Utah!

tax.utah.gov

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Military Personnel Instructions

- *Taxation of military compensation and benefits*
- *Filing requirements and deadlines*

Utah State Tax Commission
210 North 1950 West
Salt Lake City, Utah 84134
801-297-7705
1-800-662-4335 ext. 7705
tax.utah.gov

If you need an accommodation under the Americans with Disabilities Act, email taxada@utah.gov, or call 801-297-3811 or TDD 801-297-2020. Please allow three working days for a response.

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General Information

Federal tax laws provide special benefits for active members of the U.S. Armed Forces, including those serving in combat zones.

See IRS Publication 3, *Armed Forces' Tax Guide*, on the IRS web site at **irs.gov/publications/p3/index.html** for additional federal tax information regarding members of the U.S. Armed Forces, including tables of items included and excluded from federal income.

Utah Treatment

Utah treats military pay and allowances of a resident military taxpayer the same as the IRS. If income is included in federal adjusted gross income, it is automatically included in Utah income. Conversely, if income is excluded from federal taxation, it is also excluded for Utah purposes. An example of this excluded income is the death gratuity paid to a survivor of a member of the Armed Forces which is not taxable on the federal return, and, therefore, nontaxable on the Utah return also.

The active duty military wages of a Utah nonresident service member may be deducted from his or her federal income on the Utah return. If the service member is married to a nonresident spouse with whom they are filing a joint Utah return, all income of the nonresident spouse is also deducted from their federal income on the Utah return.

Taxpayers generally must file their Utah return using the same filing status as used on their federal return. However, for military families, if one spouse is a full-year Utah resident and the other is a nonresident, they may file their Utah return as married filing separately even though they filed their federal return as married filing jointly. See *Special Instructions When One Spouse is a Utah Resident and the Other is a Nonresident* on page 3.

For tax years beginning on or after Jan. 1, 2010, Utah allows a nonrefundable tax credit for the tax liability attributable to the income of a service member who is killed in or as a result of serving in a combat zone. See details on page 5.

Definitions

Domicile and Residency. Regular Utah domicile and residency rules are not applicable to service members and spouses of service members. A service member's domicile for Utah tax purposes is their military state of legal residence. The non-military spouse of the service member is considered to have the same domicile as the service member unless he or she was domiciled in Utah prior to their marriage and continued to reside in Utah. See *Residency Issues* below.

Non-resident Military Taxpayer. A service member who is domiciled in a state other than Utah, even though the service member may be stationed in Utah.

Non-Utah Active Duty Military Wages. Active duty earned income received for military service which is not sourced to Utah, and is reported on a Form W-2.

Resident Military Taxpayer. A service member who is domiciled in Utah.

Service Member. An active duty member of the U.S. Armed Forces, including those serving overseas or in a combat zone. This also includes National Guard members who are called to active service by the President of the United States or the Secretary of Defense for a period of more than 30 consecutive days in response to a national emergency declared by the President and supported by federal funds.

Spouse of a Service Member. The spouse of an active duty member of the U.S. Armed Forces. If the spouse is also a military service member, then the spouse is entitled to the tax benefits of a service member, and not the benefits of a spouse of a service member.

U.S. Armed Forces. Commissioned officers, warrant officers, and enlisted personnel in all regular and reserve units under control of the Secretaries of Defense, Army, Navy and Air Force. The U.S. Armed Forces also includes the Coast Guard. It does not include members of the U.S. Merchant Marine or the American Red Cross.

Utah Active Duty Military Wages. Active duty earned income received for military service and sourced to Utah, and is reported on a Form W-2.

Residency Issues

A service member's domicile (state of legal residence) does not change when they are stationed in another state on military orders. This also applies to the nonresident spouse of a service member who is in a state solely to be with the service member in compliance with military orders.

A non-military Utah domiciled resident who marries a nonresident service member remains a Utah domiciled resident for tax purposes until he or she permanently moves out of Utah or otherwise changes his or her residency (domicile), per Utah Code §59-10-136.

