

Annotated

IT-40

Full-Year Resident

Indiana Individual Income Tax Booklet

2011

Contains:

- Indiana Code Cite References
- Administrative Code Cite References

The referenced cites referenced inside may be found online at the following addresses:

www.in.gov/legislative/ic/code

www.in.gov/legislative/iac

Forms and schedules can be found at the end of the booklet following page 59.

www.in.gov/dor

WAIT!

YOU MAY QUALIFY FOR FREE ONLINE TAX FILING!



Before you turn the page, have you considered filing electronically?

You may be eligible to file your taxes online for FREE. Go to www.freefile.dor.in.gov to see if you qualify.

More than 2 million Indiana taxpayers filed electronically in 2011. Consider the benefits of filing electronically:

- **Faster Refund.** Electronic filing reduces errors and expedites refund time – average 7 to 14 days (compared with 6 to 12 weeks for a paper return).
- **Less Errors.** Up to 20 percent of paper-filed returns have errors, which can result in delays and possible penalty and/or interest for the taxpayer. Returns filed electronically, however, are 98 percent accurate.
- **Costs Less.** Not only does it cost you less, but it saves taxpayer money. It costs the state more than \$2.3 million operationally to process more than 1 million paper returns. It cost the state only about \$150,000 operationally to process more than 1.8 million electronic returns.
- **Less Complications.** You won't have to complete the many complicated forms in this booklet. Instead you go online, answer some easy questions, and before you know it your taxes are complete.

For more information about the Indiana freefile program, see page 5.

www.freefile.dor.in.gov

Which Indiana Tax Form Should You File?

Indiana has four different individual income tax returns. Read the following to find the right one for you.

Indiana Full-Year Residents

Use Form IT-40EZ:

If you (and your spouse, if filing jointly) were a full-year Indiana resident and all of the following are true:

- You filed a federal Form 1040EZ,
- You are claiming only the renter's deduction and/or unemployment compensation deduction, and
- You have only Indiana state and county tax withholding credits.

Use Form IT-40:

If you (and your spouse, if filing jointly) were a full-year Indiana resident and you do not qualify to file Form IT-40EZ.

All Other Individuals

Use Form IT-40RNR:

If you (and your spouse, if filing jointly) were:

- A full-year resident of Kentucky, Michigan, Ohio, Pennsylvania or Wisconsin, and
- Your only type of income from Indiana was from wage, tip, salary or other compensation.*

*If you have any other kind of Indiana-source income, you are required to file Form IT-40PNR (see below).

Use Form IT-40PNR:

If you (and/or your spouse, if filing jointly) were an Indiana resident for less than a full year (or not at all) and you do not qualify to file Form IT-40RNR.

Note. If you have income that is being taxed by both Indiana and another state, you may have to file a tax return with the other state. A listing of other states' tax forms can be found at www.taxadmin.org/fta/link/forms.html.

Military Personnel

See the instructions on page 8 to determine which form to file. Military personnel stationed in a combat zone should see the instructions on page 8 for extensions of time to file procedures.

2011 Changes

Free File

This tax season Indiana is offering a new free tax filing service through the cooperation of the Free File Alliance. See page 5 to find out if this free online filing service is right for you.

Update: Line 1 of Form IT-40 assumes conformity with the Internal Revenue Code for federal changes adopted after Jan. 1, 2011. If the Indiana state legislature does not conform to these federal code changes, you may have to amend your return at a later date to reflect any differences between Indiana and federal law. You may wish to periodically check the Department's homepage at www.in.gov/dor/index.htm for updates.

County tax

Indiana counties were allowed to adopt or increase their local income tax rates through October 31, 2011. This publication was finalized before that date. This means your county tax rate on the back of Schedule CT-40 may not be correct. We encourage you to contact us in one of the following ways to get an updated list of the rates before filing.

To get the updated list you may:

- Log on to the Department's website at www.in.gov/dor/4547.htm.
- Call the form order request line at (317) 615-2581 to have one mailed to you.
- Call our main tax line at (317) 232-2240 Monday – Friday, 8 a.m. to 4:30 p.m., and a representative will assist you.

Tax returns filed using the wrong rates will be adjusted. This may result in a reduced refund, or an increase in the amount you owe.

Other (current year conformity) add-back

Before this publication was finalized Indiana had not conformed to any changes to the Internal Revenue Code (IRC) that may have become law after January 1, 2011. Therefore, the IRC used to figure Indiana income may not be the same as the IRC used to figure federal income. This add-back is specific to these annual current year conformity issues. See page 15 for more information.

Earned income credit change

The way to figure Indiana's earned income credit has changed. See the instructions for Schedule 5: Credits, Line 5, beginning on page 27. You will need to complete Worksheet A or Worksheet B and Schedule IN-EIC to figure your credit.

Additional exemption for dependent child: new filing requirement

The new Schedule IN-DEP: Additional Dependent Child Information must be completed when claiming an additional dependent child exemption. See page 24 for more information.

Private school/homeschool deduction

A deduction may be available for expenses related to a child attending a private school or homeschool. See instructions beginning on page 23 for more information.

New add-backs and change to reporting method

The 2011 Indiana General Assembly did not adopt several provisions of the Internal Revenue Code. This is a list of those provisions (add-backs) that apply to tax years beginning after December 31, 2009*. See

the instructions beginning on page 13 for detailed information about each add-back and how to report it.

- Certain trade or business deductions based on employment of unauthorized alien (for tax years beginning in 2011)
- Educator expense
- Employer-provided educational expenses
- IRA charitable distribution
- Motorsports entertainment complex
- Oil and gas well depletion deduction
- Qualified advance mining safety equipment
- Qualified electric utility amortization
- Qualified environmental remediation costs
- Qualified leasehold improvement property
- Qualified transportation fringe expenses
- RIC dividends to nonresident aliens
- Start-up expenditures
- Student loan interest
- Tuition and fees

***Important.** If you should have reported any of these add-backs on your 2010 Indiana state tax return and have not yet done so, you are not required to file an amended tax return for 2010. Instead, you may elect to report the add back on your 2011 tax return. See the instructions for the add-back(s) in question for details.

Certain offset credit changes

Changes have been made to several state offset credits, including:

- Employer health benefit plan credit
- Industrial recovery account credit
- Maternity home credit
- Small employer qualified wellness program credit
- Teacher summer employment credit
- Venture capital investment credit

See instructions for these credits beginning on page 39 for more information.

Net operating loss carryback ends

No longer may a net operating loss be carried back. Get Schedule IT-40NOL at www.in.gov/dor/4546.htm for more information.

Indiana advance earned income credit ends

No longer will Indiana employers advance the Indiana earned income credit.

Energy Star credit ends

The Energy Star credit has expired and is no longer available.

Need Tax Forms or Information Bulletins?

Use your personal computer

Visit our website and download the forms you need. Our address is www.in.gov/dor.

Use your telephone

Call the forms order request line (317) 615-2581 to have forms mailed to you. Have the following information ready to leave on the voice mail system:

- Name of form or form number needed
- Number of copies needed
- Contact person's name
- Daytime phone number
- A complete mailing address (including city, state and zip code)

Visit a district office, library or post office

Tax forms are available at district offices located throughout the state. These offices are open Monday - Friday, 8 a.m. to 4:30 p.m. Visit www.in.gov/dor/3390.htm for a list of these offices, including addresses and telephone numbers. Also, contact your library or post office to find out if they stock any state tax forms.

Need Help With Your Return?

Local help

For help, visit any of the district offices (www.in.gov/dor/3390.htm) or take advantage of the IRS Volunteer Return Preparation Program (VRPP). This program offers free tax return help to low income, elderly and special needs individuals. Volunteers will fill out federal and state forms for those who qualify. Call the IRS at 1-800-829-1040 to find the nearest VRPP location. Be sure to take your W-2s, 1099s and a copy of last year's state and federal tax returns. If you are going to a district office, also take a copy of your completed federal tax return.

Automated information line

Call the automated information line at (317) 233-4018 to get the status of your refund, billing and payment plan information, a copy of your tax return, or prerecorded tax topics. If you wish to check for billing information, be sure to have a copy of your tax notice. The system will ask you to enter the tax identification number shown on the notice.

If you have a rotary phone, please call (317) 232-2240, 8 a.m. to 4:30 p.m., Monday - Friday, and a representative will help you.

Internet address

If you need help deciding which form to file, or need to get information bulletins or policy directives on specific topics, visit our website at www.in.gov/dor.

Telephone

Call us at (317) 232-2240 Monday - Friday, 8 a.m. to 4:30 p.m., for help with basic tax questions.

Ready To File Your Return?

Use an electronic filing program

More than 1.9 million Hoosier taxpayers used an electronic filing program to file their 2010 state and federal individual income tax

returns. Electronic filing provides Indiana taxpayers the opportunity to file their federal and state tax returns immediately, and receive their Indiana refunds in about half the time it takes to process a paper return. It takes even less time if you use direct deposit, which deposits your refund directly into your bank account. Even if there is an amount due on either return, Indiana taxpayers can still file electronically and feel comfortable knowing that the returns were received by the IRS and the Indiana Department of Revenue. Contact your tax preparer to see if he or she provides this service.

Free File

This tax season Indiana is offering a new free tax filing service through the cooperation of the Free File Alliance.

Eligible Indiana taxpayers are now able to file both the federal and Indiana individual tax returns using highly interactive and easy-to-use web-based applications that speed both returns and refunds.

Twenty-three states will be using the Free File option in 2012. And, you have the selection of multiple vendors to use for this free service. The Department of Revenue estimates that more than 400,000 Indiana taxpayers will be eligible for this free service. You may be one.

Take a look at this new service by visiting www.freefile.dor.in.gov. See if you are eligible to participate.

Our website

Our website offers tax filing options, a **Spanish version of the IT-40 booklet with forms**, downloadable blank forms and instructions, information bulletins, commissioner's directives, an online helpdesk, helpful e-mail links and a calendar with filing due dates. Visit the Department's website at www.in.gov/dor.

Where's your refund?

There are several ways to check the status of your refund. You will need to know the exact amount of your refund, and a Social Security number entered on your tax return. Then, do one of the following:

- Call (317) 233-4018 for automated refund information.
- Go to www.in.gov/dor/3336 and click on the words *Where's my refund?*
- Call (317) 232-2240 from 8 a.m. to 4:30 p.m. Monday - Friday, and a representative will help you.

A refund directly deposited to your bank account may be listed on your bank statement as a credit, deposit, etc. If you have received information from the Department that your refund has been issued, and you are not sure if it has been deposited in your bank account, call the ACH Section of your bank or financial institution for clarification.

Note. A refund deposited directly to your Hoosier MasterCard account will appear on your monthly statement.

Moving?

You need to notify the Department if you move to a new address after filing your tax return, and you do not have a forwarding address on file with the post office.

Change your address with us by doing one of the following:

- Go to www.in.gov/dor/3336 and click on the words *How do I change my mailing address with the Department?*
- Call the Department at (317) 232-2240.

Filing an amended (corrected) tax return

Did you receive a late W-2 or other kind of income statement after you filed? Did you forget to claim an exemption or deduction? If you need to amend (correct) a tax return that has already been filed, use Form IT-40X, Amended Individual Income Tax Return, located at www.in.gov/dor/4546.htm.

Public Hearing - June 5, 2012 IC 6-8.1-14

The Department will hold a public hearing on June 5, 2012. The hearing will be held at 9 a.m. in Conference Room 1 of the Conference Center, Indiana Government Center South, 402 West Washington Street, Indianapolis, Ind. You may also submit your questions or comments in writing to: Indiana Department of Revenue, Commissioner's Office, MS# 101, 100 North Senate Avenue, Indianapolis, IN, 46204.

Before You Begin

Important. You must complete your federal tax return first.

Filling in the boxes – please use ink only

If you are filling out the form by hand, please use black or blue ink and print your letters and numbers neatly. If you do not have an entry for a particular line, leave it blank. Do not use dashes, zeros or other symbols to indicate that you have no entry for that line.

Social Security Number

Be sure to enter your Social Security number in the boxes at the top of the form. If filing a joint return, enter your Social Security number in the first set of boxes and your spouse's Social Security number in the second set of boxes. An incorrect or missing Social Security number can increase your tax due, reduce your refund or delay timely processing of your filing.

Individual Taxpayer Identification Number (ITIN)

If you already have an ITIN, enter it wherever your Social Security number is requested on your tax return. If you are in the process of applying for an ITIN, check the box located directly beneath the Social Security number area at the top of the form. For information on how to get an ITIN, contact the IRS at 1-800-829-3676 and request federal Form W-7, or find it online at www.irs.gov.

Name and suffix

Please use all capital letters when entering your information. For example, Jim Smith Junior should be entered as JIM SMITH JR.

Name. If your last name includes an apostrophe, do not use it. For example, enter O'Shea as OSHEA. If your name includes a hyphen, use it. For example, enter SMITH-JONES.

Suffix. Enter the suffix associated with your name in the appropriate box.

- Use JR for junior and SR for senior.
- Numeric characters must be replaced by alphabetic Roman Numerals. For example, if your last name is Charles 3rd, do not use 3rd; instead, enter III in the suffix field.
- **Do not** enter any titles or designations, such as M.D., Ph. D., RET., Minor or DEC'D.

P.O. Box

Enter your P.O. Box number instead of your street address only if your post office does not deliver mail to your home.

Married filing separately IC 6-3-4-2 (e)

If you file your federal income tax return as married, filing separately, you must also file married, filing separately with Indiana. Enter both of your Social Security numbers in the boxes on the top of the form, and then check the box directly to the right of those boxes. Enter the name of the person filing the return on the top line, but do not enter the spouse's name on the second name line.

Married persons who live apart filing status

If you were not divorced or legally separated in 2011, you may have qualified for and filed as 'head of household' on your federal income tax return. If you did, do not check the married filing separately box. Also, do not enter either your spouse's name or Social Security number.

Military address

Overseas military addresses must contain the APO, FPO designation in the "city field" along with a two-character "state" abbreviation of AE, AP, or AA and the zip code. Place these two- and three-letter designations in the city name area.

Zip/Postal code

Enter your five or nine digit zip code (do not use a dash). For example, enter 46217 or 462174540.

If filing with a foreign address, enter the associated postal code.

Foreign country code

Complete this area if the address you are using is located in a foreign country. Enter the 2-character foreign country code, which may be found online at www.in.gov/dor/4432.htm.

School corporation number

Enter the four-digit school corporation number (found on pages 55 and 56) for where the primary taxpayer lived on Jan. 1, 2011. The primary taxpayer is the first name listed at the top of the tax return. If the primary taxpayer did not live in Indiana on Jan. 1, 2011, enter the code

number "9999". Contact a local school or your county auditor's office if you're not sure which school corporation you live in.

It is important that you enter the correct school corporation number. This information is used for statistical tracking purposes to determine possible school funding needs and changes.

Note. If the school corporation number is not entered, the processing of your return will be delayed.

County information

Enter the two-digit code numbers for the county(s) where you and your spouse, if filing joint, lived and worked on Jan. 1, 2011. You can find these code numbers on the chart found on the back of the Schedule CT-40. See the instructions beginning on page 51 for more information, including the definitions of the county where you live and work, details for military personnel, retired individuals, homemakers, unemployed individuals, out-of-state filers, etc.

Refund check address

Your refund check will be issued in the name(s), address and Social Security number(s) shown on your tax return. It is very important that this information is correct and legible. Any wrong information will delay your refund.

Rounding required IC 6-8.1-6-4.5

Each line on which an amount can be entered has ". 00" already filled-in. This is to remind you that rounding is required when completing your tax return.

You must round your amounts to the nearest whole dollar.

To do this, drop amounts of less than \$0.50.

Example. \$432.49 rounds down to \$432.00.

Increase amounts of \$0.50 or more to the next higher dollar.

Example. \$432.50 rounds up to \$433.00.

Losses or negative entries

When reporting a loss or negative entry, use a negative sign. *Example.* Write a \$125 loss as -125.

Commas

Do not use commas when entering amounts. For instance, express 1,000 as 1000.

Enclosing schedules, W-2s, etc.

You will find an enclosure sequence number in the upper right-hand corner of each schedule. Make sure to put your completed schedules in sequential order behind the IT-40 when assembling your tax return. Do not staple or paper clip your enclosures. If you have a schedule on which you've made no entry, do not enclose it unless you have completed information on the back of it.

Also, enclose:

- All W-2s and 1099s on which Indiana state and/or county tax withholding amounts appear,
- Any 1099G showing unemployment compensation, and
- A check/money order, if applicable.

A note about your W-2s. It is important that your W-2 form is readable. The income and state and county tax amounts withheld are verified on every W-2 form that comes in with your tax return. We encourage you to enclose the best copy available when you file.

Who Should File? IC 6-3-4-1

You may need to file an Indiana income tax return if:

- You lived in Indiana and received income, or
- You lived outside Indiana and had any income from Indiana.

IC 6-3-4-2(d)(e)

Note. If you and your spouse file a joint federal tax return, you must file a joint tax return with Indiana. If you and your spouse file separate federal tax returns, you must file separate tax returns with Indiana.

There are four types of Indiana tax returns available. The type you need to file is generally based on your residency status. Read the following to decide if you are a full-year resident, part-year resident, or nonresident of Indiana, and which type of return you should file.

Full-year residents

If you were a full-year resident of Indiana and your gross income (the total of all your income before deductions) was greater than your total exemptions, you must file an Indiana tax return.

IC 6-3-1-12, 45 IAC 3.1-1-21, 45 IAC 3.1-1-22

Full-year residents must file Form IT-40, Indiana Full-Year Resident Individual Income Tax Return or Form IT-40EZ for Full-Year Indiana Resident Filers with No Dependents. If you filed a 2011 federal Form 1040EZ, were a full-year resident of Indiana, claim only the renter's deduction and/or unemployment compensation deduction, and have only Indiana state and county tax withholding credits, then you should file the simplified Form IT-40EZ. If you are not eligible to file Form IT-40EZ, have any add-backs or other deductions or credits, you must file Form IT-40.

You are a full-year Indiana resident if you maintain your legal residence in Indiana from Jan. 1 – Dec. 31 of the tax year. You do not have to be physically present in Indiana the entire year to be considered a full-year resident. Residents, including military personnel, who leave Indiana for a temporary stay, are considered residents during their absence.

Retired persons spending the winter months in another state may still be full-year residents if:

- They maintain their legal residence in Indiana and intend to return to Indiana during part of the taxable year,
- They retain their Indiana driver's license,
- They retain their Indiana voting rights, and/or
- They claim a homestead deduction on their Indiana home for property tax purposes.

Indiana allows \$1,000 for each exemption claimed on your federal return, plus an additional \$1,500 for certain dependent children (see instructions on page 24 for more information). If you did not have to file a federal return, you should complete a "sample" federal return to see how many exemptions you are eligible to claim.

If your gross income is less than your total exemptions, you are not required to file. However, you may want to file a return to get a refund of any state and/or county tax withheld by your employer, or other refundable credits, such as an earned income credit.

Part-year residents and full-year nonresidents IC 6-3-1-13, 45 IAC 3.1-1-23, 24

If you were a part-year resident and received income while you lived in Indiana, you must file Indiana Form IT-40PNR, Part-Year Resident or Nonresident Individual Income Tax Return.

If you were a legal resident of another state (exception: see next paragraph) and had income from Indiana (except certain interest, dividends, or retirement income), you must file Form IT-40PNR.

Full-year residents of Kentucky, Michigan, Ohio, Pennsylvania or Wisconsin IC 6-3-5-1

If you were a full-year resident of Kentucky, Michigan, Ohio, Pennsylvania or Wisconsin, and your only income from Indiana was from wages, salaries, tips or commissions, then you need to file Form IT-40RNR, Indiana Reciprocal Nonresident Individual Income Tax Return.

Deceased taxpayers IC 6-3-4-2(a)

If an individual died during 2011, or died after Dec. 31, 2011, but before filing his/her tax return, the executor, administrator or surviving spouse must file a tax return for the individual if:

- The deceased was under the age of 65 and had gross income over \$1,000,
- The deceased was age 65 or older and had gross income over \$2,000, or
- The deceased was a nonresident and had gross income from Indiana.

Be sure to enter the month and day of death for the taxpayer or spouse in the appropriate box located on Schedule 7. For example, a date of death of Jan. 9, 2011, would be entered as 01/09/2011. Note. The date of death should not be entered here if the individual died after Dec. 31, 2011, but before filing the tax return. The date of death information will be shown on the individual's 2012 tax return.

Signing the deceased individual's tax return

If a joint return is filed by the surviving spouse, the surviving spouse should sign his or her own name and after the signature write: "Filing as Surviving Spouse."

An executor or administrator appointed to the deceased's estate must file and sign the return (even if this isn't the final return), indicating their relationship after their signature (e.g. administrator).

If there is no executor, or if an administrator has not been appointed, the person filing the return should sign and give their relationship to the deceased (e.g. "John Doe, nephew"). Only one tax return should be filed on behalf of the deceased.

Note. The Department may ask for a copy of the death certificate, so please keep a copy with your records.

A refund check for a deceased individual

If you (the surviving spouse, administrator, executor or other) have received a refund check and cannot cash it, contact the Department to get a widow's affidavit (POA-30) or a distributee's affidavit (POA-20) at www.in.gov/dor/3508.htm. Send the completed affidavit, the refund check and a copy of the death certificate to the State Auditor's Office so a refund check can be issued to you.

Military personnel — residency

If you were an Indiana resident when you enlisted, you remain an Indiana resident no matter where you are stationed. You must report all your income to Indiana on Form IT-40.

If you changed your legal residence (military home of record) during 2011, you are a part-year resident and should file Form IT-40PNR. You must also enclose a copy of Military Form DD-2058 with the tax return. As an Indiana part-year resident you will be taxed on the income you earned while you were a resident of Indiana, plus any income from Indiana sources. **45 IAC 3.1-1-23(5)**

If you are stationed in Indiana and you are a resident of another state, you won't need to file with Indiana unless you have non-military income from Indiana sources.

Example. Annie, who is a Kansas resident, is stationed in Indiana. She earned \$1,300 from her Indiana part-time job. She'll need to report that income to Indiana on Form IT-40PNR.

If you are a full-year Indiana resident in the military, your spouse is a legal resident of another state and you filed a joint federal return, you will need to file Form IT-40PNR.

Important. Refer to the instructions on page 51 for an explanation of county of residence for military personnel.

When Should You File? **IC 6-3-4-3** **IC 6-8.1-6-2**

Your tax return is due April 17, 2012. If you file after this date, you may have to pay interest and/or penalty. See page 12 for more information.

Fiscal year tax returns are due by the fifteenth (15) day of the fourth (4th) month after the close of the fiscal year. You must complete the fiscal year filing period information at the top of the form.

Extension of time to file — What if you can't file on time? **IC 6-8.1-6-1**

You must get an extension of time to file if you:

- Are required to file (your income is more than your exemptions), and
- You cannot file your tax return by the April 17, 2012, due date.

Whether you owe additional tax, are due a refund or are breaking even, you still need to get an extension if filing after April 17, 2012.

If you owe...

You must file Form IT-9 (Application for Extension of Time to File) and send in a payment of at least 90 percent of the tax you expect to owe. This must be filed and tax paid by April 17, 2012, for the extension to be valid.

If you don't owe...

You'll still need to file for an extension if:

- You are due a refund, or
- You don't expect to owe any tax when filing your tax return, and
- You are unable to file your return by April 17, 2012.

There are two ways to accomplish this:

- If you have a valid federal extension, Form 4868, you automatically have an extension with Indiana and do not have to file for a separate state extension (Form IT-9).
- If you do not have a valid federal extension, file Form IT-9 by April 17, 2012.

Extension filing deadline.

- State Form IT-9 extends your state filing time to June 15, 2012.
- Federal Form 4868 extends your state filing time to Nov. 19, 2012.
- If you have both extensions (state and federal), your state filing time to file is Nov. 19, 2012.

Will you owe penalty and/or interest?

Interest is owed on all amounts paid after April 17, 2012. See page 12 for instructions on how to figure interest.

Penalty will not be owed if you have:

- Paid 90 percent of the tax you expect to owe by April 17, 2012,
- Filed your tax return within the extension filing time, and
- Paid any remaining amount due with that filing.

Indiana's Extension of Time to File, Form IT-9

Get Indiana's extension Form IT-9, and mail it (including any payment due) by April 17, 2012. You may get Form IT-9 online at www.in.gov/dor/4546.htm. You may also file for an extension (if making a payment) online at www.in.gov/dor/4340.htm (make sure to do this by April 17, 2012).

Where to report your extension payment.

Add your state extension payment to any estimated tax paid. Report it on Schedule 5, line 3.

Remember, 90 percent of the tax due to Indiana must still be paid by April 17, 2012. Interest will be due on any tax that remains unpaid during the extension period.

Military personnel on duty outside of the United States and Puerto Rico on the filing due date are allowed an automatic 60 day extension of time to file. A statement must be enclosed with the return verifying that you were outside of the United States or Puerto Rico on April 17, 2012.

IC 6-8.1-6-1 (c)

Military personnel in a presidentially declared **combat zone** have an automatic extension of 180 days after they leave the combat zone. In addition, if they are hospitalized outside the United States because of such service, the 180-day extension period begins after being released from the hospital. The spouse of such service member must use the same method of filing for both federal and Indiana (e.g. single or joint). When filing the return, write "Combat Zone" across the top of the form (above your Social Security number).

Note. Valid extensions are only for filing purposes. Interest will be due on any tax that remains unpaid during the extension period.

Form IT-40: Line-by-line instructions

You must complete your federal income tax return (Form 1040, 1040A or 1040EZ) before starting your Indiana income tax return. Line numbers from your federal income tax return are referenced in many of the following instructions. While every effort has been made to make the instructions as clear as possible, sometimes the line numbers change on the federal income tax return after the Indiana forms are finalized. Please contact us if you are unsure as to whether or not you are looking at the correct line on your federal income tax return (see page 4 of this booklet for contact information).

When not to fill in a line

If you do not have an entry for a particular line, leave it blank. Do not use dashes, zeros or other symbols to indicate that you have no entry for that line.

Line 1 – Federal adjusted gross income

Enter the **adjusted gross income** from your federal Form 1040 (line 37), 1040A (line 21), or 1040EZ (line 4). If you were not required to file a federal return, complete a "sample" federal return and report the amount you would have shown on your federal return if you had been required to file.

IC 6-3-1-3.5 (a), IN AGI Defined, IC 6-3-1-11

When reporting a loss or negative entry, use a negative sign. *Example.* Write a \$125 loss as -125.

Line 2 – Add-backs

Enter on this line any add-backs from Schedule 1: Add-Backs. Instructions for Schedule 1 begin on page 13. Make sure to enclose Schedule 1 when filing.

Line 4 – Deductions

Enter on this line any deductions from Schedule 2: Deductions. Instructions for Schedule 2 begin on page 17. Make sure to enclose Schedule 2 when filing.

Line 6 – Exemptions

Enter any exemptions from Schedule 3: Exemptions on this line. Instructions for Schedule 3 begin on page 24. Make sure to enclose Schedule 3 when filing.

Line 9 – County tax

Complete Schedule CT-40 to figure your county tax. Instructions for Schedule CT-40 begin on page 51.

Line 10 – Other taxes

Enter any other taxes from Schedule 4: Other Taxes on this line. Instructions for Schedule 4 begin on page 25. Make sure to enclose Schedule 4 when filing.

Line 12 – Credits

Enter your credits from Schedule 5: Credits on this line. Instructions for Schedule 5 begin on page 26. Make sure to enclose Schedule 5 when filing.

Line 13 – Offset credits

Enter any offset credits from Schedule 6: Offset Credits on this line. Instructions for Schedule 6 begin on page 39. Make sure to enclose Schedule 6 when filing.

Line 17 – Contribution to Indiana Nongame Wildlife Fund

IC 6-8.1-9-4

The Indiana Wildlife Diversity Section offers you the opportunity to play an active role in conserving Indiana's nongame and endangered wildlife. This program is funded through public donations to Indiana's Nongame Fund. The money you donate goes directly to the protection and management of more than 750 wildlife species in Indiana - from songbirds and salamanders to state-endangered Trumpeter swans and spotted turtles.

Enter the amount of your refund you wish to donate to the Nongame Wildlife Fund on line 17. You can donate all or a part of your refund. Donations must be a minimum of \$1. If you are not receiving a refund, but want to support the Wildlife Diversity Section, do not change your tax return. You can send a donation directly to the Nongame Fund by completing the form on the back of this booklet.

Read more about Indiana's Wildlife Diversity Section and learn how donations have helped Indiana's endangered wildlife at www.in.gov/dnr/fishwild/3316.htm.

Note. The Department may examine your return and find that your actual overpayment or refund is less than you calculated. If you entered a donation to the Indiana Nongame Wildlife Fund *and* wish to apply some of your overpayment to your 2012 estimated tax account, the overpayment will be applied first to the wildlife fund and then to the estimated tax account. Any amount left will be refunded to you.

Line 19 – Amount to be applied as a 2012 estimated tax installment payment IC 6-3-4-4.1 (a)

You should pay estimated tax if you expect to have income during the 2012 tax year that:

- Will not have Indiana income taxes withheld, or
- If you think the amount withheld will not be enough to pay your tax liability, and
- You expect to owe more than \$1,000 when you file your tax return.

There are several ways you can make estimated tax payments. First, visit our website at www.in.gov/dor/4546.htm to get Form ES-40. Use the worksheet on Form ES-40 to see how much you will owe. Then, if you have an overpayment showing on line 18 of your tax return, you can have some or all of the overpayment applied to next year's estimated tax account. To do so, enter any portion of the overpayment:

- On line a, if you want to apply an amount to offset estimated county tax due (from Form ES-40 worksheet, line K). Also, enter the 2-digit county code from line K; and/or
- On line b, if your spouse lived in a different county than you did on Jan. 1, 2012, and you want to apply an amount to offset your spouse's estimated county tax due (from Form ES-40 worksheet, line L). Also, enter the 2-digit county code from line L; and/or
- On line c, if you want to apply an amount to offset your estimated state tax due (from Form ES-40 worksheet, line J).

Example. Mark and Megan have a \$420 overpayment, and want to apply some of it to their 2012 estimated tax account. Their worksheet from Form ES-40 has the following breakdown:

- Line I (each installment payment) is \$300;
- Line J (portion that represents state tax due) is \$270; and
- Line K (portion that represents county tax due) is \$30.

