IT-40
Full-Year Resident
Individual Income Tax Booklet

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Index begins on page 55

2015
INDIANA

WAIT!

YOU MAY QUALIFY FOR FREE ONLINE TAX FILING!

INfreefile

More than 2.7 million Indiana taxpayers filed electronically in 2015. Consider the benefits of filing electronically:

- **Faster Refund.** Electronic filing reduces errors and expedites refund time – within 10 to 14 days (compared with 10 to 12 weeks for a paper return).
- **Fewer 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.
- **Easier Filing.** 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.

You may be eligible to file your taxes online for FREE with INfreefile. Go to www.freefile.dor.in.gov to see if you qualify or learn more about INfreefile on page 4.

About the cover: This year, Indiana's tax booklets showcase some of Indiana's 92 county courthouses. This cover features the Vanderburgh County courthouse often called the "Old Courthouse," located in Evansville, Ind. Designed by Henry Wolters and built in 1890, the courthouse displays a German baroque architectural style. Photo courtesy of Chris Flook and Ball State University.

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,
- You have only Indiana state and county tax withholding credits, and
- You do not have any interest income from a direct obligation (acquired after Jan. 1, 2012) of a state or political subdivision other than Indiana.

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 extension of time to file procedures.

2015 Changes

Update: Line 1 of Form IT-40 assumes conformity with the Internal Revenue Code for federal changes adopted after Jan. 1, 2015. If the 2016 Indiana General Assembly does not conform to the most current changes to the Internal Revenue Code, 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.

Tax Rate Reduction

The individual income tax rate has been reduced from .034 to .033, beginning with the 2015 tax year. Use the .033 new rate when figuring your tax on Form IT-40, line 8.

Adoption Credit

An individual who is claiming the adoption credit on his/her federal tax return may be eligible to claim Indiana's Adoption Credit. See page 42 for more information.

Civil Service Annuity Deduction Increase; Surviving Spouse Eligibility Addition

The ceiling for the Civil Service Annuity Deduction has increased to $8,000. Also, surviving spouses are now eligible to claim the deduction. See page 19 for more information.

Lake County Residential Income Tax Credit Calculation Change

Indiana adjusted gross income is now the income eligibility qualifier used to figure this credit. See page 38 for more information.

Public K-12 Education Fund Donation

You may donate all or a portion of your refund to help fund public K-12 education in Indiana. See the instructions for the new Schedule IN-DONATE on page 39 for more information.

Public School Educator Expense Credit

An educator working for an Indiana public school corporation may be eligible to claim up to a $100 credit for certain classroom supplies purchased during the year. See page 47 for more information.

Rate Conversion Chart Eliminated

The Rate Conversion Chart is no longer necessary to figure the Credit for Local Taxes Paid Outside Indiana. See page 40 for more information.

Same-Sex Marriage Tax Filing Guidelines

Couples in same-sex marriages should file with Indiana using the same married filing status as they used for federal tax filing purposes. See page 5 for more information.

Statute of Limitations for Refund Claims Extended

The time period for claiming a refund of excess withholding amounts has been extended from two years to three years. See page 11 for more information.

Several Offset Credits Repealed

The following credits have been repealed.*

- Blended Biodiesel Credit
- Ethanol Production Credit
- New Employer Credit
- Riverboat Building Credit

***Note.** A credit may still be available to be carried forward provided there was an unused amount available prior to it being repealed.

The Prison Investment Credit

This credit is no longer available.

The Voluntary Remediation Credit

This credit 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 or Library

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 to find out if they stock any state tax forms.

Need Help With Your Return?

Local Help

You may be eligible to 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.

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 2.7 million Hoosier taxpayers used an electronic filing program to file their 2014 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. Use an electronic vendor or contact your tax preparer to see if he or she provides this service.

INfreefile

This tax season Indiana continues to offer a free tax filing service through the cooperation of the Free File Alliance.

Eligible Indiana taxpayers can 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.

More than 20 states will be using the INfreefile option in 2016. And, you have the selection of multiple vendors to use for this free service. The Department of Revenue estimates that nearly 2 million Indiana taxpayers will be eligible for this free service. You may be one. In fact, more than 95,000 Hoosier taxpayers used INfreefile last year and expressed a very high satisfaction rate with the service.

See if you are eligible by visiting www.freefile.dor.in.gov.

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 email links and a calendar with filing due dates. Visit the department's website at www.in.gov/dor.

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 https://secure.in.gov/dor/4706.htm and change your address online.
- Call the department at (317) 232-2240.

Filing an Amended (Corrected) Tax Return

Did you receive a lateW-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/5333.htm.

Public Hearing - June 14, 2016

The department will hold a public hearing on June 14, 2016. The hearing will be held at 10-11 a.m. in Conference Room A 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

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.

Married Filing Requirements

- **Married Filing Jointly**

If you filed your federal income tax return as married filing jointly, you also must file married filing jointly with Indiana.

- **Married Filing Separately**

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 2015 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.

- **Same-Sex Marriage Tax Filing Guidelines**

Couples in same-sex marriages should file with Indiana using the same married filing status as they used for federal tax filing purposes.

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, 2015. 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, 2015, 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, 2015. You can find these code numbers on the chart found on the back of the Schedule CT-40. See the instructions beginning on page 50 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

Each line on which an amount can be entered has ".00" already filled-in. This is to let you know 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, 1099s and IN K-1s on which Indiana state and/or county tax withholding amounts appear,
- Any 1099G showing unemployment compensation,
- 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?

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.

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.

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 2015 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

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

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

If an individual died during 2015, or died after Dec. 31, 2015, 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, 2015, would be entered as 01/09/2015.

Note. The date of death should not be entered here if the individual died after Dec. 31, 2015, but before filing the tax return. The date of death information will be shown on the individual's 2016 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.

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 2015, 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.

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?

Your tax return is due April 18, 2016. If you file after this date and owe tax, 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?

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 18, 2016 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 18, 2016.

Note. Indiana's extension of time to file, Form IT-9, extends the filing date to Nov. 14, 2016.

If You Owe…

Option 1 File Indiana's extension of time to file, Form IT-9, and send in a payment. This must be filed by April 18, 2016, for the extension to be valid. Then, make sure to file your tax return by Nov. 14, 2016, paying any remaining balance due with that filing. While interest is due on any amount paid after April 18, penalty will be waived if both of the following conditions are met:

- The remaining balance is paid in full by Nov. 14, 2016, and
- You paid at least 90 percent of the tax expected to be owed by the original April 18 due date.

Note. You may file for a state extension of time to file online if you make a payment with it. Access the department's ePay system at www.in.gov/dor/4340.htm by April 18, and follow the directions for making an extension payment.

Option 2

Filing for a federal extension of time to file with the IRS will automatically provide for a state extension of time to file. You must file your state tax return by Nov. 14, 2016, paying any balance due with that filing. While interest is due on any amount paid after the original April 18 due date, penalty will be waived if both of the following conditions are met:

- The remaining balance due is paid in full by Nov. 14, 2016, and
- You paid at least 90 percent of the tax expected to be owed by the original April 18 due date.

If You Don't Owe…

You'll 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 18, 2016.

There are two ways to accomplish this:

- If you have a valid federal extension (filed Form 4868, or made an extension payment via an electronic filing method), 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 18, 2016.

Extension Filing Deadline.

- Both state Form IT-9 and federal Form 4868 extend your state filing time to Nov. 14, 2016.

Will You Owe Penalty and/or Interest?

Penalty will not be owed if you have:

- Paid 90 percent of the tax you expect to owe by April 18, 2016;
- Filed your tax return by Nov. 14, 2016; and
- Paid any remaining amount due with that filing.

Interest is owed on all amounts paid after April 18, 2016. See page 12 for instructions on how to figure interest.

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

You may get Form IT-9 online at www.in.gov/dor/5333.htm. You may also file for an extension online (if making a payment) at www.in.gov/dor/4340.htm (make sure to do this by April 18, 2016).

Where to Report Your Extension Payment.

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

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 18, 2016.

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).

Form IT-40: Line-by-line instructions

Important. 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.

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 16. 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 23. 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 50.

Line 10 – Other Taxes

Enter any other taxes from Schedule 4: Other Taxes on this line. Instructions for Schedule 4 begin on page 24. 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 25. Make sure to enclose Schedule 5 when filing.

Line 13 – Offset Credits

Enter the total of any offset credits reported on Schedule 6: Offset Credits on this line. Instructions for Schedule 6 begin on page 40. Make sure to enclose Schedule 6 when filing.

Line 17 – Donation Check-Offs

Enter on this line the total of any donations made on Schedule IN-DONATE. Make sure to enclose Schedule IN-DONATE, which is located at the bottom of Schedule 5: Credits, when filing. See page 39 for more information.

Line 19 – Amount to be Applied as a 2016 Estimated Tax Installment Payment

You should pay estimated tax if you expect to have income during the 2016 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/5333.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, 2016, 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 2016 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 2016 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 2016 tax year are due by April 18, 2016, June 15, 2016, Sept. 15, 2016 and Jan. 17, 2017. 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 18, 2015, will be considered to be a 2016 first installment payment; June 3, 2015, will be considered to be a 2016 second installment payment; and July 22, 2016, will be considered to be a 2016 third installment payment.

Note. If you are filing this return after Jan. 17, 2017, 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.

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 2014 IT-40 or IT-40PNR. 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 the next page.

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 Schedule 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 15, 2015 first installment due date.

Example. Rachael received a sizeable lump sum distribution in Dec. of 2015. She figured how much estimated tax was due, and paid it by the Jan. 15, 2016, 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.
Special options are available if more than two-thirds of your gross income for 2014 and/or 2015 was from farming or fishing.

Option 1. Pay your estimated tax in one payment on or before Jan. 15, 2016, and file your tax return by April 18, 2016; or

Option 2. Make no estimated tax payment and file your tax return and pay all the tax due by March 1, 2016.

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/5333.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.

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 about Stu under the Line 19 instructions on page 9.

A Note About Refund Offsets

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.

When to Expect Your Refund

Generally, 10 to 14 days is the average wait for a refund if the tax return is electronically filed; it can take up to 10 to 12 weeks for the refund to be issued if you mail in your tax return.

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:

- Go to www.in.gov/dor/4339.htm and click *Check the Status of Your Refund.*
- Call (317) 233-4018 for automated refund information.
- 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.

Important. If we are unable to deposit your refund to the listed account (incorrect/incomplete account numbers; account closed; refund to go to an account outside the United States; etc.), the department will mail a paper check to the address on the front of the tax form.

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

Statute of Limitations for Refund Claims

There is a **statute of limitations** when filing for a refund. In general, a claim for refund must be made by April 18, 2019 (Nov. 19, 2019 if the original return was filed under extension). The claim is considered to be made on the day your tax return is postmarked. If you file your 2015 tax return after the statute of limitations has expired, no refund will be issued.

