

MARYLAND 2017

NONRESIDENT TAX FORMS & INSTRUCTIONS
For filing personal income taxes for nonresident individuals



Peter Franchot, Comptroller



Scan to check your refund
status after filing.

| Instruction | Page |
|--|------|
| 1. WHAT FORM TO FILE? | 1 |
| 2. NONRESIDENT, RESIDENT AND PART-YEAR RESIDENT | 1 |
| 3. WHAT INCOME IS TAXABLE OR REPORTABLE. | 1 |
| 4. WHO MUST FILE? | 1 |
| 5. USE OF FEDERAL RETURN | 2 |
| 6. NAME AND ADDRESS | 2 |
| 7. SOCIAL SECURITY NUMBER. | 3 |
| 8. FILING STATUS | 3 |
| 9. RESIDENCE INFORMATION | 4 |
| 10. EXEMPTIONS | 4 |
| 11. INCOME AND ADJUSTMENTS | 4 |
| 12. ADDITIONS TO INCOME | 5 |
| 13. SUBTRACTIONS FROM INCOME | 5 |
| 14. ADJUSTED GROSS INCOME FACTOR. | 8 |
| 15. STANDARD DEDUCTION | 8 |
| 16. ITEMIZED DEDUCTIONS | 8 |
| 17. EXEMPTION ALLOWANCE COMPUTATION | 9 |
| 18. FIGURE YOUR MARYLAND TAXABLE INCOME. | 9 |
| 19. FIGURE YOUR MARYLAND TAX | 9 |
| 20. POVERTY LEVEL AND OTHER CREDITS FOR INDIVIDUALS AND BUSINESSES | 9 |
| 21. TOTAL MARYLAND TAX AND CONTRIBUTION. | 10 |
| 22. TAXES PAID AND CREDITS | 11 |
| 23. OVERPAYMENT OR BALANCE DUE. | 11 |
| 24. TELEPHONE NUMBERS, CODE NUMBERS, SIGNATURES AND ATTACHMENTS | 12 |
| 25. ELECTRONIC AND PC FILING, MAILING AND PAYMENT INSTRUCTIONS AND DEADLINES. | 12 |
| 26. FISCAL YEAR | 13 |
| 27. SPECIAL INSTRUCTIONS FOR MILITARY TAXPAYERS | 13 |
| 28. PART-YEAR RESIDENTS | 14 |
| 29. PASS-THROUGH ENTITIES. | 14 |
| 30. FILING RETURN OF DECEASED TAXPAYER. | 14 |
| 31. AMENDED RETURNS | 15 |
| • TAX TABLE | 16 |
| • TAX COMPUTATION WORKSHEET SCHEDULES | 19 |

NEW FOR 2017

- The Comptroller of Maryland’s web site has moved to **www.marylandtaxes.gov**.
- **New addition modification:** There is one new addition modification. See Instruction 12 for more information.
- **New subtraction modifications:** There are three new subtraction modifications available. See Instruction 13 for more information.
- **New Refundable Tax Credit:** There is one new refundable tax credit available. See Instruction 22 for more information.
- **Senate Bill, Acts of 2017:** This bill passed by the Maryland General Assembly, gives the Comptroller of Maryland authority to grant a taxpayer a waiver from the requirement to file for certain tax credit(s) by electronic means. In order to request a waiver, a taxpayer must complete Form 500CRW “Waiver Request for Electronic Filing of Form 500CR” that establishes reasonable cause for not filing the claim for credit by electronic means or that there is no feasible means of filing the claim by electronic means without creating an undue hardship. **Form 500CRW must be submitted with the paper Form 500CR in order for the paper Form 500CR to be accepted for processing.**
- **New Business Tax Credits:** There are three new business tax credits available. See Instructions to Form 500CR available at **www.marylandtaxes.gov**.
- **Form 502AE-Arts and Entertainment:**
 - Oakland has been designated as a new arts and entertainment district.
 - Salisbury has been approved for re-designation as of June 1, 2017.

As of July 1, 2017 there will be 25 designated arts and entertainment districts in Maryland. For more information see: **www.msac.org/programs/arts-entertainment-districts**

Electronic Filing Options:

- **Go Green!** eFile saves paper. In addition, you will receive your refund faster, receive an acknowledgement that your return has been received, and if you owe - you can extend your payment date until April 30th if you both eFile and make your payment electronically.
- **Security:** Your information is transmitted securely when you choose to file electronically. It is protected by several security measures such as multiple firewalls, state of the art threat detection and encrypted transmissions.

DUE DATE: TUESDAY, APRIL 17, 2018

For free Maryland tax help visit
www.marylandtaxes.gov

or call **1-800-638-2937**
or from Central Maryland **410-260-7980**

February 1 - April 17, 2018
8:30 a.m. until 7:00 p.m., Monday through Friday

Email tax questions anytime to:
taxhelp@comp.state.md.us

Use blue or black ink when completing your forms and checks.

To avoid delays in the processing of your return:

- Do not use pencil or ink of any other color.
- Do not print returns on colored paper.
- Do not write on, staple or punch holes in the barcode.

- **PC Retail Software:** Check the software requirements to determine eFile eligibility before you purchase commercial off-the-shelf software. Use software or link directly to a provider site to prepare and file your return electronically.

Read this before filling out your forms

- **eFile:** Ask your professional tax preparer to eFile your return. You may use any tax professional who participates in the Maryland Electronic Filing Program.
- **IRS Free File:** Free Internet filing is available for federal income tax returns, however, some income limitations may apply. Visit www.irs.gov for eligibility.
- **Fees** for state tax returns also may apply.
- **Payment Options:** Payment by electronic funds withdrawal (direct debit) is available if you file electronically. If you choose this option, you have until April 30th to make your payment.
- **Bill Pay Electronic Payments:** If your paper or electronic tax return has a balance due, you may pay electronically at www.marylandtaxes.gov by selecting BillPay. The amount you designate will be debited from your bank or financial institution on the date that you choose.

- **ALTERNATIVE PAYMENT METHODS:** For alternative methods of payment, such as a credit card, visit our Web site at www.marylandtaxes.gov.
- **Estimated tax payments:** You may file and pay your 2018 estimated taxes electronically. When you use our iFile program, we give you the ability to make a single estimated tax payment, as well as providing the convenience of scheduling all of your payments at one time. These scheduled payments will be deducted from your bank account on the dates that you specify. Visit us at www.marylandtaxes.gov and look for online services.

Additional Information:

- **Need an extension?** If you don't owe additional tax and requested an extension of time to file your federal return, you don't need to request a separate Maryland extension – it's automatic. If you do not qualify for the automatic extension, make your request online at www.marylandtaxes.gov or TeleFile your extension request by calling 410-260-7829.
- **You can contribute to four programs on your return:** The Chesapeake Bay and Endangered Species Fund, the Developmental Disabilities Services and Support Fund, the Maryland Cancer Fund, and the Fair Campaign Financing Fund.

Privacy act information

The Tax-General Article of the Annotated Code of Maryland authorizes the Revenue Administration Division to request information on tax returns to administer the income tax laws of Maryland, including determination and collection of correct taxes. Code Section 10-804 provides that you must include your Social Security Number on the return you file. This is so we know who you are and can process your return and papers. If you fail to provide all or part of the requested information, then exemptions, exclusions, credits, deductions or adjustments may be disallowed and you may owe more tax. In addition, the law provides penalties for failing to supply information required by law or regulations.

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

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

FAIR CAMPAIGN FINANCING FUND

A GOVERNMENT OF THE PEOPLE, BY PEOPLE
AND FOR THE PEOPLE STARTS HERE.

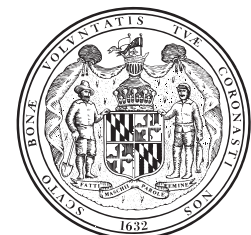
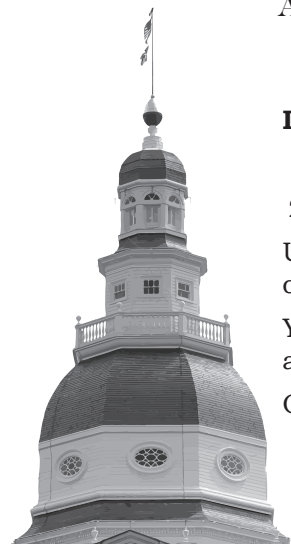
It is easy to participate in our democracy:

1. Donate to the Fair Campaign Financing Fund when you file your taxes.
2. Donations of any dollar amount can be made.

Use Line 38 on Form 502 or Line 41 on Form 505 or Line 25 on Form 504.

Your contribution will be deducted from your tax refund or added to your tax payment.

Only for gubernatorial campaigns.



www.elections.state.md.us

DUE DATE

Your return is due by April 15, 2018. If you are a fiscal year taxpayer, see Instruction 26. If any due date falls on a Saturday, Sunday or legal holiday, the return must be filed by the next business day.

COMPLETING THE RETURN

You must write legibly using blue or black ink when completing your return. DO NOT use pencil or red ink. Submit the original return, not a photocopy. If no entry is needed for a specific line, leave blank. Do not enter words such as "none" or "zero" and do not draw a line to indicate no entry. If you do not follow these instructions, you may cause a delay in the processing of your return.

To speed up the processing of your tax refund, consider filing electronically. You must file within three years of the original due date to receive any refund. Visit our Web site at www.marylandtaxes.gov.

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

ELECTRONIC FILING INSTRUCTIONS

The instructions in this booklet are designed specifically for filers of paper returns. If you are filing electronically and these instructions differ from the instructions for the electronic method being used, you should comply with the instructions appropriate for that method.

Free internet filing is available for Maryland income tax returns. Visit www.marylandtaxes.gov and select iFile.

Software vendors and preparers should refer to the e-file handbook for their instructions.

SUBSTITUTE FORMS

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

For additional information or to see a list of Approved Software Vendors for Maryland Substitute Tax Forms, go to our Web site at www.marylandtaxes.gov.

PENALTIES

There are severe penalties for failing to file a tax return, failing to pay any tax when due, filing a false or fraudulent return, or making a false certification. The penalties include criminal fines, imprisonment, and a penalty on your taxes. In addition, interest is charged on amounts not paid.

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

1 What Form to file?

| IF YOU ARE A: | YOU SHOULD FILE: |
|--|--|
| Taxpayer whose permanent home (domicile) is a state other than Maryland unless you are a statutory resident . | Form 505 Nonresident Return |
| Taxpayer who maintains a place of abode (that is, a place to live) for more than six (6) months of the tax year in Maryland and you are physically present in Maryland for 183 days or more, you are a statutory resident . | Form 502 Resident Return |
| Taxpayer who began or ended legal residence in Maryland during the tax year, you must file as a resident for that portion of the year during which you maintained Maryland residence, even if less than six (6) months. | Form 502 Resident Return |
| Nonresident of Maryland but received salary, wages or other compensation for personal services performed in any Maryland county or Baltimore City and you lived in a jurisdiction that imposes a local or earnings tax on Maryland residents. NOTE: If you have other income subject to Maryland tax, you must also file Form 505. (For further information and forms, call 410-260-7980.) | Form 515 Nonresident Local Tax Return |
| Taxpayer who moved into or out of Maryland during the tax year and received income from Maryland sources while you were a nonresident of Maryland. | Form 505 Nonresident Return and Form 502 Resident Return |

2 Nonresident, resident and part-year resident.

You are a nonresident if you are not a resident under any of the conditions listed below:

You are a resident if your permanent home is in Maryland (the law refers to this as your domicile) or your home is outside Maryland but you maintained a place of abode (that is a place to live) in Maryland for more than six (6) months (183 days) of the tax year and you are physically present in Maryland for 183 days or more (you are a statutory resident).

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

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

3 What income is taxable or reportable?

A nonresident individual is subject to tax on that portion of the federal adjusted gross income that is derived from tangible property, real or personal, permanently located in Maryland (whether received directly or from a fiduciary) and on income from a business, trade, profession or occupation carried on in Maryland and on all gambling winnings derived from Maryland sources. Adjustments to federal gross income and losses not allocable to Maryland may not be used to reduce Maryland income. You are required to file even if the net Maryland income is a loss.

4 Who must file?

In general, you must file this return if:

- You are a nonresident of Maryland,
- AND, you are required to file a federal return based upon the income levels in Table 1 or 2,
- AND, you received income from sources within Maryland.

Remember, if your federal gross income is more than the federal minimum filing requirement for your filing status, you are required to file a Maryland return, even if the income attributable to Maryland is less than the federal filing requirement.

MINIMUM FILING LEVEL TABLES

TABLE 1

MINIMUM FILING LEVELS FOR TAXPAYERS UNDER 65

| | |
|---|--------|
| Single person (including dependent taxpayers) . . . | 10,400 |
| Joint Return | 20,800 |
| Married persons filing separately | 4,050 |
| Head of Household | 13,400 |
| Qualifying widow(er) | 16,750 |

TABLE 2

MINIMUM FILING LEVELS FOR TAXPAYERS 65 OR OVER

| | |
|---|--------|
| Single, age 65 or over | 11,950 |
| Joint Return, one spouse, age 65 or over | 22,050 |
| Joint Return, both spouses, age 65 or over | 23,300 |
| Married persons filing separately, age 65 or over | 4,050 |
| Head of Household, age 65 or over | 14,950 |
| Qualifying widow(er), age 65 or over | 18,000 |

TO DETERMINE IF YOU ARE REQUIRED TO FILE A MARYLAND RETURN

- a. Add up all of your federal **gross** income to determine your total income. Gross income is defined in the Internal Revenue Code and, in general, consists of all income from any source. It includes wages and other compensation for services, **gross** income derived from business, gains (not losses) derived from dealings in property, interest, rents, royalties, dividends, alimony, annuities, pensions, income from partnerships or fiduciaries, etc. If any modification or deduction reduces your gross income below the minimum filing level, you are still required to file. IRS Publication 525 provides additional information on taxable and nontaxable income.
- b. Do not include Social Security or railroad retirement benefits in your total income.
- c. Add to your total income any Maryland additions to income. Do not include any additions related to non-Maryland income or loss. (See Instruction 12.) **This is your Maryland gross income.**
- d. If you are a dependent taxpayer, add to your total income any Maryland additions and subtract any Maryland subtractions and non-Maryland Income. (See Instructions 12 and 13.) **This is your Maryland gross income.**
- e. You must file a Maryland return if your Maryland gross income equals or exceeds the income levels in Table 1.
- f. If you or your spouse is 65 or over, use Table 2, "Minimum Filing Levels for Taxpayers 65 or over."