They will enter \$30 on line 19a (along with their 2-digit county code), \$270 on line 19c, and the \$300 total amount to be applied will be entered on line 19d. They will get a \$120 refund (\$420 overpayment minus \$300 applied to their 2012 estimated tax account).

Example. Stu wants to pay \$500 in estimated tax for each installment period. He has a \$30 overpayment on his tax return. He chooses to enter the full \$30 overpayment on line 19c (Indiana adjusted gross income tax amount), and carries it to line 19d. (He will pay the \$470 additional amount by filing the Form ES-40.)

Important. Estimated tax installment payments made for the 2012 tax year are due by April 17, 2012, June 15, 2012, Sept. 17, 2012 and Jan. 15, 2013. Any installment payment amount entered on line 19d will be considered to be paid on the day your tax return is filed (postmarked). For instance, an installment payment shown on a return filed on: April 17, 2012, will be considered to be a 2012 first installment payment; June 3, 2012, will be considered to be a 2012 second installment payment; and July 22, 2012, will be considered to be a 2012 third installment payment.

Note. If you are filing this return *after* Jan. 15, 2013, you will not be able to make an installment payment on this line.

Note. You may use Form ES-40 to make a payment by check or money order. Estimated tax payments may also be made online, via credit card or check, at www.in.gov/dor/4340.htm. See line 26 instructions on page 12 for details about payment options.

See Income Tax Information Bulletin #3 at www.in.gov/dor/3650.htm for additional information about estimated taxes.

Line 20 – Penalty for underpayment of estimated tax

You might owe a penalty for the underpayment of estimated tax if you did not have taxes withheld from your income and/or you did not pay enough estimated tax throughout the year. IC 6-3-4-4.1 (b)

In fact, not properly paying estimated tax is one of the most common errors made in filing Indiana tax returns. Generally, if you owe \$1,000 or more in state and county tax for the year that's not covered by withholding taxes, you need to be making estimated tax payments.

You might owe this penalty if:

- The total of your credits, including timely estimated tax payments, is less than 90 percent of this year's tax due or 100 percent* of last year's tax due, ** or
- You underpaid the minimum amount due for one or more of the installment periods.

If either of these cases apply to you, you must complete Schedule IT-2210 or IT-2210A to see if you owe a penalty or if you meet an exception. If you owe this penalty, enclose Schedule IT-2210 or IT-2210A with your tax return and write the penalty amount on Form IT-40, line 20.

*You must have timely paid 100 percent of lines 8 and 9 of your 2010 IT-40. Note: If last year's **Indiana adjusted gross income** was more than \$150,000 (\$75,000 for married filing separately), you must pay 110 percent of last year's tax (instead of 100%).

**Farmers and fishermen should see the special instructions on page 11.

Important. The Department will automatically figure a penalty for you if it looks like you owe a penalty for the underpayment of estimated tax, and:

- You didn't report a penalty amount on line 20, and
- You didn't enclose Schedule IT-2210 or Schedule IT-2210A showing you meet an exception to owing a penalty.

Should you use Schedule IT-2210 or IT-2210A?

Schedule IT-2210 should be used by individuals who receive income (not subject to withholding tax) on a fairly even basis throughout the year. This schedule will help determine whether a penalty is due, or whether an exception to the penalty has been met.

Example. Jim and Sarah together received \$4,500 in pension income each month. Since their income is received on a fairly even basis, they'll use Schedule IT-2210 to figure their penalty or exception to the penalty.

Farmers and fishermen have special filing considerations. If at least two-thirds (2/3) of your gross income is from farming or fishing, Complete Schedule IT-2210, using the Section D Short Method.

Schedule IT-2210A should be used by individuals who receive income (not subject to withholding tax) unevenly during the year. This schedule will help determine whether a penalty is due, or whether an exception to the penalty has been met.

Example. Bill's income is from selling fireworks in June and July. He will want to figure any penalty due on Schedule IT-2210A, which may exempt him from having had to pay estimated tax on the April 17, 2011, first installment due date.

Example. Rachael received a sizeable lump sum distribution in Dec. of 2011. She figured how much estimated tax was due, and paid it by the Jan. 15, 2012, fourth period installment due date. By completing Schedule IT-2210A, she shows she owes no penalty for the first three installment periods, and that a proper payment was made for the fourth installment period. She will owe no penalty.

Farmers and Fishermen. IC 6-3-4-4 (a)

Special options are available if more than two-thirds of your gross income for 2010 or 2011 was from farming or fishing.

Option 1. Pay your estimated tax in one payment on or before Jan. 17, 2012, and file your tax return by April 17, 2012; or

Option 2. Make no estimated tax payment and file your tax return and pay all the tax due by March 1, 2012.

Example. More than two-thirds of Henry's gross income is from farming. He should complete Schedule IT-2210 (not Schedule IT-2210A). He will be able to use the Section D Short Method to figure his penalty or to show he meets an exception to owing a penalty.

Visit our website at www.in.gov/dor/4546.htm to get Schedule IT-2210 or IT-2210A.

Line 21 – Refund

You have a refund if line 18 is greater than the combined amounts entered on lines 19d and 20. No refund will be issued if the overpayment is less than one dollar.

Important. If the combination of line 19d plus line 20 is *greater* than the amount on line 18, you must make an adjustment. The estimated tax carryover amount on line 19d is limited; it cannot be greater than the remainder of line 18 minus line 20. See the second example under the Line 19 instructions on page 10.

Please wait 12 weeks before you contact the Department about your refund.

A note about refund offsets IC 6-8.1-9.5

Indiana law requires that money you owe to the state, its agencies and certain federal agencies be deducted from your refund or credit before a refund is issued. This includes money owed for past-due taxes, student loans, child support, food stamps or an IRS levy. If the

Department applies your refund to any of these debts, you will receive a letter explaining the situation.

Note. There is a **statute of limitations** on filing refund claims. When filing your 2011 tax return, a claim for refund of excess withholding credits must be made no later than April 17, 2014. A claim for refund of all other excess payments and refundable credits must be made by April 17, 2015. (The claim is considered to be made on the day your tax return is postmarked.) If you file your 2011 tax return after the statute of limitations has expired, no refund will be issued.

IC 6-3-4-8 (h); IC 6-8.1-9-1

Line 22 – Direct deposit

You may choose to have your refund deposited in your checking, savings or Hoosier Works Master Card account. If you want your refund directed into your checking or savings account, complete lines 22 a, b, c and d.

- a) The routing number is nine digits, with the first two digits of the number beginning with 01 through 12 or 21 through 32. Do not use a deposit slip to verify the number because it may have internal codes as part of the actual routing number.
- b) The account number can be up to 17 digits. Omit any hyphens, accents and special symbols. Enter the number from left to right and leave any unused boxes blank.
- c) Check the appropriate box for the type of account you are making your deposit to: either a checking account or savings account.
- d) To comply with banking rules, you must place an X in the box on line d if your refund is going to an account outside the United States. If you check the box, we will mail you a paper check.

Note. The routing and account numbers may appear in different places on your checks.

If you currently have a **Hoosier Works MasterCard** and wish to have your refund directly deposited in your account, enter your 12-digit account number on line 22b, where it says "Account Number" (do not write anything on line 22a "Routing Number"). You can find your 12-digit account number in the upper right-hand corner of your account monthly statement.

Note. DO NOT use your MasterCard 16-digit number.

Make sure to check the "Hoosier Works MC" box on line 22c.

For more information on direct deposit, please see "Where's Your Refund" on page 5.

Line 23

If line 21 is less than zero, you have an amount due. Enter here as a positive number and skip to line 24.

OR

If line 15 is greater than line 14, complete the following steps:

A. Subtract line 14 from line 15 and enter the total here.....	A _____
B. Enter any amount from line 20	B _____
C. Add lines A + B. Enter total here and on line 23	C _____

Line 24 – Penalty **IC 6-8.1-10-2.1**

You will probably owe a penalty if your tax return is filed after the April 17, 2012, due date and you have an amount due. Penalty is 10 percent (.10) of the amount due (line 23 minus line 20) or \$5, whichever is greater. Exception: No penalty will be due if you have:

- An extension of time to file;
- Are filing and paying the remaining tax due by the extended filing due date and
- Have prepaid at least 90 percent of the amount due by April 17, 2012.

Line 25 – Interest **IC 6-8.1-10-1**

You will owe interest (even if you have a valid extension of time to file) if your tax return is filed after the April 17, 2012, due date and you have an amount due. Interest should be figured on the sum of line 23 minus line 20. Contact the Department at (317) 232-2240 or visit our website at www.in.gov/dor/3618.htm to get Departmental Notice #3 for the current interest rate.

Line 26 – Amount due – payment options **IC 6-8.1-8-1**

There are several ways to pay the amount you owe.

Make your check, money order or cashier's check payable to: Indiana Department of Revenue. Just include the payment loose in the envelope. **Do not staple** it to the return. **Do not send cash.**

You may also pay using the electronic **eCheck** payment method. This service uses a paperless check and may be used to pay the tax due with your Indiana individual income tax return, as well as any billings issued by the Indiana Department of Revenue for any tax type. To pay, go to www.in.gov/dor/4340.htm and follow the step-by-step instructions. You will receive a confirmation number and should keep this with your tax filing records. The fee for using this service is \$1.

Note. All payments made to the Indiana Department of Revenue must be made with U.S. funds.

You may also pay by using your American Express® Card, Discover® Card, MasterCard® or VISA® by calling 1-800- 2-PAY TAX (1-800-272-9829). Or, log on to www.in.gov/dor/4340.htm and use your Discover® Card, MasterCard® or VISA® to make a payment.

A convenience fee will be charged *by the credit card processor* based on the amount you are paying. You will be told what the fee is and you will have the option to either cancel or continue the credit card transaction.

Payment plan option. If you cannot pay the full amount due at the time you file, you may be eligible to set up a payment plan online.

After you get a tax bill, log on to

<https://www.intaxpay.in.gov/Web/Default.aspx> and follow the directions

Important. If using the payment plan option, penalty and interest will be due on all amounts paid after the April 17, 2012, due date.

Returned checks and other types of payments

If you make a tax payment with a check, credit card, debit card or electronic funds transfer, and the Department is unable to obtain payment for its full amount when it is presented for payment, a 10 percent penalty of the unpaid tax or the face value of the check, credit card, debit card, or electronic funds transfer, whichever is smaller, is due. **IC 6-8.1-10-5**

The assessed amount will be due immediately upon receipt of the tax due notice and must be paid by certified check, bank draft or money order. If payment is not received immediately, the penalty will be increased to the face value of the intended payment or 100 percent of the unpaid tax, whichever is smaller. Also, *any permits and/or licenses issued by the Department may be revoked if the assessed amount is not paid immediately.*

Signatures and signing dates **IC 6-8.1-7-1**

First, read the Authorization area on Schedule 7. Then, sign and date the tax return. If this is a jointly filed tax return, both you and your spouse must sign and date it. Make sure to enclose the completed Schedule 7 when filing.

Unresolved Problems?

Use the taxpayer advocate **IC 6-8.1-11-3**

As prescribed by the Taxpayer Bill of Rights, the Department has an appointed taxpayer advocate whose purpose is to facilitate the resolution of taxpayer complaints and complex tax issues. If you have a complex tax issue, you must first pursue resolution through normal channels, such as contacting the tax administration division (317-232-2240). If you are still unable to resolve your tax issue, or a tax assessment places an undue hardship on you, you may receive assistance from the Office of the Taxpayer Advocate.

For more information, and to get required schedules if filing for an offer in compromise or a hardship case, visit our website at: www.in.gov/dor/3883.htm. You may also contact the Office of the Taxpayer Advocate directly at taxpayeradvocate@dor.in.gov, or by telephone at (317) 232-4692. Submit supporting information and documents to: Indiana Department of Revenue, Office of the Taxpayer Advocate, P.O. Box 6155, Indpls., Ind. 46206-6155.

Where to mail your tax return – use labels for envelope

You'll find mailing labels with the envelope enclosed in this booklet. **Returns with payments enclosed have a different post office box number for mailing purposes.**

If you are enclosing a payment, please mail your tax return with all enclosures to:

Indiana Department of Revenue
P.O. Box 7224
Indianapolis, IN 46207-7224

For all other filings, please mail your tax return with all enclosures to:

Indiana Department of Revenue
P.O. Box 40
Indianapolis, IN 46206-0040

Envelope – Don't forget the stamp!

Make sure to put a stamp(s) on the envelope. The U.S. Post Office will not deliver your tax return without the proper postage.

Schedule 1: Add-Backs

Some amounts reported on your federal tax return may require different treatment for Indiana income tax purposes. Listed in this area are those items that may need to be added back on your Indiana tax return. Please review the list carefully. When reporting these add-backs, maintain with your records the corresponding federal tax forms and schedules as the Department can require you to provide them at a later date.

Line 1 – Tax add-back IC 6-3-1-3.5 (a) (2)

If you **did not complete Federal Schedules C, C-EZ, E, or F**, which include sole proprietorship income, farm income, rental, partnership, S corporation, and trust and estate income (or loss), **then do not complete this line.**

On those schedules you are allowed to claim a deduction for taxes paid which are:

- based on, or
- measured by income, and
- levied at a state level by any state in the United States.

If you claimed this kind of deduction on any of these schedules, then you must add it back to your Indiana income.

Do not add back property taxes on this line.

Note. Income, losses and/or expenses from other schedules and forms may flow through to federal Schedules C, E and F. For example, partnership income from federal Schedule K-1 (Form 1065) may be included on federal Schedule E, while expenses from federal Form 8829 may be included on federal Schedule C. Make sure to check these schedules and forms for any deduction that needs to be added back.

Line 2 – Net operating loss add-back IC 6-3-1-3.5 (a) (20)

Any net operating loss (NOL) deduction taken on line 21 of your federal Form 1040 must be added back on this line. Write the amount of the net operating loss as a **positive** figure. (You will claim an Indiana net operating loss deduction on Schedule 2, under line 11.)

Note. If your federal adjusted gross income this year is a loss, and you have not included a net operating loss as a deduction on line 21 of your 2011 federal Form 1040, then leave this line blank.

Line 3 – Lump sum distribution IC 6-3-1-3.5 (a) (7)

If you completed federal Form 4972, add any capital gains reported on Part II and any ordinary income reported on Part III of federal Form 4972. Enter the total here as a positive amount.

Line 4 – Domestic production activities add-back

If you claimed a domestic production activities deduction on your federal Form 1040, line 35, enter that amount here. IC 6-3-1-3.5 (a) (22)

Line 5 – Bonus depreciation add-back IC 6-3-1-3.5 (a) (19)

You must make an exception for any bonus depreciation deduction used for property placed in service after Sept. 11, 2001. Bonus depreciation is the additional first-year special depreciation deduction allowed under Section 168(k) of the Internal Revenue Code (IRC).

Figure the net income (or loss) which would have been included in federal adjusted gross income had the bonus depreciation method not been used. Then, enter the difference, which may be a positive or negative amount, on line 5.

Example. Mack used the bonus depreciation method for federal income tax purposes. After refiguring the depreciation without using the bonus method, he has to add back \$1,500 on his Indiana tax return.

Note. After making an initial adjustment for bonus depreciation you'll need to refigure the amount of depreciation available for state tax purposes for subsequent years.

Example. Ann made an initial adjustment for bonus depreciation on last year's Indiana tax return. This year she figures she is entitled to a \$150 *additional* depreciation amount for state tax purposes. She should enter that amount as a negative entry, or (150), on line 5.

For additional information see Commissioner's Directive #19 at www.in.gov/dor/3617.htm.

Line 6 – Section 179 expense add-back

You may have figured an IRC Section 179 expense using a ceiling of more than \$25,000 for federal tax purposes. Indiana allows you to figure IRC Section 179 expense using a ceiling of no more than \$25,000. If you figured IRC Section 179 expense using a ceiling amount of more than \$25,000, you'll need to add back the difference between it and \$25,000 on line 6. IC 6-3-1-3.5 (a) (21)

Line 7 – Other Add-Backs

Each of the following add-backs has been assigned a three-digit code number. When reporting the add-back, write its name, the associated three-digit number and the amount.

Example. Enter the following information on line 7a to report a \$700 qualified disaster assistance property add-back.

7a. Qualified disaster assistance property code no. 110 \$700

Change to add-back reporting method

The 2011 Indiana General Assembly did not conform to several provisions within the Internal Revenue Code that were included in federal adjusted gross income as of Jan. 1, 2011. Therefore, these provisions must be added back on the state tax return. These add-backs must be reported in tax years beginning after Dec. 31, 2009. Many individuals have filed amended 2010 state tax returns to report the add-backs; several filing under extension reported the add-backs when they filed.

For those who have yet to report these add-backs for 2010 and do not wish to file an amended return, Indiana has a new policy as to how they may be reported. Specifically, you can choose to report the required add-back(s) for 2010 on your 2011 state tax return.

As you are reviewing the add-backs in this section you'll see which ones may need to be added back for the 2010 tax year. They will use a code that begins with "3". For instance, if you need to add back an educator expense for 2010, you will use code 324. If you need to add it back for 2011, you will use code 124.

Certain trade or business deductions based on employment of unauthorized alien (beginning in tax year 2011) add-back 132 IC 6-3-1-3.5 (a) (35) Version b

For a taxable year beginning after June 30, 2011, add the amount of any trade or business deductions allowed under the Internal Revenue Code for wages, reimbursements, or other payments made for services provided in Indiana by an individual for services as an employee, if the individual was, during the period of service, prohibited from being hired as an employee under 8 U.S.C. 1324a.

Important. This add-back requirement does not apply to payments made for services provided to a business that was enrolled and participated in the E-Verify program (as defined in IC 22-5-1.7-3) during the time the taxpayer conducted business in Indiana in the taxable year.

Enter code 132 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

Deferral of business indebtedness discharge and reacquisition add-back 107 IC 6-3-1-3.5 (a) (28)

Add an amount equal to any income not included as a result of the deferral of income arising from business indebtedness discharged in connection with the reacquisition of a debt instrument (as provided in Section 108(i) of the IRC). Subtract the amount added to income in a previous year to offset the amount included in federal gross income as a result of the deferral of income arising from business indebtedness

discharged in connection with the reacquisition after Dec. 31, 2008, and before Jan. 1, 2011, of an applicable debt instrument.

Enter code 107 on Schedule 1 under line 7 if reporting this add-back.

Discharge of debt of a principal residence add-back 117 IC 6-3-1-3.5 (a) (27)

You may have to add back some or all of the amount of debt not reported on your federal tax return due to the discharge of indebtedness of your principal residence (mortgage forgiveness).

The amount of discharge of indebtedness of your principal residence to be added back can be found on:

- Form 1099-C (or its equivalent), Box 2, and/or
- On federal Form 982, *Reduction of Tax Attributes Due to Discharge of Indebtedness (and Section 1082 Basis Adjustment)*. If Part 1 Line 1e is checked on Form 982, then the amount on Part 1 Line 2 from the discharge of qualified principal residence indebtedness must be added back if you were an Indiana resident on the date the debt was discharged (1099C, Box 1).

Note. No add back is required if the discharge of indebtedness of your principal residence was included in a bankruptcy.

Maintain with your records both federal Form 1099C and Form 982 as the Department can require you to provide this information at a later date.

Enter code 117 on Schedule 1 under line 7 if reporting this add-back.

Educator expense add-back 124 (324 for 2010*) IC 6-3-1-3.5 (a) (38) Version a

If you claimed a deduction for the educator expenses under Section 62(2)(D) of the Internal Revenue Code on Form 1040, line 23, or Form 1040A, line 16, you must add the amount back.

Enter code 124 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

*If you need to add this back for the 2010 tax year and have not yet done so (either when you filed your 2010 tax return or by filing an amended return), you may do so now. Just enter code 324 on Schedule 1 under line 7 if reporting this add-back for the 2010 tax year.

Employer-provided educational expenses add-back 125 (325 for 2010*) IC 6-3-1-3.5 (a) (39) Version a

Add any amount not included in your gross income under section 127 of the Internal Revenue Code for employer-provided education expenses (gross income of an employee does not include expenses paid by the employer for educational assistance to the employee up to a maximum of \$5,250).

Enter code 125 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

*If you need to add this back for the 2010 tax year and have not yet done so (either when you filed your 2010 tax return or by filing an amended return), you may do so now. Just enter code 325 on Schedule 1 under line 7 if reporting this add-back for the 2010 tax year.

IRA charitable distribution add-back 122 (322 for 2010*) **IC 6-3-1-3.5 (a) (36) Version a**

Add an amount equal to any income not included in your adjusted gross income because of a charitable distribution from an IRA (as provided in Section 408(d)(8) of the Internal Revenue Code).

Enter code 122 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

*If you need to add this back for the 2010 tax year and have not yet done so (either when you filed your 2010 tax return or by filing an amended return), you may do so now. Just enter code 322 on Schedule 1 under line 7 if reporting this add-back for the 2010 tax year.

Motorsports entertainment complex add-back 130 (330 for 2010*) **IC 6-3-1-3.5 (a) (44) Version a**

If you excluded income because of any motorsports entertainment complex classified as 7 year property (as provided in Section 168(e)(3)(C)(ii) of the Internal Revenue Code) placed into service in the taxable year, add the amount of income excluded so that your adjusted gross income (AGI) is equal to the amount of AGI that would have been computed without the exclusion.

Enter code 130 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

*If you need to add this back for the 2010 tax year and have not yet done so (either when you filed your 2010 tax return or by filing an amended return), you may do so now. Just enter code 330 on Schedule 1 under line 7 if reporting this add-back for the 2010 tax year.

Oil and gas well depletion deduction add-back 134 (334 for 2010*) **IC 6-3-1-11 (d) (5)**

The following provision of the Internal Revenue Code (IRC) that was amended by the Tax Relief Act, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312) is to be treated as though it was not amended by that act:

Section 613A(c)(6)(H)(ii) of the IRC pertaining to the limitations on percentage depletion in the case of oil and gas wells. (The federal amendment extends the suspension of the ability to deduct more than 100% of the net income from that property for marginal production (less than 15 barrels per day and heavy oil)).

Enter code 134 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

*If you need to add this back for the 2010 tax year and have not yet done so (either when you filed your 2010 tax return or by filing an amended return), you may do so now. Just enter code 334 on Schedule 1 under line 7 if reporting this add-back for the 2010 tax year.

Other (current year conformity) add-back 120

IC 6-3-1-11

Before this publication was finalized Indiana had not conformed to any changes to the Internal Revenue Code (IRC) that may have become law after January 1, 2011. Therefore, the IRC used to figure Indiana income may not be the same as the IRC used to figure federal income.

This add-back is specific to these annual current year conformity issues. If uncertainty exists as to whether or not Indiana will adopt some or all of the federal legislation passed during 2011 that acts to reduce federal AGI, you may add-back those items as an "other" add-back. In the event those items are adopted, an amended return should be filed to recoup the add-back(s).

All entries marked as "other" must be reported as a positive amount on the original tax return. Negative entries will not be allowed.

This add-back is only for current year conformity issues. Conformity issues for preceding tax years must be addressed on the add-back line specific to the item in question. For instance, an add-back for the qualified refinery property was first added-back on the 2009 Schedule 1, line 12. The adjustment going forward should be reported on the 2011 Schedule 1, line 7, using the 3-digit code 111.

If the state legislature does not conform to federal code changes enacted after January 1, 2011, you may have to amend your return at a later date to reflect any differences between Indiana and federal law. You may wish to periodically check the Department's homepage at www.in.gov/dor for updates.

Enter code 120 on Schedule 1 under line 7 if reporting this add-back.

Qualified advance mining safety equipment add-back 126 (326 for 2010*) **IC 6-3-1-3.5 (a) (40) Version a**

If you claimed a deduction for the expense of qualified advanced mine safety equipment under Section 179 of the Internal Revenue Code, add the amount necessary to make your adjusted gross income (AGI) equal to the amount of AGI that would have been computed had the deduction not been claimed.

Enter code 126 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

*If you need to add this back for the 2010 tax year and have not yet done so (either when you filed your 2010 tax return or by filing an amended return), you may do so now. Just enter code 326 on Schedule 1 under line 7 if reporting this add-back for the 2010 tax year.

Qualified disaster assistance property add-back 110 **IC 6-3-1-3.5 (a) (31)**

If you claimed the special allowance for qualified disaster assistance property under Section 168(n) of the IRC, add the amount necessary to make your adjusted gross income (AGI) equal to the amount of AGI that would have been computed had the special allowance not been claimed for the property.

Enter code 110 on Schedule 1 under line 7 if reporting this add-back.

Qualified electric utility amortization add-back 135 (335 for 2010*) **IC 6-3-1-11 (d) (6)**

The following provision of the Internal Revenue Code (IRC) that was amended by the Tax Relief Act, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312) is to be treated as though it was not amended by that act:

Section 451(i)(3) of the IRC pertaining to special rule for sales or dispositions to implement Federal Energy Regulatory Commission or state electric restructuring policy for qualified electric utilities. (The federal amendment provides that the sale or other disposition of property used by a qualified electric utility to an independent transmission company will allow the electric utility to elect to recognize gain from the transaction ratably over an eight year period beginning in the year of the sale if the amount realized from the sale is used to purchase exempt utility property within the applicable period. This amortization is disallowed for Indiana purposes for 2010 and 2011).

Enter code 135 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

*If you need to add this back for the 2010 tax year and have not yet done so (either when you filed your 2010 tax return or by filing an amended return), you may do so now. Just enter code 335 on Schedule 1 under line 7 if reporting this add-back for the 2010 tax year.

Qualified environmental remediation costs add-back 121 (321 for 2010*) IC 6-3-1-3.5 (a) (35) Version a

If you claimed a deduction for qualified environmental remediation costs under Section 198 of the Internal Revenue Code, add the amount necessary to make your adjusted gross income (AGI) equal to the amount of AGI that would have been computed had the deduction not been claimed.

Enter code 121 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

*If you need to add this back for the 2010 tax year and have not yet done so (either when you filed your 2010 tax return or by filing an amended return), you may do so now. Just enter code 321 on Schedule 1 under line 7 if reporting this add-back for the 2010 tax year.

Qualified film or television production add-back 112 IC 6-3-1-3.5 (a) (33)

If you made an election under Section 181 of the IRC to expense costs for a qualified film or television production tax purposes, add the amount necessary to make your adjusted gross income (AGI) equal to the amount of AGI that would have been computed had the election not been made for that year.

Enter code 112 on Schedule 1 under line 7 if reporting this add-back.

Qualified leasehold improvement property add-back 129 (329 for 2010*) IC 6-3-1-3.5 (a) (43) Version a

If you excluded income because of qualified leasehold improvement property (as provided in Section 168(e)(3)(E)(iv) of the Internal Revenue Code) placed into service in the taxable year, add the amount of income excluded so that your adjusted gross income (AGI) is equal to the amount of AGI that would have been figured without the exclusion.

Enter code 129 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

*If you need to add this back for the 2010 tax year and have not yet done so (either when you filed your 2010 tax return or by filing an amended return), you may do so now. Just enter code 329 on Schedule 1 under line 7 if reporting this add-back for the 2010 tax year.

Qualified preferred stock add-back 113

You may have had a loss from the sale or exchange of preferred stock in:

- The Federal National Mortgage Association, established under the Federal National Mortgage Association Charter Act (12 U.S.C. 1716 et seq.), or
- The Federal Home Loan Mortgage Corporation, established under the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1451 et seq.).

IC 6-3-1-3.5 (a) (34)

If you treated this as an ordinary loss under Section 301 of the Emergency Economic Stabilization Act of 2008 in the current taxable year or in an earlier taxable year, add an amount equal to the amount of adjusted gross income that would have been computed had the loss not been treated as an ordinary loss.

Enter code 113 on Schedule 1 under line 7 if reporting this add-back.

Qualified refinery property add-back 111

IC 6-3-1-3.5 (a) (32)

If you made an election under Section 179C of the IRC to expense costs for qualified refinery property, add the amount necessary to make your adjusted gross income (AGI) equal to the amount of AGI that would have been computed had the election not been made for that year.

Enter code 111 on Schedule 1 under line 7 if reporting this add-back.

Qualified restaurant property add-back 108

IC 6-3-1-3.5 (a) (29)

If you placed qualified restaurant property in service during the year that was classified as 15-year property under Section 168(e)(3)(E)(v) of the IRC, add the amount necessary to make your adjusted gross income (AGI) equal to the amount of AGI that would have been computed had the classification not applied to the property in the year that it was placed in service.

Enter code 108 on Schedule 1 under line 7 if reporting this add-back.

Qualified retail improvement property add-back 109

IC 6-3-1-3.5 (a) (30)

If you placed qualified retail improvement property in service during the year that was classified as 15-year property under Section 168(e)(3)(E)(ix) of the IRC, add the amount necessary to make your adjusted gross income (AGI) equal to the amount of AGI that would have been computed had the classification not applied to the property in the year that it was placed in service.

Enter code 109 on Schedule 1 under line 7 if reporting this add-back.

Qualified transportation fringe expenses add-back 127 (327 for 2010*) IC 6-3-1-3.5 (a) (41) Version a

If you excluded any income as a result of qualified transportation fringe provided by an employer, add the amount, if any, of excluded

income exceeding \$100 per month (as provided in Section 132(f) of the Internal Revenue Code).

Enter code 127 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

*If you need to add this back for the 2010 tax year and have not yet done so (either when you filed your 2010 tax return or by filing an amended return), you may do so now. Just enter code 327 on Schedule 1 under line 7 if reporting this add-back for the 2010 tax year.

RIC dividends to nonresident aliens add-back 133 (333 for 2010*)

IC 6-3-1-11 (d) (2)

The following provisions of the Internal Revenue Code (IRC) that were amended by the Tax Relief Act, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312) are to be treated as though they were not amended by that act:

Section 871(k)(1)(c) and section 871(k)(2)(C) of the IRC pertaining to the treatment of certain dividends of regulated investment companies received by nonresident aliens. (The federal amendment extends the rules exempting from gross basis tax and from withholding tax the interest related dividends and short term capital gain dividends received from a RIC by a nonresident alien.)

Enter code 133 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

*If you need to add this back for the 2010 tax year and have not yet done so (either when you filed your 2010 tax return or by filing an amended return), you may do so now. Just enter code 333 on Schedule 1 under line 7 if reporting this add-back for the 2010 tax year.

Start-up expenditures add-back 131 (331 for 2010*)

IC 6-3-1-3.5 (a) (45) Version a

Add the amount deducted under Section 195 of the Internal Revenue Code for start-up expenditures that exceeds the amount you could deduct under Section 195 of the Internal Revenue Code before it was amended by the Small Business Jobs Act of 2010 (P.L. 111-240).