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.

Caution. If you choose this option, make sure to verify the account information after you've entered it. This will help ensure your refund is deposited into your desired account.

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.

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.

Check the appropriate box for the type of account you are making your deposit to: either a checking account or savings account.

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.

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 11.

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:

Subtract line 14 from line 15 and enter the total here..... A _____

Enter any amount from line 20..... B _____

Add lines A + B. Enter total here and on line 23..... C _____

Line 24 – Penalty

You may owe a penalty if your tax return is filed after the April 18, 2015, 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 18, 2016.

Line 25 – Interest

You will owe interest (even if you have a valid extension of time to file) if your tax return is filed after the April 18, 2016 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

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 www.intaxpay.in.gov and select the *Individual Eligibility* tab.

Important. If using the payment plan option, penalty and interest will be due on all amounts paid after the April 18, 2016 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.

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 within 10 days after the notice was mailed, the penalty is increased to 30 percent multiplied by the value of the check, credit card, debit card, or electronic funds transfer, or 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

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.

Taxpayer Advocate

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, Indianapolis, IN 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.

Important Information About Possible Year-End Federal Legislation

This publication was finalized before all year-end federal legislative changes were complete. Therefore, some of these add-backs may need to be adjusted. You may wish to periodically check the department's homepage at www.in.gov/dor for updates about any impact of late federal legislation.

Treatment of Previously Discontinued Add-Back.

Several discontinued add-backs were created as a result of timing differences between federal and Indiana allowable expenses. See *Certain Discontinued Add-Backs: How and When to Report a Difference* on page 15 for information about these add-backs.

Line 1 – Tax Add-Back

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

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 2015 federal Form 1040, then leave this line blank.

Line 3 – Lump Sum Distribution

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.

Line 5 – Bonus Depreciation Add-Back

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) that 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.

Line 7 – Other Add-Backs

Each of the following add-backs has been assigned a 3-digit code number. When reporting the add-back, write its name, the associated 3-digit number and the amount.

Certain Trade or Business Deductions Based on Employment of Unauthorized Alien 132

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.

Deferral of Business Indebtedness Discharge and Reacquisition Add-Back 107

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

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:

- federal Form 1099-C (or its equivalent), Box 2, and/or
- 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.

*Important. This publication was finalized before all year-end federal legislative changes were complete. While the exclusion for the discharge of debt of a principal residence was scheduled to end (sunset), it may have been extended for federal income tax purposes. If this exclusion was not extended for 2015 federal income tax purposes, then do not add this amount back. You may wish to periodically check the department's homepage at www.in.gov/dor/ for updates about any impact of late federal legislation.

OOS Municipal Obligation Interest Add-Back 137

Interest earned from a direct obligation of a state or political subdivision other than Indiana (out of state, or OOS) is taxable by Indiana if the obligation is acquired after Dec. 31, 2011. Interest earned from obligations held or acquired before Jan. 1, 2012, is not subject to Indiana income tax and should not be reported as an add back.

Note. Interest earned from obligations of Puerto Rico, Guam, Virgin Islands, American Samoa, or Northern Mariana is not included in federal gross income and is exempt under federal law. There is no add-back for interest earned on these obligations.

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

Enter code 137 on Schedule 1 under line 7 if reporting this add-back.

Other (Current Year Conformity) Add-Back 120

Before this publication was finalized Indiana had not conformed to any changes to the Internal Revenue Code (IRC) that may have become law after Jan. 1, 2015. 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 2015 that acts to modify 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 disaster assistance property was first added-back on the 2009 Schedule 1, line 12. The adjustment going forward should be reported on the 2015 Schedule 1, line 7, using the 3-digit code 110.

If the state legislature does not conform to federal code changes enacted after January 1, 2015, 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 Disaster Assistance Property Add-Back 110

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 Film or Television Production Add-Back 112

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 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.).

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

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.

Certain Discontinued Add-Backs: How and When to Report a Final Catch-Up Modification.

Required add-backs for the following modifications have been eliminated, effective Jan. 1, 2013:

- Motorsports Entertainment Complex, Code 130
- Qualified Advance Mining Safety Equipment, Code 126
- Qualified Electric Utility Amortization, Code 135
- Qualified Environmental Remediation Costs, Code 121
- Qualified Leasehold Improvement Property, Code 129
- Qualified Restaurant Improvement Property, Code 108
- Qualified Retail Improvement Property, Code 109
- Start-Up Expenditures, Code 131

If you previously reported any of these add-backs, see the following example for guidance as to how to figure and report a final catch-up modification.

Example. Grant has qualified restaurant equipment. For federal tax purposes he used the accelerated 15-year recovery period for an asset placed in service since 2009. Since 2009 Grant had been adding back the depreciation expense taken for federal purposes that exceeded the amount allowable for Indiana purposes. The accumulated depreciation on such an asset through 2012 was, therefore, different for federal and state purposes. This difference will remain until the asset is fully depreciated or until the time of its disposition.

A simple illustration:

Asset – acquired January, 2009 – qualified restaurant property – purchase price $120,000. This normally would have had a 39-year recovery period; IRC Sec. 168 allows for a 15-year recovery period.

Asset acquired Jan. 2009 $120,000 purchase price	Federal Depreciation	Add-Back	Indiana Depreciation
Year 1 (2009)	8,000	4,924	3,076
Year 2 (2010)	8,000	4,924	3,076
Year 3 (2011)	8,000	4,924	3,076
Year 4 (2012)	8,000	4,924	3,076
Year 5 (2013) Accumulated Depreciation	8,000 40,000	0	8,000 20,304
Year 6 – 15 Accumulated Depreciation	80,000 120,000	0	80,000 100,304
Year 16 – 38 Accumulated Depreciation	0	0	0
Year 39 (or year of disposition) Add-back	0	-19,696	19,696

Tax year 2012 is the last year Grant reported an add-back until the end of the recovery period. Had this asset been sold before being fully depreciated, the catch-up modification would be reflected in the year of the sale. If this property is held through 2048 (the 39th year of depreciation), Grant will report a negative $19,696 catch-up add-back on his 2048 state tax return.

Enter the associated 3-digit code on Schedule 1 under line 7 if reporting a final catch-up modification.

Schedule 2: Deductions

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**
- You rented a place that 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

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 2015 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. Jamie and Ella each owned their own home; they married in 2015. 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 2015 spring and fall installments, if you paid both of them. If you received just one installment statement this year for your 2015 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.

Line 4 – Interest on U.S. Government Obligations Deduction

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

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 22 if you have received unemployment and/or sickness benefits from the Railroad Retirement Board.

Line 7 – Military Service Deduction

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, 2015,
- You received military retirement or survivor's benefits in 2015, 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 the tax year, see the *National Guard and Reserve Component Members Deduction* on page 21.

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.

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

You may be able to take this deduction if you installed new insulation in your Indiana home during the tax year. 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, 2012,
- 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.

Line 10 – Nontaxable Portion of Unemployment Compensation

You may be eligible for a deduction if you reported unemployment compensation on your federal income tax return. Complete the worksheet below 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 1 of the worksheet. Instead, see the instructions for the *Railroad Unemployment and Sickness Benefits Deduction* on page 22 for more information.

Line 11 – Other Deductions

Each of the following deductions has been assigned a 3-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.

Unemployment Compensation Worksheet

Note: If you were married but filing separately, and you lived with your spouse at any time during 2015, 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 (do not include any unemployment compensation issued by the Railroad Retirement Board - see insturctions)	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 1. Carry this amount to Schedule 2, line 10	7		

Civil Service Annuity Deduction 601

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 the end of the tax year, or are a surviving spouse of a civil service annuitant.

To figure your deduction, begin with the amount of annuity payments received or $8,000, whichever is less. Subtract from that amount any Social Security benefits and Railroad Retirement benefits (issued by the Railroad Retirement Board) you received.

Example. Your civil service annuity is $6,000. You received $1,200 in Social Security benefits. Here is how to figure your deduction:

Lesser of the amount of the annuity ($6,000) or $8,000.....	$6,000
Social Security benefits .....-	$1,200
Allowable deduction	$4,800

If you and your spouse both received civil service annuities, you may each take this deduction for a maximum of $16,000 (no more than $8,000 per qualifying person), provided you both meet the age requirement.

Surviving Spouse

Beginning with the 2015 tax year, a surviving spouse is eligible to claim this deduction. There is no age requirement for the surviving spouse. To figure the surviving spouse's deduction, begin with the amount of annuity payments received or $8,000, whichever is less. Subtract from that amount any Social Security benefits and Railroad Retirement benefits (issued by the Railroad Retirement Board) the surviving spouse received.

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

To take this deduction you must have been:

- Permanently and totally disabled at the time of retirement,
- Retired on disability before the end of the tax year, and
- Received disability retirement income during the tax year.

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/5333.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

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

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

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, Mega Millions, 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 by the Indiana Hoosier Lottery Commission before July 1, 2002, are exempt from Indiana tax.

The maximum allowable deduction is $1,200 per qualifying W-2G*. Complete the worksheet below to see if you are both eligible for a deduction and, if so, how to figure it.

* The $1,200 amount is a one-time deduction per each Hoosier Lottery win, and is available only for the first year you receive a payment from an annuitized lottery payout. Do not claim the deduction when reporting the annuity payments in subsequent years.

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 (from both Indiana and out-of-state casinos), 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.

Indiana Net Operating Loss Deduction 607

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 2015.) Write the amount you deduct as a positive figure.

Note. It is possible to have an Indiana NOL without also having a federal NOL. See Schedule IT-40NOL, which can be found at www.in.gov/dor/5333.htm, for more information.

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

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.

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 state withholding in Box 15. Add the amounts from Box 1 of each of those W-2Gs; enter total here ..... B $ _____

C. Exemption ..... C $ 1,200

D. How many W-2Gs* did you locate in line B above (e.g. 1, 2, etc.)? .
*Exception. Include the W-2G from an annuity payment **ONLY** in the first year in which you receive it. ..... 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 $ _____

Example. Sam paid $4,500 in Indiana partnership long-term care premiums and deducted $1,400 of that amount as an expense on his federal Schedule C (Profit or Loss from Business). He is eligible to deduct the $3,100 difference ($4,500 - $1,400) 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

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. If you received a reward for providing information to a law enforcement official or agency; if the information assisted in the arrest, indictment or the filing of charges against a person; and, if you are not compensated for investigating crimes, the person convicted of the crime or the victim of the crime; then you can deduct the lesser of the amount received or $1,000.

Enter code 611 under line 11 if claiming this deduction.

Medical Savings Account Deduction 612

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 17)

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; or
- 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 during the period you were deployed and 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 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 17) based on the same income. See the following example.