A nonresident, non-military spouse of a Utah service member may elect to change his or her residency (tax domicile) to Utah even if they are not currently living in Utah by filing a married filing joint federal and Utah individual income tax return with the Utah service member. If a nonresident, non-military spouse of the Utah service member does not elect to become a Utah resident, he or she must either:

- File married filing separate federal and Utah income tax returns, or
- file a married filing joint federal income tax return with the service member, and the service member must file a married filing separate Utah income tax return. See *When One Spouse is a Utah Resident and the Other is a Nonresident* on page 3.

Income Taxable in Utah

Utah Resident Service Member

Utah residents who enter military service do not lose their Utah residency solely by being absent from Utah due to military orders.

A Utah service member is required to file a Utah income tax return and report all income received regardless of the source of that income, unless the income was excluded on the federal return (not included in federal adjusted gross income). If income tax is paid to another state on non-military income earned in that state, a credit for the tax paid to the other state may be allowed on the Utah return (see Utah form TC-40S).

Utah Nonresident Service Member

A nonresident service member stationed in Utah solely due to military orders does not pay Utah income tax on his or her active duty military pay, but must pay Utah income tax on all income earned or received from other Utah sources. Examples of other taxable Utah source income include non-military wages earned in Utah, income from rentals or sales of property in Utah, and Utah investment income. Utah Code §59-10-117 provides guidance on what income is considered to be Utah source. Active duty military pay of a nonresident service member is exempt based on federal law.

If a nonresident service member does not have any Utah source income, he or she is not required to file a Utah income tax return. A nonresident service member with Utah income must file a Utah individual income tax return if they were required to file a federal income tax return. He or she may subtract the active duty military wages included in their federal adjusted gross income when calculating their Utah taxable income. This subtraction is entered on TC-40A, Part 2, using code 82. See examples on pages 6 and 7.

Utah Nonresident Service Member's Non-military Spouse

The income of a nonresident non-military spouse who is in Utah solely to be with a nonresident service member in compliance with the service member's military orders, may be excluded from Utah income tax. See *Residency Issues* on page 2 if the non-military spouse was a Utah resident (domiciled in Utah) when they married the service member and is still living in Utah.

All Utah income of the nonresident spouse of a nonresident active duty service member may be exempt from Utah tax if all of the following three conditions are met:

1. the nonresident spouse had the same domicile as the nonresident service member prior to moving to Utah,
2. the nonresident active duty service member is in Utah under military orders, and
3. the nonresident spouse is in Utah solely to be with their military service member spouse.

If the nonresident non-military spouse meets the requirements above and their income is included in federal adjusted gross income, the income may be subtracted in calculating Utah taxable income. Enter this subtraction on TC-40A, Part 2, using code 88. See example on page 7.

For a nonresident spouse of a Utah resident service member, see the options in *Residency Issues* on page 2.

How a Nonresident, Non-military Spouse Claims Exemption on Form W-4

If the nonresident, non-military spouse of a service member qualifies for the exclusion of income from Utah tax and is paid as an employee, the spouse should give his or her employer a federal Form W-4, *Employee's Withholding Allowance Certificate,* with the following changes to stop the withholding of Utah tax:

- Mark "Utah Copy" at the top of Form W-4, and
- Write the words "Utah Exempt" in box 7.

The employer should not withhold any Utah income tax on wages paid to the spouse after receiving the Form W-4.

When Both Service Member and Spouse are Nonresidents

Federal law prohibits states from including the active duty military income of a nonresident service member when determining the individual income tax for either the service member or the service member's nonresident spouse on a married filing joint return.

If both spouses are nonresidents and are in Utah solely due to the military orders of the service member, they must pay Utah income taxes on the service member's non-military income from Utah sources. If the non-resident service member does not have any Utah source non-military income and the nonresident non-military spouse had the same domicile as the service member before moving to Utah, they are not required to file a Utah income tax return.

See *Utah Nonresident Service Member* and *Utah Nonresident Service Member's Non-military Spouse* on page 2.

When One Spouse is a Utah Resident and the Other is a Nonresident

When one spouse is a full-year Utah resident and the other is a full-year nonresident, they should determine how to file their Utah return based on the following:

Service member is a Utah resident and spouse is a nonresident

1. File a married filing separate federal income tax return.
   a. The Utah resident service member files a married filing separate Utah income tax return; and
   b. the nonresident spouse also files a married filing separate Utah income tax return if they have income that is taxable in Utah.
2. File a married filing joint federal income tax return.
   a. File a Utah married filing joint income tax return treating the spouse as a Utah resident for Utah tax purposes; or
   b. if the nonresident spouse has no income taxable in Utah, they are not required to file a Utah return. The resident spouse may file a married filing separate Utah return using the *Special Instructions* on page 4 if they choose.