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

- Your Maryland gross income is less than the minimum filing level for your filing status; OR
- You had no income from Maryland sources; OR
- You reside in the District of Columbia, Virginia or West Virginia and had only wages from Maryland. See Instruction 11 for additional information; OR
- You reside in a local jurisdiction in Pennsylvania, which does not impose an income or earnings tax against Maryland residents, and had only wages from Maryland. See Instruction 11 for additional information.

MARYLAND TAX WITHHELD IN ERROR

If Maryland tax was withheld from your income, you must

file to obtain a refund of the withholding. Complete all of the information at the top of the form through the filing status, residence information and exemption areas. Check the box provided to the right of the residence information for you to indicate your withholding was withheld in error. Enter your federal adjusted gross income on line 17 in both columns 1 and 3 and line 24. Then complete lines 43-47, 49 and 51.

Sign the return and attach withholding statements (Forms W-2 and/or 1099) showing the Maryland tax withheld equal to the refund you are claiming.

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

5 Use of federal return.

First complete your 2017 federal income tax return.

You will need the information from your federal return in order to complete your Maryland return. Therefore, complete your federal return before you continue beyond this point. Maryland law requires that your income and deductions be entered on your Maryland return exactly as they were reported on your federal return. If you use a federal Form 1040NR, visit our Web page at www.marylandtaxes.gov/QR/19.asp All items reported on your Maryland return are subject to verification, audit and revision by the Maryland State Comptroller's Office.

6 Name, address, county, city, town information.

Complete the name and address lines at the top of Form 505.

Name: Be sure to use your full, legal name. This should match the name that appears on your Social Security card.

Current Address: Enter your current address using the spaces provided. On Current Mailing Address Line 1, enter the street number and street name of your current address. If using a PO Box address, enter "PO Box" and the PO Box number on Current Mailing Address Line 1.

On Current Mailing Address Line 2, if applicable, enter the floor, suite, or apartment number for your current mailing address. If using a PO Box address, leave Current Mailing Address Line 2 blank.

Enter City or Town, State and ZIP Code. **If using a foreign address, enter the city or town and state or province and ZIP Code or postal code on the Current Mailing Address Line 2. Enter the name of the country on the "City or Town" line. Leave the "State" line and "ZIP Code" line blank.**

Fill in the area for MARYLAND COUNTY and CITY, TOWN OR TAXING AREA based on where in Maryland you were employed on the last day of the tax period if you earned wages in Maryland (December 31, 2017 for calendar year taxpayers).

IF YOU WORKED IN BALTIMORE CITY:

Leave the MARYLAND COUNTY line blank. Write "Baltimore City" on the CITY, TOWN OR TAXING AREA line.

IF YOU WORKED IN A MARYLAND COUNTY (NOT BALTIMORE CITY):

1. Write the name of the county on the MARYLAND COUNTY line.
2. If you worked in one of the taxing areas in a Maryland county, write its name on the CITY, TOWN OR TAXING AREA line.
3. If you did not work in one of the taxing areas within a Maryland county, leave the CITY, TOWN OR TAXING AREA blank.

For a list of the localities within Maryland, see the **LIST OF INCORPORATED CITIES, TOWNS AND TAXING AREAS IN MARYLAND.**

7 Social Security Number(s) (SSN).

It is important that you enter each Social Security Number in the space provided at the top of your tax return. You must enter each SSN legibly because we validate each number. If not correct and legible, it will effect the processing of your return.

The SSN must be a valid number issued by the Social Security Administration of the United States Government. If you or your spouse or dependent(s) do not have a SSN and you are not eligible to get a SSN, you must apply for an Individual Tax Identification Number (ITIN) with the IRS and you should wait until you have received it before you file. Enter it wherever your SSN is requested on the return.

A missing or incorrect SSN or ITIN could result in the disallowance of any credits or exemptions you may be entitled to and result in a balance due.

A valid SSN or ITIN is required for any claim or exemption for a dependent. If you have a dependent who was placed with you for legal adoption and you do not know his or her SSN, you must get an Adoption Taxpayer Identification Number (ATIN) for the dependent from the IRS.

If your child was born and died in this tax year and you do not have a SSN for the child, complete just the name and relationship of the dependent and enter code **322**, in one of the code number boxes located on page 3 of the form; attach a copy of the child's death certificate to your return.

8 Filing status.

Check the filing status box that matches the filing status you used on your federal return unless you are a dependent taxpayer.

A dependent taxpayer is one who can be claimed as a dependent on another person's tax return. If married, the dependent taxpayer and spouse must file separate returns. A dependent taxpayer may not claim a personal exemption. Check the box for filing status 6.

Generally, if you filed a joint federal return for 2017, you must file a joint Maryland return. Married couples who file joint federal returns may file separate Maryland returns when one spouse is a resident of Maryland and the other spouse is a nonresident of Maryland.

If you and your spouse filed separate federal returns you must file separate Maryland Returns.

LIST OF INCORPORATED CITIES, TOWNS AND TAXING AREAS IN MARYLAND

| Political Subdivision Code | Political Subdivision Code | Political Subdivision Code | Political Subdivision Code | Political Subdivision Code |
|---|---|---|--|--|
| ALLEGANY COUNTY 0100 | Town of Sykesville0705 | Town of Grantsville1205 | City of Rockville1609 | Town of Sudlersville1804 |
| Town of Barton0101 | City of Taneytown0706 | Town of Kitzmiller1206 | Town of Somerset1610 | Town of Templeville1806 |
| Bel Air0112 | Town of Union Bridge . .0707 | Town of Loch Lynn Heights1207 | City of Takoma Park . . .1611 | ST. MARY'S COUNTY 1900 |
| Bowling Green0115 | City of Westminster . . .0709 | Town of Mountain Lake Park1208 | Town of Washington Grove1612 | Town of Leonardtown . . .1902 |
| Cresaptown0108 | CECIL COUNTY 0800 | Town of Oakland1209 | PRINCE GEORGE'S COUNTY 1700 | SOMERSET COUNTY 2000 |
| City of Cumberland . . .0102 | Town of Cecilton0801 | HARFORD COUNTY 1300 | Town of Berwyn Heights1701 | Town of Crisfield2001 |
| Ellerslie0113 | Town of Charlestown . .0802 | City of Aberdeen1301 | Town of Bladensburg . .1702 | Town of Princess Anne . .2002 |
| City of Frostburg0103 | Town of Chesapeake City0803 | Town of Bel Air1302 | City of Bowie1704 | TALBOT COUNTY 2100 |
| La Vale0110 | Town of Elkton0804 | City of Havre de Grace1303 | Town of Brentwood . . .1705 | Town of Easton2101 |
| Town of Lonaconing . .0104 | Town of North East . . .0805 | HOWARD COUNTY 1400 | Town of Capitol Heights1706 | Town of Oxford2102 |
| Town of Luke0105 | Town of Perryville . . .0806 | (No incorporated cities or towns) | Town of Cheverly1707 | Town of Queen Anne . . .2105 |
| McCoolle0114 | Town of Port Deposit . .0807 | KENT COUNTY 1500 | City of College Park . . .1725 | Town of St. Michael's . . .2103 |
| Town of Midland0106 | Town of Rising Sun . . .0808 | Town of Betterton1501 | Town of Colmar Manor . .1708 | Town of Trappe2104 |
| Mt. Savage0111 | CHARLES COUNTY 0900 | Town of Chestertown . .1502 | Town of Cottage City . .1709 | WASHINGTON COUNTY 2200 |
| Potomac Park0109 | Town of Indian Head . .0901 | Town of Galena1503 | City of District Heights .1710 | Town of Boonsboro2201 |
| Town of Westport . . .0107 | Town of La Plata0902 | Town of Millington . . .1504 | Town of Eagle Harbor . .1711 | Corporation of Clearspring2202 |
| ANNE ARUNDEL COUNTY 0200 | Village of Port Tobacco .0903 | Town of Rock Hall1505 | Town of Edmonston . . .1712 | Town of Funkstown2203 |
| City of Annapolis0201 | DORCHESTER COUNTY 1000 | MONTGOMERY COUNTY 1600 | Town of Fairmount Heights1713 | City of Hagerstown2204 |
| Town of Highland Beach0203 | Town of Brookview . . .1008 | Town of Barnesville . . .1601 | Town of Forest Heights1728 | Town of Hancock2205 |
| BALTIMORE COUNTY 0300 | City of Cambridge . . .1001 | Town of Brookeville . . .1602 | City of Glenarden1730 | Corporation of Keedysville2206 |
| (No incorporated cities or towns) | Town of Church Creek . .1002 | Town of Chevy Chase . .1615 | City of Greenbelt1714 | Town of Sharpsburg2207 |
| BALTIMORE CITY 0400 | Town of East New Market1003 | Village of Chevy Chase, Sec. 31614 | City of Hyattsville1715 | Town of Smithsburg2208 |
| CALVERT COUNTY 0500 | Town of Eldorado1007 | Village of Chevy Chase, Sec. 51616 | Town of Landover Hills1726 | Town of Williamsport . . .2209 |
| Town of Chesapeake Beach0501 | Town of Galestown . . .1009 | Town of Chevy Chase View1617 | City of Laurel1716 | WICOMICO COUNTY 2300 |
| Town of North Beach . .0502 | Town of Hurlock1004 | Town of Chevy Chase Village1613 | Town of Morningside . .1727 | Town of Delmar2301 |
| CAROLINE COUNTY 0600 | Town of Secretary . . .1005 | Village of Drummond . .1623 | City of Mt. Rainier . . .1717 | City of Fruitland2308 |
| Town of Denton0602 | Town of Vienna1006 | Village of Friendship Heights1621 | City of New Carrollton .1729 | Town of Hebron2302 |
| Town of Federalsburg . .0603 | FREDERICK COUNTY 1100 | City of Gaithersburg . . .1603 | Town of North Brentwood1718 | Town of Maryland Springs2303 |
| Town of Goldsboro . . .0604 | City of Brunswick1101 | Town of Garrett Park . . .1604 | Town of Park Heights1720 | Town of Pittsville2307 |
| Town of Greensboro . .0605 | Town of Burkittsville . .1102 | Town of Glen Echo1605 | City of Seat Pleasant . . .1721 | City of Salisbury2304 |
| Town of Henderson . . .0611 | Town of Emmitsburg . . .1103 | Town of Kensington . . .1606 | Town of University Park1723 | Town of Sharptown2305 |
| Town of Hillsboro0606 | City of Frederick1104 | Town of Laytonsville . .1607 | Town of Upper Marlboro1724 | Town of Willards2306 |
| Town of Marydel0607 | Town of Middletown . . .1106 | Village of Martin's Additions1622 | QUEEN ANNE'S COUNTY 1800 | WORCESTER COUNTY 2400 |
| Town of Preston0608 | Town of Mt. Airy1114 | Village of North Chevy Chase1618 | Town of Barclay1805 | Town of Berlin2401 |
| Town of Ridgely0609 | Town of Myersville . . .1107 | Town of Oakmont1619 | Town of Centreville . . .1801 | Town of Ocean City2402 |
| Town of Templeville . .0610 | Town of New Market . . .1108 | Town of Poolesville . . .1608 | Town of Church Hill . . .1802 | City of Pocomoke City . .2403 |
| CARROLL COUNTY 0700 | Village of Rosemont . . .1113 | GARRETT COUNTY 1200 | Town of Millington . . .1808 | Town of Snow Hill2404 |
| Town of Hampstead . . .0701 | Town of Thurmont . . .1110 | Town of Accident1201 | Town of Queen Anne . . .1807 | |
| Town of Manchester . .0702 | Town of Walkersville . .1111 | Town of Deer Park1203 | Town of Queenstown . . .1803 | |
| Town of Mt. Airy0703 | Town of Woodsboro . . .1112 | Town of Friendsville . . .1204 | | |
| Town of New Windsor . .0704 | | | | |

9 Residence information.

Answer ALL the questions and fill in the appropriate boxes. Enter the appropriate two-letter code from the table in the space provided for your state of legal residence. Also list the County and City, Borough or Township (or other local taxing jurisdiction) in which you live.

Your state of legal residence is your domicile or permanent home. It is the place you intend to return to after temporary absences. You do not change or abandon a domicile until you establish a new domicile in another state. Military personnel retain their states of legal residence as shown in their records until they take specific action to change the state. Duty assignments alone do not affect legal residence. For additional information, see Administrative Release 37.

| | | |
|--------------------|---------------------|--|
| Alabama - AL | Michigan - MI | Tennessee - TN |
| Alaska - AK | Minnesota - MN | Texas - TX |
| Arizona - AZ | Mississippi - MS | Utah - UT |
| Arkansas - AR | Missouri - MO | Vermont - VT |
| California - CA | Montana - MT | Virginia - VA |
| Colorado - CO | Nebraska - NE | Washington, DC - DC |
| Connecticut - CT | Nevada - NV | Washington - WA |
| Delaware - DE | New Hampshire - NH | West Virginia - WV |
| Florida - FL | New Jersey - NJ | Wisconsin - WI |
| Georgia - GA | New Mexico - NM | Wyoming - WY |
| Hawaii - HI | New York - NY | |
| Idaho - ID | North Carolina - NC | Territories and Possessions of the United States |
| Illinois - IL | North Dakota - ND | |
| Indiana - IN | Ohio - OH | |
| Iowa - IA | Oklahoma - OK | American Samoa - AS |
| Kansas - KS | Oregon - OR | Guam - GU |
| Kentucky - KY | Pennsylvania - PA | Northern Mariana Islands - MP |
| Louisiana - LA | Rhode Island - RI | Puerto Rico - PR |
| Maine - ME | South Carolina - SC | U.S. Virgin Islands - VI |
| Massachusetts - MA | South Dakota - SD | |

10 Exemptions.

Determine what exemptions you are entitled to and complete the appropriate area on the form, including the Social Security Numbers for children and other dependents on Form 502B.