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

- From January through Oct. 15, Brandon earned $6,000 from the guard.
- His unit was federalized on Oct. 16. He earned $7,000 from that point through Dec. 1.
- His unit was assigned to a combat zone on Dec. 2, 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 Oct. 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.

Olympic/Paralympic Medal Winners Deduction 627

You are eligible for a deduction if you won a gold, silver and/or bronze medal from participating in the Olympic/Paralympic games. The

deduction equals the value of the medal(s) won plus the amount of income received during the taxable year from the United States Olympic Committee as prize money for winning the Olympic medal(s).

Enter code 627 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.

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 proceeding 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 the year your deduction is:

- $1,000; multiplied by
- 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 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 626 and the amount of the deduction.
- If the school has no designated name, enter "private school/homeschool" in the "Enter deduction name" box, followed by code 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

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/5333.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 Deduction 624

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

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

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

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

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

Important: 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, 2015, or be a full-time student who is under the age of 24 by Dec. 31, 2015.

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/ITIN/ATIN. 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/5333.htm). Indiana also honors the federal extension of time to file, Form 4868.

Exception. If your qualified dependent child was born and died in 2015 and you do not have an SSN for the child, enter the word "Died" in the third (largest) Social Security Number box associated with your child's name. You must keep a copy of the child's birth certificate, death certificate and/or hospital records with your records as the department may request this information at a later date. The documents must show the child was born alive.

Example. [ ] [ ] [Died]

Line 3 – Age 65 or Older or Blind

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

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

Line 1 – Use Tax on Internet, Mail Order and/or 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.

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 below 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

If you paid cash wages during 2015 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.

Sales/Use Tax Worksheet
List all purchases made during 2015 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	

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 $1,900 to a household worker who is your employee, or total cash wages of $1,000 or more in any calendar quarter of 2014 or 2015 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/5333.htm.

Line 3 – Recapture of Indiana's CollegeChoice 529 Education Savings Plan Credit

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 "nonqualified". 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/5333.htm to figure any amount to be recaptured.

Schedule 5: Credits

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 Forms 1099G and/or 1099R, Schedule IN K-1, etc.

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 – 2015 Estimated Tax Paid

If you made estimated tax payments, enter the total paid for 2015 on this line. Also, include any extension payment made with Form IT-9 *Extension of Time to File* for tax year 2015.

Note. Do not include on this line any estimated tax paid for tax year 2016.

Line 4 - Unified Tax Credit for the Elderly

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, 2015.
- 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 at least six months during 2015.
- You must not have been in prison for 180 days or more in 2015.

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

Important:

- If your spouse died after Jan. 1, 2015, 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/5333.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*.

The Deadline for Claiming This Credit Is June 30, 2016

The only exception to this rule is if you have a valid extension of time to file, Form 4868 or Form IT-9. Having a valid extension will allow you to claim this credit through Nov. 14, 2016. 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.

Note. You cannot file Form SC-40 if filing after June 30, 2016, even if you have an extension of time to file. You must file Form IT-40 to be eligible to claim this credit.

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 2015, both were Indiana residents for at least six months and both were age 65 or older by Dec. 31, 2015, **or**
- Both you and your spouse met all the above-requirements and your spouse died after Jan. 1, 2015.

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, or
- 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 2015, 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)

If you are eligible for an earned income credit on your federal tax return, you may be eligible for Indiana's earned income credit, too. 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 $44,450. 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.

Indiana's Publication EIC is available for additional information. It may be viewed online at www.in.gov/dor/5333.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 figure 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 2015 federal tax return (on federal Form 1040, line 66a; Form 1040A, line 42a; or on Form 1040EZ, line 8a)?

Yes. *Continue.*
No. STOP. You cannot take the credit.

2. If, in 2015:
   - 2 or more children lived with you, is the amount on Form IT-40, line 1 (Indiana's Schedule A, line 37A), less than $44,450?
   - 1 child lived with you, is the amount on Form IT-40, line 1 (Indiana's Schedule A, line 37A), less than $39,100?
   - No children lived with you, is the amount on Form IT-40, line 1 (Indiana's Schedule A, line 37A), less than $14,750?

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 $3,400?

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 (located online at www.in.gov/dor/5333.htm) to see if you can take the EIC. Otherwise, **STOP**; you cannot take the EIC.

4. Do any of the following apply for 2015?
   - 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. You may find Publication EIC at www.in.gov/dor/5333.htm.

No. Go to Step 3.

Step 3 Qualifying Child

Did a child live with you in 2015?
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 30)

AND, was…

- Under age 19 at the end of 2015 and younger than you (or your spouse, if filing jointly), or
- Under age 24 at the end of 2015, a student (see page 32), and younger than you (or your spouse, if filing jointly), or
- Any age and permanently and totally disabled (see page 32),

AND, who…

Is not filing a joint return for 2015, or is filing a joint return for 2015 only as a claim for refund,

AND, who…

Lived with you in the United States for more than half of 2015 or, if a foster child, for all of 2015. If the child did not live with you for the required time, see *Exception to "time lived with you"* on page 28.

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 2015, or the child was married, see page 29.

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 2015*. If at least one qualifying child has a valid SSN (or was born and died in 2015), go to Step 5.

No. *Continue to Step 4.*

****Exception.*** If your qualified dependent child was born and died in 2015 and you do not have an SSN for the child, you may be able to claim the child for earned income credit purposes (see page 28).

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 66a; Form 1040A, line 42a; 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)

Add amounts from:

1. 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** | |

   - ***Note.** If you completed **Worksheet 3** in Publication EIC, enter in Box A the amount from **Worksheet 3**, line 17.

2. If you have:
   - 2 or more qualifying children, is Box A less than $44,450?
   - 1 qualifying child, is Box A less than $39,100?
   - No qualifying children, is Box A less than $14,750?

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 page 28.
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.
- Amount of the qualified foster care payments included in Box 1 of Form W-2 that you have elected to exclude from your federal adjusted gross income - _____

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** | |

3. Were you self-employed at any time in 2015, 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 31.
No. *Continue.*

4. If you have:

- 2 or more qualifying children, is your total earned income (Box B) less than $44,450?
- 1 qualifying child, is your total earned income (Box B) less than $39,100?
- No qualifying children, is your total earned income (Box B) less than $14,750?

Yes. Go to Step 7.
No. STOP. You cannot take the credit.

Step 7 How to Figure the Credit

Go to **Worksheet A** on page 30.

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;

- 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.
- Subtract that amount from the amount on federal Form 1040, line 7. Enter the result in the first space of Step 6, line 2.
- 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 2015 if the child was born or died in 2015 and your home was this child's home for the entire time he or she was alive in 2015. 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 (www.in.gov/dor/5333.htm) 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 29.

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 (www.in.gov/dor/5333.htm) 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, stepbrother, 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-grandchild, etc.

Married child. A child who was married at the end of 2015 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.

***Indiana's Publication EIC**, available online at www.in.gov/dor/5333.htm, has additional information, including rules if you have a qualifying child, an investment income calculation worksheet, additional definitions, tiebreaker rules, etc.

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 2015, 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 2015 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. 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 2015. 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 2015 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.

Social Security Number. Your child must have a valid Social Security number (SSN) unless the child was born and died in 2015. If your dependent child was born and died in 2015 and you do not have an SSN for the child, you will be able to claim the child for purposes of claiming Indiana's earned income credit as long as all the other requirements have been met. For more information, see the instructions on Schedule IN-EIC.

Student. A student is a child who, during any 5 months of 2015, 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 on page 31.

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* (beginning on page 33) 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 $8,350?
   - 1 or more qualifying children, is the amount on line 3 less than $18,150?

   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. 8 _____
9. Enter the earned income credit claimed on your federal income tax return (Form 1040, line 66a; Form 1040A, line 42a; or Form 1040EZ, line 8a) 9 _____
10. Multiply line 9 by .09 (9%). Enter result here. 10 _____
11. Look at the amount on line 8 and on line 10. Then, enter the **smaller** amount here and on Schedule IN-EIC, line A-3. **Indiana Earned Income Credit** 11 _____

Final Step – You <u>must</u> 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

3. 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 $44,450?
   - 1 qualifying child, is line 4b less than $39,100?
   - No qualifying children, is line 4b less than $14,750?

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* (beginning on page 33) 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 $8,350?
    - 1 or more qualifying children, is the amount on line 8 less than $18,150?

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* (beginning on page 35) 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. 13 _____
14. Enter the earned income credit claimed on your federal income tax return (Form 1040, line 66a; Form 1040A, line 42a; or Form 1040EZ, line 8a) 14 _____
15. Multiply line 14 by .09 (9%). Enter result here. 15 _____
16. Look at the amount on line 13 and on line 15. Then, enter the smaller amount here and on Schedule IN-EIC, line A-3. **Indiana Earned Income Credit** 16 _____

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

2015 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 —		
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	12	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	**1000**	7	30	35
1000	**1050**	7	31	37
1050	**1100**	7	33	39
1100	**1150**	8	34	41
1150	**1200**	8	36	42
1200	**1250**	8	38	44
1250	**1300**	9	39	46
1300	**1350**	9	41	48
1350	**1400**	9	42	50
1400	**1450**	10	44	51
1450	**1500**	10	45	53
1500	**1550**	11	47	55
1550	**1600**	11	48	57
1600	**1650**	11	50	59
1650	**1700**	12	51	60
1700	**1750**	12	53	62
1750	**1800**	12	54	64
1800	**1850**	13	56	66
1850	**1900**	13	57	68
1900	**1950**	13	59	69
1950	**2000**	14	60	71

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 —		
2000	**2050**	14	62	73
2050	**2100**	14	64	75
2100	**2150**	15	65	77
2150	**2200**	15	67	78
2200	**2250**	15	68	80
2250	**2300**	16	70	82
2300	**2350**	16	71	84
2350	**2400**	16	73	86
2400	**2450**	17	74	87
2450	**2500**	17	76	89
2500	**2550**	17	77	91
2550	**2600**	18	79	93
2600	**2650**	18	80	95
2650	**2700**	18	82	96
2700	**2750**	19	83	98
2750	**2800**	19	85	100
2800	**2850**	19	86	102
2850	**2900**	20	88	104
2900	**2950**	20	90	105
2950	**3000**	21	91	107
3000	**3050**	21	93	109
3050	**3100**	21	94	111
3100	**3150**	22	96	113
3150	**3200**	22	97	114
3200	**3250**	22	99	116
3250	**3300**	23	100	118
3300	**3350**	23	102	120
3350	**3400**	23	103	122
3400	**3450**	24	105	123
3450	**3500**	24	106	125
3500	**3550**	24	108	127
3550	**3600**	25	109	129
3600	**3650**	25	111	131
3650	**3700**	25	113	132
3700	**3750**	26	114	134
3750	**3800**	26	116	136
3800	**3850**	26	117	138
3850	**3900**	27	119	140
3900	**3950**	27	120	141
3950	**4000**	27	122	143