Service member is a nonresident and spouse is a Utah resident

1. File a married filing separate federal income tax return.
   a. The Utah resident spouse should file a married filing separate Utah income tax return; and
   b. the nonresident service member also files a married filing separate Utah income tax return if they have income that is taxable in Utah.
2. File a married filing joint federal income tax return.
   a. File a married filing joint Utah income tax return subtracting the nonresident service member's active duty military wages on TC-40A, Part 2, using code 82; or
   b. the Utah resident spouse may file a married filing separate Utah income tax return and if the nonresident service member has income taxable in Utah, the service member may also file a married filing separate return.

Nonresident Single Military Personnel Calculation

Nonresident military personnel who file as single (are not married) should follow the line-by-line instructions for completing the TC-40, with the following modifications:

1. Deduct any active duty military pay that was included in your federal adjusted gross income as a "Subtraction from Income" on your Utah TC-40A, Part 2. Use code "82" for this subtraction.
2. Complete your Utah return through line 24.
3. Calculate the Utah tax for line 25 by completing TC-40B, *Non or Part-year Resident Schedule.*
   a. On the TC-40B, Column A, do not include any nonresident active duty military income included in federal income, as this income is not taxable in Utah. (The subtraction for the excluded military income is entered on TC-40A, Part 2, using code 82, and is included in the total subtractions entered in Column B, line 32. Do not include this excluded income in Column A, line 32.)
   b. Calculate the Utah ratio on line 36 by dividing line 35, Column A by line 35, Column B. Round this calculation ratio to four decimal places. Do not enter a decimal greater than 1.0000, and do not enter a negative number. (If the amount on line 35 in Column A or Column B is zero, enter 0.0000 on line 36.)
   c. Enter on TC-40B, line 37 the tax amount that results from subtracting the apportionable nonrefundable credits shown on TC-40, page 2, line 24 from the tax shown on TC-40, page 2, line 23.
   d. Multiply the tax entered on TC-40B, line 37 by the ratio (decimal) on line 36 and enter the result on line 38. This is your Utah tax. Enter this tax on TC-40, line 25.
4. Complete the balance of the Utah return per TC-40 instructions. (See the example on page 6.)

Nonresident Married Military Personnel and Spouse Calculation

Nonresident military personnel who file as married filing joint with their nonresident non-military spouse should follow the line-by-line instructions for completing the TC-40, with the following modifications:

1. Deduct any active duty military pay that was included in your federal adjusted gross income as a "Subtraction from Income" on your Utah TC-40A, Part 2. Use code "82" for this subtraction.
2. The nonresident non-military spouse is considered to have the same domicile as the service member. Deduct any income of the spouse as a "Subtraction from Income" on your Utah TC-40A, Part 2. Use code "88" for this subtraction.
3. Complete your Utah return through line 24.
4. Calculate the Utah tax for line 25 by completing TC-40B, *Non or Part-year Resident Schedule.*
   a. On TC-40B, Column A, do not include any nonresident active duty military income included in federal income, as this income is not taxable in Utah. (The subtraction for the excluded military income is entered on TC-40A, Part 2, using code 82, and is included in the total subtractions entered in Column B, line 32. Do not include this excluded income in Column A, line 32.)
   b. Include any nonresident military spouse income in TC-40B, Column A if earned or received while living in Utah (lines 1 through 15, whichever applies), and subtract the total of this Utah income in Column A, line 32.)
   c. Include the total nonresident military spouse income received from all sources in TC-40B, Column B (lines 1 through 15, whichever applies), and subtract the total nonresident military spouse income from all sources on TC-40A, Part 2, using code 88 and in Column B, line 32.
   d. Calculate the Utah ratio on TC-40B, line 36 by dividing line 35, Column A by line 35, Column B. Round this calculation ratio to four decimal places. Do not enter a decimal greater than 1.0000, and do not enter a negative number. (If the amount on line 35 in Column A or Column B is zero, enter 0.0000 on line 36.)
   e. Enter on TC-40B, line 37 the tax amount that results from subtracting the apportionable nonrefundable credits shown on TC-40, page 2, line 24 from the tax shown on TC-40, page 2, line 23.
   f. Multiply the tax entered on TC-40B, line 37 by the ratio (decimal) on line 36 and enter the result on line 38. This is your Utah tax. Enter this tax on TC-40, line 25.
5. Complete the balance of the Utah return per TC-40 instructions. (See the example on page 7.)

