

TAX CREDITS

(See instructions beginning on page 11.)

Attach this form to your individual income tax return, Form D-400.

Name(s) shown on D-400		Social Security Number (Husb, Sep., Sing.)	
PART I. CREDIT FOR INCOME TAX PAID TO ANOTHER STATE OR COUNTRY—N.C. RESIDENTS ONLY			
(If credit is claimed for tax paid to more than one state, check this box. <input type="checkbox"/> Use a separate Form D-400TC for each state and enter the total credits from each form on line 7 below.)			
1. Total income (combined for joint filers) from Federal Form 1040, line 22; 1040A, line 14; or 1040EZ, line 4, while a resident of North Carolina, adjusted by the applicable additions shown on lines 31 through 33 and/or deductions shown on lines 35 through 38 and line 40 on page 2, Form D-400	1.		.00
2. The portion of line 1 above which was taxed by another state or country	2.		.00
3. Divide line 2 by line 1 and enter the result as a decimal amount (Round to two decimal places)	3.	.	
4. Amount of North Carolina tax (From page 1, line 12, Form D-400)	4.		.00
5. Computed credit (line 3 times line 4)	5.		.00
6. Net amount of tax paid the other state or country on the income shown on line 2 above	6.		.00
7. Enter the lesser of line 5 or line 6 (Attach copy of return filed with other state or country and proof of payment) Note: If claiming credit for tax paid to more than one state, enter the total here.	7.		.00
PART II. CREDIT FOR CHILD AND DEPENDENT CARE EXPENSES			
8. Enter the expenses from line 4 of Federal Form 2441 or line 4 of Schedule 2, Part II, Form 1040A. (For other qualifying expenses which may be included on this line, see Credit for Child and Dependent Care Expenses on page 11.)	8.		.00
9. Enter the portion of line 8 that you paid while you were a resident of North Carolina	9.		.00
10. Enter the portion of line 9 that was incurred for dependent(s) who were under the age of seven and dependent(s) who were physically or mentally incapable of caring for themselves	10.		.00
11. Credit (Use the table below. Multiply the amount on line 10 by the applicable decimal amount in Column A and enter the result here.)	11.		.00
12. Other qualifying expenses (subtract line 10 from line 9)	12.		.00
13. Credit (Use the table below. Multiply the amount on line 12 by the applicable decimal amount in Column B and enter the result here.)	13.		.00
14. Total credit for dependent and child care expenses (line 11 plus line 13)	14.		.00
Federal Adjusted Gross Income (Federal Form 1040, line 31 or Federal Form 1040A, line 16)			
Filing Status		Column A	Column B
<u>Head of Household</u>	Up to \$20,000	.13	.09
	Over \$20,000 up to \$32,000	.115	.08
	Over \$32,000	.10	.07
<u>Surviving Spouse or Joint Return</u>	Up to \$25,000	.13	.09
	Over \$25,000 up to \$40,000	.115	.08
	Over \$40,000	.10	.07
<u>Single</u>	Up to \$15,000	.13	.09
	Over \$15,000 up to \$24,000	.115	.08
	Over \$24,000	.10	.07
<u>Married Filing Separately</u>	Up to \$12,500	.13	.09
	Over \$12,500 up to \$20,000	.115	.08
	Over \$20,000	.10	.07
PART III. CREDIT FOR CHILDREN			
If your federal adjusted gross income (Form 1040, line 31; or Form 1040A, line 16) is less than the amount shown for your filing status in the chart below, complete lines 15 through 17. Otherwise, STOP HERE . You may not claim the credit for children.			
	Filing Status	Adjusted Gross Income	
	Married, filing jointly	\$100,000	
	Head of Household	\$ 80,000	
	Single	\$ 60,000	
	Married, filing separately	\$ 50,000	
15. Multiply the number of children for whom you are entitled to claim an exemption by \$60 and enter the result (full-year residents enter this amount on line 17)	15.		.00
16. Nonresidents and part-year residents multiply the amount on line 15 above by the decimal amount from line 11a, page 1 of Form D-400 and enter the result here and on line 17. (Amount from line 15 \$ _____ X _____)	16.		.00
17. Credit for Children	17.		.00

PART IV. CREDIT FOR TAX PAID ON FEDERAL RETIREE PENSION BENEFITS (Important: If you are filing a joint return and both spouses paid tax on federal retirement benefits, see the special instructions for joint filers.)