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 —		
4000	**4050**	28	123	145
4050	**4100**	28	125	147
4100	**4150**	28	126	149
4150	**4200**	29	128	150
4200	**4250**	29	129	152
4250	**4300**	29	131	154
4300	**4350**	30	132	156
4350	**4400**	30	134	158
4400	**4450**	31	135	159
4450	**4500**	31	137	161
4500	**4550**	31	139	163
4550	**4600**	32	140	165
4600	**4650**	32	142	167
4650	**4700**	32	143	168
4700	**4750**	32	145	170
4750	**4800**	33	146	172
4800	**4850**	33	148	174
4850	**4900**	34	149	176
4900	**4950**	34	151	177
4950	**5000**	34	152	179
5000	**5050**	35	154	181
5050	**5100**	35	155	183
5100	**5150**	35	157	185
5150	**5200**	36	158	186
5200	**5250**	36	160	188
5250	**5300**	36	161	190
5300	**5350**	37	163	192
5350	**5400**	37	165	194
5400	**5450**	37	166	195
5450	**5500**	38	168	197
5500	**5550**	38	169	199
5550	**5600**	38	171	201
5600	**5650**	39	172	203
5650	**5700**	39	174	204
5700	**5750**	39	175	206
5750	**5800**	40	177	208
5800	**5850**	40	178	210
5850	**5900**	40	180	212
5900	**5950**	41	181	213
5950	**6000**	41	183	215

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 —		
6000	**6050**	41	184	217
6050	**6100**	42	186	219
6100	**6150**	42	187	221
6150	**6200**	42	189	222
6200	**6250**	43	191	224
6250	**6300**	43	192	226
6300	**6350**	44	194	228
6350	**6400**	44	195	230
6400	**6450**	44	197	231
6450	**6500**	45	198	233
6500	**6550**	45	200	235
6550	**6600**	45	201	237
6600	**6650**	45	203	239
6650	**6700**	45	204	240
6700	**6750**	45	206	242
6750	**6800**	45	207	244
6800	**6850**	45	209	246
6850	**6900**	45	210	248
6900	**6950**	45	212	249
6950	**7000**	45	213	251
7000	**7050**	45	215	253
7050	**7100**	45	217	255
7100	**7150**	45	218	257
7150	**7200**	45	220	258
7200	**7250**	45	221	260
7250	**7300**	45	223	262
7300	**7350**	45	224	264
7350	**7400**	45	226	266
7400	**7450**	45	227	267
7450	**7500**	45	229	269
7500	**7550**	45	230	271
7550	**7600**	45	232	273
7600	**7650**	45	233	275
7650	**7700**	45	235	276
7700	**7750**	45	236	278
7750	**7800**	45	238	280
7800	**7850**	45	239	282
7850	**7900**	45	241	284
7900	**7950**	45	243	285
7950	**8000**	45	244	287

2015 Indiana Earned Income Credit (EIC) Table — *Continued*

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 —		
8000	8050	45	246	289
8050	8100	45	247	291
8100	8150	45	249	293
8150	8200	45	250	294
8200	8250	45	252	296
8250	8300	45	253	298
8300	8350	45	255	300
8350	8400	44	256	302
8400	8450	44	258	303
8450	8500	44	259	305
8500	8550	43	261	307
8550	8600	43	262	309
8600	8650	43	264	311
8650	8700	42	266	312
8700	8750	42	267	314
8750	8800	42	269	316
8800	8850	41	270	318
8850	8900	41	272	320
8900	8950	41	273	321
8950	9000	40	275	323
9000	9050	40	276	325
9050	9100	40	278	327
9100	9150	39	279	329
9150	9200	39	281	330
9200	9250	39	282	332
9250	9300	38	284	334
9300	9350	38	285	336
9350	9400	38	287	338
9400	9450	37	288	339
9450	9500	37	290	341
9500	9550	36	292	343
9550	9600	36	293	345
9600	9650	36	295	347
9650	9700	35	296	348
9700	9750	35	298	350
9750	9800	35	299	352
9800	9850	34	301	354
9850	9900	34	302	356
9900	9950	34	302	357
9950	10000	33	302	359
10000	10050	33	302	361
10050	10100	33	302	363
10100	10150	32	302	365
10150	10200	32	302	366
10200	10250	32	302	368
10250	10300	31	302	370
10300	10350	31	302	372
10350	10400	31	302	374
10400	10450	30	302	375
10450	10500	30	302	377
10500	10550	30	302	379
10550	10600	29	302	381
10600	10650	29	302	383
10650	10700	29	302	384
10700	10750	28	302	386
10750	10800	28	302	388
10800	10850	28	302	390
10850	10900	27	302	392
10900	10950	27	302	393
10950	11000	26	302	395
11000	11050	26	302	397
11050	11100	26	302	399
11100	11150	25	302	401
11150	11200	25	302	402
11200	11250	25	302	404
11250	11300	24	302	406
11300	11350	24	302	408
11350	11400	24	302	410
11400	11450	23	302	411
11450	11500	23	302	413
11500	11550	23	302	415
11550	11600	22	302	417
11600	11650	22	302	419
11650	11700	22	302	420
11700	11750	21	302	422
11750	11800	21	302	424
11800	11850	21	302	426
11850	11900	20	302	428
11900	11950	20	302	429
11950	12000	20	302	431
12000	12050	19	302	433
12050	12100	19	302	435
12100	12150	19	302	437
12150	12200	18	302	438
12200	12250	18	302	440
12250	12300	18	302	442
12300	12350	17	302	444
12350	12400	17	302	446
12400	12450	16	302	447
12450	12500	16	302	449
12500	12550	16	302	451
12550	12600	15	302	453
12600	12650	15	302	455
12650	12700	15	302	456
12700	12750	14	302	458
12750	12800	14	302	460
12800	12850	14	302	462
12850	12900	13	302	464
12900	12950	13	302	465
12950	13000	13	302	467
13000	13050	12	302	469
13050	13100	12	302	471
13100	13150	12	302	473
13150	13200	11	302	474
13200	13250	11	302	476
13250	13300	11	302	478
13300	13350	10	302	480
13350	13400	10	302	482
13400	13450	10	302	483
13450	13500	9	302	485
13500	13550	9	302	487
13550	13600	9	302	489
13600	13650	8	302	491
13650	13700	8	302	492
13700	13750	8	302	494
13750	13800	7	302	496
13800	13850	7	302	498
13850	13900	6	302	499
13900	13950	6	302	499
13950	14000	6	302	499
14000	14050	5	302	499
14050	14100	5	302	499
14100	14150	5	302	499
14150	14200	4	302	499
14200	14250	4	302	499
14250	14300	4	302	499
14300	14350	3	302	499
14350	14400	3	302	499
14400	14450	3	302	499
14450	14500	2	302	499
14500	14550	2	302	499
14550	14600	2	302	499
14600	14650	1	302	499
14650	14700	1	302	499
14700	14750	1	302	499
14750	14800	0	302	499
14800	14850		302	499
14850	14900		302	499
14900	14950		302	499
14950	15000		302	499
15000	15050		302	499
15050	15100		302	499
15100	15150		302	499
15150	15200		302	499
15200	15250		302	499
15250	15300		302	499
15300	15350		302	499
15350	15400		302	499
15400	15450		302	499
15450	15500		302	499
15500	15550		302	499
15550	15600		302	499
15600	15650		302	499
15650	15700		302	499
15700	15750		302	499
15750	15800		302	499
15800	15850		302	499
15850	15900		302	499
15900	15950		302	499
15950	16000		302	499
16000	16050		302	499
16050	16100		302	499
16100	16150		302	499
16150	16200		302	499
16200	16250		302	499
16250	16300		302	499
16300	16350		302	499
16350	16400		302	499
16400	16450		302	499
16450	16500		302	499
16500	16550		302	499
16550	16600		302	499
16600	16650		302	499
16650	16700		302	499
16700	16750		302	499
16750	16800		302	499
16800	16850		302	499
16850	16900		302	499
16900	16950		302	499
16950	17000		302	499
17000	17050		302	499
17050	17100		302	499
17100	17150		302	499
17150	17200		302	499
17200	17250		302	499
17250	17300		302	499
17300	17350		302	499
17350	17400		302	499
17400	17450		302	499
17450	17500		302	499
17500	17550		302	499
17550	17600		302	499