EXEMPTIONS ALLOWED

You are permitted the same number of exemptions that you are permitted on your federal return; however, the exemption amount is different on the Maryland return. Even if you are not required to file a federal return, the federal rules for claiming exemptions still apply to you. Refer to the federal income tax instructions for further information.

In addition to the exemptions allowed on your federal return, you and your spouse are permitted to claim exemptions for being age 65 or over or for blindness. These additional exemptions are in the amount of \$1,000 each.

If any other dependent claimed is 65 or over, you also receive an extra exemption of up to \$3,200. Make sure you check both boxes.

Enter the number of exemptions in the appropriate boxes based upon your entries in parts A, B, and C of the exemption area of the form. Enter the total number of exemptions in Part D. **For Form 505, the number of exemptions for Part C is from Total Dependent Exemptions, Line 3 of Form 502B.**

EXEMPTION AMOUNT

| If your FEDERAL ADJUSTED GROSS INCOME is | | If you will file your tax return | | |
|--|---------------------|-------------------------------------|--|--|
| | | Single or Married Filing Separately | Joint, Head of Household or Qualifying Widow(er) | Dependent Taxpayer (eligible to be claimed on another taxpayer's return) |
| | | Each Exemption is | Each Exemption is | Each Exemption is |
| \$100,000 or less | | \$3,200 | \$3,200 | \$0 |
| Over | But not over | | | |
| \$100,000 | \$125,000 | \$1,600 | \$3,200 | \$0 |
| \$125,000 | \$150,000 | \$800 | \$3,200 | \$0 |
| \$150,000 | \$175,000 | \$0 | \$1,600 | \$0 |
| \$175,000 | \$200,000 | \$0 | \$800 | \$0 |
| In excess of \$200,000 | | \$0 | \$0 | \$0 |

NOTE: Form 502B must be completed and attached to Form 505 if you are claiming dependents.

PART-YEAR RETURNS

If you are required to file both a resident and nonresident return for tax year 2017, each exemption is limited to a total of \$3,200. Your exemptions must be prorated on the resident return and nonresident return based on Maryland income. See Instruction 28.

11 Income and adjustments.

Complete lines 1 through 17 of the Federal Income column using the figures from your federal return.

Enter in the Maryland Income column all income or loss that was derived from Maryland sources and enter in the Non-Maryland Income column all income or loss derived from non-Maryland sources. Refunds of state or local income taxes, pensions, annuities, IRA distributions, unemployment compensation and Social Security or Railroad Retirement benefits are not considered to be from Maryland sources for income tax purposes when these items are received by a nonresident of Maryland. Adjustments to federal gross income are not generally applicable to Maryland unless they pertain to business carried on in Maryland or services performed in Maryland.

Special instructions for residents of the following states:

The **District of Columbia, Pennsylvania or Virginia: If you did not maintain** a place of abode in Maryland for more than six months (183 days or more) of 2017, you are exempt from Maryland tax on your Maryland wage and salary income. Enter all wage and salary income in the Non-Maryland Income column of Form 505, even if you earned the income from services performed in Maryland.

If you **did maintain** a place of abode in Maryland for more than six months (183 days or more), you are a **statutory** resident. Refer to Instruction 1 to see which form you need to file.

- **West Virginia:** Regardless of time spent in Maryland, you should enter all wage and salary income in the Non-Maryland Income column of Form 505. You are exempt from Maryland tax on all of your Maryland wage and salary income, even if you earned the income from services performed in Maryland.
- **If you are a resident of the District of Columbia, Virginia or West Virginia,** and the only income from Maryland sources that you had was from salaries and wages, follow the instructions for Maryland Tax Withheld in Error in Instruction 4.
- **If you are a resident of Pittsburgh, Philadelphia or any other local Pennsylvania jurisdiction that imposes a local income or earnings tax on Maryland residents,** see the instructions for Form 515. If your local Pennsylvania jurisdiction does not impose such a tax, see Instruction 4.
- **If you are a resident of one of the previously mentioned jurisdictions, and you have Maryland source income from sources other than salaries and**

wages, you are required to file a Maryland tax return if your gross income is more than the amounts listed in the tables in Instruction 4. Your non-Maryland income will be subtracted from your federal adjusted gross income on line 6b of Form 505NR.

12 Additions to income.

Determine which additions to income apply to you. Write the non-Maryland loss and adjustments on line 18 of Form 505. Include the other additions to income on line 19 of Form 505, only to the extent that they apply to Maryland-source income.


Line 18. NON-MARYLAND LOSS AND ADJUSTMENTS. Enter the total amount of non-Maryland losses or adjustments to federal income that were realized or paid attributable to a non-Maryland source.

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

▼ CODE LETTER

- a. Net Maryland additions from Maryland Schedule K-1 for your share of income from pass-through entities or fiduciaries not attributable to decoupling.
- b. Taxable tax preference items from line 5 of Maryland Form 502TP. The items of tax preference are defined in Internal Revenue Code Section 57. If the total of your tax preference items is more than \$10,000 (\$20,000 for married taxpayers filing joint returns) you must complete and attach Maryland Form 502TP, whether or not you are required to file federal Form 6251.
- c. Total amount of credit(s) claimed in the current tax year to the extent allowed on Form 500CR for the following Business Tax Credits: Enterprise Zone Tax Credit, Maryland Disability Employment Tax Credit, Research and Development Tax Credit, Small Business Research & Development Tax Credit, Maryland Employer Security Clearance Costs Tax Credit (do not include Small Business First-Year Leasing Costs Tax Credit), and Cellulosic Ethanol Technology Research and Development Tax Credit. In addition, include any amount deducted as a donation to the extent that the amount of the donation is included in an application for the Endow Maryland Tax Credit on Form 500CR or 502CR.
- d. Oil percentage depletion allowance claimed under Section 613 of the Internal Revenue Code.
- e. Income exempt from federal tax by federal law or treaty that is not exempt from Maryland tax
- f. Net operating loss deduction to the extent of a double benefit. See Administrative Release 18.
- g. Pickup contributions of a Maryland State retirement or pension system member. (The pickup amount will be stated separately on your W-2 form.) See Administrative Release 21.
- h. The amount claimed and allowed as a deduction for federal income tax purposes for expenses attributable to operating a family day care home or a child care center in Maryland without having the registration or license required by the Family Law Article.
- i. Any refunds of advanced tuition payments made under the Maryland Prepaid College Trust, that were not used for qualified higher education expenses to the extent the payments were subtracted from federal adjusted gross income and any refunds of contributions made under the Maryland College Investment Plan or the Maryland Broker-Dealer College Investment Plan, **not used for qualified higher education expenses**, to the extent the contributions were subtracted from federal adjusted gross

income. See Administrative Release 32.

- j. Net addition modification to Maryland taxable income when claiming the federal depreciation allowances from which the State of Maryland has decoupled. Complete and attach Form 500DM. See Administrative Release 38.
- k. Net addition modification to Maryland taxable income when the federal special 5-year carryback period was used for a net operating loss under federal law compared to Maryland taxable income without regard to federal provisions. Complete and attach Form 500DM. See Administrative Release 38.
- l. The amount deducted on your federal income tax return for Domestic Production Activities (line 35 of Form 1040) attributable to Maryland-source income only.
- m. Amount deducted on your federal income tax return for tuition and related expenses. Do not include adjustments to income for Educator Expenses or Student Loan Interest deduction.
- n. Any refunds received by an ABLE account contributor under the Maryland ABLE Program or any distribution received by an ABLE account holder, to the extent the distribution was not used for the benefit of the designated beneficiary for qualified disability expense, that were subtracted from federal adjusted gross income.
- o.  If you sold or exchanged a property for which you claimed a subtraction modification under Senate Bill 367 (Chapter 231, Acts of 2017) or Senate Bill 580/House Bill 600 (Chapter 544 and Chapter 545, Acts of 2012), enter the amount of the difference between your federal adjusted gross income as reportable under the federal Mortgage Forgiveness Debt Relief Act of 2007 and your federal adjusted gross income as claimed in the taxable year.
- cd. Net addition modification to Maryland taxable income resulting from the federal deferral of income arising from business indebtedness discharged by reacquisition of a debt instrument. See Form 500DM.
- dm. Net addition modification from multiple decoupling provisions. See the table at the bottom of Form 500DM and Administrative Release 38.
- dp. Net addition decoupling modification from a pass-through entity. See Form 500DM and Administrative Release 38.

13 Subtractions from income.

Determine which subtractions from income apply to you. Write the amounts on lines 22 and 23 of Form 505.

Line 22. TAXABLE MILITARY INCOME OF NONRESIDENT. Enter the amount of military pay included in your federal adjusted gross income that you received while in the active service of any branch of the armed forces of the United States.

Line 23. SUBTRACTIONS FROM INCOME ON FORM 505SU. Determine which subtractions apply to you and enter the amount for each on Form 505SU. Enter the sum of all applicable subtractions from Form 505SU on line 23 of Form 505, and enter the code letters that represent the four highest dollar amounts in the code letter boxes. If multiple subtractions apply, be sure to identify all of them on Form 505SU and attach it to your Form 505.

Note: If only one of these subtractions applies to you, enter the amount and code letter on line 23 of Form 505, then the use of Form 505SU may be optional.

To the extent that one or more of these items have been included in your federal adjusted gross income, enter the total amount on the appropriate line in Part I of Form 505SU.

▼ **CODE LETTER**

- a. Payments from a pension system to firemen and policemen for job-related injuries or disabilities (but not more than the amount of such payments included in your total income).
- c. Amount of refunds of state or local income tax included in line 4 of Form 505.
- d. Distributions of accumulated income by a fiduciary, if income tax has been paid by the fiduciary to Maryland (but not more than the amount of such income included in your total income).
- e. Profit (without regard to losses) from the sale or exchange of bonds issued by Maryland.
- j. Amount added to your taxable income for the use of an official vehicle used by a member of a state, county or local police or fire department. The amount is stated separately on Form W-2.
- n. Payment received under a fire, rescue, or ambulance personnel length of service award program that is funded by a Maryland county or municipal corporation.
- r. Amount of interest on U.S. Savings Bonds and other U.S. obligations. Capital gains from the sale or exchange of U.S. obligations should be included on this line. Dividends from mutual funds that invest in U.S. Government obligations are also exempt from state taxation. However, only that portion of the dividends attributable to interest or capital gain from U.S. Government obligations can be subtracted. Do not subtract income from Government National Mortgage Association securities. See Administrative Releases 10 and 13.
- s. Amount of interest and dividend income (including capital gain distributions) of a dependent child which the parent has elected to include in the parent's federal gross income under Internal Revenue Code Section 1(g)(7).
- t. Social Security, Tier I, Tier II and/or supplemental Railroad Retirement benefits included in your federal adjusted gross income.
- u. Up to \$5,000 of military retirement income received by a qualifying individual during the tax year if the taxpayer has not yet attained the age of 65; or up to \$10,000 of military retirement income received by a qualifying individual if the taxpayer is of age 65 or over. To qualify, you must have been a member of an active or reserve component of the armed forces of the United States, an active duty member of the commissioned corps of the Public Health Service, the National Oceanic and Atmospheric Administration, the Coast and Geodetic Survey, a member of the Maryland National Guard, or the member's surviving spouse or ex-spouse.
- w. Lesser of \$1,200 or the income subject to Maryland tax of the spouse with the lower income if both spouses have income subject to Maryland tax and you file a joint return.
- y. Any income of an individual that is related to tangible or intangible property that was seized, misappropriated or lost as a result of the actions or policies of Nazi Germany towards a Holocaust victim. For additional information contact the Revenue Administration Division.
- aa. Payments from a pension system to the surviving spouse or other beneficiary of a law enforcement officer or firefighter whose death arose out of or in the course of their employment.
- bb. Net subtraction modification to Maryland taxable income when claiming the federal depreciation allowances from which the State of Maryland has decoupled. Complete and attach Form 500DM. See Administrative Release 38.
- cc. Net subtraction modification to Maryland taxable income when the federal special 5-year carryback period was used for a net operating loss under federal law compared to Maryland taxable income without regard to federal

provisions. Complete and attach Form 500DM. See Administrative Release 38.

- cd. Net subtraction modification to Maryland taxable income resulting from the federal ratable inclusion of deferred income arising from business indebtedness discharged by reacquisition of a debt instrument. Complete and attach Form 500DM. See Administrative Release 38.
- dd. Any amount of income derived within any arts and entertainment district by a qualifying residing artist from the publication, production, or sale of an artistic work that the artist wrote, composed or executed. Complete and attach Form 502AE.
- dm. Net subtraction modification from multiple decoupling provisions. See the table at the bottom of Form 500DM for the line numbers and code letters to use.
- ee. Amount received as a grant under the Solar Energy Grant program administered by the Maryland Energy Administration.
- gg. Amount of income for services performed in Maryland by the spouse of a member of the armed services, if the spouse is not domiciled in Maryland and is in Maryland solely to be with the servicemember serving in compliance with military orders, pursuant to the Military Spouses Residency Relief Act. See Administrative Release 1.
- hh. Exemption Adjustment for high income taxpayers with interest on U.S. obligations. If you have received income from U.S. obligations and your federal adjusted gross income exceeds \$100,000 (\$150,000 if filing Joint, Head of Household, or Qualifying Widow(er)), enter the difference, if any, between the exemption amount based on your federal adjusted gross income and the exemption amount based upon your federal adjusted gross income after subtracting your U.S. obligations using the EXEMPTION ADJUSTMENT WORKSHEET (13A).