Enter code 131 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

*If you need to add this back for the 2010 tax year and have not yet done so (either when you filed your 2010 tax return or by filing an amended return), you may do so now. Just enter code 331 on Schedule 1 under line 7 if reporting this add-back for the 2010 tax year.

Student loan interest add-back 128

IC 6-3-1-3.5 (a) (42) Version a

If you claimed a deduction for interest paid on qualified education loans under Section 221 of the IRC, add the amount, if any, by which the deduction you claimed exceeds the amount you would have been entitled to deduct prior to the enactment of the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312).

Enter code 128 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

Tuition and fees add-back 123 (323 for 2010*)

IC 6-3-1-3.5 (a) (37) Version a

If you claimed a deduction for qualified tuition and related expenses under Section 222 of the Internal Revenue Code on Form 1040, line 34, or Form 1040A, line 19, you must add the amount back. Enter code 123 on Schedule 1 under line 7 if reporting this add-back for the 2011 tax year.

*If you need to add this back for the 2010 tax year and have not yet done so (either when you filed your 2010 tax return or by filing an amended return), you may do so now. Just enter code 323 on Schedule 1 under line 7 if reporting this add-back for the 2010 tax year.

Schedule 2: Deductions

IC 6-3-2-6

Line 1 – Renter’s deduction

You may be able to take the renter’s deduction if:

- You paid rent on your principal place of residence, **and**
- The place you rented was subject to Indiana property tax.

Your “principal place of residence” is the place where you have your true, fixed, permanent home and where you intend to return after being absent.

If you rented a manufactured home or paid rent for your manufactured home lot, you may claim the renter’s deduction if the above requirements are met. Rent paid for summer homes or vacation homes is *not* deductible.

You cannot claim the renter’s deduction if the rental property was not subject to Indiana property tax. Examples of this type of property are:

- Government owned housing,
- Property owned by a nonprofit organization,
- Student housing,
- Property owned by a cooperative association, and
- Property located outside of Indiana.

How do I report my deduction? First, complete the information area by entering:

- The address where rented if it’s different from the address on the front of the return (leave blank if it is not different),
- The landlord’s name and address,
- The total amount of rent paid, and
- The number of months you lived there.

If you moved during the year or had more than one landlord, you must list the same information for each place that you rented. Enclose additional pages if necessary.

How much rent can I deduct? You can deduct up to \$3,000 or the amount of rent paid, whichever is less.

Example. Emily paid \$4,800 in rent on her principal place of residence. She will claim a \$3,000 renter’s deduction.

Example. Bill paid \$400 rent for his first apartment. He moved to another location during the year and paid \$2,800 rent for the rest of the year. His deduction will be limited to \$3,000, even though he paid \$3,200 altogether.

Important. Keep copies of your rental receipts, landlord identifying information and lease agreements as the Department can require you to provide this information.

For more information about this deduction, see Income Tax Information Bulletin #38 at www.in.gov/dor/3650.htm.

Line 2 – Homeowner’s residential property tax deduction IC 6-3-1-3.5 (a) (17)

You may be able to take a deduction of up to \$2,500 of the Indiana property taxes (residential real estate taxes) paid on your principal place of residence. Your *principal place of residence* is the place where you have your true, fixed home and where you intend to return after being absent.

Note. Property tax paid for summer homes or vacation homes is *not* deductible.

Important. You cannot claim this deduction for property tax paid in 2011 if you are claiming the Lake County residential income tax credit on Schedule 5, line 6.

How do I claim my deduction? Complete the information area on Schedule 2, line 2. Enter the address of your principal residence where the Indiana property tax was paid if it is different from the address on the front of the return. If you had more than one principal residence during the year, and you paid Indiana property tax on both residences, list the additional residence on a separate piece of paper.

Example. Sue and Mack each owned their own home; they married in 2011. They sold both of their homes during the year and began renting. They are eligible to claim a property tax deduction on the combined property taxes paid on both homes if they are filing a joint return (limited to \$2,500 altogether).

- Enter the number of months you lived there. If you claim more than one residence, enter the number of months lived at the other residence(s) on a separate sheet of paper.
- Enter the amount of Indiana property tax paid. If you lived in more than one residence during the year, enter the combined amount of Indiana property tax paid on all principal residences.
- Enter the smaller of \$2,500 or the amount of Indiana property tax paid.

No double benefit allowed. If any portion of property taxes paid on your principal residence was deducted as an expense on federal Schedule C, C-EZ, E or F, then do not deduct that amount on this line.

Example. Jean paid \$1,200 in Indiana property tax on her home. She used one room of her home for her business, and deducted \$200 Indiana property tax as an expense on her federal Schedule C. Jean is allowed a deduction of \$1,000 (\$1,200 minus the \$200 deduction already taken on federal Schedule C).

How do I find out how much I paid in Indiana property tax on my principal residence? Indiana counties send statements to homeowners showing how much property tax is due on their property. Add together the 2011 spring and fall installments, if you paid both of them. If you received just one installment statement this year for your 2011 property taxes, use the amount paid for that installment.

Sometimes mortgage companies pay the Indiana property tax from an escrow account. If your mortgage company pays it, they should send you a Form 1098 (or its equivalent) showing the amount of property tax paid. If you cannot locate the information, contact your local county treasurer’s office or your mortgage company.

Important. You must maintain copies of proof that you paid your Indiana property tax as the Department can require you to provide this information. This could include the Form 1098, the property tax statement from your local assessor’s office, cancelled checks, etc.

Line 3 – State tax refund reported on federal return

If you entered a state tax refund amount on line 10 of your federal Form 1040, then enter that amount here.

IC 6-3-1-3.5 (a) (8)

Line 4 – Interest on U.S. government obligations deduction IC 6-3-1-3.5 (a) (1)

If the amount on line 1 of Form IT-40 includes interest income, you may be able to take a deduction. If any part of your interest income included on line 1 is from a direct obligation of the U.S. government, you can deduct this amount.

Examples of U.S. government obligations include U.S. savings bonds, U.S. Treasury bills and U.S. government certificates. This interest is usually reported on federal Schedule B.

Interest income reported from a trust, estate, partnership or S corporation that is from U.S. government obligations is also deducted on this line.

Note. When certain U.S. savings bonds are redeemed to pay expenses for higher education, the interest may be excluded from federal adjusted gross income. Therefore, do not enter any interest from U.S. savings bonds that is shown on your federal Schedule B, line 3 (because it has already been excluded from income).

For more information about this deduction see Income Tax Information Bulletin #19 at www.in.gov/dor/3650.htm.

Lines 5 and 6 – Taxable Social Security and/or railroad retirement benefits deduction

IC 6-3-1-3.5 (a) (9) (12)

Indiana does not tax Social Security income or the railroad retirement benefits that are issued by the U.S. Railroad Retirement Board. To figure your deduction:

- Enter the amount from Form 1040, line 20b (Form 1040A, line 14b), on Indiana’s Schedule 2, line 5.
- If you have included railroad retirement benefits that are issued by the U.S. Railroad Retirement Board on line 16b of your federal Form 1040, or on line 12b of your federal Form 1040A, then enter that amount on Indiana’s Schedule 2, line 6.

Important. Do not enter any other types of pension or retirement income on these lines.

Note. See the Railroad unemployment and sickness benefits deduction instructions on page 24 if you have received unemployment and/or sickness benefits from the Railroad Retirement Board.

Line 7 – Military service deduction **IC 6-3-2-4**

The income on line 1 of Form IT-40 may include active or reserve military pay. If it does, you will be able to take a deduction (regardless of your age).

Also, if you are retired from the military or are the surviving spouse of a person who was in the military, you may be able to take this deduction. You will be eligible if:

- You were at least 60 years of age by Dec. 31, 2011,
- You received military retirement or survivor's benefits in 2011, and
- The benefits received as retirement income were reported on your federal return.

Your deduction will be the actual amount of military income received (i.e. military pay, retirement pay and/or survivor's benefits) or \$5,000, whichever is *less*. If both you and your spouse received military income, you may each claim the deduction for a maximum of \$10,000.

Important. If you served in the Indiana National Guard or the reserve component of the armed forces during 2011, see the *National Guard and reserve component members deduction* on page 22.

Note. Military income earned while in a **combat zone** is not taxable on your federal or state income tax returns. Since Indiana is not taxing this income, your combat zone income is not eligible for a deduction.

Example. Jim was on active duty the first month of the year. He was stationed in a combat zone the rest of the year. His military W-2 form shows regular military wage income of \$950, and \$19,000 income earned while being stationed in a combat zone. Only \$950 of his income is taxed on his federal return; likewise, Indiana will only initially tax \$950. Jim should claim a \$950 military deduction (the lesser of the income being taxed [\$950] or \$5,000).

Important. You **must** enclose your military W-2 form, retirement pay statement and/or survivor's benefit statement with the tax return if you are claiming this deduction.

Note. If you received a combination of military pay, retirement pay and/or survivor's benefits during the tax year, the total deduction cannot be greater than \$5,000 per qualifying person. For example, if you earned \$6,000 in military pay and \$1,500 in retirement pay, you can deduct only \$5,000 of your military income.

For more information about this deduction see Income Tax Information Bulletins #6 and #27 at www.in.gov/dor/3650.htm.

Line 8 – Non-Indiana locality earnings deduction

You may be allowed a deduction if you have income being taxed by a locality (local governmental unit) located in another state. A "locality" could be a city, county, parish, etc.

IC 6-3-1-3.5 (a) (6)

Example. You earned wages in Louisville, KY. Your employer withheld a Louisville city (locality) tax. Since your wages were taxed by a non-Indiana locality (Louisville), you are eligible to take a deduction.

The deduction is limited. You may deduct the amount of your income that was taxed by a non-Indiana locality **or** \$2,000, whichever is *less*. If you and your spouse both qualify, you may each claim the deduction for a maximum of \$4,000 (limited to no more than \$2,000 per person).

You must enclose proof that the tax was paid to a locality outside Indiana to be allowed this deduction. A W-2 form is proof as long as the W-2 form shows a withholding amount and the name of the non-Indiana locality where the tax was paid. The name of the locality is usually found in box 20, Locality Name, on the W-2 form. A copy of a non-Indiana locality tax return will also serve as proof of tax paid.

For more information see Income Tax Information Bulletin #28 at www.in.gov/dor/3650.htm.

Line 9 – Insulation deduction **IC 6-3-2-5**

You may be able to take this deduction if you installed new insulation in your Indiana home during 2011. Insulation includes weather stripping, double pane windows, storm doors and storm windows. To take this deduction the following requirements must be met:

- The insulating items must have been installed in your principal place of residence located in Indiana,
- The part of your home where the insulating items were installed must have been built *before* Jan. 1, 2008,
- The insulating items must be an *upgrade* and not a replacement **or** like-kind item (e.g., replacing a double pane window with a new double pane window won't qualify, but replacing a double pane window with a triple pane window will qualify), and
- The deduction must be taken in the year the insulating items were installed.

You are allowed to deduct the actual cost of the qualifying items, including labor, up to a maximum of \$1,000.

Important. When claiming this deduction, maintain with your records the following information (as the Department can require you to provide this information at a later date):

- Item(s) purchased
- Purchase price
- Place of purchase
- Date of purchase
- Date of installation
- Amount paid for labor (you cannot include the cost of labor that you did yourself)

For more information about this deduction see Income Tax Information Bulletin #43 at www.in.gov/dor/3650.htm.

Unemployment Compensation Worksheet

Note: If you were married but filing separately, and you lived with your spouse at any time during 2011, enter -0- on line 3 of the worksheet. However, if you were married but filing separately, and lived apart from your spouse the entire year, enter \$12,000 on line 3.

1. Unemployment compensation included on IT-40, line 1.....	1	
2. Federal adjusted gross income from Form 1040 (line 37), Form 1040A (line 21), or Form 1040EZ (line 4)	2	
3. Enter \$12,000 if single, or \$18,000 if married filing a joint return.....	3	
4. Subtract line 3 from line 2. If zero or less, enter -0-.....	4	
5. Enter one-half of the amount on line 4 (divide line 4 by the number 2)	5	
6. Taxable unemployment compensation for Indiana purposes: enter the amount from either line 1 or line 5, whichever is smaller	6	
7. Subtract line 6 from line 5. Carry this amount to Schedule 2, line 10.....	7	

Line 10 – Nontaxable portion of unemployment compensation IC 6-3-2-10

You may be eligible for a deduction if you reported unemployment compensation on your federal income tax return. Complete the worksheet above to see if you are eligible. Make sure to enclose your 1099G(s) if you claim the deduction.

***Important.** Do not include any unemployment compensation issued by the U.S. Railroad Retirement Board on line 2 of the worksheet. Instead, see the instructions for the *Railroad unemployment and sickness benefits* deduction on page 24 for more information.

Line 11 – Other deductions

Each of the following deductions has been assigned a three-digit code number. When claiming the deduction on Schedule 2 under line 11, write the name of the deduction, the three-digit code number and the amount claimed.

Example. Enter the following information on line 11a to claim a \$130 civil service annuity deduction and on 11b to claim a \$5,200 NOL deduction:

11a. Civil Service Annuity	601	11a	130
b. Indiana Net Operating Loss	607	11b	5200

Airport development zone employee deduction **600**

IC 6-3-2-8, IC 8-22-3.5-14

Certain areas within Indiana have been designated as airport development zones. If you lived in an airport development zone and worked for a qualified employer in that zone, you may be able to take this deduction.

Your *employer* will provide Form IT-40QEC to you if you are eligible to claim this deduction.

The amount of the deduction is one-half (½) of the earned income shown on that form or \$7,500, whichever is less. You must enclose Form IT-40QEC with the Form IT-40 to support any claimed deduction.

Enter code 600 on Schedule 2 under line 11 if claiming this deduction.

Civil service annuity deduction **601** IC 6-3-2-3.7

The income on line 1 of Form IT-40 may include federal civil service annuity payments. If it does, you may be able to take a deduction *if* you were at least 62 years of age by Dec. 31, 2011.

To figure your deduction, begin with the amount of annuity payments received or \$2,000, whichever is less. Subtract from that amount any Social Security and railroad retirement benefits (issued by the Railroad Retirement Board) you received.

Example. Your civil service annuity is \$6,000. Your Social Security income is \$1,200. Here is how to figure your deduction:

Lesser of the amount of the annuity (\$6,000) or \$2,000	\$2,000
Social Security benefits	<u>\$1,200</u>
Allowable deduction	\$ 800

If you and your spouse both received civil service annuities, you may each take this deduction for a maximum of \$4,000 (no more than \$2,000 per qualifying person), provided you both meet the age requirement.

This deduction is available only to the annuitant and is not available to the annuitant's beneficiary. For more information about this deduction see Income Tax Information Bulletin #6 at www.in.gov/dor/3650.htm.

Enter code 601 on Schedule 2 under line 11 if claiming this deduction.

Disability retirement deduction **602** IC 6-3-2-9

To take this deduction you must have:

- Been permanently and totally disabled at the time of retirement,
- Retired on disability before Dec. 31, 2011, and
- Received disability retirement income during 2011.

If you meet these qualifications, you must complete Schedule IT-2440 and have it signed by your doctor to claim this deduction. Schedule IT-2440 **must** be enclosed with your tax return when claiming this deduction.

For more information about this deduction see Income Tax Information Bulletin #70 at www.in.gov/dor/3650.htm and Schedule IT-2440 at www.in.gov/dor/4546.htm.

This deduction is limited to a maximum of \$5,200 per qualifying individual.

Note. Social Security disability income does not qualify for this deduction because Indiana does not tax this income.

Enter code 602 on Schedule 2 under line 11 if claiming this deduction.

Enterprise zone employee deduction 603 IC 6-3-2-8

Certain areas within Indiana have been designated as enterprise zones. Enterprise zones are established to encourage investment and job growth in distressed urban areas.

Enterprise zones have been established in areas of certain cities/locations. Use this website to look up contact information for a particular enterprise zone: www.aiez.org/directory.html.

Your employer will provide Form IT-40QEC to you if you are eligible to claim this deduction.

The amount of the deduction is one-half (½) of the earned income shown on Form IT-40QEC or \$7,500, whichever is less. If you and your spouse both have received Form IT-40QEC, you may each take this deduction for a combined maximum of \$15,000 (no more than \$7,500 per qualifying person).

Enter code 603 on Schedule 2 under line 11 if claiming this deduction.

Human services deduction 605 IC 6-3-1-3.5 (a) (14)

The human services deduction is intended to eliminate any individual income tax imposed on Medicaid recipients who are living in a:

- Hospital,
- Skilled nursing facility,
- Intermediate care facility,
- Licensed county home,

- Licensed boarding or residential home, or
- Certified Christian Science facility.*

The goal of the human services tax deduction is to reduce the affected individual's adjusted gross income tax liability to zero (0).

*An eligible Christian Science facility must be listed with and certified by the Commission for Accreditation of Christian Science Nursing Organizations/Facilities, Inc.

Generally, the deduction should not be used in conjunction with most tax credits in order to create a refund.

If you are a Medicaid recipient and live in one of the facilities listed above, to determine whether you are eligible for the deduction you must first prepare your tax return without claiming a human services deduction. Generally, if a refund is due, you are not eligible for a deduction. File your return without claiming the deduction and a refund will be issued. However, if an amount is due, you are eligible to use a deduction.

Enter code 605 on Schedule 2 under line 11 if claiming this deduction.

Indiana lottery winnings deduction 606

IC 6-3-2-14.5; IC 4-30-18-2

If you win any prize money from the Indiana Hoosier Lottery Commission, either by winning an instant game, an online game such as Hoosier Lotto, Powerball, Lucky 5, Daily 3 & 4, Max 5, etc., you must report those winnings as income on your federal income tax return.

Most of these winnings are fully taxable by Indiana. However, some of the winnings may be exempt from Indiana tax. Also, annuity payments received for drawings held before July 1, 2002, are exempt from Indiana tax.

IC 6-3-2-14.1

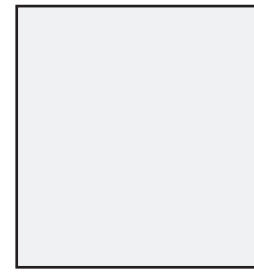
Complete the worksheet below to see if you are eligible for a deduction.

Note. Winnings from other state lotteries, Indiana pari-mutuel horse races or out-of-state tracks, Indiana and out-of-state riverboats and other gambling winnings, are fully taxable in Indiana and should not be deducted from your taxable income.

Enter code 606 on Schedule 2 under line 11 if claiming this deduction.

Lottery Winnings Worksheet

A. Enter the amount of winnings from the Hoosier Lottery Commission that you have reported on your federal Form 1040, line 21	A \$ _____
B. Locate those W-2Gs (issued by the Hoosier Lottery Commission) showing Indiana <u>state</u> withholding in Box 14. Add the amounts from Box 1 of each of those W-2G's; enter total here.....	B \$ _____
C. Exemption	C \$ <u>1,200</u>
D. How <u>many</u> W-2Gs did you locate in step B above (e.g. 1, 2, etc.)?..	D X _____
E. Multiply line C by line D; enter result here	E \$ - _____
F. Subtract line E from line B; enter result here	F \$ - _____
G. Subtract line F from line A. Enter here and on Schedule 2 under line 11	G \$ _____



Indiana net operating loss deduction 607 IC 6-3-2-2.5

You may take a deduction for the Indiana portion of the federal net operating loss deduction (NOL) you added back on line 2 of Schedule 1. (This will be a net operating loss deduction from an earlier year(s) carried forward to 2011.) Write the amount you deduct as a positive figure.

Enclose Schedule A from federal Form 1045 and a completed Indiana Schedule IT-40NOL when claiming this deduction.

Also, maintain with your records a copy of the federal Form 1040 from the loss year as the Department can require you to provide this information at a later date.

Enter code 607 on Schedule 2 under line 11 if claiming this deduction.

Indiana partnership long-term care policy premiums deduction 608 IC 6-3-1-3.5 (a) (16)

You may take a deduction for the amount of premiums paid for Indiana partnership long-term care insurance.

Important. The Indiana partnership policy will have the following box of information on the outline of coverage, the application or on the front page of the policy:

This policy qualifies under the Indiana Long-Term Care program for Medicaid Asset Protection. This policy may provide benefits in excess of the asset protection provided in the Indiana Long-Term Care program.

If the information shown in the box above is **not** located in a box on your policy, you do not have a qualifying policy, and are not eligible to take this deduction.

The deduction is the amount of premiums paid during the year on the policy for the taxpayer and/or spouse.

No double benefit allowed. Certain self-employed individuals will claim these premiums as a deduction on the front page of federal Form 1040. The Indiana deduction will be the actual amount of these premiums paid, minus any amount of these already reported on federal Form 1040.

Example. Sam paid \$645 in Indiana partnership long-term care premiums. He deducted \$400 of those premiums on the front page of Form 1040. He should deduct the \$245 difference (\$645 - \$400) on Indiana Schedule 2 under line 11.

More information about this program is available at the following website www.in.gov/iltcp.

Important. Keep a copy of the premium statements as the Department can require you to provide this information.

Enter code 608 on Schedule 2 under line 11 if claiming this deduction.

Law enforcement reward deduction 611 IC 6-3-2-17

You may be eligible for this deduction if you reported an amount you received as a reward as “other income” on line 21 of your federal Form 1040.

You may be able to deduct the *lesser* of the amount received or \$1,000 if:

- You received a reward for providing information to a law enforcement official or agency,
- Your information assisted in the arrest, indictment or the filing of charges against a person, and
- You are not compensated for investigating crimes, the person convicted of the crime or the victim of the crime.

Enter code 611 on Schedule 2 under line 11 if claiming this deduction.

Medical savings account deduction 612 IC 6-3-2-18

You may be eligible for a deduction if your employer deposited funds in certain medical care savings accounts. If you received Form IN-MSA from the account provider you should deduct any medical withdrawals and exempt interest income reported in Box 2 and/or Box 7.

Note. You are not eligible to claim this deduction if you also claimed a medical savings account deduction on the front page of federal Form 1040.

Make sure you enclose Form IN-MSA or your claimed deduction will be denied.

Enter code 612 on Schedule 2 under line 11 if claiming this deduction.

National Guard and reserve component members deduction 621 (also see the *Military service deduction on page 19*) IC 6-3-1-3.5 (a) (23); IC 6-3-1-34

There is a deduction available for certain members of the reserve components of the armed forces and the Indiana National Guard.

Who is eligible?

You must be a member of the reserve components of:

- the Army;
- the Navy;
- the Air Force;
- the Coast Guard;
- the Marine Corps;
- the Merchant Marine.

Or, a member of:

- the Indiana Army National Guard; or
- the Indiana Air National Guard.

What is eligible to be deducted?

If you are eligible (based on the above requirements), your deduction is the qualified military income* received as a result of service on involuntary orders:

During the period you were deployed or mobilized for full time service, or
During the period your Indiana National Guard unit was federalized.

* Military income received due to service in a **combat zone** is not taxable on your federal or state income tax returns. Since Indiana is not taxing this income, your combat zone income is not eligible for this deduction.

What is qualified military income?

Qualified military income is military wages paid:

- to a member of a reserve component of the armed forces or the Indiana National Guard,
- for the period during the member's full-time service on involuntary orders in a reserve component of the armed forces or the period when Indiana National Guard unit was federalized.

Note. You cannot claim both this deduction and the *Military service deduction* (see page 19) based on the same income. See the following example.

Example. Brandon is a member of the Indiana National Guard.

- From January through Oct. 15, 2011, Brandon earned \$6,000 from the guard.
- His unit was federalized on Oct. 16, 2011. He earned \$7,000 from that point through Dec. 1, 2011.
- His unit was assigned to a combat zone on Dec. 2, 2011, and he earned \$3,000 from then until the end of the year.
- Brandon's military W-2 shows \$13,000 in *Box 1, Wages, tips, other compensation* (the combat zone income is not included in Box 1 because it is not taxable).

Brandon is eligible for both Indiana military deductions. First, he will claim the \$5,000 maximum military service deduction on Schedule 2, line 7, based on the \$6,000 income earned through October 15. Then, he will claim the National Guard and reserve components deduction of \$7,000 (full amount of income earned after his unit was federalized) under line 11. Note: He will not deduct the \$3,000 income earned while stationed in a combat zone because it was not taxed to begin with.

Military withholding statements must be attached to the tax return when claiming this deduction.

Enter code 621 on Schedule 2 under line 11 if claiming this deduction.

Private school/homeschool deduction **626**

You may be eligible for a deduction based on education expenditures paid for each dependent child who is enrolled in a private school or is homeschooled. **IC 6-3-2-22**

Dependent child qualifications

- Your dependent child must be eligible to receive a free elementary or high school education (K-12 range) in an Indiana school corporation;
- You must be eligible to claim the child as a dependent on your federal tax return; and
- The child must be your natural or adopted child or, if not, you must have been awarded custody of the child in a court proceed-

ing making you the court appointed guardian or custodian of the child.

Education expenditure. This refers to any expenditures made in connection with enrollment, attendance, or participation of your dependent child in a private elementary or high school education program. The term includes tuition, fees, computer software, textbooks, workbooks, curricula, school supplies (other than personal computers), and other written materials used primarily for academic instruction or for academic tutoring, or both. The term does not include the delivery of instructional service in a home setting to your dependent child who is enrolled in a school corporation or a charter school.

A "**private elementary or high school education program**" means attendance at a nonpublic school (including a private school, a parochial school and a homeschool) in Indiana that satisfies a child's obligation for compulsory attendance at a school.

The obligation for "compulsory attendance" means a child must be in attendance in a school (public and/or private) for a minimum of 180 days in a calendar year.

Note. No deduction will be available based on a child who is enrolled in school for a period of less than 180 days in a calendar year.

Figure your deduction. If you made an unreimbursed education expenditure during 2011 your deduction is:

- (1) \$1,000; multiplied by
- (2) the number of qualified dependent children for whom you made education expenditures.

Example. Greg and Constance have three children ages 7, 9 and 11. The two oldest children attend a private school. The youngest child attends the neighborhood public school. The parents purchased schoolbooks for all three children. They will be eligible for a \$2,000 deduction (the youngest does not qualify as he attends a public school).

Note: A qualifying child may be claimed for this deduction only once per year. For example, if a husband and wife are married and filing separately, whichever parent is eligible to claim the child as a dependent for exemption purposes is eligible to claim this deduction.

How to report the deduction. If the private school or homeschool is registered with the Indiana Department of Education (IDOE), enter the school's name and identifying number assigned by the IDOE.

Examples.

- On Schedule 2 line 11a enter "XYZ Homeschool 019999Z" in the "Enter deduction name" box, followed by code no. 626 and the amount of the deduction.
- If the school is not registered with the IDOE, just enter the name "XYZ Homeschool" in the "Enter deduction name" box, followed by code no. 626 and the amount of the deduction.

- If the school has no designated name, enter “private school/home-school” in the “Enter deduction name” box, followed by code no. 626 and the amount of the deduction.

For more information about this deduction, see Income Tax Information Bulletin #107 at www.in.gov/dor/3650.htm

Qualified patents income exemption deduction **622** IC 6-3-2-21.7

Some of the income from qualified patents included in federal taxable income may be exempt from Indiana adjusted gross income tax. A qualified patent is a utility patent or a plant patent issued after Dec. 31, 2007, for an invention resulting from a development process conducted in Indiana. The term does not include a design patent.

The exemption includes licensing fees or other income received for the use of the patent, royalties received for the infringement, receipts from the sale of a qualified patent, and income from the taxpayer’s own use of the patent to produce the claimed invention.

Complete Schedule IN-PAT and enclose with your tax return when claiming this deduction. You may get Schedule IN-Pat at www.in.gov/dor/4546.htm.

For more information about this deduction see Income Tax Information Bulletin #104 at www.in.gov/dor/3650.htm.

Enter code 622 on Schedule 2 under line 11 if claiming this deduction.

Railroad unemployment and sickness benefits **624** IC 6-3-1-3.5 (a) (1)

Benefits issued by the U.S. Railroad Retirement Board are not taxable to Indiana.

Deduct unemployment and/or sick pay benefits issued by the U.S. Railroad Retirement Board on this line if:

- You included these benefits as taxable income on your federal tax return, and
- You did not already deduct these benefits on Schedule 2, lines 5 and/or 6.

Do not include any supplemental sick pay benefits on this line.

Make sure to keep the statements (such as Form 1099G) issued by the U.S. Railroad Retirement Board as the Department may request them at a later date.

Enter code 624 on Schedule 2 under line 11 if claiming this deduction.

Recovery of deductions **616** IC 6-3-1-3.5 (a) (8)

You are not eligible for this deduction if you did not complete the “other income” line on your federal Form 1040.

Generally, Indiana **does not** allow you to claim itemized deductions from federal Schedule A. However, if you reported *recovered* itemized deductions as “other income” on line 21 of your federal Form 1040, enter that amount on this line.

A *recovery* is a return of an amount you deducted in an earlier year. The most common recoveries are refunds (see Schedule 2, line 3),

reimbursements and rebates of deductions previously itemized on federal Schedule A.

Enter code 616 on Schedule 2 under line 11 if claiming this deduction.

Solar powered roof vent or fan deduction **623** IC 6-3-2-5.3

An Indiana resident may be eligible for a deduction up to \$1,000 if a solar powered roof vent or fan was installed on a building owned or leased by the individual. A *solar powered roof vent or fan* is a roof vent or fan that is powered by solar energy and used to release heat from a building.

The deduction must be claimed in the installation year, and is limited to the **smaller** of:

- One-half of the amount paid for labor and materials for the installation of a solar powered roof vent or fan, or
- \$1000.

Important. When claiming this deduction, maintain with your records the following information (as the Department can require you to provide this information at a later date):

- The installation date(s),
- Proof of your costs for the installation of a solar powered roof vent or fan, and
- A list of the persons or corporation that supplied labor or materials for the installation of the solar powered roof vent or fan.

Enter code 623 on Schedule 2 under line 11 if claiming this deduction.

Schedule 3: Exemptions IC 6-3-1-3.5 (a) (3)

Important. Keep detailed information about the exemption(s) you are claiming, such as full name(s), age(s), Social Security number(s), etc. The Department can require you to provide this information at a later date.

Line 1 – Exemptions IC 6-3-1-3.5 (a) (4) (A)

You are allowed \$1,000 for each exemption claimed on your federal return. Enter in the box on line 1 the total number of exemptions claimed on your federal return. Multiply \$1,000 by that number, and enter the answer here.