2015 Indiana Earned Income Credit (EIC) Table — *Continued*

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 —		
17600	17650	302		499
17650	17700	302		499
17700	17750	302		499
17750	17800	302		499
17800	17850	302		499
17850	17900	302		499
17900	17950	302		499
17950	18000	302		499
18000	18050	302		499
18050	18100	302		499
18100	18150	302		499
18150	18200	301		498
18200	18250	301		497
18250	18300	300		496
18300	18350	299		495
18350	18400	299		494
18400	18450	298		493
18450	18500	297		492
18500	18550	296		491
18550	18600	296		491
18600	18650	295		490
18650	18700	294		489
18700	18750	293		488
18750	18800	293		487
18800	18850	292		486
18850	18900	291		485
18900	18950	291		484
18950	19000	290		483
19000	19050	289		482
19050	19100	288		481
19100	19150	288		480
19150	19200	287		479
19200	19250	286		478
19250	19300	286		477
19300	19350	285		476
19350	19400	284		475
19400	19450	283		474
19450	19500	283		473
19500	19550	282		473
19550	19600	281		472
19600	19650	281		471
19650	19700	280		470
19700	19750	279		469
19750	19800	278		468
19800	19850	278		467
19850	19900	277		466
19900	19950	276		465
19950	20000	275		464
20000	20050	275		463
20050	20100	274		462
20100	20150	273		461
20150	20200	273		460
20200	20250	272		459
20250	20300	271		458
20300	20350	270		457
20350	20400	270		456
20400	20450	269		455
20450	20500	268		455
20500	20550	268		454
20550	20600	267		453
20600	20650	266		452
20650	20700	265		451
20700	20750	265		450
20750	20800	264		449
20800	20850	263		448
20850	20900	263		447
20900	20950	262		446
20950	21000	261		445
21000	21050	260		444
21050	21100	260		443
21100	21150	259		442
21150	21200	258		441
21200	21250	257		440
21250	21300	257		439
21300	21350	256		438
21350	21400	255		437
21400	21450	255		437
21450	21500	254		436
21500	21550	253		435
21550	21600	252		434
21600	21650	252		433
21650	21700	251		432
21700	21750	250		431
21750	21800	250		430
21800	21850	249		429
21850	21900	248		428
21900	21950	248		427
21950	22000	247		426
22000	22050	246		425
22050	22100	245		424
22100	22150	245		423
22150	22200	244		422
22200	22250	243		421
22250	22300	242		420
22300	22350	242		419
22350	22400	241		419
22400	22450	240		418
22450	22500	240		417
22500	22550	239		416
22550	22600	238		415
22600	22650	237		414
22650	22700	237		413
22700	22750	236		412
22750	22800	235		411
22800	22850	235		410
22850	22900	234		409
22900	22950	233		408
22950	23000	232		407
23000	23050	232		406
23050	23100	231		405
23100	23150	230		404
23150	23200	230		403
23200	23250	229		402
23250	23300	228		401
23300	23350	227		401
23350	23400	227		400
23400	23450	226		399
23450	23500	225		398
23500	23550	224		397
23550	23600	224		396
23600	23650	223		395
23650	23700	222		394
23700	23750	222		393
23750	23800	221		392
23800	23850	220		391
23850	23900	219		390
23900	23950	219		389
23950	24000	218		388
24000	24050	217		387
24050	24100	217		386
24100	24150	216		385
24150	24200	215		384
24200	24250	214		383
24250	24300	214		383
24300	24350	213		382
24350	24400	212		381
24400	24450	212		380
24450	24500	211		379
24500	24550	210		378
24550	24600	209		377
24600	24650	209		376
24650	24700	208		375
24700	24750	207		374
24750	24800	206		373
24800	24850	206		372
24850	24900	205		371
24900	24950	204		370
24950	25000	204		369
25000	25050	203		368
25050	25100	202		367
25100	25150	201		366
25150	25200	201		365
25200	25250	200		365
25250	25300	199		364
25300	25350	199		363
25350	25400	198		362
25400	25450	197		361
25450	25500	196		360
25500	25550	196		359
25550	25600	195		358
25600	25650	194		357
25650	25700	194		356
25700	25750	193		355
25750	25800	192		354
25800	25850	191		353
25850	25900	191		352
25900	25950	190		351
25950	26000	189		350
26000	26050	188		349
26050	26100	188		348
26100	26150	187		347
26150	26200	186		347
26200	26250	186		346
26250	26300	185		345
26300	26350	184		344
26350	26400	183		343
26400	26450	183		342
26450	26500	182		341
26500	26550	181		340
26550	26600	181		339
26600	26650	180		338
26650	26700	179		337
26700	26750	178		336
26750	26800	178		335
26800	26850	177		334
26850	26900	176		333
26900	26950	176		332
26950	27000	175		331
27000	27050	174		330
27050	27100	173		329
27100	27150	173		328
27150	27200	172		328

2015 Indiana Earned Income Credit (EIC) Table — *Continued*

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 —		
27200	27250	171		327
27250	27300	171		326
27300	27350	170		325
27350	27400	169		324
27400	27450	168		323
27450	27500	168		322
27500	27550	167		321
27550	27600	166		320
27600	27650	166		319
27650	27700	165		318
27700	27750	164		317
27750	27800	163		316
27800	27850	163		315
27850	27900	162		314
27900	27950	161		313
27950	28000	160		312
28000	28050	160		311
28050	28100	159		310
28100	28150	158		310
28150	28200	158		309
28200	28250	157		308
28250	28300	156		307
28300	28350	155		306
28350	28400	155		305
28400	28450	154		304
28450	28500	153		303
28500	28550	153		302
28550	28600	152		301
28600	28650	151		300
28650	28700	150		299
28700	28750	150		298
28750	28800	149		297
28800	28850	148		296
28850	28900	148		295
28900	28950	147		294
28950	29000	146		293
29000	29050	145		292
29050	29100	145		292
29100	29150	144		291
29150	29200	143		290
29200	29250	142		289
29250	29300	142		288
29300	29350	141		287
29350	29400	140		286
29400	29450	140		285
29450	29500	139		284
29500	29550	138		283
29550	29600	137		282
29600	29650	137		281
29650	29700	136		280
29700	29750	135		279
29750	29800	135		278
29800	29850	134		277
29850	29900	133		276
29900	29950	132		275
29950	30000	132		274
30000	30050	131		274
30050	30100	130		273
30100	30150	130		272
30150	30200	129		271
30200	30250	128		270
30250	30300	127		269
30300	30350	127		268
30350	30400	126		267
30400	30450	125		266
30450	30500	124		265
30500	30550	124		264
30550	30600	123		263
30600	30650	122		262
30650	30700	122		261
30700	30750	121		260
30750	30800	120		259
30800	30850	119		258
30850	30900	119		257
30900	30950	118		256
30950	31000	117		256
31000	31050	117		255
31050	31100	116		254
31100	31150	115		253
31150	31200	114		252
31200	31250	114		251
31250	31300	113		250
31300	31350	112		249
31350	31400	112		248
31400	31450	111		247
31450	31500	110		246
31500	31550	109		245
31550	31600	109		244
31600	31650	108		243
31650	31700	107		242
31700	31750	107		241
31750	31800	106		240
31800	31850	105		239
31850	31900	104		238
31900	31950	104		238
31950	32000	103		237
32000	32050	102		236
32050	32100	102		235
32100	32150	101		234
32150	32200	100		233
32200	32250	99		232
32250	32300	99		231
32300	32350	98		230
32350	32400	97		229
32400	32450	96		228
32450	32500	96		227
32500	32550	95		226
32550	32600	94		225
32600	32650	94		224
32650	32700	93		223
32700	32750	92		222
32750	32800	91		221
32800	32850	91		220
32850	32900	90		219
32900	32950	89		219
32950	33000	89		218
33000	33050	88		217
33050	33100	87		216
33100	33150	86		215
33150	33200	86		214
33200	33250	85		213
33250	33300	84		212
33300	33350	84		211
33350	33400	83		210
33400	33450	82		209
33450	33500	81		208
33500	33550	81		207
33550	33600	80		206
33600	33650	79		205
33650	33700	78		204
33700	33750	78		203
33750	33800	77		202
33800	33850	76		201
33850	33900	76		201
33900	33950	75		200
33950	34000	74		199
34000	34050	73		198
34050	34100	73		197
34100	34150	72		196
34150	34200	71		195
34200	34250	71		194
34250	34300	70		193
34300	34350	69		192
34350	34400	68		191
34400	34450	68		190
34450	34500	67		189
34500	34550	66		188
34550	34600	66		187
34600	34650	65		186
34650	34700	64		185
34700	34750	63		184
34750	34800	63		183
34800	34850	62		183
34850	34900	61		182
34900	34950	60		181
34950	35000	60		180
35000	35050	59		179
35050	35100	58		178
35100	35150	58		177
35150	35200	57		176
35200	35250	56		175
35250	35300	55		174
35300	35350	55		173
35350	35400	54		172
35400	35450	53		171
35450	35500	53		170
35500	35550	52		169
35550	35600	51		168
35600	35650	50		167
35650	35700	50		166
35700	35750	49		165
35750	35800	48		165
35800	35850	48		164
35850	35900	47		163
35900	35950	46		162
35950	36000	45		161
36000	36050	45		160
36050	36100	44		159
36100	36150	43		158
36150	36200	42		157
36200	36250	42		156
36250	36300	41		155
36300	36350	40		154
36350	36400	40		153
36400	36450	39		152
36450	36500	38		151
36500	36550	37		150
36550	36600	37		149
36600	36650	36		148
36650	36700	35		147
36700	36750	35		147
36750	36800	34		146

2015 Indiana Earned Income Credit (EIC) Table — *Continued*

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 —		
36800	36850	33		145
36850	36900	32		144
36900	36950	32		143
36950	37000	31		142
37000	37050	30		141
37050	37100	30		140
37100	37150	29		139
37150	37200	28		138
37200	37250	27		137
37250	37300	27		136
37300	37350	26		135
37350	37400	25		134
37400	37450	25		133
37450	37500	24		132
37500	37550	23		131
37550	37600	22		130
37600	37650	22		129
37650	37700	21		129
37700	37750	20		128
37750	37800	20		127
37800	37850	19		126
37850	37900	18		125
37900	37950	17		124
37950	38000	17		123
38000	38050	16		122
38050	38100	15		121
38100	38150	14		120
38150	38200	14		119
38200	38250	13		118
38250	38300	12		117
38300	38350	12		116
38350	38400	11		115
38400	38450	10		114
38450	38500	9		113
38500	38550	9		112
38550	38600	8		111
38600	38650	7		111
38650	38700	7		110
38700	38750	6		109
38750	38800	5		108
38800	38850	4		107
38850	38900	4		106
38900	38950	3		105
38950	39000	2		104
39000	39050	2		103
39050	39100	1		102
39100	39150	0		101
39150	39200			100

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 —		
39200	39250			99
39250	39300			98
39300	39350			97
39350	39400			96
39400	39450			95
39450	39500			94
39500	39550			93
39550	39600			92
39600	39650			92
39650	39700			91
39700	39750			90
39750	39800			89
39800	39850			88
39850	39900			87
39900	39950			86
39950	40000			85
40000	40050			84
40050	40100			83
40100	40150			82
40150	40200			81
40200	40250			80
40250	40300			79
40300	40350			78
40350	40400			77
40400	40450			76
40450	40500			75
40500	40550			74
40550	40600			74
40600	40650			73
40650	40700			72
40700	40750			71
40750	40800			70
40800	40850			69
40850	40900			68
40900	40950			67
40950	41000			66
41000	41050			65
41050	41100			64
41100	41150			63
41150	41200			62
41200	41250			61
41250	41300			60
41300	41350			59
41350	41400			58
41400	41450			57
41450	41500			56
41500	41550			56
41550	41600			55

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 —		
41600	41650			54
41650	41700			53
41700	41750			52
41750	41800			51
41800	41850			50
41850	41900			49
41900	41950			48
41950	42000			47
42000	42050			46
42050	42100			45
42100	42150			44
42150	42200			43
42200	42250			42
42250	42300			41
42300	42350			40
42350	42400			39
42400	42450			38
42450	42500			38
42500	42550			37
42550	42600			36
42600	42650			35
42650	42700			34
42700	42750			33
42750	42800			32
42800	42850			31
42850	42900			30
42900	42950			29
42950	43000			28
43000	43050			27
43050	43100			26
43100	43150			25
43150	43200			24
43200	43250			23
43250	43300			22
43300	43350			21
43350	43400			20
43400	43450			20
43450	43500			19
43500	43550			18
43550	43600			17
43600	43650			16
43650	43700			15
43700	43750			14
43750	43800			13
43800	43850			12
43850	43900			11
43900	43950			10
43950	44000			9

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 —		
44000	44050			8
44050	44100			7
44100	44150			6
44150	44200			5
44200	44250			4
44250	44300			3
44300	44350			2
44350	44400			2
44400	44450			1

Line 6 – Lake County (Indiana) Residential Income Tax Credit

Important. The income requirements for claiming the Lake County residential income tax credit have changed. Please read the following instructions carefully.

