



**TAX CALCULATION FOR NONRESIDENTS  
AND PART-YEAR RESIDENTS**  
OFFICE OF STATE TAX COMMISSIONER  
SFN 28724 (12-2023)



Attach to Form ND-1

Your Name	Your Social Security Number	If Joint Return, Spouse's Name	Spouse's Social Security Number
Your residency status (Check one) 1. <input type="radio"/> Full-Year Resident 2. <input type="radio"/> Full-Year Nonresident — Name of other state _____ 3. <input type="radio"/> Part-Year Resident — Time period in North Dakota: a. From _____ To _____ (mm/dd/yyyy)                      (mm/dd/yyyy) b. Name of other state: _____		If joint return, spouse's residency status 1. <input type="radio"/> Full-Year Resident 2. <input type="radio"/> Full-Year Nonresident — Name of other state _____ 3. <input type="radio"/> Part-Year Resident — Time period in North Dakota: a. From _____ To _____ (mm/dd/yyyy)                      (mm/dd/yyyy) b. Name of other state: _____	

**Calculation of North Dakota source income**

	<b>Column A Total From Federal Return</b>	<b>Column B North Dakota Portion</b>
1. Wages, salaries, tips, etc. (from Form 1040 or 1040-SR, line 1z) _____	1 _____	1 _____
2. Taxable interest and dividend income (from Form 1040 or 1040-SR, lines 2b and 3b) _____	2 _____	2 _____
3. Business income or loss (from Form 1040 or 1040-SR, Schedule 1, line 3) _____	3 _____	3 _____
4. Ordinary and capital gains and losses (from Form 1040 or 1040-SR, line 7 and Schedule 1, line 4) _____	4 _____	4 _____
5. IRAs, pensions, and annuities (from Form 1040 or 1040-SR, lines 4b and 5b) _____	5 _____	5 _____
6. Rental real estate, royalties, partnerships, S corporations, trusts, etc. (from Form 1040 or 1040-SR, Schedule 1, line 5) _____	6 _____	6 _____
7. Farm income or loss (from Form 1040 or 1040-SR, Schedule 1, line 6) _____	7 _____	7 _____
8. Other income (from Form 1040 or 1040-SR, line 6b, and Schedule 1, lines 1, 2a, 7, 8a through 8u, and 8z) _____	8 _____	8 _____
9. <b>Total income. Add lines 1 through 8</b> _____	9 _____	9 _____
10. Student loan interest (from Form 1040 or 1040-SR, Schedule 1, line 21) _____	10 _____	10 _____
11. Moving expenses for Armed Forces (from Form 1040 or 1040-SR, Schedule 1, line 14) _____	11 _____	11 _____
12. Self-employed deductions (from Form 1040 or 1040-SR, Schedule 1, lines 15, 16 and 17) _____	12 _____	12 _____
13. IRA deduction (from Form 1040 or 1040-SR, Schedule 1, line 20) _____	13 _____	13 _____
14. Other (from Form 1040 or 1040-SR, Schedule 1, lines 11, 12, 13, 18, 19a, 23, 24a through 24k, and 24z) _____	14 _____	14 _____
15. <b>Total adjustments. Add lines 10 through 14</b> _____	15 _____	15 _____
16. Adjusted gross income. Line 9, Column A, less line 15, Column A _____	16 _____	
17. U.S. obligation interest (from Form ND-1, line 5) and SCRA adjustment (from Form ND-1, line 11) _____	17 _____	
18. <b>North Dakota source income.</b> Line 9, Column B, less line 15, Column B. If less than zero, enter 0 _____		(N1) 18 _____
19. Subtract line 17 from line 16, Column A. If less than zero, enter 0 _____	(N2) 19 _____	
20. North Dakota income ratio. Divide line 18 by line 19. Round to nearest four decimal places. If line 18 is more than line 19, enter 1. If line 18 is zero, enter 0 _____		20 _____

**Calculation of tax on North Dakota source income**

21. Enter amount from Form ND-1, line 19 _____	21 _____	
22. Enter tax for the amount on line 21 from Tax Table in Form ND-1 instructions. If you have farm income, see the instructions _____		(N3) 22 _____
23. <b>Tax on North Dakota source income.</b> Multiply line 22 by ratio on line 20. Enter the amount from this line on Form ND-1, page 2, line 20 _____		23 _____

## Who must complete

If you were a full-year nonresident or a part-year resident of North Dakota during the tax year, you must complete this schedule to calculate your tax. If married filing jointly, this applies if either spouse was a nonresident of North Dakota for part or all of the tax year. If you were a full-year resident of Minnesota or Montana, and all of your income is exempt from North Dakota tax under reciprocity, do not complete this schedule. See "Reciprocity" in the Form ND-1 instruction booklet for more information.

## How to complete

Fill in your name, social security number, and residency status at the top of the schedule. If you were a part-year resident of North Dakota during the tax year, enter the dates you were a resident of North Dakota. If you were a full-year nonresident or part-year resident, enter the name of the other state where you were a resident. If, instead of a state, you were a resident of a foreign country, enter the name of the country. Complete Columns A and B as instructed below.

## Column A instructions

Complete Column A, lines 1 through 14, by filling in the total amounts from your federal income tax return, as instructed on each line.

