTE:</i> Penalties, interest, and late filing fees may accrue after initial due date.
IN-111	2017 Vermont Income Tax Return	April 17	
IN-151	Application for Extension of Time to File Form IN-111 VT Individual Income Tax Return	April 17	
PR-141	2017 Renter Rebate Claim	April 17	Oct. 15
HS-122	2018 Homestead Declaration	April 17	Oct. 15
HS-122	2018 Property Tax Adjustment Claim	April 17	Oct. 15

Taxpayer Advocate

The Vermont Department of Taxes offers free, confidential service when a taxpayer encounters difficulty resolving tax issues. The Taxpayer Advocate may be able to help if:

- You are experiencing extreme economic 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 review your situation, help you understand what needs to be done to resolve it, and keep you updated on the progress of your situation. Please note that the Taxpayer Advocate cannot override the provisions of the law or represent taxpayers at Department hearings.

To contact the Taxpayer Advocate:

Telephone: 802-828-6848

Fax: 802-828-5873

Email: tax.taxpayeradvocate@vermont.gov

Mail: ATTN: Taxpayer Advocate

Vermont Department of Taxes

133 State Street

Montpelier, VT 05633-1401