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

1. **You paid property tax to Lake County (Indiana) 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.
2. **Your Indiana Adjusted Gross Income (AGI) is less than $18,600.** You must complete the *Indiana AGI Worksheet* below to figure your Indiana AGI.
3. **You are not claiming the *Homeowner's Residential Property Tax Deduction* on Indiana Schedule 2, line 2.**

Complete the following steps to see if you are eligible to claim this credit.

STEP 1

Did you pay property tax to Lake County (Indiana) on your residence in 2015? ☐ Yes ☐ No

- If you answered no, **STOP**. You do not qualify for this credit.
- If you answered yes, complete the *Indiana AGI Worksheet*.

Indiana AGI Worksheet

1. Enter amount from Form IT-40, line 7 ..... 1 _____

Enter the Following Add-Backs if Reported on Schedule 1

2. Qualified electric utility amortization add-back ..... 2 _____
3. Other (current year conformity) add-back ..... 3 _____
4. Subtotal. Add lines 2 and 3 ..... 4 _____
5. Subtract line 4 from line 1 ..... 5 _____

Enter the Following Deductions if Reported on Schedule 2

6. Civil service annuity deduction ..... 6 _____
7. Disability retirement deduction ..... 7 _____
8. Enterprise zone employee deduction ..... 8 _____
9. Indiana lottery winnings deduction ..... 9 _____
10. Indiana net operating loss deduction ..... 10 _____
11. Insulation deduction ..... 11 _____
12. Law enforcement rewards deduction ..... 12 _____
13. Medical savings account deduction ..... 13 _____
14. Military service deduction ..... 14 _____
15. Nontaxable portion of unemployment compensation deduction ..... 15 _____
16. Olympic/Paralympic Medal Winners deduction ..... 16 _____
17. Private school/homeschool deduction ..... 17 _____
18. Renter's deduction ..... 18 _____
19. Solar powered roof vent or fan deduction ..... 19 _____
20. Subtotal. Add lines 6 through 19 ..... 20 _____
21. Add line 5 plus line 20. Enter total here. (If the amount is more than $18,599, **STOP**. You do not qualify for this credit.*) ..... **Indiana AGI** 21 _____

STEP 2 Look at the completed *Indiana AGI Worksheet*.

- If the amount on Line 21 is greater than $18,599, **STOP**. You do not qualify for this credit.*
- If the amount on Line 21 is less than $18,000, go to *Worksheet A* to figure your credit.
- If the amount on Line 21 is between $18,000 and $18,599, go to *Worksheet B* to figure your credit.

*If your Indiana AGI is greater than $18,599, you may be eligible to claim the *Homeowner's Residential Property Tax Deduction*. See Indiana's Schedule 2, line 2 instructions to see if you meet the requirements.

Worksheet A:

Complete if line 21 of the Indiana AGI Worksheet 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 Schedule 5, line 6 ..... **A3** **$** _____

Worksheet B: Indiana AGI Phaseout

Complete if line 21 of the Indiana AGI Worksheet is between $18,000 and $18,600.

B1 Allowable maximum earned income..... **B1** $ 18,600

B2 Enter the amount from line 21 of the Indiana AGI Worksheet..... **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 0.5 ..... **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 Schedule 5, 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.

Lines 7 and 8: Economic Development for a Growing Economy Credit (EDGE); Economic Development for a Growing Economy Retention Credit (EDGE-R)

If you have business income (including partnership or S corporation income) you may be eligible for one or both of these credits. These credits are available to businesses who conduct certain activities that are designed to foster job creation and/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, Indianapolis, IN, 46204, for eligibility requirements, or visit http://iedc.in.gov for additional information.

To claim these credits you must complete and enclose Schedule IN-EDGE or Schedule IN-EDGE-R, which are located online at www.in.gov/dor/5333.htm. The information to be reported on Schedule IN-EDGE or Schedule IN-EDGE-R is located on the Indiana Schedule IN K-1 or on the approved credit agreement letter from the IEDC.

Schedule IN-DONATE

You may contribute all or a portion of your Form IT-40, line 16 overpayment to the following funds:

- **Indiana Nongame Wildlife Fund**

The Indiana Wildlife Diversity Program 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 the Indiana Nongame Wildlife 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 overpayment you wish to donate to the Nongame Wildlife Fund on line 1. If you do not have an overpayment, but want to support the Wildlife Diversity Section, do not change your tax return. You may make a contribution online at www.in.gov/dnr/fishwild/3316.htm.

- **Public K – 12 Education Fund**

You may donate all or a portion of your overpayment to help fund public education for kindergarten through grade 12 in Indiana. Enter the amount of your overpayment you wish to donate to this fund on line 2.

Important. The combination of the amounts you wish to donate to these funds cannot exceed your overpayment shown on Form IT-40, line 16.

- If the total of the donations designated on this schedule is more than your available overpayment, the donations will be reduced on a pro rata basis. For example, Sam wanted to donate $20 to each fund, for a total of $40. His actual overpayment was $30. The donations to both funds were each reduced to $15.

- If you entered a donation to one or both of these funds, and wish to apply some of your overpayment to your 2016 estimated tax account, the overpayment will be applied first to the fund(s) and then to the estimated tax account. Any remaining overpayment will be refunded to you.

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 7.

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.

The credit can be used to reduce the County Adjusted Gross Income Tax, County Option Income Tax and, beginning with tax year 2015, the County Economic Development Income Tax. Carefully read instructions for Line B below.

Complete lines A, B and C to figure your credit.

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 Schedule CT-40, line 4. Enter result here	**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 41.

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

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.

Complete lines A through E to figure your credit.

A.	Enter your county tax rate from Schedule CT-40, line 4	**A**_____
B.	Divide line A by .15, round result 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 **smaller** of the amount on line D or line E. You must maintain a copy of federal Schedule R as the department may request it at a later time.

Note. See the **Combined Limitation** on page 41.

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 x .10 = $55] or $60).

Line 3 – Other Local Credits

The following credit has 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

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 46).

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.

See the **Restriction for Certain Tax Credits - Limited to One per Project** below for additional limitations. **Also, s**ee the **Combined Limitation** on page 41.

Restriction for Certain Tax Credits - Limited to One per Project

A taxpayer may not be granted more than one credit for the same project. The credits that are subject to this limitation are the alternative fuel vehicle manufacturer credit, community revitalization enhancement district credit, enterprise zone investment cost credit, Hoosier business investment credit, industrial 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 **Combined Limitation** below.

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 example for guidance.

Order of Application

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. Then, use any community revitalization enhancement district 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 community revitalization enhancement district credit (CREED), 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 CREED 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 CREED credit on line 3a. Note: Megan may use the $140 remaining CREED credit to offset any state adjusted gross income tax due on this year's tax return (IT-40, line 8).

Line 4 - College Credit

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/5333.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

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 2015 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 3.3% (.033) ..... 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 enclose 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 .033, 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

Reciprocal Agreement (Wages, Salaries, Tips, and Commissions Only)

Kentucky	Michigan	Ohio
Pennsylvania	Wisconsin	

If you were an Indiana resident during the tax year 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** and **lotteries** 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

Reverse Credit (Credit taken on nonresident return)

Arizona	California	Oregon	Washington D.C.

If you were an Indiana resident during the tax year 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 the tax year 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.

Adoption Credit 859

You may be eligible to claim an adoption credit on your state tax return if you claimed an adoption credit on your federal tax return. The amount of the credit may be as much as 10 percent of the federal credit allowed per child, or $1,000 per child, whichever is less.

Note. For tax year 2015, no credit carryforward amount reported on federal Form 8839 will be allowed to increase the state credit.

Figure your credit by first completing Step 1.

Step 1 Enter amounts from federal Form 8839: **Amount**

A. Line 12, credit subtotal (if blank, **STOP.** You are not eligible for this credit)..... A. $ _____
B. Line 15, from credit limit worksheet (if blank, **STOP.** You are not eligible for this credit)..... B. $ _____
C. Enter the lesser of Line A or Line B; then, complete the Adoption Credit Worksheet ..... C. $ _____

Add more columns to the worksheet on the next page if claiming this credit for more than three children.

Adoption Credit Worksheet	**Child 1**	**Child 2**	**Child 3**	
1. Enter amount from Form 8839, Line 11, per child	$	$	$	
2. Enter the amount from Step 1, Line A, in each column where there is an amount on Line 1	$	$	$	
3. Amount from Step 1, Line C (if equal to or more than amount on Line 2, leave blank; skip Line 4, enter the amount from Line 1 on Line 5	$	$	$	
4. Divide Line 1 by Line 2; round answer to four decimal places	.	.	.	
5. Multiply Line 3 by Line 4	$	$	$	
6. Limitation	$ 10,000	$ 10,000	$ 10,000	
7. Enter the smaller of Line 5 or Line 6	$	$	$	
8. Multiply Line 7 by .10 (10%)	$	$	$	
9. Add all amounts from each column on Line 8			**This is your credit**	$

Example. Tim and Sue adopted two children during the year. After completing their federal Form 8839, they used the following information to figure their state adoption credit.

<u>Step 1</u> Enter amounts from federal Form 8839: Amount

A. Line 12, credit subtotal (if blank, **STOP.** You are not eligible for this credit)..... A. $ 8,000
B. Line 15, from credit limit worksheet (if blank, **STOP.** You are not eligible for this credit)..... B. $ 6,000
C. Enter the lesser of Line A or Line B; then, complete the Adoption Credit Worksheet ..... C. $ 6,000

Adoption Credit Worksheet *Example*	Child 1	Child 2	Child 3	
1. Enter amount from Form 8839, Line 11, per child	$6,000	$2,000	$	
2. Enter the amount from Step 1, Line A, in each column where there is an amount on Line 1	$8,000	$8,000	$	
3. Amount from Step 1, Line C (if equal to or more than amount on Line 2, leave blank; skip Line 4, enter the amount from Line 1 on Line 5	$6,000	$6,000	$	
4. Divide Line 1 by Line 2; round answer to four decimal places	.7500	.2500	.	
5. Multiply Line 3 by Line 4	$4,500	$1,500	$	
6. Limitation	$ 10,000	$ 10,000	$ 10,000	
7. Enter the smaller of Line 5 or Line 6	$4,500	$1,500	$	
8. Multiply Line 7 by .10 (10%)	$450	$150	$	
9. Add all amounts from each column on Line 8			**This is your credit**	$600

Tim and Sue reported their $600 credit on Schedule 6, line 6, using the 3-digit code 859 to identify it as an adoption credit.