## Column B instructions

Complete Column B, lines 1 through 14, by filling in the portion of the amount in Column A that is reportable to North Dakota, as explained in the following instructions for each line in Column B. If part or all of a North Dakota income amount reportable in Column B was entered on Form ND-1, line 6, 8, 9, 10, 11, 14, or 15, or on Schedule ND-1SA, line 4 or 5, because it is exempt from North Dakota income tax, only enter the taxable portion in Column B.

### Line 1, Column B

Enter wages, salaries, tips, commissions, bonuses, and other compensation received for services performed in North Dakota while a nonresident, and all compensation received while a North Dakota resident. Do not enter compensation received while a nonresident if it is:

- Exempt from North Dakota income tax under the income tax reciprocity agreement with Minnesota or Montana.

- Received for active duty service in the U.S. armed forces.
- Received by an individual who is a civilian spouse of a nonresident U.S. armed forces servicemember stationed in North Dakota, and who is in North Dakota for the sole purpose of residing with the servicemember.
- Exempt from North Dakota income tax under federal interstate commerce law covering certain rail, motor, air, and water carrier employees working in multiple states on a regular basis.
- Exempt under North Dakota's mobile workforce law covering certain employees who work in North Dakota for less than 21 days—see N.D.C.C. § 57-38-59.3.

### Line 2, Column B

Enter amounts received (or credited to your account) while a North Dakota resident. Also include North Dakota source interest and dividends received from a passthrough entity (e.g., a partnership) while a nonresident. Do not enter interest from U.S. obligations.

### Line 3, Column B

Enter net income or loss attributable to the portion of a sole proprietorship operated in North Dakota while a nonresident, and net income or loss from a sole proprietorship (regardless of where its operations are located) while a North Dakota resident. Do not enter net income or loss from a personal or professional service business operated in North Dakota while a Minnesota resident if the income is exempt from North Dakota income tax under the reciprocity agreement with Minnesota.

### Line 4, Column B

Enter net gains and losses from tangible property in North Dakota received while a nonresident, and net gains and losses from all property (regardless of its location) received while a resident. Also enter your share of North Dakota-source net gains and losses received from a passthrough entity (e.g., a partnership) while a nonresident.

### Line 5, Column B

Enter amounts received while a North Dakota resident.

### Line 6, Column B

Enter net income and losses from the rental of tangible property in North Dakota received while a nonresident, and net income and losses from the rental of all property (regardless of location) received while a North Dakota resident.

Enter royalties and other income, less related expenses, from interests in oil, coal, or other mineral property in North Dakota received while a nonresident, and net income from all mineral properties (regardless of location) received while a North Dakota resident.

Enter North Dakota ordinary income or loss, net rental income, and other income not reported on other lines received from a passthrough entity (e.g., a partnership) while a nonresident, and all similar types of income and losses received from a passthrough entity while a North Dakota resident.

Enter North Dakota-source income and losses from an estate or trust received while a nonresident, and all income and losses received from an estate or trust while a North Dakota resident. Do not include interest, dividends, pensions, or annuities received from an estate or trust while a nonresident.

### Line 7, Column B

Enter net income or loss attributable to the portion of a farm operated in North Dakota while a nonresident, and net income or loss from a farm (regardless of its location) while a North Dakota resident.

### Line 8, Column B

Enter amounts received while a North Dakota resident, and amounts received from North Dakota sources while a nonresident. Unemployment compensation is from a North Dakota source if attributable to work performed in North Dakota. Do not enter state and local income tax refunds, alimony, and social security benefits received while a nonresident.

If you were a part-year resident of North Dakota, determine the amount of your taxable social security benefits to include on this line by multiplying the total gross social security benefits received while a resident by a percentage equal to the total taxable portion of your social security benefits divided by your total gross social security benefits.

**Line 10, Column B**

If you were a part-year resident, enter expenses paid while a North Dakota resident. Otherwise, multiply amount in Column A by a ratio equal to North Dakota income divided by total income.

**Line 11, Column B**

Enter moving expenses only if attributable to a move into or within North Dakota.

**Line 12, Column B**

Multiply amount in Column A by a ratio equal to North Dakota self-employment income divided by total self-employment income.

**Line 13, Column B**

Multiply amount in Column A by a ratio equal to North Dakota earned income divided by total earned income.

**Line 14, Column B**

Multiply business expenses of reservists, performing artists, and fee-basis government officials by a ratio equal to North Dakota wages or fees to which expenses relate divided by total wages or fees to which expenses relate.

Multiply health savings account deduction by a ratio equal to North Dakota income divided by total income.

Enter the penalty on early withdrawal only if the related interest income is included on line 2, Column B.

If you were a part-year resident, include alimony paid while a North Dakota resident. Otherwise, multiply the total alimony paid by a ratio equal to North Dakota income divided by total income.

Multiply an MSA deduction by a ratio equal to the North Dakota compensation from the MSA-sponsoring employer divided by the total compensation from the MSA-sponsoring employer.

Multiply any other adjustment included on Form 1040 or 1040-SR, Schedule 1, lines 24a through 24k and 24z, by a ratio equal to North Dakota income to which adjustment relates divided by total income to which adjustment relates.

**Line 22**

If you have farm income and you used Schedule J (Form 1040) to calculate your federal tax, see Schedule ND-1FA for an alternative tax calculation.