Example. John and Lisa have a 12-year-old daughter. On John and Lisa’s joint federal return they claim themselves and their daughter as exemptions. They’ll enter 3 in the box on line 1 for a total of \$3,000.

If you do not have to file a federal return, you will need to complete a “sample” federal return to see how many federal exemptions you are allowed to claim.

Important. If no exemption is claimed on your federal return, you can still claim yourself (even if you are claimed on a parent’s or guardian’s return).

Line 2 – Additional exemption for dependent child IC 6-3-1-3.5 (a) (5) (A)

Important: The new Schedule IN-DEP must be filed when claiming this exemption. Keep reading to find instructions for this schedule.

An additional \$1,500 exemption is allowed for certain dependent children. Carefully read the following *Dependent child definition* to see if you are eligible for this additional exemption(s).

Dependent child definition: According to state statute, a dependent child must be a son, stepson, daughter, stepdaughter and/or foster child (and/or your spouse's child, if filing a joint return). He/she must be either under the age of 19 by Dec. 31, 2011, or be a full-time student who is under the age of 24 by Dec. 31, 2011.

If any dependent(s) you are eligible to claim on your federal return also meets the *Dependent child definition* above, enter that number in the box on line 2.

Example. John and Lisa claimed their 12-year-old daughter Olivia as an exemption on their federal return. Since Olivia is under the age of 19, John and Lisa will claim one exemption on line 2 for a total of \$1,500.

Example. Jessie's elderly father and her nine-year-old daughter lived with her the entire year. She claimed both as dependents on her federal return. Jessie will claim her daughter for the additional exemption on line 2. She is not allowed to claim the additional exemption for her father.

Note. Not all dependent children are eligible for this additional exemption. For instance, if you claimed a grandson or nephew as an exemption on your federal return, you should also claim an exemption for him on line 1. However, since he doesn't qualify under the *Dependent child definition* above, you will not be able to claim the additional exemption for him on line 2.

Schedule IN-DEP. You must complete and enclose Indiana's *Schedule IN-DEP: Additional Dependent Child Information*, listing every child for whom you are claiming this exemption. Enter the first and last name and Social Security number (SSN) of each child claimed for this exemption. If your child has an individual taxpayer identification number (ITIN) or adopted taxpayer identification number (ATIN), enter that number in the Child's Social Security Number column.

No SSN. If you do not have the required SSN, ITIN or ATIN, you will not be eligible to claim this exemption. If you have applied for one of these numbers, but do not have it by the filing due date, you can file for an extension of time to file, Form IT-9 (www.in.gov/dor/4546.htm). Indiana also honors the federal extension of time to file, Form 4868.

Exception. If your child was born and died in 2011, and you do not have an SSN for the child, you cannot file your Indiana tax return electronically. You must enclose a copy of the child's birth certificate, death certificate or hospital records when you file. The document must show the child was born alive.

Line 3 – Age 65 or older or blind IC 6-3-1-3.5 (a) (4) (B)

If you and/or your spouse (if filing a joint return) are age 65 or older, you and /or your spouse can take an additional \$1,000 exemption. If you and/or your spouse (if filing a joint return) are legally blind, you and/or your spouse can take an additional \$1,000 exemption. Place an "X" in the boxes that apply to you and/or your spouse. Enter the total number of boxes marked on this line and multiply by \$1,000.

Line 4 – Additional exemption for age 65 or older

IC 6-3-1-3.5 (a) (5) (B)

An additional \$500 exemption is available for you and/or your spouse (if filing a joint return) if you are age 65 or older and the amount on Form IT-40, line 1, is less than \$40,000. Place an "X" in the boxes that apply to you and/or your spouse. Enter the total number of boxes marked on this line and multiply by \$500.

Schedule 4: Other Taxes

IC 6-2.5-3

Line 1 – Use tax on out-of-state purchases

If you have purchased items while you were outside Indiana, through the mail (for instance, by catalog or offer through the mail), through radio or television advertising and/or over the Internet, these purchases may be subject to Indiana sales and use tax, if sales tax was not paid at the time of purchase. This tax, called "use" tax, is figured at 7 percent.

Sales/Use Tax Worksheet		
List all purchases made during 2011 from out-of-state retailers.		
Column A Description of personal property purchased from out-of-state retailer	Column B Date of purchase(s)	Column C Purchase Price of Property(s)
Magazine subscriptions:		
Mail order purchases:		
Internet purchases:		
Other purchases:		
1. Total purchase price of property subject to the sales/use tax: enter total of Columns C	1	
2. Sales/use tax: Multiply line 1 by .07 (7%)	2	
3. Sales tax previously paid on the above items (up to 7% per item)	3	
4. Total amount due: Subtract line 3 from line 2. Carry to Form IT-40, Schedule 4, line 1. If the amount is negative, enter zero and put no entry on Schedule 4, line 1	4	

When you make purchases from a company in Indiana, that company is responsible for collecting the Indiana sales tax from you. When you make purchases from an out-of-state company, *you* are responsible for making sure the use tax is paid. Either the out-of-state company collects the tax from you, or you must pay the tax directly to the State of Indiana.

Complete the worksheet on page 25 to figure your tax. If you paid sales tax to the state where the item was originally purchased, you are allowed a credit against your Indiana use tax for an amount paid up to 7 percent.

Line 2 – Household employment taxes IC 6-3-4-8 (j) (k)

If you paid cash wages during 2011 to an individual who is *not*

- Your spouse,
- Your child under age 21,
- Your parent,
- An employee under age 18;

And the individual worked in and around your home as a baby-sitter, nanny, health aide, private nurse, maid, caretaker, yard worker or someone who does similar domestic duties, then that individual may be defined as your employee.

See Federal Publication 926, *Household Employer's Tax Guide*, for more information on how to define an employee. Visit www.irs.gov or call the IRS at 1-800-829-1040.

If you paid cash wages over \$1,700 to a household worker who is your employee, or total cash wages of \$1,000 or more in any calendar quarter of 2010 or 2011 to **all** household employees, you should have withheld state and county income taxes. To pay these taxes on your Indiana income tax return, contact the Department for Schedule IN-H, or download one from www.in.gov/dor/4546.htm.

Line 3 – Indiana advance earned income credit payment (from W-2s) IC 6-3.1-21-8

Enter the total amount of Indiana advance earned income credit payments you received. This amount is shown on your W-2 form in the box directly beneath box 19 ('INADV' should be in the box directly beneath box 20).

Line 4 – Recapture of Indiana's CollegeChoice 529 education savings plan credit IC 6-3-3-12 (m) (n)

You may be eligible for a credit if you made a contribution(s) to Indiana's CollegeChoice 529 education savings plan (see instructions on page 44 for credit details). However, if you made a non-qualified withdrawal(s) from this plan, you will probably have to repay some or all of any credits previously claimed.

Withdrawals made for higher education expenses tend to be qualified withdrawals. Other withdrawals may fall under the category of "non-qualified". For more information about withdrawals, contact the Department for Income Tax Information Bulletin #98 at www.in.gov/dor/3650.htm. Get Schedule IN-529R at www.in.gov/dor/4546.htm to figure any amount to be recaptured.

Schedule 5: Credits

IC 6-3-4-8 (h)

Lines 1 and 2 – Indiana state and county tax withheld

The amount of state tax withheld is usually shown in box 17 and the amount of county tax withheld is usually shown in box 19 of the W-2s. Indiana state withholding amounts may also be present on Form WH-18, 1099G and 1099R.

You **must** enclose your withholding statements with your tax return to verify amounts withheld. Failure to enclose all necessary withholding statements will result in a reduced refund or increase in the amount you owe.

- If you had more than one job, enclose withholding statements from each job so you can get credit for all Indiana state and county tax withheld.
- If you had Indiana state and/or county tax withheld on any other federal form, such as a W-2G, 1099G or 1099R, you must enclose the form with the tax return to get credit for the amounts withheld.
- If you are filing a joint return, be sure to include your spouse's withholding statements if they show Indiana state and/or county tax withholding amounts.
- Use of substitute W-2s will delay the processing of your return and/or refund.

Note. Do not claim credit for taxes withheld for states other than Indiana or for localities outside Indiana.

A note about your W-2s. It is important that your W-2 form is readable. The income and state and county tax amounts withheld are verified on every W-2 form that comes in with your tax return. If you are not filing electronically, we encourage you to enclose the best copy available when you file.

Line 3 – 2011 Estimated tax paid

IC 6-3-4-4.1 (b); IC 6-8.1-6-1 ext.

If you made estimated tax payments, enter the total paid for 2011 on this line. Also, include any **extension payment** made with Form IT-9 "Extension of Time to File" for tax year 2011.

Note. Do not include on this line any estimated tax paid for tax year 2012.

Line 4 - Unified tax credit for the elderly IC 6-3-3-9

You may be able to claim a credit if you or your spouse meet **all** the following requirements:

- You and/or your spouse must have been age 65 or older by Dec. 31, 2011,
- If married and living together at any time during the year, you must file a joint return,
- The amount on line 1 of Form IT-40 must be *less than* \$10,000,
- You must have been a resident of Indiana for six months or more during 2011, and
- You must not have been in prison for 180 days or more in 2011.

Note. Disabled persons under age 65 do not qualify for this credit.

Important:

- If your spouse died after Jan. 1, 2011, you can claim this credit by filing a joint return.
- If a person dies and does not have a surviving spouse, then no one can claim the credit on behalf of the deceased person.
- If your income is low enough that you are not required to file a Form IT-40, and you meet the requirements for claiming the Unified Tax Credit for the Elderly, do not file Form IT-40. Instead, file the simplified Form SC-40 to claim this credit.*

*Form SC-40 can be found at www.in.gov/dor/4546.htm. Or, call (317) 615-2581. You can claim the credit on either Form IT-40 or Form SC-40, but *file only one of these forms, and only file once.*

Note. You must file the Form IT-40 if you are eligible for the Lake County residential income tax credit. See line 6 instructions on page 38 for more information.

The deadline for claiming this credit is July 2, 2012.

The only exception to this rule is if you have a valid federal extension of time to file, Form 4868. Having a valid federal extension will allow you to claim this credit through Nov. 19, 2012. See *Extension of time to file – What if you can't file on time?* on page 8 for information about getting an extension of time to file.

To figure your unified tax credit for the elderly:

Use Table A if:

You meet all the requirements listed above, **and:**

- You are filing a joint return, lived with your spouse during 2011, both were Indiana residents for at least six months and both were age 65 or older by Dec. 31, 2011, **or**
- Both you and your spouse met all the above-requirements and your spouse died after Jan. 1, 2011.

Table A	
Joint Filers Both Age 65 or Older	
If the income on Line 1 of Form IT-40 is:	Your Allowable Credit* is:
less than \$1,000.....	\$140
between \$1,000 and \$2,999.....	\$90
between \$3,000 and \$9,999.....	\$80

Use Table B if:

You meet all the requirements listed above, **and:**

- You are age 65 or older and are single or widowed,
- You are filing a joint return and only one is age 65 or older,
- You are filing a joint return and only one was an Indiana resident for at least six months, or you are married but did not live with your spouse during 2011, are age 65 or older and are married filing separately.

Table B	
Only One Person Age 65 or Older	
If the income on Line 1 of Form IT-40 is:	Your Allowable Credit* is:
less than \$1,000	\$100
between \$1,000 and \$2,999.....	\$50
between \$3,000 and \$9,999.....	\$40

* **Once you have located your credit on Table A or Table B, enter that amount on line 4.**

Line 5 Indiana's earned income credit (EIC) /IC 6-3.1-21

The way to figure Indiana's earned income credit has changed. Here are some important things to know:

- You must be eligible for and have claimed an EIC on your federal tax return. If not, **STOP**. You are not eligible to claim Indiana's EIC.
- Your income on Form IT-40, line 1 (or Indiana's Schedule A, line 37A), must be less than \$40,950. If it is the same amount or more, **STOP**. You are not eligible to claim Indiana's EIC.
- Schedule IN-EIC must be completed and enclosed by all filers claiming the EIC.
- No longer may this credit be claimed on Form IT-40EZ.
- Indiana's Publication EIC is available for additional information. It may be viewed online at www.in.gov/dor/4546.htm.

What is the EIC?

The EIC is a credit for certain people who work. The credit may give you a refund even if you don't owe any tax.

To take the EIC:

- Follow the steps below.
- Complete the worksheet(s) that apply to you.
- Complete and enclose Schedule IN-EIC.

Step 1 All Filers

1. Did you claim an EIC on your 2011 federal tax return (on federal Form 1040, line 64a; Form 1040A, line 38a; or on Form 1040EZ, line 8a)?

Yes. Continue

No. STOP. You cannot take the credit.

2. If, in 2011:
 - 2 or more children lived with you, is the amount on Form IT-40, line 1 (Indiana's Schedule A, line 37A), less than \$40,950?
 - 1 child lived with you, is the amount on Form IT-40, line 1 (Indiana's Schedule A, line 37A), less than \$36,050?
 - No children lived with you, is the amount on Form IT-40, line 1 (Indiana's Schedule A, line 37A), less than \$13,550?

Yes. Continue

No. STOP. You cannot take the credit.

Step 2 Investment Income

1. Add amounts from:

Federal Form 1040 or Form 1040A, Line 8a	+	
Federal Form 1040 or Form 1040A, Line 8b	+	
Federal Form 1040 or Form 1040A, Line 9a	+	
Federal Form 1040A, Line 10	+	
Federal Form 1040, Line 13*	+	
Investment Income	=	

*If line 13 is a loss, enter -0-.

2. Is your investment income more than \$3,150?

Yes. Continue

No. Skip question 3; go to question 4.

3. Did you file federal Form 4797 (relating to sales of business property)?

No. STOP. You cannot take the credit.

Yes. If the amount on federal Form 1040, line 13, includes an amount from federal Form 4797, you must use Worksheet 1 in Indiana's Publication EIC to see if you can take the EIC. Otherwise, **STOP**; you cannot take the EIC.

4. Do any of the following apply for 2011?

- You filed federal Schedule E.
- You are claiming a loss on federal Form 1040 line, 12, 13 and/or 18.
- You are reporting income or a loss from the rental of personal property not used in a trade or business.
- You and/or spouse if married filing jointly received a distribution from a pension, annuity, IRA or Coverdell ESA that is not fully taxable.
- You reported income on federal Form 1040, line 21, from federal Form 8814 (relating to election to report child's interest and dividends).

Yes. You must use Worksheet 3 in Indiana's Publication EIC to see if you can take the credit.

No. Go to Step 3.

Step 3 Qualifying Child

Did a child live with you in 2011?

No. Go to Step 4.

Yes. Continue.

A qualifying child is a child who is your...

- Son
- Daughter
- Grandchild
- Stepchild
- Foster child and/or related child (see page 29)

AND, was...

Under age 19 at the end of 2011 and younger than you (or your spouse, if filing jointly), or
Under age 24 at the end of 2011, a student (see page 30), and younger than you (or your spouse, if filing jointly), or
Any age and permanently and totally disabled (see page 30),

AND, who...

Is not filing a joint return for 2011, or is filing a joint return for 2011 only as a claim for refund,

AND, who...

Lived with you in the United States for more than half of 2011 or, if a foster child, for all of 2011. If the child did not live with you for the required time, see *Exception to "time lived with you"* on page 29.

Caution. If the child meets the conditions to be a qualifying child of any other person (other than your spouse if filing a joint return) for 2011, or the child was married, see page 30.

1. Do you have at least one child who meets the conditions to be your qualifying child?

Yes. The child must have a valid Social Security number (SSN) unless the child was born and died in 2011. If at least one qualifying child has a valid SSN (or was born and died in 2011), go to Step 5.

No. Continue to Step 4.

Step 4 Filers Without a Qualifying Child

If you have no qualifying child (see Step 3) but you claimed an EIC on your federal tax return (federal Form 1040, line 64a; Form 1040A, line 38a; or on Form 1040EZ, line 8a), then you may be eligible to claim Indiana's EIC. Continue to Step 5.

Step 5 Modified Adjusted Gross Income (MAGI)

1. Add amounts from:

Federal Form 1040 or Form 1040A, Line 8b	+	_____
Federal Form 1040EZ, amount entered in the space to the left of line 2 designated as "TEI"	+	_____
Federal Form 1040, line 37; Form 1040A, Line 21; 1040EZ, line 4	+	_____

Modified Adjusted Gross Income =

Box A	
-------	--

2. If you have:

- 2 or more qualifying children, is Box A less than \$40,950?
- 1 qualifying child, is Box A less than \$36,050?
- No qualifying children, is Box A less than \$13,550?

Yes. Go to Step 6.

No. STOP. You cannot take the credit.

Step 6 Earned Income

1. Did you file federal Schedule SE because you are a member of the clergy or you had church employee income of \$108.28 or more?

Yes. See *Clergy or Church employees*, whichever applies, on this page.

No. *Continue*

2. Figure earned income:

A. Enter amount from federal Form 1040 or 1040A, line 7, or Form 1040EZ, line 1 _____

Subtract, if included on line A above, any:

- Taxable scholarship or fellowship grant not reported on a Form W-2.
- Amount received for work performed while an inmate in a penal institution.
- Amount received as a pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan. This amount may be shown in box 11 of form W-2. If you received such an amount but box 11 is blank, contact your employer for the amount received as a pension or annuity. - _____

Add all of your nontaxable combat pay if you elect to include it in earned income.* + _____

***Caution.** Electing to include nontaxable combat pay may increase or decrease your EIC. Figure the credit with and without your nontaxable combat pay before making the election.

Earned Income =

Box B	
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3. Were you self-employed at any time in 2011, or did you file federal Schedule SE because you were a member of the clergy or you had church employee income, or did you file federal Schedule C or C-EZ as a statutory employee?

Yes. Skip question 4 and Step 7; go to **Worksheet B** on page 32.

No. *Continue.*

4. If you have:
 - 2 or more qualifying children, is your total earned income (Box B) less than \$40,950?
 - 1 qualifying child, is your total earned income (Box B) less than \$36,050?
 - No qualifying children, is your total earned income (Box B) less than \$13,550?

Yes. Go to Step 7.

No. STOP. You cannot take the credit.

Step 7 How to Figure the Credit

1. Go to **Worksheet A** on page 31.
-

Definitions and Special Rules *(listed in alphabetical order)*

Adopted child. An adopted child is always treated as your own child. The term “adopted child” includes a child who was lawfully placed with you for legal adoption, even if the adoption is not final.

Church employees. A church employee means an employee (other than a minister or member of a religious order) of a church or qualified church-controlled organization that is exempt from employer Social Security and Medicare taxes. Determine how much of the amount on federal Form 1040, line 7, was also reported on federal Schedule SE, Section B, line 5a. Subtract that amount from the amount on federal Form 1040, line 7, and enter the result in the first space of Step 6, line 2. Be sure to answer “Yes” to question 1 in Step 6.

Claim for refund. A claim for refund is a federal return filed only to get a refund of withheld income tax or estimated tax paid. A federal return is not a claim for refund if the EIC or any other similar refundable credit is claimed on it.

Clergy. The following instructions apply to ministers, members of religious orders who have not taken a vow of poverty, and Christian Science practitioners. If you are filing federal Schedule SE and the amount on line 2 of that schedule includes an amount that was also reported on federal Form 1040, line 7;

1. Determine how much of the amount on federal Form 1040, line 7, was also reported on federal Schedule SE, Section A, line 2, or Section B, line 2.
2. Subtract that amount from the amount on federal Form 1040, line 7. Enter the result in the first space of Step 6, line 2.
3. Be sure to answer “yes” to question 1 in Step 6.

Combat pay, nontaxable. If you were a member of the U.S. Armed Forces who served in a combat zone, certain pay is excluded from your income.

- If you included your combat pay when figuring your federal EIC, then enter the same amount in Step 6, line 2.
- If you did not include it when figuring your federal EIC, then do not enter any amount in Step 6, line 2.

Exception to “time lived with you” condition. A child is considered to have lived with you for all of 2011 if the child was born or died in 2011 and your home was this child’s home for the entire time he or she was alive in 2011. Temporary absences, such as for school, vacation, medical care, or detention in a juvenile facility, count as time lived at home. If your child is presumed to have been kidnapped by someone who is not a family member, see Indiana’s Pub. EIC to find out if that child is a qualifying child for the EIC. If you were in the military stationed outside the United States, see *Members of the military* on page 30.

Federal Form 4797 filers. If the amount on Form 1040, line 13, includes an amount from federal Form 4797, you must use Worksheet 1 in Indiana’s Pub. EIC to see if you can take the EIC. Otherwise, **STOP**; you cannot take the EIC.

Foster child.

- Any child you cared for as your own child **and** who is (a) your brother, sister, stepbrother, or stepsister; (b) a descendant (such as

a child, including an adopted child) of your brother, sister, step-brother, or stepsister; or (c) a child placed with you by an authorized placement agency. For example, if you acted as the parent of your niece or nephew, this child is considered your foster child.

- The qualifying foster child must live with you for the entire year (except for temporary absences).

Grandchild. For the EIC, this means any descendant of your son, daughter, or adopted child. For example, a grandchild includes your great-grandchild, great-great-grand child, etc.

Married child. A child who was married at the end of 2011 is a qualifying child only if (a) you can claim him or her as your dependent on federal Form 1040 or 1040A, line 6c, or (b) you could have claimed him or her as your dependent except for the special rule for *Children of divorced or parents who lived apart*. Get Indiana's Pub. EIC for more information about this special rule.

Members of the military. U.S. military personnel stationed outside the United States on extended active duty are considered to live in the United States during that duty period for purposes of the EIC. Extended active duty is military duty ordered for an indefinite period or a period of more than 90 days. Once you begin serving extended active duty, you are considered to be on extended active duty even if you do not serve more than 90 days.

Permanently and totally disabled. A person is permanently and totally disabled if, at any time during 2011, the person could not engage in any substantial gainful activity because of a physical or mental condition and a doctor has determined that this condition (a) has lasted or can be expected to last continuously for at least a year, or (b) can be expected to lead to death.

Qualifying child of more than one person. If the child meets the conditions to be a qualifying child of more than one person, only the person who had the **highest** modified adjusted gross income (MAGI) for 2011 may treat that child as a qualifying child. The other person(s) cannot take the EIC for people who do not have a qualifying child. If the other person is your spouse and you are filing a joint return, this rule does not apply. If you have the highest MAGI, this child is your qualifying child. The child must have a Social Security number unless the child was born and died in 2011. Skip Step 4; go to Step 5 on page 28. If you do not have the highest MAGI, **STOP**; you cannot take the EIC. See Step 5 to figure your modified adjusted gross income.

Example. You and your 8-year-old daughter moved in with your mother in 2009. You are not a qualifying child of your mother. Your daughter meets the conditions to be a qualifying child for both you and your mother. Your MAGI for 2011 was \$8,000 and your mother's was \$14,000. Because your mother's MAGI was higher, your daughter is your mother's qualifying child for EIC purposes. You **cannot** figure an EIC using your child as a qualifying child, even if your mother does not claim the credit.

Student. A student is a child who, during any 5 months of 2011, was enrolled as a full-time student at a school that has a regular teaching staff, course of study, and regular student body at the school, or took a full-time, on-farm training course given by a school or a state, county,

or local government agency. A school does not include a technical, trade or mechanical school. It does not include an on-the-job training course, correspondence school, or school offering courses only through the Internet.

Temporary absences. Count time that you or your child is away from home on a temporary absence due to a special circumstance as time the child lived with you. Examples of a special circumstance include illness, school attendance, business, vacation, military service, and detention in a juvenile facility.

Worksheet A – Indiana’s Earned Income Credit (EIC)

Keep for your records

Before you begin: Be sure you are using the correct worksheet. Only use this worksheet if you answered “No” to Step 6, question 3. Instead, use the Worksheet B that follows this one.

Part 1: All filers using Worksheet A

1. Enter your earned income from Step 6, Box B. 1 _____
2. Look up the amount on line 1 above in the *Indiana Earned Income Credit Table* (right after Worksheet B) to find the credit. Be sure you use the correct column for the number of children you can claim. Enter the credit here. 2 _____

If line 2 is zero, **STOP**. You cannot claim the credit.

3. Enter your modified adjusted gross income from Step 5, Box A 3 _____
 4. Are the amounts on lines 3 and 1 the same?
Yes. Skip line 5; enter the amount from line 2 on line 6.
No. Go to line 5.
-

Part 2: Filers who answered “No” on line 4

5. If you have:
 - No qualifying children, is the amount on line 3 less than \$7,600?
 - 1 or more qualifying children, is the amount on line 3 less than \$16,700?

Yes. Leave line 5 blank; enter the amount from line 2 on line 6.

No. Look up the amount on line 3 in the *Indiana Earned Income Credit Table* to find the credit. Be sure you use the correct column for the number of children you can claim.
Enter the credit here. 5 _____

Look at the amounts on line 5 and 2. Then, enter the **smaller** amount on line 6.

Part 3: Your Indiana earned income credit

6. This is the amount from Part 1 or Part 2 above. 6 _____
7. If you have an alternative minimum tax on either your federal Form 1040, line 45, or included in the total on federal Form 1040A, line 28, then multiply that amount by 9 percent (.09) and enter the result here. 7 _____
8. Subtract line 7 from line 6 (if zero or less, **STOP**. You cannot take a credit). Enter this amount here and on Schedule IN-EIC, line A-3. 8 _____

Indiana Earned Income Credit

Final Step – You must complete Schedule IN-EIC and enclose it with your filing.

Worksheet B – Indiana’s Earned Income Credit (EIC)

Keep for your records

Use this worksheet if you answered “Yes” to Step 6, question 3.

- Complete the parts below (Parts 1 through 3) that apply to you. Then, continue to Part 4.
- If you are married filing a joint return, include your spouse’s amounts, if any, with yours to figure the amounts to enter in Parts 1 through 3.

Part 1: Self-employed, members of the clergy, and people with church employee income filing federal Schedule SE.

- 1a. Enter the amount from federal Schedule SE, Section A, line 3, or Section B, line 3, whichever applies 1a _____
- b. Enter any amount from federal Schedule SE, Section B, line 4b, and line 5a. + 1b _____
- c. Add lines 1a and 1b = 1c _____
- d. Enter the amount from federal Schedule SE, Section A, line 6, or Section B, line 13, whichever applies. - 1d _____
- e. Subtract line 1d from 1c = 1e _____
-

Part 2: Self-employed NOT required to file federal Schedule SE

For example, your net earnings from self-employment were less than \$400.

2. Do not include on these lines any statutory employee income, any net profit from services performed as a notary public, any amount exempt from self-employment tax as the result of filing and approval of federal Form 4029 or Form 4361, or any other amounts exempt from self-employment tax.
- a. Enter any net farm income or (loss) from federal Schedule F, line 34, and from farm partnerships, Schedule K-1 (federal Form 1065), box 14, code A. 2a _____
- b. Enter any net profit or (loss) from federal Schedule C, line 31; Schedule C-EZ, line 3; Schedule K-1 (federal Form 1065), box 9, code J1. + 2b _____
- c. Add lines 2a and 2b. = 2c _____
-

Part 3: Statutory employees filing federal Schedule C or C-EZ

1. Enter the amount from federal Schedule C or Schedule C-EZ, line 1c, that you are filing as a statutory employee. 3 _____
-

Part 4: All filers using Worksheet B

- 4a. Enter your earned income from Step 6, Box B. 4a _____
- b. Add lines 1e, 2c, 3 and 4a. **This is your total earned income.** 4b _____

If line 4b is zero or less, **STOP**. You cannot take the credit.

5. If you have:
- 2 or more qualifying children, is line 4b less than \$40,950?
 - 1 qualifying child, is line 4b less than \$36,050?
 - No qualifying children, is line 4b less than \$13,550?

Yes. Enter the amount from line 4b on line 6 of this worksheet.

No. STOP. You cannot take the credit.

Part 5: All filers using Worksheet B

6. Enter your total earned income from Part 4, line 4b. 6 _____
7. Look up the amount on line 6 above in the *Indiana Earned Income Credit Table* to find the credit. Be sure you use the correct column for the number of children you can claim. Enter the credit here. 7 _____

If line 7 is zero, **STOP**. You cannot take the credit.

8. Enter your modified adjusted gross income from Step 5, Box A. (If you filled out Worksheet 3, enter the amount from line 17.) 8 _____
9. Are the amounts on lines 8 and 6 the same?

Yes. Skip line 10; enter the amount from line 7 on line 11.

No. Go to line 10.

Part 6: Filers who answered “No” on line 9

10. If you have:
- No qualifying children, is the amount on line 8 less than \$7,600?
 - 1 or more qualifying children, is the amount on line 8 less than \$16,700?

Yes. Leave line 10 blank; enter the amount from line 7 on line 11.

No. Look up the amount on line 8 in the *Indiana Earned Income Credit Table* to find the credit. Be sure you use the correct column for the number of children you can claim. Enter the credit here. 10 _____

Look at the amounts on lines 10 and 7. Then, enter the smaller amount on line 11.

Part 7: Your Indiana earned income credit.

11. This is the amount from Part 5 or Part 6 above. 11 _____
12. If you have an alternative minimum tax on either your federal Form 1040, line 45, or included in the total on federal Form 1040A, line 28, then multiply that amount by 9 percent (.09) and enter the result here. 12 _____
13. Subtract line 12 from line 11 (if zero or less, **STOP**. You cannot take a credit). Enter this amount here and on Schedule IN-EIC, line A-3. **Indiana Earned Income Credit** 13 _____

Final Step – You must complete Schedule IN-EIC and enclose it with your tax return when you file.

2011 Indiana Earned Income Credit (EIC) Table

1. To find your credit, read down the "At least-But less than" columns and find the line that includes the amount you were told to look up from your EIC Worksheet.

2. Then, read across to the column that includes the number of qualifying children you have. Enter the credit from that column on your EIC Worksheet.

Example. If you have one qualifying child and the amount you are looking up from your EIC Worksheet is \$2,455, you would enter \$76.