For more information about this credit, see Income Tax Information Bulletin #111 at www.in.gov/dor/3650.htm. Maintain with your records a copy of the federal Form 8839 and Form 1040 as the department can require you to provide this information at a later date.

Enter code 859 under line 6 if claiming this credit. Also, see the **Combined Limitation** on page 49.

Airport Development Zone Employment Expense Credit 800

This credit has been repealed. However, any previously approved yet unused credit is available to be claimed. Enter code 800 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Airport Development Zone Investment Cost Credit 801

This credit has been repealed. However, any previously approved yet unused credit is available to be claimed. Enter code 801 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Airport Development Zone Loan Interest Credit 802

This credit has been repealed. However, any previously approved yet unused credit is available to be claimed. Enter code 802 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Alternative Fuel Vehicle Manufacturer Credit 845

A credit is available for qualified investments made within Indiana that foster job creation, reduce dependency on foreign oil and reduce pollution.

A person who 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) 232-8800, 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

This credit has been repealed. However, any previously approved yet unused credit is available to be claimed. Enter code 803 under line 6 if claiming this credit. See the **Combined Limitation** on page 49 for additional limitations.

Indiana's CollegeChoice 529 Education Savings Plan Credit 837

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/5333.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 Gasification Technology Investment Credit 806

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.

Enclose the certificate of compliance issued by IEDC to support this credit. See the **Combined Limitation** on page 49.

Enter 806 under line 6 if claiming this credit.

Community Revitalization Enhancement District Credit 808

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

Any unused amount of an employer health benefit plan credit awarded before 2012 is available to be claimed on the 2015 state tax return. Enter code 842 under line 6 if claiming this credit. Also, 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.

Sole proprietors who operate and/or invest in a business located in a zone and pass-through entities are eligible to claim the enterprise zone employment expense credit and/or the enterprise zone loan interest credit. 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

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. Also, see the **Combined Limitation** on page 49.

Enterprise Zone Investment Cost Credit 813

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

This credit can be for up to 5 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, see 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. Also, see the **Combined Limitation** on page 49.

Ethanol Production Credit 815

This credit has been repealed. However, any previously approved yet unused credit is available to be claimed. Enter code 815 under line 6 if claiming this credit. See the **Combined Limitation** on page 49 for additional limitations.

Headquarters Relocation Credit 818

A business with annual worldwide revenue of $100 million, and at least 75 employees, which 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. Also, see the **Combined Limitation** on page 49.

Historic Building Rehabilitation Credit 819

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. All work must meet the Secretary of the Interior's Standards for Rehabilitation of Historic Properties.

For more information about this credit, see Income Tax Information Bulletin #87 at www.in.gov/dor/3650.htm. Also, you may contact the Office of Community and Rural Affairs at One North Capitol, Suite 600 Indianapolis, IN 46204-2027, or call 317.233.3762.

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. Also, see the **Combined Limitation** on page 49.

Hoosier Business Investment Credit 820

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) 232-8800 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.

The approved credit must be reported on Schedule IN-OCC, found at www.in.gov/dor/5333.htm. Make sure to enclose this schedule with your tax filing. If you are claiming this credit as a pass-through entity, make sure to keep Schedule IN K-1 with your records as the department can require you to provide this information.

Hoosier Business Investment Credit - Logistics 860

This credit is for qualified expenditures for certain logistics investments. 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, and get Income Tax Information Bulletin #95 at www.in.gov/dor/3650.htm for additional information.

Note. See the **Restriction for Certain Tax Credits - Limited to One Per Project** and the **Combined Limitation** on page 49 for additional limitations.

The approved credit must be reported on Schedule IN-OCC, found at www.in.gov/dor/5333.htm. Make sure to enclose this schedule with your tax filing. If you are claiming this credit as a pass-through entity, make sure to keep Schedule IN K-1 with your records as the department can require you to provide this information.

Indiana's Research Expense Credit 822

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. Also, see the **Combined Limitation** on page 49.

Individual Development Account Credit 823

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.

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. Also, see the **Combined Limitation** on page 49.

Industrial Recovery Credit 824

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

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) 232-8800, 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

Any unused amount of a maternity home credit awarded before 2012 is available to be claimed on the 2015 state tax return. Enter code 825 under line 6 if claiming this credit. See the **Restriction for Certain Tax Credits - Limited to One per Project** and the **Combined Limitation** on page 49 for additional limitations.

Military Base Investment Cost Credit 826

This credit has been repealed. However, any previously approved yet unused credit is available to be claimed. Enter code 826 under line 6 if claiming this credit. See the **Combined Limitation** on page 49 for additional limitations.

Military Base Recovery Credit 827

This credit has been repealed. However, any previously approved yet unused credit is available to be claimed. 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. See the **Combined Limitation** on page 49 for additional limitations.

Natural Gas Commercial Vehicle Credit 858

A credit is available for the purchase of certain vehicles powered with natural gas (CNG or LNG). It applies only to vehicles weighing more than 33,000 pounds and purchased from an Indiana dealer. This credit is available to pass-through entities, such as members of partnerships and S corporations.

To be eligible for the credit a dealer or purchaser must complete the Commercial Natural Gas Vehicle Credit form (Form NGV-C), found at www.in.gov/dor/5051.htm, and file it with the department. For more information about this credit, get Income Tax Information Bulletin #109.

The approved credit must be reported on Schedule IN-OCC, found at www.in.gov/dor/5333.htm. Make sure to enclose this schedule with your tax filing. If you are claiming this credit as a pass-through entity, make sure to keep Schedule IN K-1 with your records as the department can require you to provide this information.

Note. See the **Combined Limitation** on page 49 for additional limitations.

Neighborhood Assistance Credit 828

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.

Important. 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. Also, see the **Combined Limitation** on page 49.

New Employer Credit 850

This credit has been repealed. However, any previously approved yet unused credit is available to be claimed. Enter code 850 under line 6 if claiming this credit. See the **Combined Limitation** on page 49 for additional limitations.

Public School Educator Expense Credit 861

If you are an eligible educator working for an Indiana school corporation, you may be entitled to a credit for qualified expenses paid for certain classroom supplies. The credit can be as much as $100 ($200 if married filing joint and both spouses meet the requirements, but not more than $100 each).

You are an **eligible educator** if, during the taxable year, you are employed as a Kindergarten -12 Indiana public school:

- Teacher
- Librarian
- Counselor
- Principal
- Superintendent

Public school means a school maintained by an Indiana school corporation, and includes charter schools. Private schools, parochial schools and homeschools are not public schools.

Qualified expenses are amounts you paid or incurred during the tax year for certain classroom supplies, which include books, supplies, computer equipment (including related software and services), other equipment, and supplementary materials that you use in the classroom. For courses in health and physical education, expenses for supplies are qualified expenses only if related to athletics.

Reimbursements. You must reduce your expenses for the qualified supplies by any reimbursements you received that were not included in box 1 of your Form W-2.

Example 1. Jonah spent $40 for qualified supplies; he was reimbursed for $30 out of petty cash, none of which was included on his W-2. He will claim the $10 difference as a credit.

Figure the credit. The amount of the credit is the lesser of:
(1) the total amount paid for qualified supplies, less any reimbursements for those qualified supplies not included on line 1 of your W-2, or
(2) $100.

Example 2. Quincy is an 8th grade teacher at an Indiana public school. During the year he spent $314 for qualified supplies. He is eligible to claim a $100 credit.

Example 3. Chris and Pat are employed as teachers at an Indiana public high school. They are filing a joint tax return. During the year Chris spent $74 for qualified supplies; Chris's credit is $74. Pat spent $214 for qualified supplies; Pat's credit is $100 (limited to the lesser of the amount Pat spent or $100). They will claim a $174 combined credit.

Important. Make sure to keep a copy of the expense receipts used to figure this credit as the department can require you to provide this information at a later date.

Note. Claiming an educator expense deduction on your federal tax return in no way prohibits you from being eligible to claim this credit on your state tax return.

Enter code 861 under line 6 if claiming this credit. See the **Combined Limitation** on page 49.

Residential Historic Rehabilitation Credit 831

A credit is available for the repair and rehabilitation of residential property that is listed on the Indiana Register of Historic Sites and Structures, is at least 50 years old, and will be used as your primary residence. All work must meet the Secretary of the Interior's Standards for Rehabilitation of Historic Properties.

For more information about this credit, see Income Tax Information Bulletin #87A at www.in.gov/dor/3650.htm. Also, contact the Office of Community and Rural Affairs at One North Capitol, Suite 600 Indianapolis, IN 46204-2027, call 317.233.3762, or visit Residential Historic Rehabilitation Credit at www.in.gov/ocra/2284.htm.

Enter code 831 under line 6 if claiming this credit. Also, see the **Combined Limitation** on page 49.

Riverboat Building Credit 832

This credit has been repealed. However, any previously approved yet unused credit is available to be claimed. Enter code 832 under line 6 if claiming this credit. See the **Combined Limitation** on page 49 for additional limitations.

School Scholarship Credit 849

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 $8.5 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/choice/school-scholarships for additional information.

The approved credit must be reported on Schedule IN-OCC, found at www.in.gov/dor/5333.htm. Make sure to enclose this schedule with your tax filing. Also, see the **Combined Limitation** on page 49.

Small Employer Qualified Wellness Program Credit 843

Any unused amount of a small employer qualified wellness program credit awarded before 2012 is available to be claimed on the 2015 state tax return. 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.

Enter code 843 under line 6 if claiming this credit. Also, see the **Combined Limitation** on page 49.

Twenty-First Century Scholars Program Credit 834

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/5333.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 (888) 528-4719.

Note. This credit is not the same as the College Credit.

Enter code 834 under line 6 if claiming this credit. Also, see the **Combined Limitation** on page 49.

Venture Capital Investment Credit 835

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 Eco-

nomic Development Corporation Development Finance Office, VCI Credit Program, One North Capitol, Suite 700, Indianapolis, IN 46204, telephone number (317) 232-8800, or visit http://iedc.in.gov.

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.

Restriction for Certain Tax Credits - Limited to One Per Project

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, community revitalization enhancement district credit, enterprise zone investment cost credit, Hoosier business investment credit, industrial 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 7 of Schedule 6. These credits, when combined, cannot be greater than the state adjusted gross income tax 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 Industrial Recovery 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 Industrial Recovery Credit on line 6b. He will carry the $400 remaining unused Industrial Recovery 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 2015?"

Line 2 – Out-Of-State Income Information

If you and/or your spouse worked in Illinois, Kentucky, Michigan, Ohio, Pennsylvania and/or Wisconsin during 2015, 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

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. 15, 2016 and filing your Form IT-40 by April 18, 2016, or
- Filing your Form IT-40 by March 1, 2016, 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 <u>must</u> enclose the completed Schedule IT-2210 to support your claim.

