

TAX CREDITS

1998

(See instructions beginning on page 11.)

If you claim a tax credit on line 15 of Form D-400, you must attach this form to the return. Otherwise the tax credit may be disallowed. **Do not complete this form if you are filing Form D-400EZ.** Tax credits claimed by D-400EZ filers are computed on page 2 of Form D-400EZ.

Name(s) shown on D-400	Your Social Security Number
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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. 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; 1040EZ, line 4, or TeleFile Tax Record, line H, 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 and include in the total on line 25, Part V (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 3 of Federal Form 2441 or line 3 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 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	●	9.		00
10. Credit (Use the table below. Multiply the amount on line 9 by the applicable decimal amount in Column A and enter the result here.)	●	10.		00
11. Other qualifying expenses (subtract line 9 from line 8)	●	11.		00
12. Credit (Use the table below. Multiply the amount on line 11 by the applicable decimal amount in Column B and enter the result here.)	●	12.		00
13. Total credit for child and dependent care expenses (line 10 plus line 12). Full-year residents enter this amount here and on line 15 below.	●	13.		00
14. Nonresidents and part-year residents multiply the amount on line 13 by the decimal amount from line 11a, page 1 of Form D-400 and enter the result here and on line 15 below. If line 11a is more than 1.00, enter the amount from line 13 here and on line 15. (Amount from line 13 \$ _____ X _____)	●	14.		00
15. Total credit for child and dependent care expenses. Include the amount on this line in the total on line 25, Part V.	●	15.		00

Filing Status	Federal Adjusted Gross Income (Federal Form 1040, line 33 or Federal Form 1040A, line 18)	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 33; or Form 1040A, line 18) is less than the amount shown for your filing status in the chart below, complete lines 16 through 18. Otherwise, **STOP HERE**. You **may not** claim the credit for children.

<u>Filing Status</u>	<u>Adjusted Gross Income</u>
Married filing jointly	\$100,000
Head of Household	\$ 80,000
Single	\$ 60,000
Married filing separately	\$ 50,000

16. Multiply the number of children for whom you are entitled to claim an exemption by \$60 and enter the result here (full-year residents enter this amount here and on line 18 below.)	16.		00
17. Nonresidents and part-year residents multiply the amount on line 16 above by the decimal amount from line 11a, page 1 of Form D-400 and enter the result here and on line 18 below. If line 11a is more than 1.00, enter the amount from line 16 here and on line 18. (Amount from line 16 \$ _____ X _____)	17.		00
18. Credit for Children (Include in the total on line 25, Part V)	18.		00

PART IV. CREDIT FOR CHARITABLE CONTRIBUTIONS (Important: This credit can be claimed **only** by taxpayers who claim the standard deduction on their federal return.)

(See instructions on page 12.)

19. Enter the amount of your charitable contributions for the taxable year	19.		00
20. Multiply your federal adjusted gross income from your federal return (Form 1040, line 33; Form 1040A, line 18; Form 1040EZ, line 4; or TeleFile Tax Record, line H) by 2% and enter the result here (Federal AGI \$ _____ X .02)	20.		00
21. Subtract line 20 from line 19. If line 20 exceeds line 19, STOP HERE . You may not claim the credit for charitable contributions.	21.		00
22. Multiply line 21 by 2 3/4% (.0275) and enter the result. (Full-year residents enter this amount on line 24 below)	22.		00
23. Nonresidents and part-year residents multiply the amount on line 22 above by the decimal amount from line 11a, page 1 of Form D-400 and enter the result here and on line 24 below. If line 11a is more than 1.00, enter the amount from line 22 here and on line 24. (Amount from line 22 \$ _____ X _____)	23.		00
24. Credit for charitable contributions (Include the amount on this line in the total on line 25, Part V.)	24.		00

PART V.

25. Total of PARTS I, II, III, and IV	25.		00
26. Credit for disabled taxpayer, dependent, and/or spouse (Complete Form D-429, Worksheet for Determining Credit for Disabled Taxpayer, Dependent and/or Spouse and enter the amount from line 13 or line 14, whichever is applicable.)	26.		00
27. Credit for tax paid on federal retiree pension benefits (see instructions on page 11)	27.		00
28. Credit for qualified business investments from Form D-499 (see instructions on page 11)	28.		00
29. Other tax credits - see instructions (attach schedule of computation)	29.		00
30. Tax credits carried over from previous year, if any. Do not include any carryover of the credit for investing in business property. That amount will be included in line 34b.	30.		00
31. Total (add lines 25 through 30)	31.		00
32. Amount of tax (from page 1, line 12, Form D-400)	32.		00
33. Enter the lesser of line 31 or line 32.	33.		00
34. Credit for investing in business property - (a. Enter the cost of the business property placed in service. b. 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 10 of the worksheet here.)	34a.		00
	34b.		00
35. Add lines 33 and 34b. Enter the total here and on page 1, line 15, Form D-400	35.		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.