(See instructions beginning on page 11.)

Complete only those columns for the years in which retirement benefits were received.	1985	1986	1987	1988
18. Net taxable income from line 15, Form D-400 (see line instructions) 18.	.00	.00	.00	.00
19. Federal retirement benefits included on line 8c, Form D-400 (see line instructions) 19.	.00	.00	.00	.00
20. Corrected net taxable income (subtract line 19 from line 18; if line 19 exceeds line 18, enter 0) 20.	.00	.00	.00	.00
21. Enter amount of tax shown on line 16a, Form D-400, less tax credits claimed on line 17c (see line instructions) 21.	.00	.00	.00	.00
22. Compute the amount of tax on corrected net taxable income on line 20 above using the tax rates below. Subtract any tax credits claimed on line 17c, Form D-400, and enter the result (but not less than 0). If net taxable income on line 20 above is over but not over the tax is -0- \$2,000 3% of net taxable income \$2,000 \$4,000 \$ 60 + 4% of amt. over \$2,000 \$4,000 \$6,000 \$140 + 5% of amt. over \$4,000 \$6,000 \$10,000 \$240 + 6% of amt. over \$6,000 \$10,000 \$480 + 7% of amt. over \$10,000 22.	.00	.00	.00	.00
23. Subtract line 22 from line 21 (If line 22 is greater than line 21, enter 0) 23.	.00	.00	.00	.00
24. Enter the total pension tax paid (add amounts on line 23 for each column) ● 24.				.00
25. Less any tax credits received on your 1990, 1991, or 1992 returns for tax paid on federal retirement benefits received in 1988 or refunds previously received because you made a timely protest under G. S. 105-267 (see line instructions) ● 25.				.00
26. Net pension tax paid (subtract line 25 from line 24) 26.				.00
27. Divide the amount on line 26 by 3. 27.				.00
28. Enter amount from line 27, Part IV of wife's separate Form D-400TC, if applicable. ● 28.				.00
29. Add lines 27 and 28. This is the amount of tax credit to be claimed on your 1996, 1997, and 1998 returns. 29.				.00

Note: If your 1996 tax liability (line 12, Form D-400), less any tax credits claimed, is less than 5 percent of the net pension tax on line 26 above, you may elect the one-time refund. See the instructions on page 11.

PART V.

30. Total of PARTS I, II, III, and IV 30.				.00
31. Credit for disabled taxpayer, dependent, and/or spouse (Complete the worksheet on page 12 of the instructions and enter the amount from line 13 or line 14.) ● 31.				.00
32. Credit for research and development (see instructions on page 11) ● 32.				.00
33. Credit for qualified business investments from Form D-499 (see instructions on page 11) ● 33.				.00
34. Other tax credits - see instructions (attach schedule of computation) ● 34.				.00
35. Tax credits carried over from previous year, if any (attach schedule of computation) ● 35.				.00
36. Total (add lines 30 through 35) 36.				.00
37. Amount of tax (from page 1, line 12, Form D-400) ● 37.				.00
38. Enter the lesser of line 36 or line 37. 38.				.00
39. Credit for investing in business property - enter the cost of the business property placed in service. Go to page 12 of the instructions and complete the Worksheet for Determining the Credit for Investing in Business Property. Enter the amount from line 7 of the worksheet here. ● 39a. .00				
..... ● 39b.				.00
40. Add lines 38 and 39b. Enter the total here and on page 1, line 15, Form D-400 40.				.00

If more than one Form D-400TC is required, enter the allowable total from all on page 1, line 15, Form D-400. This amount may not exceed the amount of tax from page 1, line 12, Form D-400.