Special Instructions When One Spouse is a Utah Resident and the Other is a Nonresident

If one spouse is a full-year Utah resident and the other is a nonresident and they filed a married filing joint federal income tax return, they may elect to file their Utah income tax return as married filing separate using these Special Instructions. However, because some items on the Utah return may be prorated, it may not be advantageous for military couples to use these special instructions. See the alternatives in *When One Spouse is a Utah Resident and the Other is a Nonresident* on page 3.

To qualify to use these Special Instructions, you must meet all the following conditions:

1. You are a service member or the spouse of a service member.
2. You have filed a married filing joint federal income tax return.
3. You have a spouse who is a nonresident of Utah.
4. You must be a full-year Utah resident.

Taxpayers who qualify to use these special instructions should follow the line-by-line instructions for completing the TC-40, with the following modifications:

1. Complete a federal return "as if" filing a married filing separate return. List only the income and deductions of the taxpayer or spouse, not both. **Do not file this return with the IRS; it is only used for the purpose of completing the Utah return.**
2. Fill out the *Special Instructions Worksheet* on page 14.
3. Enter **both** the taxpayer and spouse names and social security numbers on the TC-40, *Utah Individual Income Tax Return.* Enter the name and social security number of the taxpayer for whom the return is being prepared on the top line.
4. Box 1, Filing Status – Enter a "9." This code is not shown on the return but is valid for this special calculation.
5. Box 2, Exemptions – Enter a "1" for Yourself and a "0" for your spouse. If you also claimed dependents on your "as if" federal income tax return, enter the same number under Dependents. If you can claim the additional Utah exemption for a dependent claimed who has a disability, enter that number in the fourth box. Total the number of exemptions entered.
6. Line 4, Federal Adjusted Gross Income – Enter the federal "as if" adjusted gross income shown on the Worksheet.
7. Line 5, Additions to Income – Multiply each addition to income by the percentage calculated on the Worksheet. Enter the additions on TC-40A, Part 1, and carry the total to TC-40, line 5.
8. Line 7, State tax refund included on federal form 1040 – Multiply any state income tax refund reported on federal form 1040, line 10 by the percentage calculated on the Worksheet. Enter the result on line 7.
9. Line 8, Subtractions from Income – **Except for codes 82 and 88**, multiply each subtraction from income by the percentage calculated on the Worksheet. Enter the subtractions on TC-40A, Part 2, and carry the total to line 8.

   If filing for the service member:

   a. Subtract the total active duty military pay earned while not a Utah resident that was included in federal adjusted gross income on TC-40A, Part 2, using code 82.
   b. Code 88 is not allowed.
10. Line 11, Exemption Amount – Enter the exemption amount calculated in Part 2 of the Worksheet.
11. Line 12, Federal Standard or Itemized Deductions – Multiply the deduction claimed on your joint federal income tax return by the percentage calculated on the Worksheet. Enter the result on line 12.

12. If filing for the service member:
    - If the service member is a nonresident, include the TC-40B, *Non or Part-Year Resident Schedule* with the Utah return. Report all income earned or received from Utah sources, except active duty military pay, in the Utah column. Do not report any active duty military pay in the Utah column. This income is subtracted on the TC-40A, Part 2, using code 82 and entered in the Total column only on TC-40B, line 32.
    - If the service member is a Utah resident, report all income earned or received during the year, including the active duty military pay. Any active duty military pay received while not a resident of Utah is subtracted on TC-40A, Part 2, using code 82.
13. If filing for the spouse of a service member:
    - If the spouse is a nonresident, include the TC-40B, *Non or Part-Year Resident Schedule* with the Utah return. Report all income earned or received from Utah sources while not a Utah resident, plus all income earned or received from all sources while a Utah resident.
    - If the spouse is a Utah resident, report all income earned or received during the year.
14. Complete the balance of the Utah return using the regular TC-40 instructions.
15. If filing a paper return, attach a copy of the Worksheet to your Utah return. Keep copies of the Worksheet and the "as if" married filing separate federal return in your records in case of an audit.