EXEMPTION ADJUSTMENT WORKSHEET (13A)

- Line 1: **Enter** the exemption amount to be reported on line 28 of Form 505, using the chart in Instruction 10. . \$ _____
- Line 2: **Enter** your federal adjusted gross income as reported in Column 1 of line 17 of your Form 505 \$ _____
- Line 3: **Enter** your income from U.S. obligations to be included in line 23 of Form 505 \$ _____
- Line 4: **Subtract** amount on line 3 from amount reported in line 2. \$ _____
- Line 5: **Recalculate** your exemption amount using the chart in Instruction 10 using the income from line 4. Remember to add your \$1,000 exemptions for age and blindness, if applicable \$ _____
- Line 6: **Subtract** the exemption amount calculated in line 1 from the exemption amount calculated in line 5. If the amount is less than zero (0), enter zero (0). If the amount is zero (0), you have already received the maximum exemption that you are entitled to claim on Form 505. \$ _____

If the amount is greater than zero (0), enter this amount as a subtraction on line hh of Form 505SU.

Example:

Pat and Chris Jones had a federal adjusted gross income of \$180,000. They also had \$40,000 in interest from U.S. Savings Bonds and had a dependent son whom they claimed on the


Maryland tax return. Using Instruction 10, they found that the exemption amount on their Maryland return (based upon \$180,000 of income) was \$2,400 (\$800 for three exemptions). If it were not for the \$40,000 of U.S. Savings Bonds, their federal adjusted gross income would have been \$140,000 and their exemption amount would have been \$9,600 (\$3,200 for three exemptions). Therefore, Pat and Chris Jones are entitled to claim a subtraction of \$7,200 (\$9,600 - \$2,400) on line hh of Form 505SU.


ii. Interest on any Build America Bond that is included in your federal adjusted income. See Administrative Release 13.

jj. Gain resulting from a payment from the Maryland Department of Transportation as a result of the acquisition of a portion of the property on which your principal residence is located.


mm. Amount received by a claimant for noneconomic damages as a result of a claim of unlawful discrimination under Internal Revenue Code Section 62(e).

nn. Amount of student loan indebtedness discharged. Attach a copy of the notice stating that the loans have been discharged.

oo.  Any amount included in federal adjusted gross income for: 1) the value of any medal given by the International Olympic Committee, the International Paralympic Committee, the Special Olympics International Committee, or the International Committee of Sports for the Deaf; and 2) any prize money or honoraria received from the United States Olympic Committee from a performance at the Olympic Games, the Paralympic Games, the Special Olympic Games, or the Deaflympic Games.

qq.  Amount of qualified principal residence indebtedness included in federal adjusted gross income that was allowable as an exclusion under the Mortgage Forgiveness Debt Relief Act of 2007, as amended. The subtraction may not exceed \$100,000 for taxpayers who file single or married filing separately, and may not exceed \$200,000 for married filing joint, head of household, or qualifying widow(er). Qualified principal residence indebtedness is debt used to buy, build or substantially improve your principal residence, or to refinance debt incurred for those purposes but only if the debt is secured by the home.

xc. Any amount included in federal adjusted gross income as a result of a distribution to a designated beneficiary from a Maryland ABLE account, unless it is a refund or nonqualified distribution. Designated beneficiary means a designated beneficiary as defined in § 18-19C-01 of the Education Article.

xe.  An amount included in federal adjusted gross income contributed by the State into an investment account under § 18-19A-04.1 of the Education Article during the taxable year. This includes amounts included in federal adjusted gross income contributed by the State into an investment account under the Maryland College Investment Plan.

To the extent that one or more of these items apply to your Maryland income, include only that part attributable to Maryland on the appropriate line in Part II of Form 505SU.

f. Child care expenses. You may subtract the cost of caring for your dependents while you work. There is a limitation of \$3,000 (\$6,000 if two or more dependents receive care). To claim this subtraction from income, use the amount from line 6 of federal Form 2441. You may also be entitled to a credit for these expenses. See instructions for Part B of Form 502CR.

g. Amount of wages and salaries disallowed as a deduction due to the work opportunity credit allowed under Internal Revenue Code Section 51.

h. Expenses up to \$5,000 incurred by a blind person for a reader, or up to \$1,000 incurred by an employer for a reader for a blind employee.

i. Expenses incurred for reforestation or timber stand improvement of commercial forest land. Qualifications and instructions are on Form DNR-393, available from the Department of Natural Resources, telephone 410-260-8531.

k. Up to \$6,000 in expenses incurred by parents to adopt a child with special needs through a public or nonprofit adoption agency, and up to \$5,000 in expenses incurred by parents to adopt a child without special needs.

l. Purchase and installation costs of certain enhanced agricultural management equipment as certified by the Maryland Department of Agriculture. Attach a copy of the certification.

m. Deductible artist's contribution. Attach Maryland Form 502AC.

o. Value of farm products you donated to a gleaning cooperative as certified by the Maryland Department of Agriculture. Attach a copy of the certification.

q. Charitable travel expense. You may subtract from income unreimbursed vehicle travel expenses for:

1. A volunteer fire company;

2. Service as a volunteer for a charitable organization whose principal purpose is to provide medical, health or nutritional care; and

3. Assistance for handicapped students at a Maryland community college (other than providing transportation to and from the college). Attach Maryland Form 502V.

va. The Honorable Louis L. Goldstein Volunteer Fire, Rescue and Emergency Medical Services Personnel Subtraction Modification Program. \$4,500 for each taxpayer who is a qualifying volunteer as certified by a Maryland fire, rescue or emergency medical services organization. \$4,500 for each taxpayer who is a qualifying member of the U.S. Coast Guard Auxiliary, Maryland Defense Force or Maryland Civil Air Patrol as certified by these organizations. Attach a copy of the certification.

vb. The Honorable Louis L. Goldstein Volunteer Police Personnel Subtraction Modification Program. \$4,500 for each taxpayer who is a qualifying police auxiliary or reserve volunteer as certified by a bona fide Maryland police agency. Attach a copy of the certification.

xa. Up to \$2,500 per contract purchased for advanced tuition payments made to the Maryland Prepaid College Trust. See Administrative Release 32.

xb. Up to \$2,500 per contributor per beneficiary of the total of all amounts contributed to investment accounts under the Maryland College Investment Plan and Maryland Broker-Dealer College Investment Plan. This subtraction modification may not be claimed if the account holder received a State contribution under § 18-19A-04.1 of the Education Article during the taxable year.

xd. Up to \$2,500 per ABLE account contributor per beneficiary of the total of all amounts contributed under the Maryland ABLE Program. Subject to the \$2,500 annual limitation, any amount disallowed as a subtraction because it exceeds \$2,500 may be carried over until used to the next 10 succeeding taxable years as a subtraction.

z. Expenses incurred to buy and install handrails in an existing elevator in a healthcare facility (as defined in Section 19-114 of the Health-General Article) or other building in which at least 50% of the space is used for medical purposes.

ff. Amount of the cost difference between a conventional on-site sewage disposal and a system that uses nitrogen removal technology, for which the Department of Environment's payment assistance program does not cover. An individual

must have applied to the Department of the Environment for assistance to claim the subtraction modification on the Form 505SU. Also, in order to claim the subtraction modification, the system that is purchased must be a system that utilizes nitrogen removal technology as per Environment Article of the Annotated Code of Maryland § 9-1108.

kk. Qualified conservation program expenses up to \$500 for an application approved by the Department of Natural Resources to enter into a Forest Conservation and Management Plan.

ll. Payment received as a result of a foreclosure settlement negotiated by the Maryland Attorney General.

pp. Up to \$1,500 of unreimbursed expenses that a foster parent incurs on behalf of a foster child. The foster parent must be approved by a local department to provide 24-hour care for a foster child in the house where the foster parent resides. A treatment foster parent licensed by a child placement agency may not claim the subtraction modification. Foster parent includes a kinship parent. The expenses must be approved as necessary by the local department of social services or the Montgomery County Department of Health and Human Services and may not include an expense for which the foster parent receives an allowance or reimbursement from any public or private agency.

The share of net Maryland subtractions arising from a pass-through entity or fiduciary and passed through to you. Determine the appropriate amount of these subtractions; include the total amount on the appropriate line in Part III of Form 505SU.

b. Net Maryland subtractions from Maryland Schedule K-1 for your share of income from pass-through entities or fiduciaries not attributable to decoupling.

dp. Net subtraction decoupling modification from a pass-through entity. See Form 500DM and Administrative Release 38.

14 Adjusted Gross Income (AGI) Factor

You must adjust your standard or itemized deductions and exemptions using the AGI factor calculated in the ADJUSTED GROSS INCOME FACTOR WORKSHEET (14A). Carry this amount to six decimal places.

NOTE: If Maryland adjusted gross income before subtractions (line 2) is 0 or less, use 0 as your factor. If your federal adjusted gross income (line 1) is 0 or less and line 2 is greater than 0, use 1 as your factor.

ADJUSTED GROSS INCOME FACTOR WORKSHEET (14A)

1. Enter your federal adjusted gross income (from line 17, column 1) \$ _____
2. Enter your Maryland adjusted gross income before subtraction of non-Maryland income (from line 25) . . . \$ _____
3. AGI factor. Divide line 2 by line 1 and enter on Form 505, line 26e. If greater than 1.000000, enter 1.000000 _____

15 Standard deduction.

Complete line 26a only if you are not itemizing deductions.

The standard deduction method gives you a standard deduction without the need to itemize deductions. Use the appropriate STANDARD DEDUCTION WORKSHEET (15A) to determine the total standard deduction for your filing status and Maryland income.

You must adjust the total standard deduction on line 26a using

the AGI factor from the ADJUSTED GROSS INCOME FACTOR WORKSHEET (14A) in Instruction 14. Enter this AGI factor on line 26e.

STANDARD DEDUCTION WORKSHEET (15A)

If your filing status is:

Single, Married filing separately or Dependent taxpayer

Worksheet 1

If your income on line 25 is: **Your standard deduction is:**
 \$10,000 or less \$ **1,500**

_____ **or** _____
 If your income is between \$10,000 - \$13,333
 Enter your income from above: \$ _____
 Multiply by 15 percent (.15) X **.15**

This is your standard deduction \$ _____
 _____ **or** _____

If your income is: **Your standard deduction is:**
 \$13,333 or over \$ **2,000**

Enter your standard deduction on 26a.

If your filing status is:

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

Worksheet 2

If your income on line 25 is: **Your standard deduction is:**
 \$20,000 or less \$ **3,000**

_____ **or** _____
 If your income is between \$20,000 - \$26,667
 Enter your income from above: \$ _____
 Multiply by 15 percent (.15) X **.15**

This is your standard deduction \$ _____
 _____ **or** _____

If your income is: **Your standard deduction is:**
 \$26,667 or over \$ **4,000**

Enter your standard deduction on line 26a.

16 Itemized deductions.

Copy the amount from Schedule A, line 29, Total Itemized Deductions, on line 26b of Form 505. Certain items of federal itemized deductions are not eligible for State purposes and must be subtracted from line 26b. State and local **income** taxes used as a deduction for federal purposes must be entered on line 26c. Also, any amounts deducted as contributions of Preservation or Conservation Easements for which a credit is claimed on Form 502CR must be added to line 26c. Complete lines 26b through 26e and enter the result on Line 26.

Note: Certain high-income taxpayers are required to reduce their federal itemized deductions. If you had to reduce your total federal itemized deductions, use the NONRESIDENT ITEMIZED DEDUCTION WORKSHEET (16A) to calculate the amount of state and local income taxes to enter on line 26c of Form 505.

You are not required to itemize deductions on your Maryland return because you have itemized deductions on your federal return. Figure your tax each way to determine which method is best for you.

Your itemized deductions are limited to those deductions related to Maryland income. You must adjust the total itemized deductions on line 26d using the AGI factor. On line 26e enter the AGI factor from the ADJUSTED GROSS INCOME FACTOR WORKSHEET (14A) in Instruction 14.

If your unreimbursed business expenses include depreciation to which an adjustment is required for Maryland purposes, complete Form 500DM to calculate the addition modification "j" or subtraction modification "bb."

17 Exemption allowance computation.

You must adjust the total exemption amount on line 28 using the AGI factor from the ADJUSTED GROSS INCOME FACTOR WORKSHEET (14A) in Instruction 14 to figure your Maryland exemption allowance.

18 Figure your Maryland taxable income.

Subtract line 30 from line 27 to compute your Maryland taxable income.

19 Figure your Maryland tax.

Complete Form 505NR to figure your tax. The instructions are on Page 2 of the form.

The 2017 Maryland tax rate schedules are shown so you can see the tax rate that applies to all levels of income; however, do not use them to figure your tax. Instead use the tax tables if your income is under \$50,000; otherwise, use the appropriate row in the MARYLAND TAX COMPUTATION WORKSHEET SCHEDULES (19A) at the end of the tax tables to figure your tax. The tax tables and the MARYLAND TAX COMPUTATION WORKSHEET SCHEDULES I AND II have been based on these tax rate schedules.