Line 5 – Date of Death

If the taxpayer and/or spouse died during 2015, 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, 2015, would be entered as 01/09/2015. See instructions on page 7 for more information.

Note. If the taxpayer and/or spouse died before 2015, or after Dec. 31, 2015, but before filing his or her tax return, do not enter his/her date of death in this box.

Line 6 – Telephone Number and Email 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 email address if you would like us to be able to contact you by email.

Personal Representative Information

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, Indianapolis, 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,
- The preparer's tax identification number (PTIN), and
- The firm's address or his/her address if self-employed.

Opt-Out Designation

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 10 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/5333.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 Instructions

If you live or work in an Indiana county as of January 1 of the tax year, you will probably owe county tax. Complete the county tax Schedule CT-40 to figure if you owe, and how much it will be.

County Where You Lived Defined

The county where you lived is the county where you maintained your home on Jan. 1, 2015. If you had more than one home in Indiana on this date, then your county of residence as of Jan. 1, 2015, 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 2015.

Did You Move During The Year?

If you moved your residence to a different Indiana county during the year (but after Jan. 1, 2015), the county where you lived for tax purposes *will not change until next year*.

Example. William was a lifelong Scott County resident until he moved to Martin County on March 15, 2015. He will figure Scott County tax when filing his 2015 state tax return. If he still lived in Martin County as of Jan. 1, 2016 he will figure Martin County tax when filing his 2016 state taxes.

County Where You Worked Defined

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, 2015. If you began working in another county after Jan. 1, 2015, the county where you worked for reporting purposes *will not change until next year*.

Example. Jessie worked in Marion County on Jan. 1, 2015. She quit that job and began a new one in Johnson County on Feb. 10, 2015. 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, 2015, your principal place of employment is the job where you worked the most hours and earned the most income.

If, on Jan. 1, 2015, 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, 2015, 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

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, 2015, you were single and stationed *outside* Indiana, or 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, 2015, 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, 2015, 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, 2015, both of you need to figure your county tax separately. See *Schedule CT-40 Line 1 Instructions* below for details on how to do this.

Schedule CT-40: Line-by-Line Instructions

Line 1

- If you are filing a single return, enter on line 1A the amount from Form IT-40, line 7.
- If you are filing a joint return and you both lived in the same county on Jan. 1, 2015, enter on line 1A the amount from Form IT-40, line 7. Leave Column B blank.
- If you are filing a joint return and you lived in different counties on Jan. 1, 2015, enter each person's share of the amount reported on line 7 of Form IT-40. See how to do this in the following example.

Example. Jacob and Becca married in 2015 and are filing a joint return. On Jan. 1, 2015, Jacob lived in Greene County and Becca lived in Clay County. Their individual share of the $39,080* amount reported on line 7 of their IT-40 is to be reported on Schedule CT-40 between Column A and Column B in the following way:

Breakdown	Column A Jacob	Column B Becca	IT-40 Line 5
Wages	23,000	21,000	44,000
Interest (joint account)	+ 40	+ 40	+ 80
Renter's deduction	- 1,500	-1,500	-3,000
Subtotal	21,540	19,540	41,080
Exemption	-1,000	-1,000	-2,000
Totals	20,540	18,540	39,080*

Jacob will enter $20,540 on line 1A and Becca will enter $18,540 on line 1B.

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, 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 *County Resident Rate* column and enter it here.

If you are filing a single return or a joint return where you both lived in the same county on Jan. 1, 2015, enter on line 4A the county resident rate from the chart located on the back of Schedule CT-40. Leave line 4B blank.

If you are filing a joint return and you lived in different counties on Jan. 1, 2015:

- Enter on line 4A your county resident rate from the county tax rate chart.
- Enter on line 4B your spouse's county resident rate from the county tax rate chart.

Line 6

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.

NOTES:

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INDIANA

A State that Works

Rev. 9-15

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

Adams
0015 Adams Central Comm
0025 North Adams Community
0035 South Adams Schools

Allen
0125 M.S.D. Southwest Allen Co
0225 Northwest Allen County
0235 Fort Wayne Community
0255 East Allen County

Bartholomew
0365 Bartholomew Consolidated
0370 Flatrock-Hawcreek
9680 Int'l School of Columbus

Benton
0395 Benton Community
5995 South Newton
8535 TriCounty

Blackford
0515 Blackford Community
3945 Jay School Corp

Boone
0615 Western Boone County
0630 Zionsville Community Schools
0665 Lebanon Community Sch Corp
3055 Sheridan Community Sch Corp

Brown
0670 Brown County Sch Corp

Carroll
0750 Carroll Consolidated Sch Corp
0755 Delphi Community Sch Corp
1180 Rossville Consolidated
8565 Twin Lakes Sch Corp

Cass
0815 Southeastern Sch Corp
0875 Logansport Community
0775 Pioneer Regional Sch Corp

Clark
0940 West Clark Community
1000 Clarksville Community
1010 Greater Clark County

Clay
1125 Clay Community Schools
2960 MSD Shakamak Schools

Clinton
1150 Clinton Central Sch Corp
1160 Clinton Prairie Sch Corp
1170 Frankfort Community
1180 Rossville Consolidated

Crawford
1300 Crawford Co. Community

Daviess
1315 Barr-Reeve Community
1375 North Daviess Comm Sch
1405 Washington Community

Dearborn
1560 Sunman-Dearborn Comm
1600 South Dearborn Comm
1620 Lawrenceburg Comm

Decatur
1655 Decatur Co Community
1730 Greensburg Community

DeKalb
1805 DeKalb County Eastern Community Sch Dist
1820 Garrett-Keyser-Butler Community
1835 DeKalb County Central United Sch Dist
7610 Hamilton Community

Delaware
1875 Delaware Community
1885 Wes-Del Community Schools
1895 Liberty-Perry Community
1900 Cowan Comm Sch Corp
1910 York Town Community School District
1940 Daleville Community Schools
1970 Muncie Community Schools

Dubois
2040 Northeast Dubois County
2100 Southeast Dubois County
2110 Southwest Dubois County
2120 Greater Jasper Consolidated

Elkhart
2155 Fairfield Comm Schools
2260 Baugo Community Schools
2270 Concord Community Schools
2275 Middlebury Community Schools
2285 Wa-Nee Community Schools
2305 Elkhart Community Schools
2315 Goshen Community Schools

Fayette
2395 Fayette County Sch Corp

Floyd
2400 New Albany-Floyd County Consolidated Sch Corp

Fountain
2435 Attica Consolidated Sch Corp
2440 Covington Community
2455 Southeast Fountain

Franklin
2475 Franklin Co Community
7950 Union County

Fulton
2645 Rochester Community
2650 Caston Sch Corp
4445 Tippecanoe Valley
6620 Eastern Pulaski

Gibson
2725 East Gibson Sch Corp
2735 North Gibson Sch Corp
2765 South Gibson Sch Corp

Grant
2815 Eastbrook Community
2825 Madison-Grant United
2855 Mississinewa Community
2865 Marion Community
5625 Oak Hill United

Greene
2920 Bloomfield School District
2940 Eastern School District
2950 Linton-Stockton Sch Corp
2960 MSD Shakamak Schools
2980 White River Valley School District

Hamilton
3005 Hamilton Southeastern
3025 Hamilton Heights Sch Corp
3030 Westfield-Washington Schools
3055 Sheridan Community Sch Corp
3060 Carmel Clay Schools
3070 Noblesville Schools

Hancock
3115 Southern Hancock Co Community Sch Corp
3125 Greenfield Central Comm
3135 Mt Vernon Community
3145 Eastern Hancock County Community Sch Corp

Harrison
3160 Lanesville Community
3180 North Harrison Comm
3190 South Harrison Comm
1300 Crawford Co Community

Hendricks
3295 North West Hendricks
3305 Brownsburg Community
3315 Avon Community Sch Corp
3325 Danville Community
3330 Plainfield Community
3335 Mill Creek Community

Henry
3405 Blue River Valley Schools
3415 South Henry Sch Corp
3435 Shenandoah School Corp
3445 New Castle Community
3455 C A Beard Memorial Sch Corp
6795 Union Sch Corp
8305 Nettle Creek Sch Corp

Howard
3460 Taylor Community
3470 Northwestern Sch Corp
3480 Eastern Howard Comm
3490 Western Sch Corp
3500 Kokomo-Center Township Consolidated

Huntington
3625 Huntington Co Comm

Jackson
3640 Medora Community
3675 Seymour Community
3695 Brownstown Central Comm
3710 Crothersville Community

Jasper
3785 Kankakee Valley
3815 Rensselaer Central
6630 West Central Sch Corp
8535 Tri-County Sch Corp

Jay
3945 Jay Sch Corp

Jefferson
3995 Madison Consolidated
4000 Southwestern Jefferson Consolidated

Jennings
4015 Jennings County Schools

Johnson
4145 Clark-Pleasant Comm
4205 Center Grove Community
4215 Edinburgh Community
4225 Franklin Community
4245 Greenwood Community
4255 Nineveh-Hensley-Jackson United

Knox
4315 North Knox Sch Corp
4325 South Knox Sch Corp
4335 Vincennes Community

Kosciusko
4345 Wawasee Community
4415 Warsaw Community
4445 Tippecanoe Valley
4455 Whitko Community
2285 Wa-Nee Community
5495 Triton Sch Corp

LaGrange
4515 Prairie Heights Comm
4525 Westview Sch Corp
4535 Lakeland Sch Corp

Lake
4580 Hanover Community
4590 River Forest Community
4600 Merrillville Comm Schls
4615 Lake Central Sch Corp
4645 Tri Creek Sch Corp
4650 Lake Ridge Schools
4660 Crown Point Community
4670 School City of East Chicago
4680 Lake Station Community
4690 Gary Community Sch Corp
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

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

Indiana School Corporations Cont'd...

County
Corporation Number and Name

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
8100 CSUSA Howe
8825 CSUSA Donnan

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
7150 John Glenn Sch Corp
7215 Union-North United Sch Corp

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 Comm Sch Corp
6310 Turkey Run Comm Sch Corp
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

Pulaski
6620 Eastern Pulaski Comm
6630 West Central Sch Corp
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
7200 Sch City of Mishawaka
7205 South Bend Community
7215 Union-North United Sch Dist

Scott
7230 Scott Co Sch District No. 1
7255 Scott Co Sch District No. 2
4805 New Prarie United Sch Corp

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

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

Tippecanoe
7855 Lafayette Sch Corp
7865 Tippecanoe Sch Corp
7875 West Lafayette Comm
9340 New Community School

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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Z

Zip/Postal Code 5

Indiana Department of Revenue
100 North Senate Avenue
Indianapolis, IN 46204-2253

PRSRT STD
U.S. Postage
PAID
Indiana Dept.
of Revenue

This 2015 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 IN-DONATE
- 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