Utah Combat Related Death Tax Credit

For tax years beginning on or after Jan. 1, 2010, a military service member who dies as a result of military service in a combat zone may claim a nonrefundable tax credit equal to their tax liability in the year of death.

To qualify for the credit, all of the following conditions must be met:

1. The military service member must have been in an active or reserve component of the United States Army, Navy, Air Force, Marine Corps, or Coast Guard;
2. the combat related death must have occurred on or after Jan. 1, 2010;
3. the death must have occurred while the military service member was serving in a combat zone, or be the result of a wound, disease, or injury incurred while serving in a combat zone; and
4. the service must have been on or after the date declared by the President of the United States by Executive Order as a combat zone, and on or before such designation is terminated by the President.

If the filing status on the return is single, head of household or married filing separately, the credit is equal to the tax liability shown on line 22. Enter this amount on TC-40A, Part 4, using code 25.

If the return is filed as married filing joint (deceased service member and spouse), calculate the credit as follows:

Calculation of Combat Related Death Credit for Joint Return

1. Adjusted gross income on joint federal return ..... $_____
2. Federal adjusted gross income of deceased military member ..... $_____
3. Allocation percentage – divide line 2 by line 1 ..... __. __ __ __ __
4. Amount of tax liability from TC-40, line 22 ..... $_____
5. Combat Related Death Credit – multiply line 4 by line 3 ..... $_____

   Enter this amount on TC-40A, Part 4, using code 25.

Note: You may use a different method of allocating the tax liability if that method more accurately reflects the deceased service member's tax liability.

Service that Qualifies for an Extension of Deadline

Utah allows personnel serving in a combat zone or contingency operation the same extension deadline allowed by the IRS. See IRS Publication 3, *Armed Forces' Tax Guide* (**irs.gov/publications/p3/index.html**).

If you qualify for combat zone relief, you may notify us of your status through a special e-mail address: **combatzone@utah.gov**. Provide your name, stateside address, date of birth, and date of deployment to the combat zone. You, your spouse or an authorized representative may make this notification.

The Tax Commission cannot provide tax account information by e-mail. Therefore, we will reply to any questions within two business days by regular mail to the address we have on record. We may provide general answers to questions regarding the status of individual combat zone updates via e-mail.

Signing Returns

You (and your spouse, if filing a joint return) must sign the return. You may also authorize someone to sign for you by granting a power of attorney.

Rules about filing Utah returns follow federal rules for a military spouse who is serving overseas, in a combat zone or in a qualified hazardous duty area, or is in missing status or incapacitated, or who died during the year. See IRS Publication 3 for details.

Where to Get Help

If you have other questions about Utah's treatment of military personnel, please contact us at the address or telephone numbers below.

Utah State Tax Commission
210 N 1950 W
Salt Lake City UT 84134

801-297-7705, phone in the Salt Lake area
1-800-662-4335, ext. 7705, outside the Salt Lake area
801-297-6357, fax
taxmaster@utah.gov

You can also get information about federal tax treatment at:

- Soldiers' and Sailors' Civil Relief Act of 1940, United States Code, Title 50, Section 573.
- Utah Service Members' Civil Relief Act, Utah Code, Title 39, Chapter 7.

Examples

Example for Nonresident Single Military Personnel

James is a single, nonresident active duty military service member stationed in Utah. In addition to his active duty military pay of $18,000, James has non-military income from a Utah part-time job of an additional $15,600. His state of domicile is Colorado.

The active duty military pay is excluded from James' Utah taxable income, but the non-military income is subject to Utah tax.