MARYLAND TAX RATE SCHEDULES

Tax Rate Schedule I

For taxpayers filing as Single, Married Filing Separately, or as Dependent Taxpayers. This rate is also used for taxpayers filing as Fiduciaries.

| If taxable net income is: | | | Maryland Tax is: | | |
|---------------------------|---------------|-------------|------------------|--------------------------|--|
| At least: | but not over: | | | | |
| \$0 | \$1,000 | | 2.00% | of taxable net income | |
| \$1,000 | \$2,000 | \$20.00 | plus 3.00% | of excess over \$1,000 | |
| \$2,000 | \$3,000 | \$50.00 | plus 4.00% | of excess over \$2,000 | |
| \$3,000 | \$100,000 | \$90.00 | plus 4.75% | of excess over \$3,000 | |
| \$100,000 | \$125,000 | \$4,697.50 | plus 5.00% | of excess over \$100,000 | |
| \$125,000 | \$150,000 | \$5,947.50 | plus 5.25% | of excess over \$125,000 | |
| \$150,000 | \$250,000 | \$7,260.00 | plus 5.50% | of excess over \$150,000 | |
| \$250,000 | | \$12,760.00 | plus 5.75% | of excess over \$250,000 | |

Tax Rate Schedule II

For taxpayers filing Joint, Head of Household, or for Qualifying Widows/Widowers.

| If taxable net income is: | | | Maryland Tax is: | | |
|---------------------------|---------------|-------------|------------------|--------------------------|--|
| At least: | but not over: | | | | |
| \$0 | \$1,000 | | 2.00% | of taxable net income | |
| \$1,000 | \$2,000 | \$20.00 | plus 3.00% | of excess over \$1,000 | |
| \$2,000 | \$3,000 | \$50.00 | plus 4.00% | of excess over \$2,000 | |
| \$3,000 | \$150,000 | \$90.00 | plus 4.75% | of excess over \$3,000 | |
| \$150,000 | \$175,000 | \$7,072.50 | plus 5.00% | of excess over \$150,000 | |
| \$175,000 | \$225,000 | \$8,322.50 | plus 5.25% | of excess over \$175,000 | |
| \$225,000 | \$300,000 | \$10,947.50 | plus 5.50% | of excess over \$225,000 | |
| \$300,000 | | \$15,072.50 | plus 5.75% | of excess over \$300,000 | |

20 Poverty level and other credits for individuals and businesses.

The earned income credit is not available to be claimed for tax year 2017.

Line 33. POVERTY LEVEL CREDIT. If your earned income and federal adjusted gross income are below the poverty level income for the number of exemptions on your federal tax return, you may be eligible for the poverty level credit.

You are not eligible for this credit if you checked filing status 6 (dependent taxpayer) on your Maryland income tax return.

Generally, if your Maryland state tax exceeds 50% of your federal earned income credit and your earned income and federal adjusted gross income are below the poverty income guidelines from the worksheet, you may claim a credit of 5% of your earned income multiplied by the Maryland income factor.

Complete the POVERTY LEVEL CREDIT WORKSHEET (20A) to calculate the amount to enter on line 33 of Form 505.

This is not a refundable credit.

Line 34. OTHER INCOME TAX CREDITS FOR INDIVIDUALS.

Enter the total of your personal income tax credits as listed below. Complete and submit Form 502CR with Form 505.

- CREDITS FOR INCOME TAXES PAID TO OTHER STATES.** This credit is not available for nonresident taxpayers.
- CREDIT FOR CHILD AND DEPENDENT CARE EXPENSES.** If you were eligible for a Child and Dependent Care Credit on your federal income tax return and your income is below certain thresholds you are entitled to a tax credit equal to a percentage of the federal credit.
- QUALITY TEACHER INCENTIVE CREDIT.** If you are a Maryland qualified teacher who paid tuition to take graduate-level courses required to maintain certification, you may be eligible for a tax credit.
- CREDIT FOR AQUACULTURE OYSTER FLOATS.** If you purchased a new aquaculture oyster float during the tax year, you may be entitled to a credit of up to \$500 for the cost of the float.

NONRESIDENT ITEMIZED DEDUCTION WORKSHEET (16A)

(To be used only by high-income taxpayers who were required to reduce their federal itemized deductions.)

- ENTER the amount from line 29 of federal Schedule A 1. _____
- ENTER the total of the amounts from Schedule A, lines 4, 14, and 20, plus any gambling and casualty or theft losses included in line 28. 2. _____
- Federal itemized deductions that were limited (SUBTRACT line 2 from line 1.) 3. _____
- Federal itemized deductions subject to limitation (ENTER the total of lines 9, 10, 11, 12, 19, 27 and 28, less any gambling and casualty or theft losses included in line 28 of federal Schedule A.) 4. _____
- DIVIDE line 3 by line 4 5. _____ %
- ENTER the amount of state and local income taxes from line 5 of federal Schedule A. 6. _____
- MULTIPLY line 5 by line 6. Enter here and on Form 505, line 26c. 7. _____

Part-Year Residents see Instruction 28.

e. LONG-TERM CARE INSURANCE CREDIT. If you paid a premium for a long-term care insurance policy for certain Maryland resident family members, you may be eligible for a tax credit.

f. CREDIT FOR PRESERVATION AND CONSERVATION EASEMENTS. Individuals may be eligible for a tax credit for an easement conveyed to the Maryland Environmental Trust, the Maryland Agricultural Land Preservation Foundation, or the Maryland Department of Natural Resources to preserve open space, natural resources, agriculture, forest land, watersheds, significant ecosystems, view sheds or historic properties. Individuals who are eligible to claim the Credit for Preservation and Conservation Easements and who are not PTE members must claim this credit on Part F of the Form 502CR. PTE members who are eligible for this credit must electronically claim the credit on Business Income Tax Credit Form 500CR.

g. Reserve for Future Use.

h. COMMUNITY INVESTMENT TAX CREDIT. Businesses that contribute to approved Neighborhood and Community Assistance Programs may be eligible for a tax credit of 50% of approved contributions with a maximum credit of \$250,000 on Business Income Tax Credit Form 500CR (See Instruction 12, letter code c). Individuals who make a nonbusiness contribution may also be eligible for this tax credit, and may elect to claim this credit on Part H of Form 502CR instead of Form 500CR. The credit may not be claimed on both Form 500CR and Form 502CR. PTE members claim this credit on Business Income Tax Credit Form 500CR (See Instruction 12, letter code c).

i. ENDOW MARYLAND TAX CREDIT. Businesses that donate \$500 of cash or publicly traded securities to a qualified permanent endowment fund at an eligible community foundation may be eligible for a tax credit of 25% of the approved donation with a maximum credit of \$50,000 on Business Income Tax Credit Form 500CR (See Instruction 12, letter code c). Individuals who make an approved donation may also be eligible for this tax credit, and may elect to claim this credit on Part I of Form 502CR instead of Form 500CR. The credit may not be claimed on both Form 500CR and Form 502CR. PTE members claim this credit on Business Income Tax Credit Form 500CR (See Instruction 12, letter code c).


Note: If you claim the Endow Maryland Tax Credit, the amount of approved donations which qualify you for this credit is an addition to income and must be included on line 19. See instruction 12, letter code c.

j. PRECEPTORS IN AREAS WITH HEALTH CARE WORKFORCE SHORTAGES TAX CREDIT If you are a

qualified licensed physician or a qualified nurse practitioner who served without compensation as a preceptor, you may be eligible to claim a nonrefundable credit against your State tax liability.

For additional information regarding any of these income tax credits, see the instructions for Form 502CR, Income Tax Credits. Form 502CR and instructions are available at www.marylandtaxes.gov.

Line 35. BUSINESS INCOME TAX CREDITS. You must file your tax return electronically to claim the following business tax credits from Form 500CR:

-  Enterprise Zone Tax Credit, Maryland Disability Employment Tax Credit, Job Creation Tax Credit, Businesses That Create New Jobs Tax Credit, Qualified Vehicle Tax Credit, Employer-Provided Long-Term Care Insurance Tax Credit, Security Clearance Costs Tax Credit, First Year Leasing Costs Tax Credit for Qualified Small Businesses, One Maryland Economic Development Tax Credit, Commuter Tax Credit, Research and Development Tax Credit, Maryland-Mined Coal Tax Credit, Oyster Shell Recycling Tax Credit, Cellulosic Ethanol Technology Research and Development Tax Credit, Bio-Heating Oil Tax Credit, Wineries and Vineyards Tax Credit, Endow Maryland Tax Credit, Preservation and Conservation Easements Tax Credit, Apprentice Employee Tax Credit, Qualified Farms Tax Credit, and Qualified Veteran Employees Tax Credit.

For additional information regarding any of the above income tax credits, see the Business Income Tax Credits Form 500CR Instructions available at www.marylandtaxes.gov.

21 Total Maryland tax and contribution.

Add any contribution amounts from lines 38 through 41 to your Maryland tax on line 37 and enter the total on line 42.

CHESAPEAKE BAY AND ENDANGERED SPECIES FUND

You may contribute any amount you wish to this fund. The amount contributed will reduce your refund or increase your balance due.

DEVELOPMENTAL DISABILITIES SERVICES AND SUPPORT FUND

You may contribute any amount you wish to this fund. The amount contributed will reduce your refund or increase your balance due.

MARYLAND CANCER FUND

You may contribute any amount you wish to this fund. The amount contributed will reduce your refund or increase your

POVERTY LEVEL CREDIT WORKSHEET (20A)

Poverty Level Credit

If you checked filing status 6 on your Maryland return, you are not eligible for this credit.

1. Enter the amount from line 21, of Form 505. If you checked filing status 3 (married filing separately) and you filed a joint federal return enter your joint federal adjusted gross income plus any Maryland additions1. _____
 2. Enter the total of your salary, wages, tips and other employee compensation and net profit from self-employment here, and on line 3a of Form 505NR, if line 3a is currently blank.2. _____
 3. Find the number of exemptions in the chart that is the same as the number of exemptions entered on your federal tax return. Enter the income level that corresponds to the exemption number3. _____
 4. Enter the amount from line 1 or 2, whichever is larger4. _____
- Compare lines 3 and 4. If line 4 is greater than or equal to line 3, STOP HERE. You do not qualify for this credit. If line 3 is greater than line 4, continue to line 5.
5. Multiply line 2 of Part II by 5% (.05)5. _____
 6. Multiply line 5 by the Maryland income factor _____ (from line 9 of Form 505NR)6. _____
Enter that amount here and on line 33 of Form 505.

| POVERTY INCOME GUIDELINES | |
|--|--------------|
| NUMBER OF EXEMPTIONS ON FEDERAL RETURN | INCOME LEVEL |
| 1 | \$12,060 |
| 2 | \$16,240 |
| 3 | \$20,420 |
| 4 | \$24,600 |
| 5 | \$28,780 |
| 6 | \$32,960 |
| 7 | \$37,140 |
| 8 | \$41,320 |

If you have more than 8 exemptions, add \$4,180 to the last income level for each additional exemption.

balance due.

FAIR CAMPAIGN FINANCING FUND

You may contribute any amount you wish to this fund. The amount contributed will reduce your refund or increase your balance due.

IMPORTANT: If there are not sufficient credits (lines 43-46) or other payments to satisfy your tax and the contribution you have designated, the contribution amounts will be reduced. If you have entered amounts for contribution to multiple funds, any reduction will be applied proportionately.

22 Taxes paid and credits.

Write your taxes paid and credits on lines 43-46. Do not use line 43 to report withholding from a nonresident real estate transaction; see instructions for lines 44 and 45. Instructions for each line:

Line 43. Write the total Maryland and local tax withheld as shown on the wage and tax statements (Forms W-2, W-2G or 1099) you have received. Add up the amounts identified as Maryland tax withheld on each form and write the total on line 43. Attach Forms W-2, W-2G and 1099 to your return **if Maryland tax was withheld.** You will not get credit for your withholding if you do not attach Forms 1099, W-2 or W-2G substantiating Maryland withholding.

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

Line 44. Enter on line 44 the total of:

- a. Maryland estimated tax payments,
- b. Amount of overpayment applied from your 2016 return,
- c. Payment made with a request for an automatic extension of time to file your 2017 return, (see the instructions on Form 502E), AND
- d. **If you participated in a nonresident real estate transaction as an individual, you must report the income tax withheld on your behalf as an estimated payment.** Enter code number **506** in one of the code number lines on page 3 of your return. The tax will be identified as Maryland tax withheld on the Form MW506NRS. Please attach a copy of your federal return and all relevant schedules that report the sale of the property.

NOTE: Estimated tax payments are required if you expect to receive any income from which no tax or not enough Maryland tax will be withheld. See the instructions for Form 502D, Declaration of Estimated Maryland Income Tax.

Line 45. If you were a member of a pass-through entity doing business in Maryland and the entity paid nonresident tax on your behalf, enter the amount on line 45. You must attach a statement from the entity showing the amount of tax paid on your behalf. If you participated in a nonresident real estate transaction as a member of a pass-through entity that paid taxes on your behalf you must report this payment here.

Line 46. REFUNDABLE INCOME TAX CREDITS. Enter the amount from line 6, Part M of Form 502CR.

- a. A Student Loan Debt Relief Tax Credit may be claimed if you have incurred at least \$20,000 in undergraduate student loan debt. See instructions for Form 502CR.
- b. A Heritage Rehabilitation Structure Tax Credit is allowed for a certain percentage of qualified rehabilitation expenditures as certified by the Maryland Historical Trust. Attach Form 502S and the certification.
- c. If you repaid an amount reported as income on a prior year tax return this year that was greater than \$3,000, you may be eligible for an IRC Section 1341 Repayment Credit. For additional information, see Administrative Release 40.

d. Refundable Business Income Tax Credits refundable part only. If you are claiming a business income tax credit, you must file electronically. See Form 500CR Instructions at **www.marylandtaxes.gov** for One Maryland Economic Development Tax Credit, Cybersecurity Investment Incentive Tax Credit, Biotechnology Investment Incentive Tax Credit, Clean Energy Incentive Tax Credit, Health Enterprise Zone Hiring Tax Credit, Film Production Activity Tax Credit, Small Business Research and Development Tax Credit and Aerospace, Electronics, and Defense Contracts Tax Credit.

e. If you are the beneficiary of a trust or a Qualified Subchapter S Trust for which nonresident PTE tax was paid, you may be entitled to a share of that tax.

23 Overpayment or balance due.

Calculate the Balance Due (line 48) or Overpayment (line 49). Read the instructions for UNDERPAYMENT OF ESTIMATED TAX and then go to BALANCE DUE or OVERPAYMENT.