If the amount you are looking up from the worksheet is –		And you have –		
		No children	One child	Two children
At least	But less than	Your credit is –		
2,400	2,450	17	74	87
2,450	2,500	17	76	89

If the amount you are looking up from the worksheet is –		And you have –		
		No children	One child	Two children
At least	But less than	Your credit is –		

If the amount you are looking up from the worksheet is –		And you have –		
		No children	One child	Two children
At least	But less than	Your credit is –		

If the amount you are looking up from the worksheet is –		And you have –		
		No children	One child	Two children
At least	But less than	Your credit is –		

If the amount you are looking up from the worksheet is –		And you have –		
		No children	One child	Two children
At least	But less than	Your credit is –		

\$0	\$50	0	1	1
50	100	1	2	3
100	150	1	4	5
150	200	1	5	6
200	250	2	7	8
250	300	2	8	10
300	350	2	10	12
350	400	3	11	14
400	450	3	13	15
450	500	3	15	17
500	550	4	16	19
550	600	4	18	21
600	650	4	19	23
650	700	5	21	24
700	750	5	22	26
750	800	5	24	28
800	850	6	25	30
850	900	6	27	32
900	950	6	28	33
950	1,000	7	30	35
1,000	1,050	7	31	37
1,050	1,100	7	33	39
1,100	1,150	8	34	41
1,150	1,200	8	36	42
1,200	1,250	8	37	44
1,250	1,300	9	39	46
1,300	1,350	9	41	48
1,350	1,400	9	42	50
1,400	1,450	10	44	51
1,450	1,500	10	45	53
1,500	1,550	10	47	55
1,550	1,600	11	48	57
1,600	1,650	11	50	59
1,650	1,700	12	51	60
1,700	1,750	12	53	62
1,750	1,800	12	54	64
1,800	1,850	13	56	66
1,850	1,900	13	57	68
1,900	1,950	13	59	69
1,950	2,000	14	60	71

2,000	2,050	14	62	73
2,050	2,100	14	63	75
2,100	2,150	15	65	77
2,150	2,200	15	67	78
2,200	2,250	15	68	80
2,250	2,300	16	70	82
2,300	2,350	16	71	84
2,350	2,400	16	73	86
2,400	2,450	17	74	87
2,450	2,500	17	76	89
2,500	2,550	17	77	91
2,550	2,600	18	79	93
2,600	2,650	18	80	95
2,650	2,700	18	82	96
2,700	2,750	19	83	98
2,750	2,800	19	85	100
2,800	2,850	19	86	102
2,850	2,900	20	88	104
2,900	2,950	20	90	105
2,950	3,000	20	91	107
3,000	3,050	21	93	109
3,050	3,100	21	94	111
3,100	3,150	22	96	113
3,150	3,200	22	97	114
3,200	3,250	22	99	116
3,250	3,300	23	100	118
3,300	3,350	23	102	120
3,350	3,400	23	103	122
3,400	3,450	24	105	123
3,450	3,500	24	106	125
3,500	3,550	24	108	127
3,550	3,600	25	109	129
3,600	3,650	25	111	131
3,650	3,700	25	112	132
3,700	3,750	26	114	134
3,750	3,800	26	116	136
3,800	3,850	26	117	138
3,850	3,900	27	119	140
3,900	3,950	27	120	141
3,950	4,000	27	122	143

4,000	4,050	28	123	145
4,050	4,100	28	125	147
4,100	4,150	28	126	149
4,150	4,200	29	128	150
4,200	4,250	29	129	152
4,250	4,300	29	131	154
4,300	4,350	30	132	156
4,350	4,400	30	134	158
4,400	4,450	30	135	159
4,450	4,500	31	137	161
4,500	4,550	31	138	163
4,550	4,600	31	140	165
4,600	4,650	32	142	167
4,650	4,700	32	143	168
4,700	4,750	33	145	170
4,750	4,800	33	146	172
4,800	4,850	33	148	174
4,850	4,900	34	149	176
4,900	4,950	34	151	177
4,950	5,000	34	152	179
5,000	5,050	35	154	181
5,050	5,100	35	155	183
5,100	5,150	35	157	185
5,150	5,200	36	158	186
5,200	5,250	36	160	188
5,250	5,300	36	161	190
5,300	5,350	37	163	192
5,350	5,400	37	164	194
5,400	5,450	37	166	195
5,450	5,500	38	168	197
5,500	5,550	38	169	199
5,550	5,600	38	171	201
5,600	5,650	39	172	203
5,650	5,700	39	174	204
5,700	5,750	39	175	206
5,750	5,800	40	177	208
5,800	5,850	40	178	210
5,850	5,900	40	180	212
5,900	5,950	41	181	213
5,950	6,000	41	183	215

6,000	6,050	41	184	217
6,050	6,100	42	186	219
6,100	6,150	42	187	221
6,150	6,200	42	189	222
6,200	6,250	42	190	224
6,250	6,300	42	192	226
6,300	6,350	42	194	228
6,350	6,400	42	195	230
6,400	6,450	42	197	231
6,450	6,500	42	198	233
6,500	6,550	42	200	235
6,550	6,600	42	201	237
6,600	6,650	42	203	239
6,650	6,700	42	204	240
6,700	6,750	42	206	242
6,750	6,800	42	207	244
6,800	6,850	42	209	246
6,850	6,900	42	210	248
6,900	6,950	42	212	249
6,950	7,000	42	213	251
7,000	7,050	42	215	253
7,050	7,100	42	216	255
7,100	7,150	42	218	257
7,150	7,200	42	220	258
7,200	7,250	42	221	260
7,250	7,300	42	223	262
7,300	7,350	42	224	264
7,350	7,400	42	226	266
7,400	7,450	42	227	267
7,450	7,500	42	229	269
7,500	7,550	42	230	271
7,550	7,600	42	232	273
7,600	7,650	41	233	275
7,650	7,700	41	235	276
7,700	7,750	41	236	278
7,750	7,800	40	238	280
7,800	7,850	40	239	282
7,850	7,900	40	241	284
7,900	7,950	39	243	285
7,950	8,000	39	244	287

2011 Indiana Earned Income Credit (EIC) Table – *Continued*

If the amount you are looking up from the worksheet is –		And you have –			Your credit is –
At least	But less than	No children	One child	Two children	
36,800	36,850	0	0	79	
36,850	36,900	0	0	78	
36,900	36,950	0	0	77	
36,950	37,000	0	0	76	
37,000	37,050	0	0	75	
37,050	37,100	0	0	74	
37,100	37,150	0	0	73	
37,150	37,200	0	0	72	
37,200	37,250	0	0	71	
37,250	37,300	0	0	70	
37,300	37,350	0	0	69	
37,350	37,400	0	0	68	
37,400	37,450	0	0	67	
37,450	37,500	0	0	66	
37,500	37,550	0	0	65	
37,550	37,600	0	0	64	
37,600	37,650	0	0	63	
37,650	37,700	0	0	63	
37,700	37,750	0	0	62	
37,750	37,800	0	0	61	
37,800	37,850	0	0	60	
37,850	37,900	0	0	59	
37,900	37,950	0	0	58	
37,950	38,000	0	0	57	
38,000	38,050	0	0	56	
38,050	38,100	0	0	55	
38,100	38,150	0	0	54	
38,150	38,200	0	0	53	
38,200	38,250	0	0	52	
38,250	38,300	0	0	51	
38,300	38,350	0	0	50	
38,350	38,400	0	0	49	
38,400	38,450	0	0	48	
38,450	38,500	0	0	47	
38,500	38,550	0	0	46	
38,550	38,600	0	0	45	
38,600	38,650	0	0	45	
38,650	38,700	0	0	44	
38,700	38,750	0	0	43	
38,750	38,800	0	0	42	
38,800	38,850	0	0	41	
38,850	38,900	0	0	40	
38,900	38,950	0	0	39	
38,950	39,000	0	0	38	
39,000	39,050	0	0	37	
39,050	39,100	0	0	36	
39,100	39,150	0	0	35	
39,150	39,200	0	0	34	

If the amount you are looking up from the worksheet is –		And you have –			Your credit is –
At least	But less than	No children	One child	Two children	
39,200	39,250	0	0	33	
39,250	39,300	0	0	32	
39,300	39,350	0	0	31	
39,350	39,400	0	0	30	
39,400	39,450	0	0	29	
39,450	39,500	0	0	28	
39,500	39,550	0	0	27	
39,550	39,600	0	0	27	
39,600	39,650	0	0	26	
39,650	39,700	0	0	25	
39,700	39,750	0	0	24	
39,750	39,800	0	0	23	
39,800	39,850	0	0	22	
39,850	39,900	0	0	21	
39,900	39,950	0	0	20	
39,950	40,000	0	0	19	
40,000	40,050	0	0	18	
40,050	40,100	0	0	17	
40,100	40,150	0	0	16	
40,150	40,200	0	0	15	
40,200	40,250	0	0	14	
40,250	40,300	0	0	13	
40,300	40,350	0	0	12	
40,350	40,400	0	0	11	
40,400	40,450	0	0	10	
40,450	40,500	0	0	9	
40,500	40,550	0	0	9	
40,550	40,600	0	0	8	
40,600	40,650	0	0	7	
40,650	40,700	0	0	6	
40,700	40,750	0	0	5	
40,750	40,800	0	0	4	
40,800	40,850	0	0	3	
40,850	40,900	0	0	2	
40,900	40,950	0	0	1	

Line 6 – Lake County (Indiana) residential income tax credit IC 6-3.1-20

You may be eligible to claim a Lake County (Indiana) residential income tax credit if you meet **all three** of the following requirements.

- You paid property tax to Lake County (Indiana) during 2011 on your residence.** Your “residence” is your principal dwelling. You must either own or be buying the residence under contract, and must pay property tax to Lake County (Indiana) on that residence.
- Your earned income must be less than \$18,600.** Earned income is the combination of your (and your spouse’s, if filing a joint return) wages, salaries, tips and other compensation, plus net earnings from self-employment (income on which you are required to pay self-employment tax on federal Schedule SE). Note: Income from pensions, interest, dividends, Social Security, etc., is not classified as earned income.

Example. Sue has \$17,000 wage income, \$300 interest income and \$7,000 pension income. Even though her total income is \$24,300, Sue will qualify for the credit because her *earned* income is less than \$18,600 (it is \$17,000).

Important. You are *not required* to have earned income to be eligible for this credit.

- You are not claiming the homeowner’s residential property tax deduction on Indiana Schedule 2, line 2.

How to figure your credit.

Step 1 Did you pay property tax to Lake County (Indiana) on your residence for 2011? Yes No

If yes, continue to Step 2.

If no, STOP. You do not qualify for this credit.

Step 2 Enter your earned income. This will include your (and your spouses, if filing a joint return) wage, salary, tip and other compensation, plus net earnings from self-employment.

\$ _____

Step 3 If the amount in Step 2 is greater than \$18,600, **STOP**. You do not qualify for this credit.

If the Step 2 amount is **less than** \$18,000, skip to Worksheet A.

If the Step 2 amount is **between** \$18,000 and \$18,600, skip to Worksheet B.

Worksheet A:

Complete if your earned income is **less than** \$18,000.

A1 Enter the amount of Indiana property tax you paid on your Lake County residence **A1** \$ _____

A2 Maximum credit..... **A2** \$ 300

A3 Enter the **smaller** of A1 or A2. This is your credit. Enter here and on line 6 **A3** \$ _____

Worksheet B: Earned Income Phaseout

Complete if your earned income is between \$18,000 and \$18,600.

- B1 Allowable maximum earned income..... B1 \$ 18,600
- B2 Enter your earned income from
Step 2 B2 \$ _____
- B3 Subtract B2 from B1 (if answer is zero or a
(negative) amount, **STOP**. You do not
qualify for this credit) B3 \$ _____
- B4 Multiply the amount on B3 by .5 B4 \$ _____
- B5 Enter the amount of Indiana property tax
you paid on your Lake County residence... B5 \$ _____
- B6 Enter the **smaller** of B4 or B5. This is your
credit. Enter here and on line 6..... B6 \$ _____

Important. Remember, you can claim either this credit OR the homeowner's residential property tax deduction on Schedule 2, line 2, but not both.

Line 7 – Economic development for a growing economy credit IC 6-3.1-13

If you have business income (including partnership or S corporation income) you may be eligible for this credit. This credit is available to businesses who conduct certain activities that are designed to foster job creation or job retention in Indiana.

This credit is available to pass-through entities, such as members of partnerships and S corporations.

Contact the Indiana Economic Development Corporation (IEDC), One North Capitol, Suite 700, Indpls., IN, 46204, for eligibility requirements, or visit <http://iedc.in.gov> for additional information.

Note. The approved credit agreement letter from the IEDC must be maintained with your records.

Line 8 – Media production expenditure credit IC 6-3.1-32

This credit is for qualified media production expenditures. The minimum qualified production expenditure for a feature length film, including a short feature; an independent or studio production; a documentary; and a television series, program, or feature, must be at least \$100,000 to qualify for the credit. The minimum qualified production expenditure for a digital media production, an audio recording, a music video, an advertising message broadcast on radio or television, or a media production concerning training or external marketing or communications is \$50,000.

Pass-through entities (such as members of S corporations and partnerships) are eligible for this credit.

Contact the Indiana Economic Development Corporation, One North Capitol, Suite 700, Indianapolis, IN, 46204 for additional information about this credit. The approved credit agreement letter from the IEDC and a computation of the credit must be enclosed with the return. Otherwise, this credit will not be allowed.

Note. This credit may not be awarded for a tax year ending after Dec. 31, 2011.

Get Commissioner's Directive #36 at www.in.gov/dor/3617.htm for additional information.

Schedule 6: Offset Credits

The following credits cannot be refunded; their purpose is to help reduce your state and/or county tax amounts due. See the limitation areas after the instructions for line 3 and line 6.

Line 1 – Credit for local taxes paid outside of Indiana

If you figured county tax on Form IT-40, line 9, **and** had to pay a local income tax outside Indiana, you may be able to take a credit. This credit applies only if the tax you paid outside Indiana was to another city, county, town, or other local governmental entity, and they did not refund the tax, or give you a credit for Indiana county tax.

IC 6-3.5-1.1-6 CAGIT; IC 6-3.5-6-23 COIT

The credit can be used to reduce your Indiana county tax if it is the County Adjusted Gross Income Tax or the County Option Income Tax. It **cannot** be used to reduce any County Economic Development Income Tax.

Step 1: Figuring your rate: If your Jan. 1, 2011 county of residence has a rate on the **Rate Conversion Chart** on page 40, use the rate in Column A to figure your credit.*

If your Jan. 1, 2011, county of residence is Lake County*, but the Jan. 1, 2011, county where you worked has a rate on the **Rate Conversion Chart**, use the rate in Column B to figure your credit.¹

**Important.* This year Indiana counties were allowed to adopt or increase their local income tax rates through Oct. 31, 2011. This publication was finalized before that date. This means your county tax rate on the back of Schedule CT-40 may not be correct. We encourage you to contact us in one of the following ways to get an updated list of the rates before filing. To get the updated list, you may:

- Log on to the Department's website at www.in.gov/dor/4547.htm.
- Call the form order request line at (317) 615-2581 to have one mailed to you.
- Visit or call a district office. See page 42 for these locations.
- Call our main tax line at (317) 232-2240 Monday – Friday, 8 a.m. to 4:30 p.m., and a representative will assist you.

If Lake County adopted a tax (find out at www.in.gov/dor/4547.htm - it adopted a county tax if it is listed with a rate), then use the Lake County resident rate.

Tax returns filed using the wrong rates will be adjusted. This may result in a reduced refund, or an increase in the amount you owe.

Rate Conversion Chart

Use this chart if you are eligible to claim a credit for local taxes paid outside of Indiana.

County	A Resident	B Nonresident
Adams	.006	.0015
Allen	.006	.0015
Bartholomew	.01	.0025
Benton	.02	.0025
Blackford	.01	.0025
Boone	.01	.0025
Brown	.0195	.0025
Carroll	.0138848*	.0025
Cass	.0225*	.0025
Clark	.015	.0025
Clay	.0225	.0025
Clinton	.015	.0025
Crawford	.0075	.0025
Daviess	.0125	.0025
Dearborn	.006	.0015
Decatur	.01	.0025
DeKalb	.01	.0025
Delaware	.006	.0015
Dubois	.006	.0015
Elkhart	.0125	.0025
Fayette	.02	.005
Floyd	.0075	.0025
Fountain	.01	.0025
Franklin	.01	.0025
Fulton	.015	.0025
Gibson	(Cannot take credit)**	
Grant	.02	.005
Greene	.01	.0025
Hamilton	.01	.0025
Hancock	.014167*	.0025
Harrison	.0075	.0025
Hendricks	.010125*	.0025
Henry	.01	.0025
Howard	.014	.0035
Huntington	.015*	.0025
Jackson	.011	.0025
Jasper	.0280533*	.0025
Jay	.021*	.0025
Jefferson	(Cannot take credit)**	
Jennings	.01	.0025
Johnson	.01	.0025
Knox	.006	.0015
Kosciusko	.007	.00175
LaGrange	.01	.0025
Lake	NA	NA
LaPorte	.005	.0025
Lawrence	.0175	.0025
Madison	.015	.00375

County	A Resident	B Nonresident
Marion	.0162	.00405
Marshall	.0125	.0025
Martin	.00925*	.0023125*
Miami	.021	.00525
Monroe	.0105	.002625
Montgomery	.02	.005
Morgan	.0245	.0025
Newton	.01	.0025
Noble	.01	.0025
Ohio	.01	.0025
Orange	.01	.0025
Owen	.01	.0025
Parke	.018	.0025
Perry	.005	.00125
Pike	(Cannot take credit)**	
Porter	(Cannot take credit)**	
Posey	.005	.00125
Pulaski	.027	.0025
Putnam	.01	.0025
Randolph	.01	.0025
Ripley	.01	.0025
Rush	.01	.0025
St. Joseph	.0135	.003375
Scott	.0125	.003125
Shelby	.01	.0025
Spencer	.003	.00075
Starke	.005	.0025
Steuben	.015	.0025
Sullivan	(Cannot take credit)**	
Switzerland	.01	.0025
Tippecanoe	.006	.0015
Tipton	.0102833*	.0025
Union	.0125	.0025
Vanderburgh	.01	.0025
Vermillion	(Cannot take credit)**	
Vigo	.0075	.0025
Wabash	.024	.0025
Warren	.018	.0025
Warrick	(Cannot take credit)**	
Washington	.01	.0025
Wayne	.0125	.0025
Wells	.0165	.0025
White	.01	.0025
Whitley	.01	.0025

* These rates have changed since last year.

** Gibson, Jefferson, Pike, Porter, Sullivan, Vermillion and Warrick counties have adopted CEDIT only, not CAGIT or COIT.

NA Lake County has no county tax.

Step 2: Figuring your credit. Complete lines A, B and C.

- A. Enter the amount of tax paid to the non-Indiana locality **A** _____
- B. Multiply the amount of income taxed by the non-Indiana locality by the rate from Step 1 **B** _____
- C. Enter the amount of Indiana county income tax shown on Form IT-40, line 9..... **C** _____

The amount of the credit is the **lesser** of the amounts on A, B or C.

Note. See the **Combined Limitation** on page 42.

Important. You **must** enclose either a copy of your W-2s showing the non-Indiana locality amount withheld or a copy of the non-Indiana locality tax return.

- Remember,** you can use this credit only if you have **both:**
- A county tax amount on Form IT-40, line 9, **and**
 - A local income tax that you had to pay outside Indiana.

Line 2 – County credit for the elderly (age 65 or older) or permanently disabled

IC 6-3.5-1.1-7 CAGIT; IC 6-3.5-6-24 COIT; IC 6-3.5-7-9 CEDIT

If you take a credit on federal Schedule R, *Credit for the Elderly or the Disabled*, and you owe county tax, you may be allowed a credit.

Use the following steps to figure your credit.

- A. Enter your county tax rate (from Schedule CT-40, Section 1 line 4, or Section 2 line 6) **A** _____
- B. Divide line A by .15, round to 3 places, and enter result here..... **B** _____
- C. Enter credit from federal Schedule R..... **C** _____
- D. Multiply B times C and enter result here..... **D** _____
- E. Enter the amount of Indiana county tax shown on Form IT-40, line 9..... **E** _____

The amount of the county credit for the elderly is the lesser of the amount on D or E. You must attach a copy of federal Schedule R.

Note. See the **Combined Limitation** on page 42.

Example. Melinda is 67 years old. She is entitled to a credit of \$550 on federal Schedule R. Her county tax rate is .015, so the amount on Line B of the worksheet is .10. Her county tax due is \$60. Melinda’s county credit for the elderly is \$55 (the lesser of [$\$550 \times .10 = \55] or \$60).

Line 3 – Other local credits

Both of the following credits have been assigned a three-digit code number. When claiming the credit on Schedule 6 under line 3, enter the name of the credit, the three-digit code number and the amount claimed.

Community revitalization enhancement district credit 808 **IC 6-3.1-19**

A state **and** local income tax liability credit is available for a qualified investment made within a community revitalization enhancement

district. The expenditure must be made under a plan adopted by an advisory commission on industrial development and approved by the Indiana Economic Development Corporation before it is made. The credit is equal to 25 percent of the qualified investment made by the taxpayer during the taxable year.

This credit is available to pass-through entities, such as members of partnerships and S corporations.

The credit is nonrefundable and cannot be carried back. You may carry forward any excess credit to the next tax year.

The allowable credit is the lesser of the available credit or the county tax due on line 9 of Form IT-40. Also, claim any unused amount (within certain limitations) on Schedule 6 under line 6 (see instructions for this credit on page 45).

Contact the Indiana Economic Development Corporation, One North Capitol, Suite 700, Indianapolis, IN, 46204 for additional information.

Enter code 808 under line 3 if claiming this credit.

Note. See the **Combined Limitation** on page 42.

Also, see the **Restriction for Certain Tax Credits - Limited to One per Project** below for additional limitations.

Voluntary remediation credit 836 **IC 6-3.1-23**

A voluntary remediation credit is available for qualified investments involving redevelopment of a brownfield and environmental remediation. The Indiana Department of Environmental Management and the Indiana Development Finance Authority must determine and certify that the costs incurred in a voluntary remediation are qualified investments. Upon approval, the credit may be used to offset adjusted gross income tax, county tax, etc.

For additional information, contact the Indiana Department of Environmental Management, Indiana Government Center North, Room N 1101, 100 N Senate Ave., Indianapolis, IN, 46204, or call (317) 232-8827.

See the Voluntary remediation credit instructions for line 6 on page 37.

Enter code 836 under line 3 if claiming this credit. See the **Combined Limitation** on page 42.

Restriction for certain tax Credits - Limited to one per project **IC 6-3.1-3**

A taxpayer may not be granted more than one credit for the same project. The credits that are included are the alternative fuel vehicle manufacturer credit, capital investment credit, community revitalization enhancement district credit, enterprise zone investment cost credit, Hoosier business investment credit, industrial recovery credit, military base investment cost credit, military base recovery credit and the venture capital investment credit.

For more information see Commissioner’s Directive #29 at www.in.gov/dor/3617.htm.

Apply this restriction first when figuring your credits. Then apply the following **Combined Limitation**.

Combined Limitation: There is one final limitation if you claim more than one credit on lines 1 through 3 of Schedule 6. These credits, *when combined*, cannot be greater than the county tax shown on Form IT-40 line 9; if they are, adjust the amounts before you enter them. See the following *Order of Application* and examples for guidance.

Order of Application IC 6-3.1-1-2

First, use the credits which cannot be carried over and applied against your county tax in another year. These credits include the county credit for the elderly and the credit for local taxes paid outside Indiana.

Second, use any community revitalization enhancement district credit; then, use any voluntary remediation credit.

How to adjust the amount of credit to be entered (example)

Example. Megan is eligible to claim a \$100 credit for local taxes paid outside Indiana plus a \$200 voluntary remediation credit, for a \$300 total amount in offset credits. Her county tax due (IT-40, line 9) is \$160. Since her combined credits are more than her county tax due, she should reduce the last entry (the \$200 voluntary remediation credit) by the \$140 difference to \$60. She will enter the full \$200 credit for local taxes paid outside Indiana on Schedule 6, line 1, and the \$60 limited voluntary remediation credit on line 3a. Note: Megan may use the \$140 remaining voluntary remediation credit to offset any state adjusted gross income tax due on this year's tax return (IT-40, line 8). See additional instructions for the voluntary remediation credit on page 49.

Line 4 - College credit IC 6-3-3-5

If you donated money or property to an Indiana college or university, you may be able to take a credit of up to \$100 on a single return or \$200 on a joint return. To claim this credit you must complete and enclose Schedule CC-40. For additional information see Schedule CC-40 at www.in.gov/dor/4546.htm and Income Tax Information Bulletin #14 at www.in.gov/dor/3650.htm.

Important. You must maintain documentation of your contributions. The Department can require you to provide this information at a later date.

Note. Tuition paid to a college or university is **not** a contribution, and does not qualify for this credit.

See the **Combined Limitation** on page 49.

Line 5 - Credit for taxes paid to other states IC 6-3-3-3

If you received income from another state while you were an Indiana resident, you must report that income on your Indiana income tax return. You may be able to take a credit for taxes paid to another state. If you had income from another state, and had to pay taxes to that state, read the following instructions carefully.

If you were an Indiana resident during 2011 and had income from any of the states listed in Group A below, you should first find out what the other state's rules are concerning the taxation of your income.

Group A

No Agreement (Credit taken on resident return)

Alabama	Maine	New York
Arkansas	Maryland	North Carolina
Colorado	Massachusetts	North Dakota
Connecticut	Minnesota	Oklahoma
Delaware	Mississippi	Rhode Island
Georgia	Missouri	South Carolina
Hawaii	Montana	Tennessee*
Idaho	Nebraska	Utah
Illinois	New Hampshire*	Vermont
Iowa	New Jersey	Virginia
Kansas	New Mexico	West Virginia
Louisiana	Any foreign countries or U.S. possessions	

*(Capital gain, interest, and dividends only.)

Group A Worksheet

A. Enter the amount of tax paid to the other state. (This does not mean the tax withheld from your wages, but the actual tax figured on the other state's return)..... **A** _____

B. Multiply the amount of income from the other state (that is subject to Indiana tax) by 3.4% (.034) **B** _____

C. Enter the amount of Indiana state income tax shown on Form IT-40 line 8..... **C** _____

The *lesser* of the amounts on A, B or C is your allowable credit for taxes paid to other states.

You must enclose a copy of the income tax return (not just the W-2 forms) you filed with the other state to claim this credit. If the other state's return is not enclosed, the credit will not be allowed. Likewise, if you have a foreign tax credit, complete the Group A Worksheet and federal Form 1116. If Form 1116 was not required, enclose Forms 1099-INT and/or 1099-DIV (or a substitute statement) to verify the foreign tax and amount of income being taxed.

Example. Ryan reported \$10,000 Illinois-source wage income on the Illinois nonresident individual income tax return, and paid \$300 tax to Illinois on that income. His Indiana state tax liability from line 8 of Form IT-40 is \$870.

He will enter the following information on the *Group A Worksheet*.

- A. \$300 (tax paid to Illinois)
- B. \$340 (\$10,000 x .034, tax due to Indiana)
- C. \$870 (Form IT-40 line 8)

Ryan's credit is \$300, which is the lesser of A, B and C.

Exception: Gambling winnings from other states. If you're not required to file another state's income tax return to report gambling

winnings from that state, enclose the W-2G issued by that state. Use the amount of state tax withheld by that state on Line A of the Group A Worksheet.

Group B **IC 6-3-5-1**
Reciprocal Agreement (Wages, Salaries, Tips, and Commissions Only)

Kentucky	Michigan	Ohio
Pennsylvania	Wisconsin	

If you were an Indiana resident during 2011 and had income from one of the states listed in Group B, you are covered by a reciprocal agreement. However, this agreement only applies to income from wages, salaries, tips and commissions. If you had other types of income from these states (such as business income, farm income, etc.), use the Group A Worksheet to figure your credit.

Normally, employers in these states will withhold Indiana state tax from your wages because of the reciprocal agreement. However, if the state tax they withheld is not for Indiana, you must file a claim for refund with that state. You still have to include this income on your Indiana return and pay the Indiana tax. You'll get some or all of the other state's taxes back by filing a refund claim with them.

Note. Winnings from Indiana **riverboats** are not eligible for the reciprocal agreement.

Caution: You may have to make estimated tax payments to Indiana. If the reciprocal state employer does not withhold Indiana withholding on your wage income, or doesn't withhold enough, see page 10 for information on how to figure and pay estimated tax.

If you were a full-year resident of one of the reciprocal states and your income from Indiana was from wages, salaries, tips and commissions, you should file Form IT-40RNR, Reciprocal Nonresident Income Tax Return. If you were a resident of one of the reciprocal states and had other types of income from Indiana, or were a part-year Indiana resident, you will need to file Form IT-40PNR.

Group C **IC 6-3-3-3 (b)**
Reverse Credit (Credit taken on nonresident return)

Arizona	California	Oregon	Washington D.C.
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If you were an Indiana resident during 2011 and had income from one of the states in Group C, you must pay Indiana tax on all your income. You will also need to file a nonresident return with the other state and claim a credit on their tax return for the Indiana tax paid.

Group D
No State Income Tax (No credit allowed)

Alaska	Florida	Nevada
South Dakota	Texas	Washington
Wyoming		

If you were an Indiana resident during 2011 and had income from one of the states in Group D, you are not allowed to claim this credit. These

states do not have an income tax. You must file an Indiana resident return and pay Indiana tax on all your income.

See the **Combined Limitation** on page 49.

Line 6 – Other credits

Each of the following credits has been assigned a three-digit code number. When claiming the credit on Schedule 6 under line 6, enter the name of the credit, the three-digit code number and the amount claimed.

About airport development zone credits

Certain areas within Indiana have been designated as airport development zones (ADZ). These zones are established to encourage investment and job growth in distressed urban areas.

Who is eligible to claim these credits?

The following are eligible to claim the airport development zone employment expense credit and/or the airport development zone loan interest credit:

- Sole proprietors who operate and/or invest in a business located in a zone, and/or
- Businesses organized as partnerships, S corporations and fiduciaries (who may pass through airport development zone credits to their partners or shareholders).

Contact the Indiana Economic Development Corporation, One North Capitol, Suite 700, Indianapolis, IN, 46204, or visit their website at <http://iedc.in.gov> for more information about these credits.

Airport development zone employment expense credit 800 **IC 6-3-3-10; IC 6-3.1-7; IC 6-3.1-10**

This credit is based on qualified investments made within Indiana. It is the lesser of 10 percent of qualifying wages, or \$1,500 per qualified employee, up to the amount of tax liability on income derived from the airport development zone.

For more information, and how to calculate this credit, see Income Tax Information Bulletin #66 at www.in.gov/dor/3650.htm and Indiana Schedule EZ, Parts 1, 2 and 3 at www.in.gov/dor/3515.htm.

