

State of Oklahoma RESIDENT/NONRESIDENT ALLOCATION

Allocation of Federal income and deductions when one spouse is a resident and the other is a nonresident.



FORM **574** 2017

Resident's First Name and Initial	Last Name	State of Residence Oklahoma	Social Security Number
Nonresident's First Name and Initial	Last Name	State of Residence	Social Security Number

Be sure to enclose a copy of your Federal return and this form with your Form 511 or Form 511NR.

Part I: Federal Income from the Joint Federal Return

Round to the nearest dollar									
A		=	B		+	C			
Federal Amount			Resident Amount			Nonresident Amount			
1	Wages, salaries, tips, etc.	00	1		00	1		00	
2	Taxable interest income	00	2		00	2		00	
3	Dividend income	00	3		00	3		00	
4	Taxable refunds, credit or offsets of state income tax	00	4		00	4		00	
5	Alimony received	00	5		00	5		00	
6	Business income or (loss) (Federal Schedule C or C-EZ)	00	6		00	6		00	
7	Capital gain or (loss) (Federal Schedule D)	00	7		00	7		00	
8	Other gains or (losses) (Federal Form 4797)	00	8		00	8		00	
9	Taxable IRA distribution	00	9		00	9		00	
10	Taxable pensions and annuities	00	10		00	10		00	
11	Rental real estate, royalties, partnerships, etc. . (Federal Sch. E)	00	11		00	11		00	
12	Farm income (loss) (Federal Schedule F)	00	12		00	12		00	
13	Unemployment compensation	00	13		00	13		00	
14	Taxable Social Security benefits	00	14		00	14		00	
15	Other income (identify: _____)	00	15		00	15		00	
16	Total income: add lines 1 through 15	00	16		00	16		00	
17	Educator Expenses	00	17		00	17		00	
18	Certain business expenses of reservists, performing artists and fee-basis government officials	00	18		00	18		00	
19	Health savings account deduction	00	19		00	19		00	
20	Moving expenses	00	20		00	20		00	
21	Deductible part of self-employment tax	00	21		00	21		00	
22	Self-employed SEP, SIMPLE and qualified plans	00	22		00	22		00	
23	Self-employed health insurance deduction	00	23		00	23		00	
24	Penalty on early withdrawal of savings	00	24		00	24		00	
25	Alimony paid	00	25		00	25		00	
26	IRA deduction	00	26		00	26		00	
27	Student loan interest deduction	00	27		00	27		00	
28	Reserved		28			28			
29	Domestic production activities deduction	00	29		00	29		00	
30	Total Federal adjustments to income: add lines 17 through 29 ..	00	30		00	30		00	
31	Federal adjusted gross income: subtract line 30 from line 16	00	31		00	31		00	



**Part II: Itemized Deductions
from Federal Schedule A**

Medical and Dental Expenses

- 1 Medical and dental expenses..... 00 1
2 Enter your Federal adjusted gross income..... 00 2
3 Multiply line 2 above by 7.5% (0.075).. 00 3
4 Subtract line 3 from line 1. If line 3 is more than line 1, enter "0" .. 00 4

Taxes You Paid

- 5 State and local taxes 00 5
6 Real estate taxes..... 00 6
7 Personal property taxes 00 7
8 Other taxes: List type and amount: 00 8
9 Add lines 5 through 8 00 9

Interest You Paid

- 10 Home mortgage interest and points reported to you on Form 1098..... 00 10
11 Home mortgage interest not reported to you on Form 1098 00 11
12 Points not reported to you on Form 1098 00 12
13 Reserved 00 13
14 Investment interest 00 14
15 Add lines 10 through 14 00 15

Gifts to Charity

- 16 Gifts by cash or check 00 16
17 Gifts by other than cash or check.... 00 17
18 Carryover from prior year 00 18
19 Add lines 16 through 18 00 19

Casualty and Theft Losses

- 20 Casualty or theft loss(es) 00 20

**Job Expenses and Most Other
Miscellaneous Deductions**

- 21 Unreimbursed employee expenses - job travel, union dues, job education, etc. 00 21
22 Tax preparation fees..... 00 22
23 Other expenses - investment, safe deposit box, etc. 00 23
24 Add lines 21 through 23 00 24
25 Enter Federal adjusted gross income 00 25
26 Multiply line 25 above by 2% (.02) .. 00 26
27 Subtract line 26 from line 24. If line 26 is more than line 24, enter "0" 00 27

Other Miscellaneous Deductions

- 28 Other. List type and amount: 00 28

Total Itemized Deductions

- 29 Is your Federal adjusted gross income over \$156,900?..... 00 29

Round to the nearest dollar

A = B + C
Federal Amount Resident Amount Nonresident Amount

- ☐ **No:** Your deduction is not limited. Add lines 4, 9, 15, 19, 20, 27 and 28. Enter the total on line 29.
☐ **Yes:** Your deduction may be limited. On line 29, enter the amount from the Federal Itemized Deductions Worksheet.

OKLAHOMA RESIDENT/NONRESIDENT ALLOCATION INSTRUCTIONS

An Oklahoma resident who files a joint Federal return with a nonresident civilian (non-military) spouse, may elect to file a married filing separate return in Oklahoma using Form 511, enclosing Form 574. If this election is not made, a joint return must be filed using Form 511 and reporting all of the income of both taxpayers as if both were residents.

If the election is made to file separate returns and the nonresident civilian spouse has an Oklahoma filing requirement, the nonresident should file a Form 511NR, enclosing Form 574.

Note: An Oklahoma resident who files a Federal return with a nonresident **military** spouse, does not have the election to file a married filing separate return in Oklahoma. They shall file Form 511NR, using the same filing status as on the Federal return.

The methods prescribed in the Internal Revenue Code for allocating income and deductions on married filing separate returns will be used when allocating joint income and deductions between the resident and the non-resident.

Adjusted Gross Income...

Complete Part I "Federal Income" to determine the portion of the joint Federal adjusted gross income to report on the Oklahoma return(s). For the resident, enter your share of the joint Federal adjusted gross income on Form 511, line 1. For the nonresident who is also required to file, enter your share of the joint Federal adjusted gross income on Form 511NR Schedule 511NR-1, lines 1 through 19 of the Federal Amount column.

Deductions and Exemptions...

Complete Part II "Itemized Deductions" to determine the portion of the Federal itemized deductions to report on the Oklahoma return(s). If you did not itemize, use the Oklahoma standard deduction for married filing separate.

The regular personal exemption for the resident and all of the dependency exemptions will be allowed the same as on the Federal return. However, if the nonresident spouse also has an Oklahoma filing requirement, the dependency exemptions will be allocated between the resident's and nonresident's returns. Generally, the resident cannot claim the personal exemption for the nonresident spouse.

If the resident has out-of-state income (Form 511, line 4) his/her share of the deductions and exemptions must be prorated. Use Schedule 511-D.