UNDERPAYMENT OF ESTIMATED TAX

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

If you owe interest, then complete Form 502UP and write the amount of interest (line 18 of Form 502UP) on line 52 in the appropriate box. Attach Form 502UP.

Generally, you do not owe interest if:

- a. You owe less than \$500 tax on income that is not subject to withholding;
- b. Each current year payment, made quarterly as required, is equal to or more than one-fourth of 110% of last year's tax; OR
- c. You made quarterly payments during the year that equal 90% of this year's tax.

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

INTEREST FOR LATE FILING

Interest is due at the rate of 11.5% annually or .9583% per month for any month or part of a month that a tax is paid after the original due date of the 2017 return but before January 1, 2019. For assistance in calculating interest for tax paid on or after January 1, 2019, please see the Comptroller's website. Enter any interest due in the appropriate box on line 52 of Form 505.

TOTAL INTEREST

Enter the total of interest for underpayment of estimated tax and interest for late filing on line 52 of Form 505.

BALANCE DUE

If you have a balance due on line 48, add this amount to any amount on line 52. Put the total on line 53.

OVERPAYMENT

If you have an overpayment on line 49, the Revenue Administration Division will refund any amount of \$1.00 or more. If you want part or all of your overpayment credited to your 2018 estimated tax, then write the amount you want credited on line 50. Overpayments may first be applied to previous year's tax liabilities or other debts as required by federal or state law. If you must pay interest for underpayment of estimated tax, enter the amount of interest from line 18 of Form 502UP on line 52. Subtract lines 50 and 52 from your

overpayment (line 49). This is the amount of your refund. Write this amount on line 51. No refunds of less than \$1.00 will be sent.

If the amount of interest charges from Form 502UP on line 52 is more than the overpayment on line 49 of Form 505, enter zero (0) on lines 50 and 51. Then subtract line 52 from line 49 and enter the result on line 53.

DIRECT DEPOSIT OF REFUND

To comply with banking rules, we ask you to indicate on your return if the state refund is going to an account outside the United States. If you indicate that this is the case, do not enter your routing and account number, as the direct deposit option is not available to you. We will send you a paper check. Complete lines 54a, b and c of Form 505 if you want us to deposit your refund directly into your account at a bank or other financial institution (such as a mutual fund, brokerage firm, or credit union) in the United States.



Check with your financial institution to make sure your direct deposit will be accepted and to get the correct routing and account numbers. **If you enter incorrect account information, the State of Maryland will not be responsible for recovering that refund.**

Line 54a: Check the appropriate box to identify the type of account that will be used (checking or savings). You must check one box only, or a refund check will be mailed.

Line 54b: The routing number must be nine digits. If the first two digits are not 01 through 12 or 21 through 32, the direct deposit will be rejected and a check sent instead.

If you are not sure of the correct routing number or if your check states that it is payable through a financial institution different from the one at which you have your checking account, contact your financial institution for the correct routing number.

Line 54c: The account number can be up to 17 characters (both numbers and letters). Omit spaces, hyphens and other special symbols. Enter the number from left to right and leave any unused spaces blank.

If we are notified by the financial institution that the direct deposit is not successful, a refund check will be mailed to you.

Please have a bank statement for the deposit account available if you contact us concerning the direct deposit of your refund.

DISCLOSURE

Entering your bank account routing number, account number and account type in the area provided on your Maryland income tax return to request a direct deposit of your income tax refund authorizes the Comptroller's Office to disclose this information and your refund amount to the Maryland State Treasurer's Office who performs banking services for the Comptroller's Office.

SPLITTING YOUR DIRECT DEPOSIT

If you would like to deposit portions of your refund (Form 505, line 51) to multiple accounts, do not complete any direct deposit information on your income tax return (Form 505). Instead, you must enter code number **588** in one of the code number lines on page 3 of your return, and complete and attach Form 588.

NOTE: You may not use Form 588 if you are filing Form 502INJ, Maryland Injured Spouse Claim Form, or if you plan to deposit your refund in a bank outside the United States.

Individual taxpayers now have the option to use all or part of their Maryland income tax refund to purchase U.S. Series I Savings Bonds. Please see Maryland Form 588 for additional details.

24 Telephone numbers, code numbers, signatures and attachments.

Sign and date your return, and enter your telephone numbers. Be sure to attach all required forms, schedules and statements.

CODE NUMBERS

If special circumstances apply, you may not owe the interest for underpayment of estimated tax. Refer to Form 502UP for additional information. Enter the applicable code number in one of the code number lines on page 3 of your return. Enter code **300** if you are a farmer or fisherman or **301** if your income was received unevenly throughout the year. Attach your completed Form 502UP if you have entered code **301**.

TAX PREPARERS

If another person prepared your return, that person must also sign the return and enter their Preparer's Tax Identification Number (PTIN). The preparer declares, under the penalties of perjury, that the return is based on all information required to be reported of which the preparer has knowledge. Income tax preparers who, for compensation, completed 100 or more original Maryland individual income tax returns (paper and electronic forms) for Tax Year 2016 are required to file all original individual income tax returns electronically for Tax Year 2017, except when a taxpayer specifically requests a preparer to file by paper or when a preparer has received a valid written waiver from the Comptroller.

Penalties may be imposed for tax preparers who fail to sign the tax return and provide their PTIN or who failed to file electronically when required.

At the bottom of the return at the signature area, we have provided a check box for you to authorize your preparer to discuss your return with us. Another check box is provided for you to authorize your preparer to not file your return electronically.

SIGNATURES

You must sign your return. Your signature(s) signifies that your return, including all attachments, is, to the best of your knowledge and belief, true, correct and complete, under the penalties of perjury.

Both spouses must sign a joint return. If your spouse cannot sign because of injury or disease and tells you to sign, you can sign your spouse's name in the proper space on the return followed by the words "By (your name), spouse." Be sure to also sign in the space provided for your signature.

If a power of attorney is necessary, complete Maryland Form 548 and attach to your return.

ATTACHMENTS

For returns with payment by check or money order, attach the payment to the Form IND PV. The Form IND PV and payment are placed before the Form 505 for mailing purposes. **The Form IND PV and payment are not attached to the Form 505.**

Be sure to attach wage and tax statements (Form W-2, W-2G and 1099) to the front of your Form 505 **if Maryland tax was withheld**. Also attach all other forms (except Form IND PV), K-1s, schedules and statements required by these instructions. These documents should be attached and placed after page 3 of the Form 505.

25 Electronic and PC filing, mailing and payment instructions and deadlines.

ELECTRONICALLY FILING YOUR RETURN

The fastest way to file your return and receive your refund is to file electronically and request direct deposit. If you request direct deposit on your electronic return your refund should be in your bank account within 72 hours of acknowledgement from the Revenue Administration Division. **You may request electronic funds withdrawal (direct debit) payments on your electronic return.** If you both file and pay electronically,

your return is due April 17th. **However, you will have until April 30th to make your electronic payment. Note: An online payment where the bank mails the Comptroller of Maryland a paper check is not considered an electronic payment.** You may file your return electronically through your personal computer. **Do not send** a paper copy of the return you electronically filed. For more information, please visit our Web site at: www.marylandtaxes.gov

ELECTRONIC PAYMENT OF BALANCE DUE

If your paper or electronic tax return has a balance due, you may pay electronically at www.marylandtaxes.gov by selecting BillPay. The amount that you designate will be debited from your bank or financial institution on the date that you choose.

PAYMENT BY CHECK OR MONEY ORDER

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

Your check or money order should be attached to the completed Form IND PV. Do not attach the check or money order to your return.

ALTERNATIVE PAYMENT METHODS

For alternative methods of payment, such as a credit card, visit our Web site at www.marylandtaxes.gov.

NOTE: Credit card payments are considered electronic payments for the purpose of the April 30th extended due date if you filed your return electronically by April 17th.

ELECTRONIC 1099G

At the bottom of the return in the signature area, we have provided a check-box just above the signature for you to indicate that you agree to receive your statement of refund (Form 1099G) electronically. An electronic Form 1099G may be printed from our secure Web site at www.marylandtaxes.gov. At this Web site, you may also request to receive Form 1099G in paper form.

If you have requested an electronic 1099G, we will notify you by email in January that your 1099G is available to be viewed and printed at our Web site if you are a registered user on our Web site.

Note: We can only honor your request on an electronically-filed return or through your registered request on our Web site. If you are filing a tax form by paper, we do not capture this request and therefore cannot honor your request to send you an electronic Form 1099G under current IRS regulations.

MAILING YOUR RETURN

For returns filed with payments, attach check or money order to Form IND PV. Make checks payable to Comptroller of Maryland. Do not attach Form IND PV or check/money order to Form 505. Place Form IND PV with attached check/money order on top of Form 505 and mail to:

**Comptroller of Maryland
Payment Processing
PO Box 8888
Annapolis, MD 21401-8888**

For returns filed without payments, mail your completed return to:

**Comptroller of Maryland
Revenue Administration Division
110 Carroll Street
Annapolis, Maryland 21411-0001**

Sending your return by certified mail will not result in special handling and may delay your refund.

Private Delivery Services

If you wish to send your items by a private delivery service (such as FedEx or UPS) instead of the U.S. Postal Service, use the following address:

**Comptroller of Maryland
Revenue Administration Division
110 Carroll Street
Annapolis, Maryland 21411-0001
410-260-7980**

DUE DATE

Returns must be mailed by April 17, 2018, for calendar year taxpayers. Persons filing on a fiscal year basis should see Instruction 26.

EXTENSION OF TIME TO FILE

Follow the instructions on Form 502E to request an automatic extension of the time to file your 2017 return. Filing this form extends the time to file your return, but does not extend the time to pay your taxes. Payment of the expected tax due is required with Form 502E by April 17, 2018. You can file and pay by credit card or electronic funds withdrawal (direct debit) on our Web site. If no tax is due and you requested a federal extension, you do not need to file Form 502E or take any other action to obtain an automatic **six-month extension**. If no tax is due and you did not request a federal extension, file your extension online at www.marylandtaxes.gov or by phone at 410-260-7829. Only submit Form 502E if tax is due.

COMBAT ZONE EXTENSION

Maryland allows the same six-month extension for filing **and paying** personal income taxes for military and support personnel serving in a designated combat zone or qualified hazardous duty area and their spouses as allowed by the IRS. For more detailed information visit www.irs.gov. If you are affected by the extension enter **912** in one of the code number lines on page 3.

26 Fiscal year.

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

To file a fiscal year return, complete the fiscal year information at the top of Form 505, and print "FY" in bold letters in the upper left hand corner of the form. Whenever the term "tax year" appears in these instructions, fiscal year taxpayers should understand the term to mean "fiscal year." Use the 2017 forms for fiscal years which begin during calendar year 2017.

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

27 Special instructions for military taxpayers.

Instructions and worksheets referenced are in the resident booklet. For more information, see Administrative Release 1.

| MILITARY PERSONNEL WHO ARE LEGAL RESIDENTS OF MARYLAND | |
|---|--|
| 1 - Without overseas pay | Must file a resident return (Form 502) and report all income from all sources, wherever earned. You must calculate the local portion of the tax regardless of whether you were stationed in Maryland or not. The location of your legal residence determines which county should be entered on your return. See Instructions 6 and 19. If you filed a joint federal return, see Instruction 7. |

| | |
|-----------------------|---|
| 2 - With overseas pay | Same as above, may subtract up to \$15,000 in military pay earned outside U.S. boundaries or possessions, depending upon total military income. If you filed a joint federal return, see Instruction 7. |
|-----------------------|---|

| MILITARY PERSONNEL WHO ARE LEGAL RESIDENTS OF ANOTHER STATE | |
|---|---|
| 1 - With military income only. | Not required to file a Maryland return. |
| 2 - With military income and other income outside Maryland. | Not required to file a Maryland return. |
| 3 - With military and other income earned in Maryland, single or with an unemployed civilian spouse. | Must file a nonresident return (Form 505) reporting total income and subtracting military pay; and Form 505NR, subtracting unearned and non-Maryland income, then computing the Maryland taxable net income. Deductions and exemptions must be adjusted. The State of Maryland does not tax the military pay, and does not use the military pay to increase the tax liability imposed on other income earned in Maryland. |
| 4 - With military income with or without other income earned in Maryland, and civilian spouse employed in Maryland. | See Administrative Release 1 for guidance and application of the Military Spouses Residency Relief Act, amending the Servicemembers Civil Relief Act. |
| 5 - Both spouses in the military and not domiciled in Maryland and one or both have Maryland income. | Must file a joint nonresident return. Exemptions and deductions must be adjusted. |
| Military personnel should be aware that there may be provisions for tax credits granted either by Maryland or another state when the same income is subject to tax by both states; however, military income is subject to tax only by the state of domicile. See Maryland Form 502CR and instructions. Read carefully the instructions provided by the state of legal residence for any possible credits allowed by that state. | |

28 Part-year residents.

If you moved into or out of Maryland during 2017 AND received taxable Maryland income both while you were a resident and while you were a nonresident AND you are required to file a federal return, you are required to file two returns with the State of Maryland.

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

INCOME AND ADJUSTMENTS

Treat your Maryland **resident** income as non-Maryland income. **This amount is included as a subtraction on line**

6b of Form 505NR. You will be taxed on this income on your resident return.

STANDARD DEDUCTION

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

EXEMPTIONS

Each exemption is limited to a maximum of \$3,200 and is subject to further reduction using the chart in Instruction 10. Your exemption must be prorated on the resident and nonresident returns based on Maryland income.

POVERTY LEVEL CREDITS

You must prorate your poverty level credits based on Maryland income.

WITHHOLDING AND ESTIMATED TAX PAYMENTS

You must allocate your total payments between your two returns.

29 Pass-through entities (PTE) may file a composite income tax return (Form 510C) on behalf of nonresident individual members.

Note: A single member entity cannot file Maryland Form 510C.

Nonresident members other than individuals may not participate in the composite return. The Maryland tax of each nonresident individual member is calculated using the rate of 5.75% plus the 1.75% Special nonresident tax.