Enter code 800 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Note. A substitute Schedule EZ for the ADZ must be enclosed if claiming this credit.

Airport development zone investment cost credit 801 **IC 6-3.1-10**

This credit is based on qualified investments made within Indiana. It can be up to a maximum of 30 percent of the investment, depending on the number of employees, the type of business and the amount of investment in an airport development zone.

For more information about this credit see Income Tax Information Bulletin #66 at www.in.gov/dor/3650.htm, contact the Indiana

Economic Development Corporation, One North Capitol, Suite 700, Indianapolis, IN, 46204, call (317) 232-8827, or visit their website at <http://iedc.in.gov>.

Enter code 801 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Airport development zone loan interest credit 802

IC 6-3.1-7

This credit can be for up to five percent of the interest received from all qualified loans made during a tax year for use in an Indiana airport development zone.

For more information on how to calculate this credit, see Income Tax Information Bulletin #66 at www.in.gov/dor/3650.htm and Indiana Schedule LIC at www.in.gov/dor/3515.htm. Enclose a substitute Schedule LIC (as modified to reflect ADZ entries) if claiming this credit.

Enter code 802 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Alternative fuel vehicle manufacturer credit 845

IC 6-3.1-31.9

A credit is available for qualified investments made within Indiana that foster job creation, reduce dependency on foreign oil and reduce pollution.

A person that proposes a project to manufacture or assemble alternative fuel vehicles may apply to the Indiana Economic Development Corporation before the qualified investment is made. A certificate of verification from the IEDC must be enclosed when claiming the credit.

For additional information, contact the Indiana Economic Development Corporation, One North Capitol, Suite 700, Indianapolis, IN 46204, call (317) 232-8827, or visit their website at <http://iedc.in.gov>. Also, get Income Tax Information Bulletin #103 at www.in.gov/dor/3650.htm.

Note. See the **Restriction for Certain Tax Credits - Limited to One per Project** and the **Combined Limitation** on page 49 for additional limitations.

Enter code 845 under line 6 if claiming this credit.

Blended biodiesel credit 803

IC 6-3.1-27

Credits are available for taxpayers who produce biodiesel and/or blended biodiesel at an Indiana facility, and for dealers who sell blended biodiesel at retail. Pass-through entities are eligible for this credit. An approved Form BD-100 must be enclosed to verify the claimed credit.

For more information, contact the Indiana Economic Development Corporation, Biodiesel Credit Certification, One North Capitol, Suite 700, Indianapolis, IN, 46204, call (317) 232-8827, or visit their website at <http://iedc.in.gov>. Also, see Income Tax Information Bulletin #91 at www.in.gov/dor/3650.htm for additional information.

Enter code 803 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Capital investment credit 804

IC 6-3.1-13.5

A pass-through entity is eligible for a capital investment cost credit. This credit is based on certain qualified capital investments made in Shelby County.

For information regarding the definitions, procedures and qualifications for obtaining this credit, contact the Indiana Economic Development Corporation, Enterprise Zone Board, One North Capitol, Suite 700, Indianapolis, IN, 46204, or visit their website at <http://iedc.in.gov>.

Note. See the **Restriction for Certain Tax Credits - Limited to One per Project** and the **Combined Limitation** on page 49 for additional limitations.

Enter code 804 under line 6 if claiming this credit.

Indiana's CollegeChoice 529 education savings plan credit 837

IC 6-3-3-12

You may be eligible for a credit for contributions made to Indiana's CollegeChoice 529 education savings plan. While there are many 529 college savings plans available both in Indiana and nation-wide, only contributions made to this specific *CollegeChoice 529 education savings plan* are eligible for this credit.

For more information about this credit, see Income Tax Information Bulletin #98 at www.in.gov/dor/3650.htm. This plan is administered through the Indiana Education Savings Authority. More information can be obtained online at www.in.gov/tos/iesa and at www.collegechoiceplan.com. See Schedule IN-529 at www.in.gov/dor/4546.htm to figure your credit. This schedule must be enclosed when claiming the credit.

Enter code 837 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Coal combustion product credit 805

IC 6-3.1-25.2

A manufacturer who uses coal combustion products (byproduct resulting from the combustion of coal in an Indiana facility) for the manufacturing of recycled components may be eligible for this credit. Pass-through entities are eligible for this credit. An approved Form CCP-100 must be enclosed to verify the claimed credit.

Enter code 805 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

For more information, contact the Indiana Department of Revenue, Coal Combustion Credit, Room N203, 100 N. Senate Ave., Indianapolis, IN, 46204, or call (317) 232-2339.

Coal gasification technology investment credit 806

IC 6-3.1-29

A credit may be available for a qualified investment in an integrated coal gasification power plant or a fluidized bed combustion technology.

This credit is available to pass-through entities, such as members of partnerships and S corporations.

You must file an application for certification with the Indiana Economic Development Corporation (IEDC). For more information, contact the Indiana Economic Development Corporation, One North Capitol, Suite 700, Indianapolis, IN, 46204, or visit their website at <http://iedc.in.gov>. Also, see Income Tax Information Bulletin #99 at www.in.gov/dor/3650.htm.

Enter 806 under line 6 if claiming this credit. Enclose the certificate of compliance issued by IEDC to support this credit. See the **Combined Limitation** on page 49.

Community revitalization enhancement district credit 808 IC 6-3.1-19

See the Schedule 6 line 3 instructions for details about this credit. This credit is available to offset **both** your state and local tax liabilities, and any unused remainder is available to be carried forward. Pass-through entities are eligible for this credit.

If you did not use all of the available community revitalization enhancement district credit on Schedule 6, line 3, the remaining credit should be claimed on this line.

For more information, contact the Indiana Economic Development Corporation, One North Capitol, Suite 700, Indianapolis, IN, 46204, or visit their website at <http://iedc.in.gov>.

Note. See the **Restriction for Certain Tax Credits - Limited to One per Project** and the **Combined Limitation** on page 49 for additional limitations.

Enter code 808 under line 6 if claiming this credit.

Employer health benefit plan credit 842 IC 6-3.1-31

A credit is available to certain employers who begin offering health insurance to their employees.

An employer who did not provide health insurance to his employees prior to Jan. 1, 2009, and makes health insurance available to his employees may be eligible for a credit. The credit can be as much as \$2,500.

This credit will not be awarded after 2011. Any tax credit previously awarded but not claimed may not be carried over to a taxable year beginning during the period January 1, 2012, through December 31, 2013, and must be carried forward to a taxable year that begins after December 31, 2013, and before January 1, 2016.

This credit is available to pass-through entities, such as members of partnerships and S corporations.

For more information see Income Tax Information Bulletin #101 at www.in.gov/dor/3650.htm.

Enter code 842 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

About enterprise zone credits

Certain areas within Indiana have been designated as enterprise zones. Enterprise zones are established to encourage investment and job growth in distressed urban areas.

Use this website to look up contact information for a particular enterprise zone: www.aiez.org/directory.html.

The following are eligible to claim the enterprise zone employment expense credit and/or the enterprise zone loan interest credit:

- Sole proprietors who operate and/or invest in a business located in a zone.
- Partnerships.
- S corporations.
- Fiduciaries.
- Pass-through entities.

Contact the Indiana Economic Development Corporation, One North Capitol, Suite 700, Indianapolis, IN, 46204, or visit their website at <http://iedc.in.gov> for more information about these credits.

Enterprise zone employment expense credit 812

IC 6-3-3-10

This credit is based on qualified investments made within Indiana. It is the lesser of 10 percent of qualifying wages, or \$1,500 per qualified employee, up to the amount of tax liability on income derived from the enterprise zone.

For more information see Income Tax Information Bulletin #66 at www.in.gov/dor/3650.htm and Indiana Schedule EZ, Parts 1, 2 and 3 at www.in.gov/dor/3515.htm. Also, contact the Indiana Economic Development Corporation, One North Capitol, Suite 700, Indianapolis, IN, 46204, call (317) 232-8827, or visit their website at <http://iedc.in.gov>.

Note. Schedule EZ must be enclosed if claiming this credit.

Enter code 812 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Enterprise zone investment cost credit 813 IC 6-3.1-10

This credit is based on qualified investments made within Indiana. It can be up to a maximum of 30 percent of the investment, depending on the number of employees, the type of business and the amount of investment in an enterprise zone.

For more information about this credit, see Income Tax Information Bulletin #66 at www.in.gov/dor/3650.htm and contact the Indiana Economic Development Corporation, One North Capitol, Suite 700, Indianapolis, IN, 46204, or visit their website at: <http://iedc.in.gov>.

Note. See the **Restriction for Certain Tax Credits - Limited to One per Project** and the **Combined Limitation** on page 49 for additional limitations.

Enter code 813 under line 6 if claiming this credit.

Enterprise zone loan interest credit 814 IC 6-3.1-7

This credit can be for up to five percent of the interest received from all qualified loans made during a tax year for use in an Indiana enterprise zone.

For more information, and how to calculate this credit, get Income Tax Information Bulletin #66 at www.in.gov/dor/3650.htm and Indiana Schedule LIC at www.in.gov/dor/3515.htm.

Note. Schedule LIC must be enclosed if claiming this credit. Contact the Indiana Economic Development Corporation, One North Capitol, Suite 700, Indianapolis, IN, 46204, call (317) 232-8827, or visit their website at <http://iedc.in.gov> for additional information.

Enter code 814 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Ethanol production credit 815 IC 6-3.1-28

An Indiana facility with a capacity to produce 40 million gallons of grain ethanol per year may be eligible for this credit. Proof of information for the credit calculation, plus a copy of the Certificate of Qualified Facility issued by the Indiana Recycling and Energy Development Board, must be enclosed to verify this credit.

This credit is available to pass-through entities, such as members of partnerships and S corporations.

File an Application for Ethanol Credit Certification, State Form 52302, with the Indiana Economic Development Corporation, Ethanol Credit Certification, One North Capitol, Suite 700, Indianapolis, IN, 46204, call them at (317) 232-8827, or visit their website at <http://iedc.in.gov> for additional information. Also, see Income Tax Information Bulletin #93 at www.in.gov/dor/3650.htm for more information.

Enter code 815 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Headquarters relocation credit 818 IC 6-3.1-30

A business with annual worldwide revenue of \$100 million, and at least 75 employees, that relocates its corporate headquarters to Indiana may be eligible for a credit. The credit may be as much as 50 percent of the cost incurred in relocating the headquarters.

For more information, including limitations and the application process, see Income Tax Information Bulletin #97 at www.in.gov/dor/3650.htm.

Enter code 818 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Historic building rehabilitation credit 819 IC 6-3.1-16

An historic building rehabilitation credit is available for the rehabilitation or preservation of an historic building that is listed on the Indiana Register of Historic Sites and Structures, is at least 50 years old and is income-producing.

Those eligible to claim this credit include an individual, corporation, S corporation, partnership, limited liability company, limited liability partnership, nonprofit organization and/or joint venture.

To qualify for the credit, you must obtain certification from the Division of Historic Preservation and Archaeology, Indiana Department of Natural Resources. For additional information, you may call the Department of Natural Resources at (317) 232-1646, visit their website at www.in.gov/dnr/historic and see Income Tax Information Bulletin #87 at www.in.gov/dor/3650.htm.

Note. The total amount of historic building rehabilitation credits allowed for all taxpayers in a year is limited to \$450,000.

Enter code 819 under line 6 if claiming this credit and enclose the certification from the Division of Historic Preservation and Archaeology to your return. See the **Combined Limitation** on page 49.

Hoosier business investment credit 820 IC 6-3.1-26

This credit is for qualified investments, which include the purchase of new telecommunications, production, manufacturing, fabrication, processing, refining or finishing equipment. Pass-through entities are eligible for this credit.

This credit is administered by the Indiana Economic Development Corporation (IEDC), One North Capitol, Suite 700, Indianapolis, IN, 46204. Visit the IEDC website at <http://iedc.in.gov> or call (317) 234-4046 for additional information.

Also, see Income Tax Information Bulletin #95 at www.in.gov/dor/3650.htm.

Note. See the **Restriction for Certain Tax Credits - Limited to One Per Project** and the **Combined Limitation** on page 49 for additional limitations.

Enter code 820 under line 6 if claiming this credit. The taxpayer is required to submit to the Department a copy of the certificate from the IEDC verifying their share of the tax credit.

Indiana's research expense credit 822 IC 6-3.1-4

Indiana has a research expense credit that is similar to the federal credit for research and experimental expenses paid in carrying on your trade or business in Indiana.

S corporations and partnerships may pass through the credit to their shareholders and partners. Enclose your schedule IN K-1 to support your claim.

A completed Form IT-20REC must be kept with your records as the Department can require you to provide this information. Get Form IT-20REC at www.in.gov/dor/4570.htm.

Enter code 822 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Individual development account credit 823 IC 6-3.1-18

A credit is available for contributions made to a community development corporation participating in an Individual Development Account (IDA) program.

The organization must have an approved program number from the Indiana Housing and Community Development Authority before a contribution qualifies for pre-approval. Applications for the credit are filed through the community development corporation by using Form IDA-10/20. An approved Form IDA-20 must be enclosed with your return if claiming this credit.

S corporations and partnerships may take this credit and pass through the unused portion to their shareholders and partners.

To request additional information about the definitions, procedures and qualifications for obtaining this credit, contact: Indiana Housing and Community Development Authority, 30 S. Meridian St., Suite 1000, Indianapolis, IN 46204, telephone number (317) 232-7777.

Note. The total amount of individual development account credits allowed for all taxpayers in a year is limited to \$200,000.

Keep the approval certification from IEDC or letter of assignment with your records as the Department can require you to provide this information.

Enter code 823 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Industrial recovery credit 824 IC 6-3.1-11

This credit is based on a taxpayer's qualified investment in a vacant industrial facility located in a designated industrial recovery site. If the Indiana Economic Development Corporation approves the application and the plan for rehabilitation, you are entitled to a credit based on the "qualified investment." The minimum age for a facility to be eligible for this credit has been reduced from 20 years to 15 years.

For additional information regarding procedures for obtaining this credit, contact the Indiana Economic Development Corporation, One North Capitol, Suite 700, Indianapolis, IN 46204, call (317) 232-8827, or visit their website at <http://iedc.in.gov>.

Note. See the **Restriction for Certain Tax Credits - Limited to One per Project** and the **Combined Limitation** on page 49 for additional limitations.

Enter code 824 under line 6 if claiming this credit.

Maternity home credit 825 IC 6-3.1-14

A credit is allowed for maternity homeowners who provide a temporary residence to at least one unrelated pregnant woman, for at least 60 consecutive days during her pregnancy.

Contact the Maternal and Child Health Division at 2 N. Meridian St. 3rd Floor, Indianapolis, IN 46204, or call (317) 233-1253 to obtain an application and more information about this credit.

This credit will not be awarded after 2011. Any tax credit previously awarded but not claimed may not be carried over to a taxable year beginning during the period January 1, 2012, through December 31, 2013, and must be carried forward to a taxable year that begins after December 31, 2013, and before January 1, 2016.

Note. The amount of all maternity home tax credits allowed for all taxpayers in a year is limited to \$500,000.

Note. See the **Restriction for Certain Tax Credits - Limited to One per Project** and the **Combined Limitation** on page 49 for additional limitations.

Enter code 825 under line 6 if claiming this credit.

Military base investment cost credit 826 IC 6-3.1-11.6

This credit is available for certain taxpayers who provide for a qualified investment in a business located in a military base, a military base reuse area, an economic development area, a military base recovery site or a military base enhancement area.

For more information about this credit, contact the Indiana Economic Development Corporation at One North Capitol, Suite 700, Indianapolis, IN, 46204, call (317) 232-8827, or visit their website at <http://iedc.in.gov>.

You must keep documentation of the qualified investment and certification of the percentage credit allowed by the Indiana Economic Development Corporation as the Department can require you to provide this information.

Note. See the **Restriction for Certain Tax Credits - Limited to One per Project** and the **Combined Limitation** on page 49 for additional limitations.

Enter code 826 under line 6 if claiming this credit.

Military base recovery credit 827 IC 6-3.1-11.5

A taxpayer who is an owner or developer of a military base recovery site may be eligible for a credit if investing in the rehabilitation of real property located in a military base recovery site according to a plan approved by the Indiana Economic Development Corporation (IEDC).

For more information about this credit, contact the Indiana Economic Development Corporation at One North Capitol, Suite 700, Indianapolis, IN, 46204, call (317) 232-8827, or visit their website at <http://iedc.in.gov>.

Note. See the **Restriction for Certain Tax Credits - Limited to One per Project** and the **Combined Limitation** on page 49 for additional limitations.

Enter code 827 under line 6 if claiming this credit. You must enclose approval certification from IEDC or a letter of assignment with your return.

Neighborhood assistance credit 828 IC 6-3.1-9

If you made a contribution or engaged in activities to upgrade areas in Indiana, you may be able to claim a credit for this assistance.

Contact the Indiana Housing & Community Development Authority, Neighborhood Assistance Program, 30 S. Meridian, Suite 1000, Indianapolis, IN 46204, telephone number (317) 232-7777 (800-872-0371 outside Indianapolis), for more information.

Pass-through entities are eligible for the credit.

Note. The amount of all neighborhood assistance tax credits allowed for all taxpayers in a year is limited to \$2,500,000.

Note. Do not report fees paid to your neighborhood association on this line. They are not eligible for this credit.

Enter code 828 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

New employer credit 850 IC 6-3.1-33

A credit may be available if a business employs at least 10 new qualified employees and, after Dec. 31, 2009, the business:

- Relocates or locates its operations in Indiana;
- Incorporates in Indiana; or
- Expands its operations in Indiana.

For more information about this credit, contact the IEDC at One North Capitol, Suite 700, Indianapolis, IN, 46204, call (317) 232-8827, or visit their website at <http://iedc.in.gov>. Also, see Income Tax Information Bulletin #106 at www.in.gov/dor/3650.htm.

Enter code 850 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Prison investment credit 829 IC 6-3.1-6

A credit is allowed for amounts invested in Indiana prisons to create jobs for prisoners. The amount is limited to 50 percent of the investment in a qualified project approved by the Department of Corrections (DOC), plus 25 percent of the wages paid to inmates.

Pass-through entities are eligible for the credit.

For additional information, contact the Indiana Department of Correction, Office of the Commissioner, Indiana Government Center South, Room E334, Indianapolis, IN 46204.

Enter code 829 under line 6 if claiming this credit and enclose verification provided from the DOC. See the **Combined Limitation** on page 49.

Residential historic rehabilitation credit 831 IC 6-3.1-22

A credit is available for the repair and rehabilitation of historic residential property that is at least 50 years old and will be used as your primary residence.

For more information about this credit, see Income Tax Information Bulletin #87A at www.in.gov/dor/3650.htm. Also, contact the Department of Natural Resources, Historic Preservation and Archaeology Division, Indiana Government Center South, Room

W-274, Indianapolis, IN 46204, call (317) 232-1646, or visit www.in.gov/dnr/historic.

Note. The total amount of residential historic rehabilitation credits allowed for all taxpayers in a year is limited to \$250,000.

Enter code 831 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Riverboat building credit 832 IC 6-3.1-17

A tax credit has been established for any individual or company that builds or refurbishes a riverboat licensed to conduct legal gambling in Indiana. The Indiana Economic Development Corporation (IEDC) must approve the costs of the qualified investment BEFORE the costs are incurred. Contact the Indiana Economic Development Corporation, Development Finance Division, One North Capitol, Suite 700, Indianapolis, IN, 46204, call (317) 234-0616, or visit <http://iedc.in.gov> for additional information.

Note. The total amount of riverboat building credits allowed for all taxpayers in a year is limited to \$1,000,000.

Enter code 832 under line 6 if claiming this credit. Enclose certification from IEDC, credit assignment and proof of investment with your return. See the **Combined Limitation** on page 49.

School scholarship credit 849 IC 6-3.1-30.5

A credit is available for donations to certain scholarship-granting organizations (SGOs). The amount of credit is equal to 50% of the amount of the contribution. While there are no limits to how much a donor can contribute to a qualified SGO, the entire tax credit program cannot award more than \$2.5 million in credits per state fiscal year (July 1 – June 30).

To qualify for the credit, you must make a contribution to a scholarship-granting organization that is certified by the Department of Education. Visit the Indiana Department of Education's website at www.doe.in.gov/schoolscholarships for additional information.

When claiming this credit, maintain with your records a completed Schedule IN-SSC as the Department can require you to provide this information at a later date. You may get Schedule IN-SSC at www.in.gov/dor/4546.htm.

Note. The amount of all school scholarship tax credits allowed for all taxpayers in a year is limited to \$5,000,000.

Enter code 849 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Small employer qualified wellness program credit 843 IC 6-3.1-31.2

A credit is available to small employers offering a qualified wellness program to its employees. A small employer must be actively engaged in business and have at least two but not more than 100 employees.

S corporations and partnerships may take this credit and pass through the unused portion to their shareholders and partners.

A copy of the certificate issued by the State Department of Health (www.in.gov/isdh) must be kept with your records as the Department can require you to provide this information.

This credit will not be awarded after 2011. Any tax credit previously awarded but not claimed may not be carried over to a taxable year beginning during the period January 1, 2012, through December 31, 2013, and must be carried forward to a taxable year that begins after December 31, 2013, and before January 1, 2016.

For more information, see Income Tax Information Bulletin #102 at www.in.gov/dor/3650.htm.

Enter code 843 under line 6 if claiming this credit. See the **Combined Limitation** in the next column.

Teacher summer employment credit 833 IC 6-3.1-2

If you hire designated shortage certified teachers during the summer vacation, you may be able to take a credit. The qualified positions must be certified by the Department of Education, and the qualified position certificate must be enclosed with your tax return before the credit can be approved.

Tax year 2011 is the last year this credit may be claimed.

Contact the Department of Education at (317) 232-6676 for more information about this credit. For additional information, visit the Department of Education's website at www.doe.in.gov/legal.

Note. The amount of all teacher summer employment tax credits allowed for all taxpayers in a year is limited to \$500,000.

Enter code 833 under line 6 if claiming this credit. See the **Combined Limitation** in the next column.

Twenty-first century scholars program credit 834

IC 6-3-3-5.1

A credit is allowed for contributions made to the Twenty-First Century Scholars Program Support Fund. The credit is equal to 50 percent of the contributions made during the tax year up to a maximum limit of \$100 for a single return and \$200 for a joint return. To claim this credit, you must complete and enclose Schedule TCSP-40. Get a Schedule TCSP-40 at www.in.gov/dor/4546.htm.

Detailed information about the scholarship program, registration and administration may be obtained by calling the office of the Twenty-First Century Scholars Program at (317) 233-2100.

Note. This credit is not the same as the College Credit.

Enter code 834 under line 6 if claiming this credit. See the **Combined Limitation** in the next column.

Venture capital investment credit 835 IC 6-3.1-24

A taxpayer that provides qualified investment capital to a qualified Indiana business may be eligible for this credit.

Certification for this credit must be obtained from the Indiana Economic Development Corporation Development Finance Office, VCI Credit Program, One North Capitol, Suite 700, Indianapolis, IN 46204, telephone number (317) 232-8827, or visit <http://iedc.in.gov>.

For calendar years beginning after Dec. 31, 2010, the maximum amount of credits available has been increased from \$500,000 to \$1,000,000. Also, a taxpayer is not entitled to a credit for providing qualified investment capital to a qualified Indiana business after December 31, 2014.

Note. See the **Restriction for Certain Tax Credits - Limited to One per Project** and the **Combined Limitation** below for additional limitations.

Enter code 835 under line 6 if claiming this credit.

Voluntary remediation credit 836 IC 6-3.1-23

See the Schedule 6, line 3, instructions on page 41 for details about this credit. This credit is available to offset **both** your state and local tax liabilities. Pass-through entities are eligible for this credit. If you did not use all of the available voluntary remediation credit on Schedule 6, line 3, the remaining credit should be claimed on this line.

Note. The total amount of voluntary remediation credits allowed for all taxpayers in a year is limited to \$2,000,000.

Enter code 836 under line 6 if claiming this credit. **Note.** See the **Combined Limitation** below.

Restriction for Certain Tax Credits - Limited to One per Project IC 6-3.1-3; Comm. Dir. #29

A taxpayer may not be granted more than one credit for the same project. The credits that are included are the alternative fuel vehicle manufacturer credit, capital investment credit, community revitalization enhancement district credit, enterprise zone investment cost credit, Hoosier business investment credit, industrial recovery credit, military base investment cost credit, military base recovery credit and the venture capital investment credit.

Apply this restriction first when figuring your credits. Then apply the following **Combined Limitation**.

Combined Limitation: There is one final limitation if you have more than one credit to be entered on lines 4 through 6 of Schedule 6. These credits, *when combined*, cannot be greater than the state adjusted gross income tax (AGIT) shown on Form IT-40 line 8; if they are, adjust the amounts before you enter them.

How to adjust the amount of credit to enter (examples)

Example. Tanya is eligible to claim both a \$200 college credit and a \$300 credit for taxes paid to other states, for a \$500 total amount of offset credits. Her state adjusted gross income tax due (IT-40, line 8) is \$360. Since her combined credits are \$140 more than her state tax due, she should reduce the last entry (the \$300 credit for taxes paid to other states) by the \$140 difference to \$160. She will enter the full \$200 college credit on Schedule 6, line 4, and the \$160 limited credit for taxes paid to other states on line 5.

Example. Matthew has a \$500 Indiana College Choice 529 savings plan credit and a \$600 employer health benefit plan credit. His state adjusted gross income tax due (IT-40, line 8) is \$700. He will report the full \$500 Indiana College Choice 529 savings plan credit on Schedule

6, line 6a, and enter \$200 of the employer health benefit plan credit on line 6b. He will carry the \$400 remaining unused employer health benefit plan credit over to next year's tax return.

Schedule 7: Additional Required Information

Line 1 – Federal filing information

You must place an "X" in the "yes" or "no" box to answer the question: "Are you filing a federal income tax return for 2011?"

Line 2 – Out-of-state income information

If you and/or your spouse worked in Illinois, Kentucky, Michigan, Ohio, Pennsylvania and/or Wisconsin during 2011, complete this area. Enter the salary, wage, tip and/or commission income from those states in the appropriate boxes and the 2-digit code number for the appropriate state in the boxes. Find the 2-digit code number on the chart below.

State	Use Code #	State	Use Code #
Illinois	94	Ohio	97
Kentucky	95	Pennsylvania	98
Michigan	96	Wisconsin	99

Note. This entry is for information purposes only, and will not change your refund or the amount you may owe.

Line 3 – Extension of time to file information

Place an "X" in the box on line 3a if you have a valid federal extension of time to file (federal Form 4868 or Form 2350). Place an "X" in the box on line 3b if you have a valid Indiana extension of time to file, Form IT-9.

Line 4 – Farmers and fishermen **IC 6-3-4-4 (a)**

Farmers and fishermen have special filing considerations. If at least two-thirds (2/3) of your gross income is from farming or fishing, mark the box provided on the back of the tax return. This will make sure that a penalty for the underpayment of estimated tax is not assessed provided you have followed through by:

- Paying all your estimated tax on or by Jan. 17, 2012, and filing your Form IT-40 by April 17, 2012, **or**
- Filing your Form IT-40 by March 1, 2012, and paying all the tax due at that time. You are not required to make an estimated tax payment if you use this option.

Important. If you have checked the box, you **must** enclose the completed Schedule IT-2210 to support your claim.

Line 5 – Date of death **IC 6-3-4-2 (a)**

If the taxpayer and/or spouse died during 2011, and this return is being filed with his/her name on it, make sure to enter the month and day of death in the appropriate box. For example, a date of death of Jan. 9, 2011, would be entered as 01/09/2011. See instructions on page 7 for more information.

Note. If the taxpayer and/or spouse died before 2011, or after Dec. 31, 2011, but before filing his or her tax return, do not enter his/her date of death in this box.

Line 6 – Telephone and e-mail address information

If this is a joint return, both you and your spouse must sign and date the tax return. Please enter your daytime telephone number so we can call you if we have any questions about your tax return. Also, enter your e-mail address if you would like us to be able to contact you by e-mail.

Personal representative information **45 IAC 15-3-4**

Typically, the Department will contact you (and your spouse, if filing jointly) if there are any questions or concerns about your tax return. If you wish to allow the Department to discuss your tax return with someone else (e.g. the person who prepared it, a relative or friend, etc.), you will need to complete this area.

First, you must check the "Yes" box, which follows the sentence, "I authorize the Department to discuss my tax return with my personal representative."

Next, enter:

- The name of the individual you are designating as your personal representative,
- That person's telephone number, and
- That person's complete address.

If you complete this area, you are authorizing the Department to be in contact with someone other than you concerning information about this tax return.

Note. If you are due a refund, it will be paid to you (and your spouse, if filing jointly) even if you designate a personal representative.

You may decide at any time to **revoke** the authorization for the Department to speak with your personal representative. You will need to provide a signed statement indicating you revoke this authorization. Include your name, Social Security number and the year of your tax return. Mail your statement to Indiana Department of Revenue, P.O. Box 40, Indpls., IN. 46206-0040.

Paid Preparer Information

Have your paid preparer complete this area (even if the paid preparer is the same individual designated as your personal representative).

The paid preparer must provide:

- The name of the firm that he/she represents,
- His/her identification number, and
- Firm's address or his/her address if self-employed.

Opt-Out Designation **IC 6-3-4-1.5 (b)**

There are many benefits to electronic filing, which include:

- Elimination of math errors
- Faster refunds

Paid preparers are required to electronically file all Indiana individual income-tax returns if they prepare more than 50 tax returns annually. If you use a paid preparer and do not want your tax return to be filed

electronically, you must complete a state Form IN-OPT. This form requires your signature (and your spouse's, if filing jointly), and must be maintained by your paid preparer with his or her records. Get Form IN-OPT at www.in.gov/dor/4546.htm for more information.

Make sure you keep a copy of your completed tax return, including all required enclosures, such as W-2s and schedules.

County Tax Schedule: CT-40

Complete Schedule CT-40 if, on Jan. 1, 2011, you and your spouse (if filing a joint return) lived and/or worked in an Indiana county that has a tax. As of Jan. 1, 2011, Lake County* was the only county in Indiana that did not have a county tax.

*While Lake County had not adopted a county tax by the time this booklet was finalized, the county may have by year's end. See **Special Instructions for Lake County Residents** on page 54 if you lived in Lake County on Jan. 1, 2011.