James is required to file a Utah return. His Utah return is calculated as follows:

The following references are to lines on form TC-40:

1. Filing Status = SINGLE		
2. Exemptions = 1		
3. N/A		
4. Adjusted gross income from federal return		$33,600
5. Additions to income from TC-40A, Part 1		0
6. Add lines 4 and 5		33,600
7. State tax refund included on federal form 1040, line 10	0	
8. Subtractions from income from TC-40A, Part 2 – Nonresident active duty military pay, code 82	18,000	
Total subtractions (add lines 7 and 8)		(18,000)
9. Utah taxable income – subtract lines 7 and 8 from line 6		15,600
10. Utah tax - line 9 multiplied by 5%		780
11. Personal exemption amount for Utah	3,000 *	
12. Federal standard or itemized deductions	6,300	
13. Add line 11 and line 12	9,300	
14. State income tax deducted on federal Schedule A, line 5	0	
15. Subtract line 14 from line 13	9,300	
16. Initial taxpayer tax credit - multiply line 15 by 6%	558	
17. Base phase-out amount	13,805	
18. Subtract line 17 from line 9	1,795	
19. Multiply line 18 by 1.3%	23	
20. Taxpayer tax credit - subtract line 19 from line 16		535
21. N/A		
22. Utah income tax - subtract line 20 from line 10 (also enter on TC-40B, line 34)		245
23. Apportionable nonrefundable credits		0
24. Net Utah tax		245

The following references are to lines on form TC-40B:

	Col. A	Col. B	
17. Utah total income (Column A)	15,600		
Total income (Column B)		33,600	
32. Utah subtractions from income (Column A)	0		
Total subtractions from income (Column B)		18,000	
This is the nonresident active duty military pay from TC-40A, Part 2, code 82			
35. Utah income (Column A – line 17 less line 34)	15,600		
Total income (Column B – line 17 less line 34)		15,600	
36. Ratio – line 34, Column A divided by line 35, Column B			1.0000
37. Utah tax from TC-40, line 24			245
38. Nonresident Utah tax - line 37 multiplied by ratio on line 36			245
This is the Utah tax to be entered on TC-40, line 25.			

* Utah exemption amount for 2015 is $3,000 (75% of federal exemption of $4,000).

→ See the *Utah Individual Income Tax Return* on pages 8 through 10

Example for Nonresident Married Military Personnel and Spouse

Terry is a married active duty military member whose military home of record is Colorado. He was transferred to Utah's Hill Air Force Base in March of 2015. He and his wife had adjusted gross income on their federal return of $69,550. Terry had active duty military pay of $24,875 and non-military income from a Utah part-time job of $28,825. His spouse (who had the same domicile as Terry before moving to Utah to be with Terry) had non-military income of $4,700 from her previous employment in Colorado and $9,950 from her non-military job in Utah. They also have $1,200 of interest earned from their bank in Colorado (each owns one-half).

Terry and his wife are required to file a joint Utah return. Their joint Utah return is calculated as follows:

The following references are to lines on form TC-40:

1. Filing Status = MARRIED FILING JOINTLY		
2. Exemptions = 2		
3. N/A		
4. Adjusted gross income from federal return		$69,550
5. Additions to income from TC-40A, Part 1		0
6. Add lines 4 and 5		69,550
7. State tax refund included on federal form 1040, line 10	0	
8. Subtractions from income from TC-40A, Part 2 –		
Nonresident active duty military pay, code 82	24,875	
Nonresident military spouse total income, code 88 (4,700 + 9,950 + 600)	15,250	
Total subtractions (add lines 7 and 8)		(40,125)
9. Utah taxable income – subtract lines 7 and 8 from line 6		29,425
10. Utah tax - line 9 multiplied by 5%		1,471
11. Personal exemption amount for Utah	6,000 *	
12. Federal standard or itemized deductions	12,600	
13. Add line 11 and line 12	18,600	
14. State income tax deducted on federal Schedule A, line 5	0	
15. Subtract line 14 from line 13	18,600	
16. Initial taxpayer tax credit - multiply line 15 by 6%	1,116	
17. Base phase-out amount	27,610	
18. Subtract line 17 from line 9	1,815	
19. Multiply line 18 by 1.3%	24	
20. Taxpayer tax credit - subtract line 19 from line 16		1,092
21. N/A		
22. Utah income tax - subtract line 20 from line 10 (also enter on TC-40B, line 34)		379
23. Apportionable nonrefundable credits		0
24. Net Utah tax		379

The following references are to lines on form TC-40B:

	Col. A	Col. B
17. Utah total income (Column A)	38,775	
Total income (Column B)		69,550
32. Utah subtractions from income (Column A – spouse Utah income)	9,950	
Total subtractions from income (Column B) – total of lines 7 and 8 above		40,125
35. Utah income (Column A – line 17 less line 34)	28,825 **	
Total income (Column B – line 17 less line 34)		29,425
36. Ratio – line 35, Column A divided by line 35, Column B		.9796
37. Utah tax from TC-40, line 24		379
38. Nonresident Utah tax - line 37 multiplied by ratio on line 36		371
This is the Utah tax to be entered on TC-40, line 25.		