Nonresident individual members of a PTE doing business in the State who meet the composite return requirements contained in Administrative Release 6 and elect to be included in a composite return may not be required to file Maryland nonresident individual returns. Instead, the PTE doing business in the State may file a composite return on behalf of such nonresident individual members using Form 510C.

For more information, Administrative Release 6 may be obtained from our Web site at www.marylandtaxes.gov.

30 Filing return of deceased taxpayer.

Enter code 321 in one of the code number lines on page 3. Use the following special instructions:

FILING THE RETURN

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

- By the personal representative of the individual's estate;
- If there is no personal representative, by the decedent's surviving spouse; or
- Jointly by the personal representatives of each if both spouses are deceased.

JOINT RETURN

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

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

ALL OTHER RETURNS

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

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

KILLED IN ACTION

Maryland will abate the tax liability for an individual who is a member of the U.S. Armed Forces at death, and dies while in active service in a combat zone or at any place from wounds, disease, or injury incurred while in active service in a combat zone. To obtain an abatement, a return must be filed. The abatement will apply to the tax year in which death occurred, and any earlier tax year ending on or after the first day the member served in a combat zone in active service.

Maryland also will abate the tax liability of an individual who dies while a military or civilian employee of the United States, if such death occurs as a result of wounds or injury incurred outside the United States in a terrorist or military action.

In the case of a joint return, Maryland applies the same rules for these taxpayers as does the IRS. For more information on filing a return, see Publication 3 Armed Forces Tax Guide available at www.irs.gov. Place code number **915** on one of the lines marked "code numbers" if you are filing a return for a taxpayer who was killed in action meeting the above criteria.

31 Amended returns.

If you need to change a return that you have already filed, or if the IRS changes your return, you must file an amended return and include Form 505NR using the amended figures.

FILING AN AMENDED RETURN

You must file an amended return to make certain changes on your original return. These include changes in income, filing status, amount of deductions, the number of exemptions and the amount of additions to income and subtractions from income.

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

Use Form 505X and Form 505NR to file an amended return and include a copy of your federal return. Forms and instructions may be obtained online at www.marylandtaxes.gov or by emailing TAXFORMS@comp.state.md.us. You may also call 1-800-638-2937 or from Central Maryland 410-260-7951.

CHANGES TO YOUR FEDERAL RETURN

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

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

IF YOUR ORIGINAL RETURN SHOWED A REFUND

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

ADDITIONAL INFORMATION

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

Generally, a claim for a refund or overpayment credit must be filed within three years from the date the original return was filed or within two years from the date the tax was paid, whichever is later. A return filed early is considered filed on the date it was due. If a claim is filed within three years after the date the return was filed, the credit or refund may not be more than that part of the tax paid within the three years, plus any extension of time for filing the return, prior to the filing of the claim. If a claim is filed after the three-year period, but within two years from the time the tax was paid, the refund or credit may not be more than the tax paid within two years immediately before filing the claim for a refund or credit.

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

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

If the claim for refund or credit for overpayment resulted from a final determination made by an administrative board or an appeal of a decision of an administrative board, that is more than three years from the date of filing the return or more than two years from the time the tax was paid, the claim for refund must be filed within one year of the date of the final decision of the administrative board or final decision of the highest court to which an appeal of the administrative board is taken.

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

2017 MARYLAND TAX TABLE

| If your taxable net income is . . . | | Your Maryland tax is . . . | If your taxable net income is . . . | | Your Maryland tax is . . . | If your taxable net income is . . . | | Your Maryland tax is . . . | If your taxable net income is . . . | | Your Maryland tax is . . . |
|-------------------------------------|---------------|----------------------------|-------------------------------------|---------------|----------------------------|-------------------------------------|---------------|----------------------------|-------------------------------------|---------------|----------------------------|
| At least | But less than | | At least | But less than | | At least | But less than | | At least | But less than | |
| 15,000 | | | 18,000 | | | 21,000 | | | 24,000 | | |
| 15,000 | 15,050 | 661 | 18,000 | 18,050 | 804 | 21,000 | 21,050 | 946 | 24,000 | 24,050 | 1,089 |
| 15,050 | 15,100 | 664 | 18,050 | 18,100 | 806 | 21,050 | 21,100 | 949 | 24,050 | 24,100 | 1,091 |
| 15,100 | 15,150 | 666 | 18,100 | 18,150 | 808 | 21,100 | 21,150 | 951 | 24,100 | 24,150 | 1,093 |
| 15,150 | 15,200 | 668 | 18,150 | 18,200 | 811 | 21,150 | 21,200 | 953 | 24,150 | 24,200 | 1,096 |
| 15,200 | 15,250 | 671 | 18,200 | 18,250 | 813 | 21,200 | 21,250 | 956 | 24,200 | 24,250 | 1,098 |
| 15,250 | 15,300 | 673 | 18,250 | 18,300 | 816 | 21,250 | 21,300 | 958 | 24,250 | 24,300 | 1,101 |
| 15,300 | 15,350 | 675 | 18,300 | 18,350 | 818 | 21,300 | 21,350 | 960 | 24,300 | 24,350 | 1,103 |
| 15,350 | 15,400 | 678 | 18,350 | 18,400 | 820 | 21,350 | 21,400 | 963 | 24,350 | 24,400 | 1,105 |
| 15,400 | 15,450 | 680 | 18,400 | 18,450 | 823 | 21,400 | 21,450 | 965 | 24,400 | 24,450 | 1,108 |
| 15,450 | 15,500 | 683 | 18,450 | 18,500 | 825 | 21,450 | 21,500 | 968 | 24,450 | 24,500 | 1,110 |
| 15,500 | 15,550 | 685 | 18,500 | 18,550 | 827 | 21,500 | 21,550 | 970 | 24,500 | 24,550 | 1,112 |
| 15,550 | 15,600 | 687 | 18,550 | 18,600 | 830 | 21,550 | 21,600 | 972 | 24,550 | 24,600 | 1,115 |
| 15,600 | 15,650 | 690 | 18,600 | 18,650 | 832 | 21,600 | 21,650 | 975 | 24,600 | 24,650 | 1,117 |
| 15,650 | 15,700 | 692 | 18,650 | 18,700 | 835 | 21,650 | 21,700 | 977 | 24,650 | 24,700 | 1,120 |
| 15,700 | 15,750 | 694 | 18,700 | 18,750 | 837 | 21,700 | 21,750 | 979 | 24,700 | 24,750 | 1,122 |
| 15,750 | 15,800 | 697 | 18,750 | 18,800 | 839 | 21,750 | 21,800 | 982 | 24,750 | 24,800 | 1,124 |
| 15,800 | 15,850 | 699 | 18,800 | 18,850 | 842 | 21,800 | 21,850 | 984 | 24,800 | 24,850 | 1,127 |
| 15,850 | 15,900 | 702 | 18,850 | 18,900 | 844 | 21,850 | 21,900 | 987 | 24,850 | 24,900 | 1,129 |
| 15,900 | 15,950 | 704 | 18,900 | 18,950 | 846 | 21,900 | 21,950 | 989 | 24,900 | 24,950 | 1,131 |
| 15,950 | 16,000 | 706 | 18,950 | 19,000 | 849 | 21,950 | 22,000 | 991 | 24,950 | 25,000 | 1,134 |
| 16,000 | | | 19,000 | | | 22,000 | | | 25,000 | | |
| 16,000 | 16,050 | 709 | 19,000 | 19,050 | 851 | 22,000 | 22,050 | 994 | 25,000 | 25,050 | 1,136 |
| 16,050 | 16,100 | 711 | 19,050 | 19,100 | 854 | 22,050 | 22,100 | 996 | 25,050 | 25,100 | 1,139 |
| 16,100 | 16,150 | 713 | 19,100 | 19,150 | 856 | 22,100 | 22,150 | 998 | 25,100 | 25,150 | 1,141 |
| 16,150 | 16,200 | 716 | 19,150 | 19,200 | 858 | 22,150 | 22,200 | 1,001 | 25,150 | 25,200 | 1,143 |
| 16,200 | 16,250 | 718 | 19,200 | 19,250 | 861 | 22,200 | 22,250 | 1,003 | 25,200 | 25,250 | 1,146 |
| 16,250 | 16,300 | 721 | 19,250 | 19,300 | 863 | 22,250 | 22,300 | 1,006 | 25,250 | 25,300 | 1,148 |
| 16,300 | 16,350 | 723 | 19,300 | 19,350 | 865 | 22,300 | 22,350 | 1,008 | 25,300 | 25,350 | 1,150 |
| 16,350 | 16,400 | 725 | 19,350 | 19,400 | 868 | 22,350 | 22,400 | 1,010 | 25,350 | 25,400 | 1,153 |
| 16,400 | 16,450 | 728 | 19,400 | 19,450 | 870 | 22,400 | 22,450 | 1,013 | 25,400 | 25,450 | 1,155 |
| 16,450 | 16,500 | 730 | 19,450 | 19,500 | 873 | 22,450 | 22,500 | 1,015 | 25,450 | 25,500 | 1,158 |
| 16,500 | 16,550 | 732 | 19,500 | 19,550 | 875 | 22,500 | 22,550 | 1,017 | 25,500 | 25,550 | 1,160 |
| 16,550 | 16,600 | 735 | 19,550 | 19,600 | 877 | 22,550 | 22,600 | 1,020 | 25,550 | 25,600 | 1,162 |
| 16,600 | 16,650 | 737 | 19,600 | 19,650 | 880 | 22,600 | 22,650 | 1,022 | 25,600 | 25,650 | 1,165 |
| 16,650 | 16,700 | 740 | 19,650 | 19,700 | 882 | 22,650 | 22,700 | 1,025 | 25,650 | 25,700 | 1,167 |
| 16,700 | 16,750 | 742 | 19,700 | 19,750 | 884 | 22,700 | 22,750 | 1,027 | 25,700 | 25,750 | 1,169 |
| 16,750 | 16,800 | 744 | 19,750 | 19,800 | 887 | 22,750 | 22,800 | 1,029 | 25,750 | 25,800 | 1,172 |
| 16,800 | 16,850 | 747 | 19,800 | 19,850 | 889 | 22,800 | 22,850 | 1,032 | 25,800 | 25,850 | 1,174 |
| 16,850 | 16,900 | 749 | 19,850 | 19,900 | 892 | 22,850 | 22,900 | 1,034 | 25,850 | 25,900 | 1,177 |
| 16,900 | 16,950 | 751 | 19,900 | 19,950 | 894 | 22,900 | 22,950 | 1,036 | 25,900 | 25,950 | 1,179 |
| 16,950 | 17,000 | 754 | 19,950 | 20,000 | 896 | 22,950 | 23,000 | 1,039 | 25,950 | 26,000 | 1,181 |
| 17,000 | | | 20,000 | | | 23,000 | | | 26,000 | | |
| 17,000 | 17,050 | 756 | 20,000 | 20,050 | 899 | 23,000 | 23,050 | 1,041 | 26,000 | 26,050 | 1,184 |
| 17,050 | 17,100 | 759 | 20,050 | 20,100 | 901 | 23,050 | 23,100 | 1,044 | 26,050 | 26,100 | 1,186 |
| 17,100 | 17,150 | 761 | 20,100 | 20,150 | 903 | 23,100 | 23,150 | 1,046 | 26,100 | 26,150 | 1,188 |
| 17,150 | 17,200 | 763 | 20,150 | 20,200 | 906 | 23,150 | 23,200 | 1,048 | 26,150 | 26,200 | 1,191 |
| 17,200 | 17,250 | 766 | 20,200 | 20,250 | 908 | 23,200 | 23,250 | 1,051 | 26,200 | 26,250 | 1,193 |
| 17,250 | 17,300 | 768 | 20,250 | 20,300 | 911 | 23,250 | 23,300 | 1,053 | 26,250 | 26,300 | 1,196 |
| 17,300 | 17,350 | 770 | 20,300 | 20,350 | 913 | 23,300 | 23,350 | 1,055 | 26,300 | 26,350 | 1,198 |
| 17,350 | 17,400 | 773 | 20,350 | 20,400 | 915 | 23,350 | 23,400 | 1,058 | 26,350 | 26,400 | 1,200 |
| 17,400 | 17,450 | 775 | 20,400 | 20,450 | 918 | 23,400 | 23,450 | 1,060 | 26,400 | 26,450 | 1,203 |
| 17,450 | 17,500 | 778 | 20,450 | 20,500 | 920 | 23,450 | 23,500 | 1,063 | 26,450 | 26,500 | 1,205 |
| 17,500 | 17,550 | 780 | 20,500 | 20,550 | 922 | 23,500 | 23,550 | 1,065 | 26,500 | 26,550 | 1,207 |
| 17,550 | 17,600 | 782 | 20,550 | 20,600 | 925 | 23,550 | 23,600 | 1,067 | 26,550 | 26,600 | 1,210 |
| 17,600 | 17,650 | 785 | 20,600 | 20,650 | 927 | 23,600 | 23,650 | 1,070 | 26,600 | 26,650 | 1,212 |
| 17,650 | 17,700 | 787 | 20,650 | 20,700 | 930 | 23,650 | 23,700 | 1,072 | 26,650 | 26,700 | 1,215 |
| 17,700 | 17,750 | 789 | 20,700 | 20,750 | 932 | 23,700 | 23,750 | 1,074 | 26,700 | 26,750 | 1,217 |
| 17,750 | 17,800 | 792 | 20,750 | 20,800 | 934 | 23,750 | 23,800 | 1,077 | 26,750 | 26,800 | 1,219 |
| 17,800 | 17,850 | 794 | 20,800 | 20,850 | 937 | 23,800 | 23,850 | 1,079 | 26,800 | 26,850 | 1,222 |
| 17,850 | 17,900 | 797 | 20,850 | 20,900 | 939 | 23,850 | 23,900 | 1,082 | 26,850 | 26,900 | 1,224 |
| 17,900 | 17,950 | 799 | 20,900 | 20,950 | 941 | 23,900 | 23,950 | 1,084 | 26,900 | 26,950 | 1,226 |
| 17,950 | 18,000 | 801 | 20,950 | 21,000 | 944 | 23,950 | 24,000 | 1,086 | 26,950 | 27,000 | 1,229 |