You are not required to enclose Schedule CT-40 with your return if, on Jan. 1, 2011, you were:

- Single or married filing separately and did not live in Lake County or Perry County, or
- Married filing jointly and each lived in the same county, unless one or both of you lived in Lake County or Perry County.

You are required to enclose Schedule CT-40 if you are subject to county tax and you have any other filing situation.

County where you lived defined 45 IAC 3.1-3-6

The county where you lived is the county where you maintained your home on Jan. 1, 2011. If you had more than one home in Indiana on this date, then your county of residence as of Jan. 1, 2011, was:

- Where you were registered to vote. If this did not apply, then your county of residence was
- Where your personal automobile was registered. If this did not apply, then your county of residence was
- Where you spent the majority of your time in Indiana during 2011.

Did you move during the year?

If you moved to another Indiana county after Jan. 1, 2011, the county where you lived for tax purposes *will not change until next year*.

If, on Jan. 1, 2011, you lived in a county that has a tax, then you will owe county tax on all of your Indiana adjusted gross income.

If, on Jan. 1, 2011, you lived in a county that doesn't have a tax, then county tax will be figured on your income from your principal employment if the county where you worked on Jan. 1, 2011, has a tax (see definition below).

County where you worked defined 45 IAC 3.1-3-7

The county where you worked (county of principal employment) is the county where your main place of business was located or where your main work activity was performed on Jan. 1, 2011. If you began

working in another county after Jan. 1, 2011, the county where you worked for tax purposes *will not change until next year*.

**IC 6-3.5-1.1-16 CAGIT; IC 6-3.5-6-20 COIT; IC 6-3.5-7-17 CEDIT
45 IAC 3.1-3-3**

Example. Jessie worked in Marion County on Jan. 1, 2011. She quit that job and began a new one in Johnson County on Feb. 10, 2011. She will enter the Marion County two-digit code (49) as the county where she worked even though she changed jobs during the year.

If you had more than one job on Jan. 1, 2011, your principal place of employment is the job where you worked the most hours and earned the most income.

If, on Jan. 1, 2011, your county of principal employment was *not* in Indiana, write county code "00" (out-of-state) in the *County Where You Worked* box on the front of the IT-40.

Exception: If you worked in any of the following states on Jan. 1, 2011, enter their two-digit code number (instead of 00):

State	Use Code #	State	Use Code #
Illinois	94	Ohio	97
Kentucky	95	Pennsylvania	98
Michigan	96	Wisconsin	99

Principal employment income

You must figure your principal employment income if, on Jan. 1, 2011, you *lived* in a county that did not have a tax, but *worked* in a county that *did* have a tax. Your principal employment income is income you earned from your main work activity (job) for the entire year. See the instructions for Section 2, line 1 on page 52 for more information.

Military personnel

If you were stationed in Indiana, your county of residence is the county where you lived on January 1 of the year you entered the military service. If, on Jan. 1, 2011, you were stationed *outside* Indiana and your family was with you, write county code "00" (out-of-state) in all the county boxes on the IT-40 (you won't owe a county tax).

If, however, you maintained your home in an Indiana county and/or your spouse and family were still living in an Indiana county on Jan. 1, 2011, you are considered to be a resident of that county and will be subject to county tax.

Retired persons, homemakers or unemployed

If you were retired, a homemaker, or were unemployed on Jan. 1, 2011, put your county of residence two-digit code number in *both* the Indiana County where you lived and Indiana County Where You Worked boxes on the IT-40. **Do not write the word "Retired," "Homemaker" or "Unemployed" over the boxes.**

Special note to married taxpayers filing a joint return

If you lived in different counties on Jan. 1, 2011, both of you need to figure your county tax separately on Section 1.

If both of you lived in a county on Jan. 1, 2011, that had no tax, but worked in a county that did have a tax, you must figure your tax separately on Section 2.

If only one of you is subject to county tax, then you may use all of the exemptions from Schedule 3, line 5, *except for your spouse's personal exemption*, to figure your tax. See Section 2: Line-by-Line Instructions below for more information.

County Tax Schedule CT-40

Section 1: Line-by-Line Instructions

Where did you live?

Did you live in a county on Jan. 1, 2011, that has a tax? If “yes”, complete Section 1 for yourself, and skip Section 2. If your answer is “no”, skip Section 1 and go to Section 2: Line-by-Line Instructions.

Did your spouse live in a county on Jan. 1, 2011, that has a tax? If yes, complete Section 1 for your spouse, and skip Section 2. If your answer is no, skip Section 1 and go to Section 2: Line-by-Line Instructions.

Line 1

If you are filing a single return or are married filing separately, enter in Column A the state taxable income from line 7 of Form IT-40.

If you are filing a joint return and you both lived in the same county on Jan. 1, 2011¹, enter in Column A the state taxable income from line 7 of Form IT-40. Leave Column B blank.

Example. On Jan. 1, 2011, Jack and Diane lived in the same county, and that county has a tax. They will enter their Form IT-40, line 7 combined state taxable income in Column A.

If you are filing a joint return and you and your spouse lived in different counties on Jan. 1, 2011, or if Lake County adopted a tax and you lived in different Lake County cities or towns on Jan. 1, 2011¹, enter each person's share of state taxable income from Form IT-40, line 7 in the appropriate columns.

¹ Lake County residents should see the *Special Instructions for Lake County Residents* on page 54 for more information.

Example. Simon and Tina married in 2011 and are filing a joint return. On Jan. 1, 2011, Simon lived in Greene County and Tina lived in Clay County. Their Form IT-40 line 7 income of \$36,300 includes the following breakdown:

Simon: \$20,000 wages
+ 150 (1/2 joint interest income)
- 1,000 exemption
\$ 19,150 income for CT-40 Section 1, line 1, Column A

Tina: \$18,000 wages
+ 150 (1/2 joint interest income)
- 1,000 exemption
\$ 17,150 income for CT-40 Section 1, line 1, Column B

Example. The circumstances are the same as the example above except that Tina lived in Lake County, which does not have a county tax. Simon would still enter his \$19,150 share of the Form IT-40 line 7 amount on CT-40 Section 1, line 1, Column A. However, Column B will be left blank since Tina won't owe a county tax.

Line 2

If you claimed a non-Indiana locality earnings deduction on Schedule 2, line 8, enter that amount on this line in Column A. If you are completing Column B instead, and your spouse is the one taking this deduction, then enter it in Column B.

Line 4

Find your county on the County Income Tax Chart on the back of Schedule CT-40. Find the rate from the *Resident Rate* column and enter it here.

Important. This year Indiana counties were allowed to adopt or increase their local income tax rates through Oct. 31, 2011. This publication was finalized before that date. This means your county tax rate on the back of Schedule CT-40 may not be correct. We encourage you to contact us in one of the following ways to get an updated list of the rates before filing. To get the updated list, you may:

- Log on to the Department's website at: www.in.gov/dor/4547.htm.
- Call the form order request line at (317) 615-2581 to have one mailed to you.
- Call our main tax line at (317) 232-2240 Monday – Friday, 8 a.m. to 4:30 p.m., and a representative will assist you.

Tax returns filed using the wrong rates will be adjusted. This may result in a reduced refund or an increase in the amount you owe.

Line 6 IC 6-3.5-7-1 (c)

Add the amounts from line 5, Columns A and B. If you were a Perry County resident and worked in the Kentucky counties of Breckinridge, Hancock or Meade, complete lines 7 and 8. Otherwise, enter the total here and on line 9.

Line 7

Enter here the amount of income taxed by any of the Kentucky counties listed on line 6.

Line 9

Subtract the amount on line 8 from the amount on line 6. Enter that amount here or, if there are no entries on those lines, enter the amount from line 6. Also, enter this amount on your IT-40, line 9.

County Tax Schedule CT-40

Section 2: Line-by-Line Instructions

Complete Section 2 if, on Jan. 1, 2011, you were a resident of Lake County, Lake County did not adopt a tax, and you worked in a county that does have a county tax.

Line 1

Enter your principal employment income for the year. This includes income from wages, tips, salaries and commissions; net self-employment income from federal Schedule C/C-EZ; federal Form 1065, Schedule K-1; and/or net farm income from federal Schedule F. **Do not** include passive-source income like non-business interest and dividends, pension, capital gains, farm rental, etc. Also, do not include income from a part-time job if you hold it at the same time you have a full-time job.

Example. During 2011, Jake received income from the following sources:

- \$15,000 from his full-time job (held for the entire year)
- \$1,850 from his part-time job
- \$50 non-business interest income
- \$800 pension income

Jake will enter his \$15,000 principal employment income on line 1.

If you had more than one job at different times during the year (not including part-time employment), add the income from those jobs and enter it here.

Example. Sarah had two full-time jobs during the year. She earned \$7,000 from her first job, which she held from January through April. She began a new job in May and worked through year's end, earning \$11,000. She should enter the \$18,000 combined amount here.

If you worked two or more jobs *at the same time*, enter the portion you earned from your main job.

Example. Daniel had two jobs at the same time. On Job #1 he worked 30 hours a week and earned \$270 a week. On Job #2 he worked 10 hours a week and earned \$80 a week. Daniel should enter only the amount he earned from Job #1 (\$270 a week) as his principal employment income.

Line 2

You may use certain deductions to lower the amount of income to be taxed. **These deductions must have been claimed on your federal tax return and/or on Indiana Schedule 2, and must have a direct relationship to the income being taxed on line 1.**

Allowable deductions from your Indiana return can include:

- airport development zone employee deduction
- enterprise zone employee deduction
- active military pay deduction
- National Guard and reserve component member's deduction
- (Indiana) medical savings account deduction

Allowable deductions from your federal return can include:

- certain business expenses of reservists, performing artists and fee-based government officials
- health savings account deduction
- moving expenses*
- deductible part of self-employment tax
- SEP, SIMPLE and qualified plans
- self-employed health insurance deduction
- IRA deduction
- Archer MSA deduction.

Note. Do not include the domestic production activities deduction.

* The moving expense deduction will be allowed only to the extent the income earned from that move is being taxed on Section 2, line 1.

Example. Ann's only income was \$21,000 in wage income, which she reported on line 1. She claimed a \$2,000 IRA deduction on her federal Form 1040. She should claim the \$2,000 IRA deduction on this line.

Example. Tim and Jane file a joint tax return and live in a county that does not have a tax. Jane does not owe county tax, but Tim does because his business is in a county that has a tax. She has a \$21,000 wage income and a \$1,400 moving expense. Tim has \$23,000 net income from his photography shop and claimed a \$700 self-employed SEP deduction. He will enter his \$23,000 income on line 1 of Section 2 and the \$700 SEP deduction on line 2 of Section 2. He's not eligible to take the moving expense deduction because the wage income that it is in relation to is not being taxed for county tax purposes.

Line 4 **45 IAC 3.1-3-3**

If you are filing a single or married filing separately tax return, enter your total exemptions from Schedule 3, line 5. If you are filing a joint tax return, enter your exemption(s) (personal, over 65 and/or blind) included on Schedule 3, line 5.

Note. You cannot claim your spouse's personal exemption. Exemptions for dependents can be claimed by either spouse, as long as the total of line 4, Columns A and B is not greater than your total exemptions on Schedule 3, line 5.

Example. On Jan. 1, 2011, Jack and Sue lived in a county that does not have a tax. Jack worked in a county that does have a tax. They claimed themselves and their dependent child for exemption purposes. They claimed \$4,500 in total exemptions (\$1,000 each plus an additional \$1,500 for their dependent child) on their tax return. Jack is allowed to use \$3,500, or all of the total exemptions except for Sue's \$1,000 personal exemption.

Line 6

Find your county on the *County Income Tax Chart* on the back of Schedule CT-40. Find the rate from the *Nonresident Rate* column (the second column of rates over) and enter it here.

Important. This year Indiana counties were allowed to adopt or increase their local income tax rates through Oct. 31, 2011. This publication was finalized before that date. This means your county tax rate on the chart on the back of Schedule CT-40 may not be correct. We encourage you to contact us to get an updated list of the rates before filing. To get the updated list, you may:

- Log on to the Department's website at www.in.gov/dor/4547.htm.
- Call the form order request line at (317) 615-2581 to have one mailed to you.
- Visit or call a district office. See page 42 for these locations.
- Call our main tax line at (317) 232-2240, Monday – Friday, 8 a.m. to 4:30 p.m., and a representative will assist you.

Tax returns filed using the wrong rates will be corrected. This may result in a reduced refund or an increase in the amount you owe.

Line 8

Add the amounts from line 7, Columns A and B. Enter the total here and on line 9 of Form IT-40.

Note. If you have figured a tax in Section 1 and Section 2, add the amounts from Section 1, line 9 and Section 2, line 8, and enter it on Form IT-40, line 9.

Special Instructions for Lake County Residents

If you and/or your spouse lived in Lake County on Jan. 1, 2011, then read the following instructions.

For the 2011 tax year, Indiana counties were allowed to adopt or increase their county tax rates through Oct. 31, 2011. This publication was finalized before that date. This means that even though no tax rates are listed with Lake County on the chart on the back of Schedule CT-40, the county may have adopted a local income tax before the end of the year.

To determine if Lake County did adopt a local income tax, you must contact us to get an updated list of the rates before filing. To get the updated list, you may:

- Log on to the Department's website at www.in.gov/dor/4547.htm.
- Call the form order request line at (317) 615-2581 to have one mailed to you.
- Call our main tax line at (317) 232-2240 Monday – Friday, 8 a.m. to 4:30 p.m., and a representative will assist you.

If you find that Lake County did not adopt a tax (no resident or nonresident rates will be on the updated chart), skip the following information. Return to **Section 2: Line-by-Line Instructions** on page 52 to see if you owe tax to another county.

If you find that Lake County has adopted a county tax (resident and nonresident rates will be on the updated chart), you'll have to:

- complete Section 1 of Schedule CT-40, and
- enter information about where you lived.

If you lived in one of the following Lake County cities or towns on Jan. 1, 2011, enter the 4-digit code number associated with that location on Schedule CT-40. If you did not live within the city or town limits, or lived in another Lake County community not on the list, enter the 4-digit code number 4599.

Lake County Cities and Towns Chart

4504	Cedar Lake	4529	Lowell
4506	Crown Point	4530	Merrillville
4511	Dyer	4531	Munster
4512	East Chicago	4532	New Chicago
4513	Gary	4540	Schererville
4515	Griffith	4541	Schneider
4516	Hammond	4546	St. John
4518	Highland	4549	Whiting
4519	Hobart	4550	Winfield
4524	Lake Station	4599	Other Lake County Community

IC 6-3.5-1.1-26(f)(4) CAGIT
IC 6-3.5-6-32(f)(4) COIT

Indiana School Corporations

The list below gives the school corporations within each county in Indiana. If you are unable to determine your correct school corporation, you should contact your county auditor for assistance. Please enter your four-digit number in the appropriate space on the front of your Indiana return.

County Corporation Number and Name	Dearborn	Gibson	Huntington
Adams	1560 Sunman-Dearborn Comm	2725 East Gibson Sch Corp	3625 Huntington Co Comm
0015 Adams Central Comm	1600 South Dearborn Comm	2735 North Gibson Sch Corp	
0025 North Adams Community	1620 Lawrenceburg Comm	2765 South Gibson Sch Corp	
0035 South Adams Schools			Jackson
Allen	Decatur	Grant	3640 Medora Community
0125 M.S.D. Southwest Allen Co	1655 Decatur Co Community	2815 Eastbrook Community	3675 Seymour Community
0225 Northwest Allen County	1730 Greensburg Community	2825 Madison-Grant United	3695 Brownstown Central Comm
0235 Fort Wayne Community	DeKalb	2855 Mississinewa Community	3710 Crothersville Community
0255 East Allen County	1805 DeKalb County Eastern Community Sch Dist	2865 Marion Community	Jasper
Bartholomew	1820 Garrett-Keyser-Butler Community	5625 Oak Hill United	3785 Kankakee Valley
0365 Bartholomew Consolidated	1835 DeKalb County Central United Sch Dist	Greene	3815 Rensselaer Central
0370 Flatrock-Hawcreek	7610 Hamilton Community	2920 Bloomfield School District	6630 West Central Sch Corp
4215 Edinburg Community		2940 Eastern School District	8535 Tri-County Sch Corp
Benton	Delaware	2950 Linton-Stockton Sch Corp	Jay
0395 Benton Community	1875 Delaware Community	2960 MSD Shakamak Schools	3945 Jay Sch Corp
5995 South Newton	1885 Wes-Del Community Schools	2980 White River Valley School District	Jefferson
8535 TriCounty	1895 Liberty-Perry Community	Hamilton	3995 Madison Consolidated
Blackford	1900 Cowan Comm Sch Corp	3005 Hamilton Southeastern	4000 Southwestern Jefferson Consolidated
0515 Blackford Community	1910 York Town Community School District	3025 Hamilton Heights Sch Corp	Jennings
Boone	1940 Daleville Community Schools	3030 Westfield-Washington Schools	4015 Jennings County Schools
0615 Western Boone County	1970 Muncie Community Schools	3055 Marion-Adams Schools	Johnson
0630 Zionsville Community Schools	Dubois	3060 Carmel Clay Schools	4145 Clark-Pleasant Comm
0665 Lebanon Community Sch Corp	2040 Northeast Dubois County	3070 Noblesville Schools	4205 Center Grove Community
3055 Marion-Adams	2100 Southeast Dubois County	Hancock	4215 Edinburg Community
Brown	2110 Southwest Dubois County	3115 Southern Hancock Co Community Sch Corp	4225 Franklin Community
0670 Brown County Sch Corp	2120 Greater Jasper Consolidated	3125 Greenfield Central Comm	4245 Greenwood Community
Carroll	Elkhart	3135 Mt Vernon Community	4255 Nineveh-Hensley-Jackson United
0750 Carroll Consolidated Sch Corp	2155 Fairfield Comm Schools	3145 Eastern Hancock County Community Sch Corp	Knox
0755 Delphi Community Sch Corp	2260 Baugo Community Schools	Harrison	4315 North Knox Sch Corp
1180 Rossville Consolidated	2270 Concord Community Schools	3160 Lanesville Community	4325 South Knox Sch Corp
8565 Twin Lakes Sch Corp	2275 Middlebury Community Schools	3180 North Harrison Comm	4335 Vincennes Community
Cass	2285 Wa-Nee Community Schools	3190 South Harrison Comm	Kosciusko
0815 Southeastern Sch Corp	2305 Elkhart Community Schools	1300 Crawford Co Community	4345 Wawasee Community
0875 Logansport Community	2315 Goshen Community Schools	Hendricks	4415 Warsaw Community
0775 Pioneer Regional Sch Corp	Fayette	3295 North West Hendricks	4445 Tippecanoe Valley
2650 Caston Sch Corp	2395 Fayette County Sch Corp	3305 Brownsburg Community	4455 Whitko Community
Clark	Floyd	3315 Avon Community Sch Corp	2285 Wa-Nee Community
0940 West Clark Community	2400 New Albany-Floyd County Consolidated Sch Corp	3325 Danville Community	5495 Triton Sch Corp
1000 Clarksville Community	Fountain	3330 Plainfield Community	LaGrange
1010 Greater Clark County	2435 Attica Consolidated Sch Corp	3335 Mill Creek Community	4515 Prairie Heights Comm
Clay	2440 Covington Community	Henry	4525 Westview Sch Corp
1125 Clay Community Schools	2455 Southeast Fountain	3405 Blue River Valley Schools	4535 Lakeland Sch Corp
2960 MSD Shakamak Schools	Franklin	3415 South Henry Sch Corp	Lake
Clinton	2475 Franklin Co Community	3435 Shenandoah School Corp	4580 Hanover Community
1150 Clinton Central Sch Corp	6895 Batesville Community	3445 New Castle Community	4590 River Forest Community
1160 Clinton Prairie Sch Corp	7950 Union County	3455 C A Beard Memorial Sch Corp	4600 Merrillville Comm Schls
1170 Frankfort Community	Fulton	6795 Union Sch Corp	4615 Lake Central Sch Corp
1180 Rossville Consolidated	2645 Rochester Community	8305 Nettle Creek Sch Corp	4645 Tri Creek Sch Corp
Crawford	2650 Caston Sch Corp	Howard	4650 Lake Ridge Schools
1300 Crawford Co. Community	4445 Tippecanoe Valley	3460 Taylor Community	4660 Crown Point Community
Daviess	5455 Culver Community	3470 Northwestern Sch Corp	4670 School City of East Chicago
1315 Barr-Reeve Community	6620 Eastern Pulaski	3480 Eastern Howard Comm	4680 Lake Station Community
1375 North Daviess Comm Sch		3490 Western Sch Corp	4690 Gary Community Sch Corp
1405 Washington Community		3500 Kokomo-Center Township Consolidated	4700 Griffith Public Schools
			4710 School City of Hammond
			4720 School Town of Highland
			4730 School City of Hobart
			4740 School Town of Munster
			4760 Whiting School City

Indiana School Corporations Cont'd...

County

Corporation Number and Name

LaPorte

4805 New Prairie United Sch Corp
 4860 MSD New Durham Twp
 4915 Tri-Township Consolidated School Corporation
 4925 Michigan City Area Schools
 4940 South Central Community
 4945 LaPorte Community
 7150 John Glenn Sch Corp

Lawrence

5075 North Lawrence Comm
 5085 Mitchell Community

Madison

5245 Frankton-Lapel Comm
 5255 South Madison Comm
 5265 Alexandria Community
 5275 Anderson Community
 5280 Elwood Community
 2825 Madison-Grant United

Marion

5300 MSD Decatur Township
 5310 Franklin Township Comm
 5330 MSD Lawrence Township
 5340 MSD Perry Township
 5350 MSD Pike Township
 5360 MSD Warren Township
 5370 MSD Washington Township
 5375 MSD Wayne Township
 5380 Beech Grove City Schools
 5385 Indianapolis Public Schools
 5400 Sch Town of Speedway

Marshall

5455 Culver Community
 5470 Argos Community Schools
 5480 Bremen Public Schools
 5485 Plymouth Community
 5495 Triton Sch Corp
 7150 John Glenn Sch Corp
 7215 Union-North United

Martin

5520 Shoals Community
 5525 Loogootee Community

Miami

5615 Maconaquah Sch Corp
 5620 North Miami Consolidated
 5625 Oak Hill United Sch Corp
 5635 Peru Community Schools

Monroe

5705 Richland-Bean Blossom Community Sch Corp
 5740 Monroe Co Community

Montgomery

5835 North Montgomery Comm
 5845 South Montgomery Comm
 5855 Crawfordsville Comm Schools

Morgan

5900 Monroe-Gregg Sch Corp
 5910 Eminence Consolidated Comm Sch Corp
 5925 MSD Martinsville Sch Corp
 5930 Mooresville Con Sch Corp
 4255 Nineveh-Hensley-Jackson United

Newton

5945 North Newton Sch Corp
 5995 South Newton Sch Corp

Noble

6055 Central Noble Community
 6060 East Noble Sch Corp
 6065 West Noble Sch Corp
 4535 Lakeland Sch Corp
 8625 Smith-Green Comm Sch

Ohio

6080 Rising Sun-Ohio County Community

Orange

6145 Orleans Community Schools
 6155 Paoli Community Sch Corp
 6160 Springs Valley Comm

Owen

6195 Spencer-Owen Comm
 6750 Cloverdale Community

Parke

6260 Southwest Parke Comm
 6300 Rockville Community
 6310 Turkey Run Community
 1125 Clay Community Schools

Perry

6325 Perry Central Community
 6340 Cannelton City Schools
 6350 Tell City-Troy Township

Pike

6445 Pike County Sch Corp

Porter

6460 MSD Boone Township
 6470 Duneland Sch Corp
 6510 East Porter County
 6520 Porter Township
 6530 Union Township
 6550 Portage Township Schools
 6560 Valparaiso Community
 4925 Michigan City Area

Posey

6590 MSD Mount Vernon
 6600 MSD North Posey Co
 6610 New Harmony Town and Township Con Sch

Pulaski

6620 Eastern Pulaski Comm
 6630 West Central Sch Corp
 5455 Culver Community
 7515 North Judson-San Pierre

Putnam

6705 South Putnam Community
 6715 North Putnam Community
 6750 Cloverdale Community
 6755 Greencastle Community

Randolph

6795 Union Sch Corp
 6805 Randolph Southern
 6820 Monroe Central
 6825 Randolph Central
 6835 Randolph Eastern

Ripley

6865 South Ripley Community
 6895 Batesville Community
 6900 Jac-Cen-Del Community
 6910 Milan Community Schools
 1560 Sunman-Dearborn Comm

Rush

6995 Rush County Schools
 3455 C A Beard Memorial Sch Corp

St. Joseph

7150 John Glenn Sch Corp
 7175 Penn-Harris-Madison Sch City of Mishawaka
 7200 South Bend Community
 7215 Union-North United Sch Dist
 4805 New Prairie United Sch Corp

Scott

7230 Scott Co Sch District No. 1
 7255 Scott Co Sch District No. 2

Shelby

7285 Shelby Eastern Schools
 7350 Northwestern Consolidated
 7360 Southwestern Consolidated
 7365 Shelbyville Central Schools
 1655 Decatur Co Community

Spencer

7385 North Spencer County
 7445 South Spencer County

Starke

7495 Oregon-Davis Sch Corp
 7515 North Judson-San Pierre
 7525 Knox Community Sch Corp
 5455 Culver Community

Steuben

7605 Fremont Community Schools
 7610 Hamilton Community Schools
 7615 MSD Steuben County
 1835 DeKalb County Central United Sch Dist
 4515 Prairie Heights Comm

Sullivan

7645 Northeast Sch Corp
 7715 Southwest Sch Corp

Switzerland

7775 Switzerland County

Tiptecanoe

7855 Lafayette Sch Corp
 7865 Tiptecanoe Sch Corp
 7875 West Lafayette Comm
 0395 Benton Community

Tipton

7935 Tri-Central Sch Corp
 7945 Tipton Community Sch Corp

Union

7950 Union County

Vanderburgh

7995 Evansville-Vanderburgh

Vermillion

8010 North Vermillion Comm
 8020 South Vermillion Comm

Vigo

8030 Vigo County Sch Corp

Wabash

8045 Manchester Community Schls
 8050 MSD Wabash County
 8060 Wabash City Schools

Warren

8115 MSD Warren County
 0395 Benton Community Sch Corp
 2440 Covington Community

Warrick

8130 Warrick County Sch Corp

Washington

8205 Salem Community Schools
 8215 East Washington Sch Corp
 8220 West Washington Sch Corp

Wayne

8305 Nettle Creek Sch Corp
 8355 Western Wayne Schools
 8360 Centerville-Abington Community Schools
 8375 Northeastern Wayne
 8385 Richmond Community

Wells

8425 Southern Wells Comm
 8435 Northern Wells Comm
 8445 MSD Bluffton-Harrison

White

8515 North White Sch Corp
 8525 Frontier Sch Corp
 8535 Tri-County School Corp
 8565 Twin Lakes Sch Corp
 0775 Pioneer Regional Sch Corp

Whitley

8625 Smith-Green Comm Schls
 8665 Whitley Co. Con Schools
 4455 Whitko Community Sch Corp

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Withholding tax:

 County (Indiana) 26

 State (Indiana) 26

Z

Zip/Postal code 6



2011 Indiana Full-Year Resident Individual Income Tax Return

Due April 17, 2012

If filing for a fiscal year, enter the dates (see instructions) (MM/DD/YYYY):

from to:

Your Social Security Number

Spouse's Social Security Number

Place "X" in box if applying for ITIN

Place "X" in box if applying for ITIN

Your first name Initial Last name Suffix
IC 6-3-4-1 Who must file
IC 6-3-4-2(d) Joint federal must file joint state
IC 6-3-4-2(e) Separate federal must file separate state

If filing a joint return, spouse's first name Initial Last name Suffix

Present address (number and street or rural route) Place "X" in box if you are married filing separately.

City State Zip/Postal code

Foreign country 2-character code (see pg. 6) School corporation number (see pages 55 and 56)

Enter below the **2-digit county code** numbers (found on the back of Schedule CT-40) for the county where you lived and worked on January 1, 2011.

County where you lived County where you worked County where spouse lived County where spouse worked
CAGIT IC 6-3-5-1.1-16 COIT IC 6-3-5-6-20 CEDIT IC 6-3-5-7-17

Round all entries

1. Enter your federal adjusted gross income (AGI) from your federal tax return (from Form 1040, line 37; Form 1040A, line 21; or from Form 1040EZ, line 4) **Federal AGI** **IC 6-3-1-3.5 (a)** .00
2. Enter amount from Schedule 1, line 8, and enclose Schedule 1 **Indiana Add-Backs** .00
3. Add line 1 and line 2 .00
4. Enter amount from Schedule 2, line 12, and enclose Schedule 2 **Indiana Deductions** .00
5. Subtract line 4 from line 3 **Indiana Adjusted Income** .00
6. You must complete Schedule 3. Enter amount from Schedule 3, line 5, and enclose Schedule 3 **Indiana Exemptions** .00
7. Subtract line 6 from line 5 **State Taxable Income** .00
8. State adjusted gross income tax: multiply line 7 by 3.4% (.034) (if answer is less than zero, leave blank) **IC 6-3-2-1** .00
9. County tax. Enter county tax due from Schedule CT-40 (if answer is less than zero, leave blank) .00
10. Other taxes. Enter amount from Schedule 4, line 5 (enclose sch.) .00
11. Add lines 8, 9 and 10. Enter total here and on line 15 on the back **Indiana Taxes** .00




12. Enter credits from Schedule 5, line 9 (enclose schedule)

13. Enter offset credits from Schedule 6, line 7 (enclose schedule)

14. Add lines 12 and 13 _____ **Indiana Credits**

15. Enter amount from line 11 _____ **Indiana Taxes**

16. If line 14 is equal to or more than line 15, subtract line 15 from line 14 (if smaller, skip to line 23)

17. Amount from line 16 to be donated to the Indiana Nongame Wildlife Fund  **IC 6-8.1-9-4**

18. Subtract line 17 from line 16 _____ **Overpayment**

19. Amount from line 18 to be applied to your 2012 estimated tax account (see instructions on page 10).
 Enter your county code county tax to be applied _ \$
 Spouse's county code county tax to be applied _ \$
 Indiana adjusted gross income tax to be applied _____ \$
 Total to be applied to your estimated tax account (a + b + c; cannot be more than line 18) _____ **IC 6-3-4-4.1 (a)(b)(h)**

20. Penalty for underpayment of estimated tax from Schedule IT-2210 or IT-2210A (enclose sch.) _ **IC 6-3-4-4.1 (c)**

21. **Refund:** Line 18 minus lines 19d and 20. Note: If less than zero, see line 23 ___ **Your Refund**

22. **Direct Deposit** (see page 11)

Statute of Limitations on:	Withholding Credits	IC 6-3-4-8(h)	(2-years)
	Unified Tax Credit for Elderly	IC 6-3-3-9(f)	(June 30)
	All other overpayments	IC 6-8.1-9-1	(3-years)

 a. Routing Number
 b. Account Number
 c. Type: Checking Savings Hoosier Works MC
 d. Place an "X" in the box if refund will go to an account outside the United States

23. If line 15 is more than line 14, subtract line 14 from line 15. Add to this any amount on line 20 (see instructions on page 11) _____

24. Penalty if filed after due date (see instructions) _____ **IC 6-8.1-10-2.1**

25. Interest if filed after due date (see instructions) _____ **IC 6-8.1-10-1**

26. **Amount Due:** Add lines 23, 24 and 25 _____ **Amount You Owe** **IC 6-8.1-8-1**
 Do not send cash. Please make your check or money order payable to:
 Indiana Department of Revenue. Credit card payers must see instructions.

Sign and date this return after reading the Authorization statement on Schedule 7. You must enclose Schedule 7.

 Your Signature Date Spouse's Signature Date

- If enclosing payment mail to: Indiana Department of Revenue, P.O. Box 7224, Indianapolis, IN 46207-7224.
- Mail all other returns to: Indiana Department of Revenue, P.O. Box 40, Indianapolis, IN 46206-0040.



Name(s) shown on Form IT-40

Your Social Security Number

Round all entries

1. Tax add back: certain taxes deducted from federal Schedules C, C-EZ, E and/or F _____	1	IC 6-3-1-3.5 (a) (2)	.00
2. Net operating loss carryforward from federal Form 1040, "Other income" line _____	2	IC 6-3-1-3.5 (a) (20)	.00
3. Income taxed on federal Form 4972 (lump sum distribution) _____	3	IC 6-3-1-3.5 (a) (7)	.00
4. Domestic production activities add-back _____	4	IC 6-3-1-3.5 (a) (22)	.00
5. Bonus depreciation add-back _____	5	IC 6-3-1-3.5 (a) (19)	.00
6. Section 179 expense excess add-back _____	6	IC 6-3-1-3.5 (a) (21)	.00
7. Other Add-Backs: See instructions beginning on page 14.			
a. Enter add-back name <input type="text"/> code no. <input type="text"/>	7a	<input type="text"/>	.00
b. Enter add-back name <input type="text"/> code no. <input type="text"/>	7b	<input type="text"/>	.00
c. Enter add-back name <input type="text"/> code no. <input type="text"/>	7c	<input type="text"/>	.00
d. Enter add-back name <input type="text"/> code no. <input type="text"/>	7d	<input type="text"/>	.00
e. Enter add-back name <input type="text"/> code no. <input type="text"/>	7e	<input type="text"/>	.00
f. Enter add-back name <input type="text"/> code no. <input type="text"/>	7f	<input type="text"/>	.00
g. Enter add-back name <input type="text"/> code no. <input type="text"/>	7g	<input type="text"/>	.00
h. Enter add-back name <input type="text"/> code no. <input type="text"/>	7h	<input type="text"/>	.00
i. Enter add-back name <input type="text"/> code no. <input type="text"/>	7i	<input type="text"/>	.00
j. Enter add-back name <input type="text"/> code no. <input type="text"/>	7j	<input type="text"/>	.00
k. Enter add-back name <input type="text"/> code no. <input type="text"/>	7k	<input type="text"/>	.00
l. Enter add-back name <input type="text"/> code no. <input type="text"/>	7l	<input type="text"/>	.00
m. Enter add-back name <input type="text"/> code no. <input type="text"/>	7m	<input type="text"/>	.00
n. Enter add-back name <input type="text"/> code no. <input type="text"/>	7n	<input type="text"/>	.00
o. Enter add-back name <input type="text"/> code no. <input type="text"/>	7o	<input type="text"/>	.00
8. Add lines 1 through 7. Enter total here and on Form IT-40, line 2	Total Indiana Add-Backs	8	<input type="text"/> .00



Name(s) shown on Form IT-40

Your Social Security Number

1. Renter's deduction

Address where rented if different from the one on the front page (enter below)

Amount of rent paid

Landlord's name and address (enter below)

\$.

Round all entries

Number of months rented Enter the lesser of \$3,000 or amount of rent paid **1 IC 6-3-2-6** .

2. Homeowner's residential property tax deduction

Address where property tax was paid if different from front page (enter below)

Number of months lived there Amount of property tax paid \$.

Enter the lesser of \$2,500 or the amount of property tax paid **2 IC 6-3-1-3.5 (a)(17)** .

3. State tax refund reported on federal return **3 IC 6-3-1-3.5 (a)(8)** .

4. Interest on U.S. government obligations **4 IC 6-3-1-3.5 (a)(1)** .

5. Taxable Social Security benefits **5 IC 6-3-1-3.5 (a)(12)** .

6. Taxable railroad retirement benefits **6 IC 6-3-1-3.5 (a)(9)(12)** .

7. Military service deduction: \$5,000 maximum for qualifying person **7 IC 6-3-2-4** .

8. Non-Indiana locality earnings deduction: \$2,000 maximum per qualifying person **8 IC 6-3-1-3.5 (a)(6)** .

9. Insulation deduction: \$1,000 maximum **9 IC 6-3-2-5** .

10. Nontaxable portion of unemployment compensation (from line 7 of Unemployment Comp. Worksheet) **10 IC 6-3-2-10** .

11. Other Deductions: See instructions (attach additional sheets if necessary)

a. Enter deduction name code no. **11a** .

b. Enter deduction name code no. **11b** .

c. Enter deduction name code no. **11c** .

12. Add lines 1 through 11. Enter total here and on line 4 of Form IT-40. Total Deductions **12** .



Name(s) shown on Form IT-40

Your Social Security Number

Round all entries

1. Number of exemptions claimed on your federal return x \$1,000 **IC 6-3-1-3.5 (a)(3)(4)(A)** 1 . 00
 • If you did not claim an exemption on your federal return, enter "1" in the box above.
 • See instructions on page 24 if you did not file a federal return.

2. Claim an additional exemption for each dependent child
 • who is a son, stepson, daughter, stepdaughter and/or foster child,
 • who was under the age of 19 by Dec. 31, 2011, or a full-time student who was under the age of 24 by Dec. 31, 2011, and
 • who you are eligible to claim as a dependent on your federal tax return.

Enter number you are eligible to claim x \$1500: you **MUST** enclose Schedule IN-DEP **2 IC 6-3-1-3.5 (a)(5)(A)** 2 . 00

3. Place "X" in box(es) below if, by December 31, 2011

You were age 65 or older and/or blind

Spouse was 65 or older and/or blind

Total number of boxes with Xs x \$1000 **3 IC 6-3-1-3.5 (a)(4)(B)** 3 . 00

4. If age 65 or older, enter amount from Form IT-40, line 1 \$
 If this amount is less than \$40,000, place "X" in box(es) below if:

You were age 65 or older

Spouse was 65 or older

Total number of boxes with Xs x \$500 **4 IC 6-3-1-3.5 (a)(5)(B)** 4 . 00

5. Add lines 1, 2, 3 and 4. Enter here and on Form IT-40, line 6.

Total Exemptions 5 . 00

Schedule 4: Other Taxes

Instructions begin on page 25

1. Use tax on out-of-state purchases from line 4 of Sales/Use Tax Worksheet **1 IC 6-2.5-3** . 00

2. Household employment taxes. Enclose Schedule IN-H **2 IC 6-3-4-8 (j)(k)** . 00

3. Indiana advance earned income credit payments from W-2s **3 IC 6-3.1-21-8** . 00

4. Recapture of Indiana's CollegeChoice 529 credit. Enclose Schedule IN-529R **4 IC 6-3-3-12 (m)(n)** . 00

5. Add lines 1 through 4. Enter here and on Form IT-40, line 10.

Total Other Taxes 5 . 00



Name(s) shown on Form IT-40

Your Social Security Number

Round all entries

1. Indiana state tax withheld: enclose W-2s, 1099s showing state tax withholding amounts _____	1	IC 6-3-4-8 (h)	.00
2. Indiana county tax withheld: enclose W-2s, 1099s showing county tax withholding amounts _____	2	IC 6-3-4-8 (h)	.00
3. Estimated tax paid for 2011: include any extension payment made with Form IT-9 _____	3	IC 6-3-4-4.1 (a)(b)	.00
4. Unified tax credit for the elderly _____	4	IC 6-3-3-9	.00
5. Earned income credit: enclose Schedule IN-EIC and enter amount from line A-3 _____	5	IC 6-3.1-21	.00
6. Lake County residential income tax credit _____	6	IC 6-3.1-20	.00
7. Economic development for a growing economy credit _____	7	IC 6-3.1-13	.00
8. Media production expenditure credit _____	8	IC 6-3.1-32	.00
9. Add lines 1 through 8. Enter total here and on Form IT-40, line 12 _____ Total Credits	9		.00



Name(s) shown on Form IT-40

Your Social Security Number

Round all entries

1. Credit for local taxes paid outside Indiana IC 6-3.5-1.1-6 (CAGIT) IC 6-3.5-6-23 (COIT) 1 .00

2. County credit for the elderly: attach federal Schedule R IC 6-3.5-1.1-7 (CAGIT) IC 6-3.5-6-24 (COIT) IC 6-3.5-7-9 (CEDIT) .00

3. Other Local Credits: See instructions (enclose additional sheets if necessary)

a. Enter credit name code no. 3a .00

b. Enter credit name code no. 3b .00

Important: Lines 1 through 3 cannot be greater than the county tax due on Form IT-40, line 9 (see *Combined Limitation* instructions)

4. College credit: attach Schedule CC-40 IC 6-3-3-5 4 .00

5. Credit for taxes paid to other states: enclose other state's return IC 6-3-3-3 5 .00

6. Other Credits: See instructions (enclose additional sheets if necessary)

a. Enter credit name code no. 6a .00

b. Enter credit name code no. 6b .00

c. Enter credit name code no. 6c .00

d. Enter credit name code no. 6d .00

Important: Lines 4 through 6 added together cannot be greater than the state adjusted gross income tax due on Form IT-40, line 8 (see *Combined Limitation* instructions)

7. Add lines 1 through 6. Enter total here and on line 13 of Form IT-40 **Total Offset Credits** 7 .00



Name(s) shown on Form IT-40

Your Social Security Number

1. Federal filing information

Are you filing a federal income tax return for 2011? Place "X" in appropriate box. Yes No

2. Out-of-state income Complete if you and/or your spouse (if filing a joint return) received any salary, wage, tip and/or commission income from Illinois, Kentucky, Michigan, Ohio, Pennsylvania or Wisconsin. Enter two-digit code number from the back of Schedule CT-40 for state where you and/or your spouse worked.

State where you worked

Your income

\$.

State where spouse worked

Spouse's income

\$.

3. Extension of time to file

- a. Place "X" in box if you have filed a federal extension of time to file, Form 4868.
- b. Place "X" in box if you have filed an Indiana extension of time to file, Form IT-9, or online via ePay.

4. Farm / Fishing income

Place "X" in box if at least two-thirds of your gross income was made from farming or fishing.

Important: If you placed an "X" in the box, you MUST attach Schedule IT-2210.

5. Date of death

If any individual listed at the top of the IT-40 died during 2011, enter date of death (MM/DD) (see instructions on page 50).

Taxpayer's date of death 2011

Spouse's date of death 2011

Authorization Sign Form IT-40 after reading the following statement. IC 6-8.1-6-4

Under penalty of perjury, I have examined this return and all attachments and to the best of my knowledge and belief, it is true, complete and correct. I understand that if this is a joint return, any refund will be made payable to us jointly and each of us is liable for all taxes due under this return. Also, my request for direct deposit of my refund includes my authorization to the Indiana Department of Revenue to furnish my financial institution with my routing number, account number, account type and Social Security number to ensure my refund is properly deposited. I give permission to the Department to contact the Social Security Administration to confirm that the Social Security number(s) used on this return is correct.

6. Your daytime telephone number

Your e-mail address

I authorize the Department to discuss my return with my personal representative (see page 50).

Yes No If yes, complete the information below.

Personal Representative's Name (please print)

Telephone number

Address

City

State Zip Code

Paid Preparer: Firm's Name (or yours if self-employed)

IC 6-3-4-1.5 (b)
IN-OPT on file with paid preparer if not filing electronically

Federal I.D. Number PTIN OR Social Security No.

Address

City

State Zip Code



Name(s) shown on Form IT-40

Your Social Security Number

County of residence and work activity defined:	CAGIT IC 6-3.5-1.1-16	COIT IC 6-3.5-6-20	CEDIT IC 6-3.5-7-17
--	--------------------------	-----------------------	------------------------

--	--	--

Lake County Residents: Turn to the *Special Instructions for Lake County Residents* on page 54 if you and/or your spouse lived and/or worked in Lake County, Ind., on Jan. 1, 2011. If you determine that Lake County tax is due, find your and/or spouse's 4-digit code number (see page 54) and enter it here. **IC 6-3.5-1.1-26(f)(4), IC 6-3.5-6-32(f)(4)**

Your Lake County 4-digit number

Spouse's Lake County 4-digit number

SECTION 1: To be completed by those taxpayers who were resident	CAGIT IC 6-3.5-1.1-1	COIT IC 6-3.5-6-1	CEDIT IC 6-3.5-7-1
	Column A - Yourself	Column B - Spouse's	

1. Enter the amount from IT-40, line 7. Note: If both you and your spouse lived in the same county on January 1 (or lived in the same Lake County location on January 1), enter the entire amount from Form IT-40, line 7 on line 1A only. See instructions on page 52.

1A	<input style="width: 80%; border: none;" type="text"/>	.00		1B	<input style="width: 80%; border: none;" type="text"/>	.00
----	--	-----	--	----	--	-----
2. If you claimed a non-Indiana locality earnings deduction on Schedule 2, line 8, enter the amount here. If not, leave blank.

2A	<input style="width: 80%; border: none;" type="text"/>	.00		2B	<input style="width: 80%; border: none;" type="text"/>	.00
----	--	-----	--	----	--	-----
3. Add lines 1 and 2.

3A	<input style="width: 80%; border: none;" type="text"/>	.00		3B	<input style="width: 80%; border: none;" type="text"/>	.00
----	--	-----	--	----	--	-----
4. Enter the resident rate from the county tax chart on the back of this schedule for the county where you lived on Jan. 1, 2011.

4A	<input style="width: 80%; border: none;" type="text"/>			4B	<input style="width: 80%; border: none;" type="text"/>	
----	--	--	--	----	--	--
5. Multiply line 3 by the rate on line 4.

5A	<input style="width: 80%; border: none;" type="text"/>	.00		5B	<input style="width: 80%; border: none;" type="text"/>	.00
----	--	-----	--	----	--	-----
6. Add lines 5A and 5B. Enter the total here. **Note: Perry County residents: If you live in Perry County and worked in the Kentucky counties of Breckinridge, Hancock or Meade, you must complete lines 7 and 8.** Otherwise, enter the total here and on line 9 below (see page 52).

6	<input style="width: 80%; border: none;" type="text"/>	.00
---	--	-----
7. Enter the amount of income that was taxed by any of the Kentucky counties listed on line 6 above.

7	<input style="width: 80%; border: none;" type="text"/>	.00
---	--	-----
8. Multiply line 7 by .0056 and enter total here.

8	<input style="width: 80%; border: none;" type="text"/>	.00
---	--	-----
9. Enter total of line 6 minus line 8. Continue with Section 2 below if you are married filing jointly and you/spouse need to complete it. Otherwise, enter this amount on line 9 of Form IT-40.

9	<input style="width: 80%; border: none;" type="text"/>	.00
---	--	-----

SECTION 2: To be completed by those taxpayers who, on Jan. 1, 2011, were not a resident of the county where they reported their income tax, but worked in an Indiana county that	CAGIT IC 6-3.5-1.1-1	COIT IC 6-3.5-6-1	CEDIT IC 6-3.5-7-1
	Column A - Yourself	Column B - Spouse's	

1. Enter your principal employment income. See page 52 for further Section 2 instructions.

1A	<input style="width: 80%; border: none;" type="text"/>	.00		1B	<input style="width: 80%; border: none;" type="text"/>	.00
----	--	-----	--	----	--	-----
2. Enter deductions. See page 53 for the complete list of allowable deductions and further instructions.

2A	<input style="width: 80%; border: none;" type="text"/>	.00		2B	<input style="width: 80%; border: none;" type="text"/>	.00
----	--	-----	--	----	--	-----
3. Subtract line 2 from line 1.

3A	<input style="width: 80%; border: none;" type="text"/>	.00		3B	<input style="width: 80%; border: none;" type="text"/>	.00
----	--	-----	--	----	--	-----
4. Enter some or all of the exemptions from line 5 of Schedule 3 (see instructions on page 53).

4A	<input style="width: 80%; border: none;" type="text"/>	.00		4B	<input style="width: 80%; border: none;" type="text"/>	.00
----	--	-----	--	----	--	-----
5. Subtract line 4 from line 3.

5A	<input style="width: 80%; border: none;" type="text"/>	.00		5B	<input style="width: 80%; border: none;" type="text"/>	.00
----	--	-----	--	----	--	-----
6. Enter the nonresident rate from the chart on the back of this schedule for the county where you worked on Jan. 1, 2011.

6A	<input style="width: 80%; border: none;" type="text"/>			6B	<input style="width: 80%; border: none;" type="text"/>	
----	--	--	--	----	--	--
7. Multiply the income on line 5 by the rate on line 6.

7A	<input style="width: 80%; border: none;" type="text"/>	.00		7B	<input style="width: 80%; border: none;" type="text"/>	.00
----	--	-----	--	----	--	-----
8. Enter total of 7A plus 7B; carry to Form IT-40, line 9. (If you have an amount on Section 1, line 9 above, combine that with the amount on line 8 and enter total on Form IT-40, line 9).

8	<input style="width: 80%; border: none;" type="text"/>	.00
---	--	-----

2011 Indiana County Income Tax Rates and County Codes

Important: The following rates may have changed after this chart was finalized. To verify your county's rate, contact the Department at www.in.gov/dor/4547.htm, call the form order request line at (317) 615-2581 to have an update mailed to you, or call our main tax line at (317) 232-2240 for assistance.

*These rates have changed from last year's chart.

County Code #	County Name	Resident Rate	Nonresident Rate
01	Adams	.01124	.00674
02	Allen	.01	.0055
03	Bartholomew	.0125	.005
04	Benton	.0229	.0054
05	Blackford	.0136	.0061
06	Boone	.01	.0025
07	Brown	.022	.005
08	Carroll	.0153848*	.004
09	Cass	.025*	.005*
10	Clark	.02	.0075
11	Clay	.0225	.0025
12	Clinton	.02	.0075
13	Crawford	.01	.005
14	Daviess	.0175	.0075
15	Dearborn	.006	.0015
16	Decatur	.0133	.0058
17	DeKalb	.015	.0075
18	Delaware	.0105	.006
19	Dubois	.01	.0055
20	Elkhart	.015	.005
21	Fayette	.0237	.0087
22	Floyd	.0115	.0065
23	Fountain	.011	.0035
24	Franklin	.0125	.005
25	Fulton	.0193	.0068
26	Gibson	.005	.005
27	Grant	.0225	.0075
28	Greene	.01	.0025
29	Hamilton	.01	.0025
30	Hancock	.0156667*	.004*
31	Harrison	.01	.005
32	Hendricks	.014	.006375*
33	Henry	.0125	.005
34	Howard	.016 ¹	.0055 ¹
35	Huntington	.0175*	.005
36	Jackson	.016	.0075
37	Jasper	.0305533*	.005
38	Jay	.0245	.006*
39	Jefferson	.0035	.0035
40	Jennings	.0125	.005
41	Johnson	.01	.0025
42	Knox	.011	.0065
43	Kosciusko	.01	.00475
44	LaGrange	.014	.0065
45	Lake	NA	NA
46	LaPorte	.0095	.007
47	Lawrence	.0175	.0025
48	Madison	.0175	.00625

¹ Includes the Howard County jail operating and maintenance income tax rate.

County Code #	County Name	Resident Rate	Nonresident Rate
49	Marion	.0162	.00405
50	Marshall	.0125	.0025
51	Martin	.01125*	.0043125*
52	Miami	.0254	.00965
53	Monroe	.0105	.002625
54	Montgomery	.021	.006
55	Morgan	.0272	.0052
56	Newton	.01	.0025
57	Noble	.015	.0075
58	Ohio	.01	.0025
59	Orange	.0125	.005
60	Owen	.013	.0055
61	Parke	.023	.0075
62	Perry	.0106	.00685
63	Pike	.004	.004
64	Porter	.005	.005
65	Posey	.01	.00625
66	Pulaski	.0313	.0068
67	Putnam	.015	.0075
68	Randolph	.015	.0075
69	Ripley	.0138	.0063
70	Rush	.015	.0075
71	St. Joseph	.0175	.007375
72	Scott	.0141	.004725
73	Shelby	.0125	.005
74	Spencer	.008	.00575
75	Starke	.0106	.0081
76	Steuben	.0179	.0054
77	Sullivan	.003	.003
78	Switzerland	.01	.0025
79	Tippecanoe	.011	.0065
80	Tipton	.0135083*	.0058
81	Union	.015	.005
82	Vanderburgh	.01	.0025
83	Vermillion	.001	.001
84	Vigo	.0125	.0075
85	Wabash	.029	.0075
86	Warren	.0212	.0057
87	Warrick	.005	.005
88	Washington	.015	.0075
89	Wayne	.015	.005
90	Wells	.021	.007
91	White	.0132	.0057
92	Whitley	.012329	.004829
94	Illinois		
95	Kentucky		
96	Michigan		
97	Ohio		
98	Pennsylvania		
99	Wisconsin		
00	All Other States		



IC 6-3.1-21

Name(s) shown on Form IT-40/IT-40PNR

Your Social Security Number

Section A: Figure Your Indiana Earned Income Credit

A-1 Enter the earned income credit from your federal income tax return Form 1040 line 64a, Form 1040A line 41a, or Form 1040EZ line 9a (must be \$6.00 or more: see instructions) **A-1** .00

A-2 Multiply line A-1 by .09 and enter here. Carry this total to Form IT-40 Schedule 5, line 5, or Form IT-40PNR Schedule F, line 5, Box A **Indiana Earned Income Credit** **A-2** .00

- If you **did not** complete Federal Schedule EIC (you did not claim children when figuring your federal earned income credit), you are finished with this schedule. Make sure to attach it to your Form IT-40 or IT-40PNR.
- If you **claimed children on your federal Schedule EIC**: Complete Section B if you claimed children (on federal Schedule EIC) when you figured your earned income credit on federal Forms 1040 or 1040A. Enter information for up to four children even if only claiming three on federal Schedule EIC (see instructions for more information).

Section B: Qualifying Child (Read the instructions to explain the terms used below.)

	Child 1	Child 2	Child 3	Child 4
Enter each child's name	First	First	First	First
Enter each child's Social Security Number ►	Last	Last	Last	Last
	SSN	SSN	SSN	SSN

Enter letter (e.g. **A, B, C**, etc.) in box that describes each child's relationship, age and location to you. See example on back of schedule.

B-1	A Your Child B Adopted Child C Grandchild D Stepchild E Foster Child (not related) F Other (related foster child, or other related child - see instructions)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B-2	A Under age 18 B Age 18 C Age 19 - 24 and full-time student D Age 19 or older and totally disabled	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B-3	A Child lived with you at least ½ of the year B Child was born or died in 2010, and lived with you while alive in 2010.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Important: You must complete and attach this schedule to your Form IT-40 or IT-40PNR when claiming the earned income credit. Note: Do not complete or attach this schedule if you are claiming this credit on the Form IT-40EZ (see the worksheet on Form IT-40EZ for instructions for how to claim the credit).



Indiana's Earned Income Credit Instructions

Generally, Indiana's earned income credit is 9% (.09) of the earned income credit allowed on your federal income tax return.

If, during 2010:

- you were an Indiana resident, and/or
- had income from Indiana sources, and
- you claimed the earned income credit on your federal income tax return (Form 1040, 1040A or 1040EZ),

then you are eligible to claim Indiana's Earned Income Credit.

Indiana's Earned Income Credit will lower the tax you owe and may give you a refund even if you don't owe any tax.

Note: Do not complete this schedule if filing Indiana's Form IT-40EZ. Instead, complete the worksheet on the back of Form IT-40EZ to claim your earned income credit.

Section A – Figure Your Credit

Enter on Line A-1 the amount of earned credit* from your

- Federal Form 1040, line 64a or
- Federal Form 1040A, line 41a or
- Federal Form 1040EZ, line 9a.

*** Important:** This amount must be at least \$6.00 or more (a smaller federal earned income credit will create an Indiana credit of less than \$1).

Multiply the amount on Line A1 by .09 (9%) and enter the result on line A-2. This is your Indiana earned income credit. Enter this amount on your Form IT-40, Schedule 5, line 5, or on Form IT-40PNR, Schedule F, line 5, Box A.

Section B – Qualifying Child

You must complete Section B if you filed the federal Schedule EIC, Earned Income Credit.

Enter information for the same child (or children) you entered on your federal Schedule EIC.

Note: If you have more than three children who meet the requirements to be eligible to claim them for the federal earned income credit on federal Schedule EIC, please enter the additional child's information (up to one additional child) in Column 4. Note: This will not increase or decrease your Indiana earned income credit.

In **Section B-1**, the 'Other' box (line F) includes:

- a related foster child, or
- your brother, sister, stepbrother, stepsister, or
- a descendant of your brother and/or sister, etc. (for example, your niece or nephew), whom you cared for as your own child.

Note: In **Section B-2**, line C, the child must be under age 24.

Caution: You must know what your federal earned income credit is before you can figure your Indiana earned income credit. Some individuals ask the Internal Revenue Service (IRS) to figure their federal earned income credit for them. If you have chosen to do this, you must wait to claim Indiana's earned income credit until you find out what your earned income credit is from the IRS. Your Indiana income tax return, Form IT-40, IT-40PNR, or IT-40EZ, must be filed by April 18, 2011. If you don't know what your federal earned income credit is by Indiana's filing due date, go ahead and file your Indiana return without claiming the earned income credit. Then, when you find out what your federal earned income credit is, file an amended (corrected) Indiana tax return, Form IT-40X, to claim your Indiana earned income credit.

Section B - Example Mrs. Jones' 18-year old granddaughter Amy lived with her the entire year. Ryan Smith, an unrelated 6-year-old foster child, lived with her for 10 months.

	Child 1	Child 2
Enter each child's name	First Amy	First Ryan
Enter each child's	Last Jones	Last Smith
Social Security Number ▶	SSN 000-00-0000	SSN 000-00-0000

Enter letter (e.g. **A, B, C**, etc.) in box that describes each child's relationship, age and location to you. See example on back of schedule.

B-1	A Your Child B Adopted Child C Grandchild D Stepchild E Foster Child (not related) F Other (related foster child, or other related child - see instructions)	<div style="border: 1px solid black; width: 40px; height: 40px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">C</div>	<div style="border: 1px solid black; width: 40px; height: 40px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">E</div>
B-2	A Under age 18 B Age 18 C Age 19 - 24 and full-time student D Age 19 or older and totally disabled	<div style="border: 1px solid black; width: 40px; height: 40px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">B</div>	<div style="border: 1px solid black; width: 40px; height: 40px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">A</div>
B-3	A Child lived with you at least ½ of the year B Child was born or died in 2010, and lived with you while alive in 2010.	<div style="border: 1px solid black; width: 40px; height: 40px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">A</div>	<div style="border: 1px solid black; width: 40px; height: 40px; margin: 0 auto; display: flex; align-items: center; justify-content: center;">A</div>



Name(s) shown on Form IT-40/IT-40PNR

Your Social Security Number

Report on this schedule the first and last name and Social Security number for each dependent child claimed as an additional exemption on line 2 of Schedule 3 (from Form IT-40) or Schedule D (from Form IT-40PNR).

	Child's First Name	Child's Last Name	Child's Social Security Number		
1.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
2.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
3.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
4.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
5.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
6.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
7.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
8.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
9.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
10.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
11.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
12.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
13.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
14.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
15.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
16.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
17.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
18.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
19.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
20.	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>



Indiana Department of Revenue
100 North Senate Avenue
Indianapolis, IN 46204-2253



This 2011 IT-40 booklet contains:

- **Form IT-40 and Instructions**
- Schedule 1 Add-Backs
- Schedule 2 Deductions
- Schedule 3 Exemptions
- Schedule 4 Other Taxes
- Schedule 5 Credits
- Schedule 6 Offset Credits
- Schedule 7 Additional Required Information
- Schedule CT-40, County Tax with tax rates
- Schedule IN-DEP, Additional Dependent Child Information
- Schedule IN-EIC, Earned Income Credit
- Form ES-40 Estimated Tax Payment Form
- Mailing Envelope

Contributions to the Indiana Nongame Wildlife Fund

Donations to the Nongame Wildlife Fund assist the Indiana Department of Natural Resources to manage and protect over 750 nongame and endangered wildlife species in Indiana. Your contributions to the Fund have brought ospreys and bald eagles back to our skies and river otters to our waters.

These reintroduction programs, as well as many other restoration, management, and educational projects implemented by the Wildlife Diversity Section, rely on donations from individuals like you. The program is funded almost exclusively by donations to the Indiana state income tax check-off and direct donations.

If you would like to make a donation to the Fund, you may donate all or a portion of your tax refund on line 17 of the IT-40. To make a direct donation, you can also complete the form to the right and mail it with a check or money order made payable to the Fund to: Nongame Wildlife Fund, Division of Fish and Wildlife, W-273, 402 West Washington St., Indianapolis, IN 46204. You can learn more about Indiana's Nongame Wildlife Diversity Section at www.in.gov/dnr/fishwild/



I (We) wish to donate \$ _____
to the Indiana Nongame Wildlife Fund.

Name(s): _____

Address: _____

City: _____

State: _____ Zip Code: _____

Send to: **Nongame Wildlife Fund**
Division of Fish and Wildlife, W-273
402 West Washington St.
Indianapolis, IN 46204

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