2017 MARYLAND TAX TABLE

| If your taxable net income is . . . | | | If your taxable net income is . . . | | | If your taxable net income is . . . | | | If your taxable net income is . . . | | | If your taxable net income is . . . | | |
|-------------------------------------|---------------|-------------------------|-------------------------------------|---------------|-------------------------|-------------------------------------|---------------|-------------------------|-------------------------------------|---------------|-------------------------|-------------------------------------|---------------|-------------------------|
| At least | But less than | Your Maryland tax is... | At least | But less than | Your Maryland tax is... | At least | But less than | Your Maryland tax is... | At least | But less than | Your Maryland tax is... | At least | But less than | Your Maryland tax is... |
| 45,000 | | | 46,000 | | | 47,000 | | | 48,000 | | | 49,000 | | |
| 45,000 | 45,050 | 2,086 | 46,000 | 46,050 | 2,134 | 47,000 | 47,050 | 2,181 | 48,000 | 48,050 | 2,229 | 49,000 | 49,050 | 2,276 |
| 45,050 | 45,100 | 2,089 | 46,050 | 46,100 | 2,136 | 47,050 | 47,100 | 2,184 | 48,050 | 48,100 | 2,231 | 49,050 | 49,100 | 2,279 |
| 45,100 | 45,150 | 2,091 | 46,100 | 46,150 | 2,138 | 47,100 | 47,150 | 2,186 | 48,100 | 48,150 | 2,233 | 49,100 | 49,150 | 2,281 |
| 45,150 | 45,200 | 2,093 | 46,150 | 46,200 | 2,141 | 47,150 | 47,200 | 2,188 | 48,150 | 48,200 | 2,236 | 49,150 | 49,200 | 2,283 |
| 45,200 | 45,250 | 2,096 | 46,200 | 46,250 | 2,143 | 47,200 | 47,250 | 2,191 | 48,200 | 48,250 | 2,238 | 49,200 | 49,250 | 2,286 |
| 45,250 | 45,300 | 2,098 | 46,250 | 46,300 | 2,146 | 47,250 | 47,300 | 2,193 | 48,250 | 48,300 | 2,241 | 49,250 | 49,300 | 2,288 |
| 45,300 | 45,350 | 2,100 | 46,300 | 46,350 | 2,148 | 47,300 | 47,350 | 2,195 | 48,300 | 48,350 | 2,243 | 49,300 | 49,350 | 2,290 |
| 45,350 | 45,400 | 2,103 | 46,350 | 46,400 | 2,150 | 47,350 | 47,400 | 2,198 | 48,350 | 48,400 | 2,245 | 49,350 | 49,400 | 2,293 |
| 45,400 | 45,450 | 2,105 | 46,400 | 46,450 | 2,153 | 47,400 | 47,450 | 2,200 | 48,400 | 48,450 | 2,248 | 49,400 | 49,450 | 2,295 |
| 45,450 | 45,500 | 2,108 | 46,450 | 46,500 | 2,155 | 47,450 | 47,500 | 2,203 | 48,450 | 48,500 | 2,250 | 49,450 | 49,500 | 2,298 |
| 45,500 | 45,550 | 2,110 | 46,500 | 46,550 | 2,157 | 47,500 | 47,550 | 2,205 | 48,500 | 48,550 | 2,252 | 49,500 | 49,550 | 2,300 |
| 45,550 | 45,600 | 2,112 | 46,550 | 46,600 | 2,160 | 47,550 | 47,600 | 2,207 | 48,550 | 48,600 | 2,255 | 49,550 | 49,600 | 2,302 |
| 45,600 | 45,650 | 2,115 | 46,600 | 46,650 | 2,162 | 47,600 | 47,650 | 2,210 | 48,600 | 48,650 | 2,257 | 49,600 | 49,650 | 2,305 |
| 45,650 | 45,700 | 2,117 | 46,650 | 46,700 | 2,165 | 47,650 | 47,700 | 2,212 | 48,650 | 48,700 | 2,260 | 49,650 | 49,700 | 2,307 |
| 45,700 | 45,750 | 2,119 | 46,700 | 46,750 | 2,167 | 47,700 | 47,750 | 2,214 | 48,700 | 48,750 | 2,262 | 49,700 | 49,750 | 2,309 |
| 45,750 | 45,800 | 2,122 | 46,750 | 46,800 | 2,169 | 47,750 | 47,800 | 2,217 | 48,750 | 48,800 | 2,264 | 49,750 | 49,800 | 2,312 |
| 45,800 | 45,850 | 2,124 | 46,800 | 46,850 | 2,172 | 47,800 | 47,850 | 2,219 | 48,800 | 48,850 | 2,267 | 49,800 | 49,850 | 2,314 |
| 45,850 | 45,900 | 2,127 | 46,850 | 46,900 | 2,174 | 47,850 | 47,900 | 2,222 | 48,850 | 48,900 | 2,269 | 49,850 | 49,900 | 2,317 |
| 45,900 | 45,950 | 2,129 | 46,900 | 46,950 | 2,176 | 47,900 | 47,950 | 2,224 | 48,900 | 48,950 | 2,271 | 49,900 | 49,950 | 2,319 |
| 45,950 | 46,000 | 2,131 | 46,950 | 47,000 | 2,179 | 47,950 | 48,000 | 2,226 | 48,950 | 49,000 | 2,274 | 49,950 | 50,000 | 2,321 |

Use the appropriate Maryland tax computation worksheet schedule (19A) below if your taxable net income is \$50,000 or more.

| Tax Rate Schedule I - Use if your filing status is Single, Married Filing Separately, or Dependent Taxpayer. Use the row in which your taxable net income appears. | | | | | | | |
|--|--|--------------------|---|-----------------------|--------------------------------|-----------------|---|
| Taxable Net Income | (a) | (b) | (c) | (d) | (e) | (f) | Maryland Tax |
| If Line 1 of Form 505NR | Enter the amount from Line 1 of Form 505NR | Subtraction Amount | Subtract Column (b) from (a) and enter here | Multiplication Amount | Multiply (c) by (d) enter here | Addition Amount | Add (e) to (f). Enter result here and on Line 2 of Form 505NR |
| At least \$50,000 but not over \$100,000 | | \$ 3,000.00 | \$ | x .0475 | | \$ 90.00 | |
| At least \$100,000 but not over \$125,000 | \$ | \$ 100,000.00 | \$ | x .0500 | \$ | \$ 4,697.50 | \$ |
| Over \$125,000 but not over \$150,000 | \$ | \$ 125,000.00 | \$ | x .0525 | \$ | \$ 5,947.50 | \$ |
| Over \$150,000 but not over \$250,000 | \$ | \$ 150,000.00 | \$ | x .0550 | \$ | \$ 7,260.00 | \$ |
| Over \$250,000 | \$ | \$ 250,000.00 | \$ | x .0575 | \$ | \$ 12,760.00 | \$ |
| Tax Rate Schedule II - Use if your filing status is Married Filing Joint, Head of Household, or Qualifying Widow(er) with Dependent Child. Use the row in which your taxable net income appears. | | | | | | | |
| Taxable Net Income | (a) | (b) | (c) | (d) | (e) | (f) | Maryland Tax |
| If Line 1 of Form 505NR | Enter the amount from Line 1 of Form 505NR | Subtraction Amount | Subtract Column (b) from (a) and enter here | Multiplication Amount | Multiply (c) by (d) enter here | Addition Amount | Add (e) to (f). Enter result here and on 2 of Form 505NR |
| At least \$50,000 but not over \$150,000 | \$ | \$ 3,000.00 | \$ | x .0475 | \$ | \$ 90.00 | \$ |
| Over \$150,000 but not over \$175,000 | \$ | \$ 150,000.00 | \$ | x .0500 | \$ | \$ 7,072.50 | \$ |
| Over \$175,000 but not over \$225,000 | \$ | \$ 175,000.00 | \$ | x .0525 | \$ | \$ 8,322.50 | \$ |
| Over \$225,000 but not over \$300,000 | \$ | \$ 225,000.00 | \$ | x .0550 | \$ | \$ 10,947.50 | \$ |
| Over \$300,000 | \$ | \$ 300,000.00 | \$ | x .0575 | \$ | \$ 15,072.50 | \$ |



Donate to the Chesapeake and Endangered Species Fund

on your Maryland State Income Tax Form
and help bring back a cleaner, healthier
Chesapeake Bay!



Why Donate?

When you donate to the *Chesapeake Bay and Endangered Species Fund*, you aren't just helping to protect the Chesapeake Bay and the creatures who call it home. You are helping to plant trees, remove trash, and giving students first-hand experiences outside the of the classroom in your own community.

How can you participate?

1. Donate to the Chesapeake Bay Fund when you file your taxes.
2. Donations of any dollar amount can be made.
3. All donations are 100% tax deductible.

Donations are split evenly between the non-profit Chesapeake Bay Trust and the Wildlife and Heritage Division of the Department of Natural Resources. The Trust has been rated a 4-star charity for fourteen years by Charity Navigator.



For information about the Chesapeake Bay Trust and how your donation is used, visit www.cbtrust.org/taxdonation

SUPPORT CHILDREN & ADULTS WITH DEVELOPMENTAL DISABILITIES

Right now the lives of thousands of children, youth and adults with developmental disabilities like autism, Down Syndrome and cerebral palsy are on hold. They are counting on concerned citizens like you to help the Maryland Developmental Disabilities Administration provide:

- Services for children & families
- Job training and employment
- Community living opportunities
- Crisis Intervention

ELIMINATE THE WAIT - PLEASE DONATE!

Enter the amount you want to donate. Every dollar helps. Your gift will be deducted from your tax refund or added to your tax payment.

**Use line 36 on form 502,
Line 23 on Fiduciary Form 504 or
line 39 on Non Resident Form 505**



For more information, call the
Maryland Developmental Disabilities Administration at **410-767-5600**
or visit dda.dhmdh.maryland.gov

Help save a life this tax season!

**Donations to the
Maryland Cancer Fund
will support cancer
prevention and
treatment for low
income Maryland
residents**

It's easy:

1. Enter the amount you wish to donate on **Line 37**.
2. That amount will be deducted from your tax refund or added to your tax payment.
3. All donations are tax deductible.

For more information, call 410-767-6213

Use Line 37 on Form 502, Use Line 24 on Form 504,
Use Line 40 on Form 505



Maryland
CANCER FUND

www.mdcanfund.org

Comptroller of Maryland
Revenue Administration Division
110 Carroll Street
Annapolis, Maryland 21411-0001

TAX INFORMATION AND ASSISTANCE

Visit our web site at www.marylandtaxes.gov or call 1-800-638-2937 or from Central Maryland 410-260-7980

WALK IN SERVICE

Free, in-person tax assistance is provided at the taxpayer service offices listed below. Bring a completed copy of your federal return and all W-2 statements. Offices are open Monday - Friday, 8:30 a.m. - 4:30 p.m. except for State Holidays.

SPECIAL ASSISTANCE

Hearing impaired individuals may call:

Maryland Relay Service (MRS)..... 711

Larger format tax forms410-260-7951

ADA accommodations for Walk-in Service:

from Central Maryland.....410-260-7980

from elsewhere..... 800-638-2937

TELEPHONE SERVICE

Telephone service is available 8:30 a.m. until 4:30 p.m., Monday through Friday. The Comptroller of Maryland offers extended hours for telephone assistance from February 1 - April 17, 2018. During this period, telephone assistance is available from 8:30 a.m. until 7:00 p.m., Monday through Friday except for State Holidays.

EMAIL SERVICE

Email to: taxhelp@comp.state.md.us. Include your name, address and the last four digits of your Social Security Number in your email message. This will help us generate a quick response to your inquiry.

REFUND INFORMATION

Central Maryland410-260-7701
Elsewhere 1-800-218-8160

MAILING YOUR RETURN

For returns filed with payments, mail your completed return to:

**Comptroller of Maryland
Payment Processing
PO Box 8888
Annapolis, MD 21401-8888**

For returns filed without payments, mail your completed return to:

**Comptroller of Maryland
Revenue Administration Division
110 Carroll Street
Annapolis, Maryland 21411-0001**

Sending your return by certified mail will not result in special handling and may delay your refund.

BRANCH OFFICES

Annapolis

Revenue Administration Division
110 Carroll St.
Annapolis, MD 21411-0001

Baltimore

State Office Building
301 W. Preston St., Rm. 206
Baltimore, MD 21201-2384

Cumberland

3 Pershing St., Ste. 101
Cumberland, MD 21502-3042

Elkton

Upper Chesapeake Corporate Center
103 Chesapeake Blvd., Ste. D
Elkton, MD 21921-6313

Frederick

Courthouse/Multiservice Center
100 West Patrick St., Rm. 2603
Frederick, MD 21701-5646

Greenbelt

6401 Golden Triangle Dr., Ste. 100
Greenbelt, MD 20770

Hagerstown

Crystal Building
1850 Dual Hwy., Ste. 201
Hagerstown, MD 21740-6686

Salisbury

Sea Gull Square
1306 South Salisbury Blvd., Ste. 182
Salisbury, MD 21801-6846

Towson

Hampton Plaza
300 East Joppa Rd., Ste. PL 1A
Towson, MD 21286-3020

Upper Marlboro

Prince George's County Courthouse
14735 Main St., Rm. 083B
Upper Marlboro, MD 20772-9978

Waldorf

1036 St. Nicholas Dr., Ste. 202
Waldorf, MD 20603-4757

Wheaton

Westfield Wheaton South Building
11002 Veirs Mill Road, Ste. 408
Wheaton, MD 20902-2574

DUE DATE: TUESDAY, APRIL 17, 2018