* Utah exemption amount for 2015 is $3,000 (75% of federal exemption of $4,000).

** Only the military service member's non-military Utah income is taxable. The nonresident military spouse's Utah income is not taxable in Utah nor is the out-of-state interest income taxable in Utah.

→ See the *Utah Individual Income Tax Return* on pages 11 through 13

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Utah State Tax Commission

Utah Individual Income Tax Return

All State Income Tax Dollars Fund Education

2015 TC-40

• Amended Return - enter code: _____ (code 1 - 5 from instructions)

Your Social Security No.

Spouse's Soc. Sec. No.

Your first n

Spouse's f

Address

City

elephone number

oreign country (if not U.S.)

If deceased, complete page 3, Part 1

Example for a Nonresident Single Military Service Member

1 Filing Status - enter code	• 2 Exemptions - enter number	3 Election Campaign Fund - enter code
1 = Single	a 1 Yourself*	Does not increase your tax or reduce your refund
• 1 **2** = Married filing jointly	b Spouse*	**C** = Constitution
3 = Married filing separately	c Dependents*	**D** = Democratic — Yourself • ____ Spouse • ____
4 = Head of household	d Dependents with a disability	**M** = Independent American
5 = Qualifying widow(er)	e 1 Total exemptions (add a through d)	**L** = Libertarian
If using code 2 or 3, enter spouse's name and SSN above	* from federal return	**R** = Republican — **N** = No contribution

4	Federal adjusted gross income from federal return		• 4 33600.00
5	Additions to income from TC-40A, Part 1 (attach TC-40A, page 1)		• 5 .00
6	Total income - add line 4 and line 5		6 .00
7	State tax refund included on federal form 1040, line 10, if any		• 7 .00
8	Subtractions from income from TC-40A, Part 2 (attach TC-40A, page 1)		• 8 18000.00
9	**Utah taxable income (loss)** - subtract the sum of lines 7 and 8 from line 6		• 9 15600.00
10	**Utah tax** - multiply line 9 by 5% (.05) (not less than zero)		• 10 780.00
11	Exemption amount - multiply line 2e by $3,000 (if line 4 over $154,950, see instr.)	• 11 3000.00	
12	Federal standard or itemized deductions	• 12 6300.00	
13	Add line 11 and line 12	13 9300.00	
14	State income tax deducted on federal Schedule A, line 5, if any	• 14 .00	
15	Subtract line 14 from line 13	15 9300.00	
16	Initial credit before phase-out - multiply line 15 by 6% (.06)	• 16 558.00	
17	Enter: **$13,805** (if single or married filing separately); **$20,707** (if head of household); or **$27,610** (if married filing jointly or qualifying widower)	• 17 13805.00	
18	Income subject to phase-out - subtract line 17 from line 9 (not less than zero)	18 1795.00	
19	Phase-out amount - multiply line 18 by 1.3% (.013)	• 19 23.00	
20	Taxpayer tax credit - subtract line 19 from line 16 (not less than zero)		• 20 535.00
21	If you are a qualified exempt taxpayer, enter "X" (complete worksheet in instr.)	• 21 ____	
22	**Utah income tax** - subtract line 20 from line 10 (not less than zero)		• 22 245.00

Electronic filing is quick, easy and free, and will speed up your refund.

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40504

Income Tax Supplemental Schedule

SSN _____ Last nar

Nonresident Single Military Service Member

TC-40A 2015

Part 1 - Additions to Income (write the code and amount of each addition to income)

Code		Code		Code	Amount
			•		.00
51	Lump sum distributions	**57**	Municipal bond interest		
53	Medical Savings Account (MSA) addback*	**60**	Untaxed income of a resident trust	•	.00
54	Utah Educational Savings Plan (UESP) addback*	**61**	Untaxed income of a nonresident trust		
56	Child's income excluded from parent's return	**69**	Equitable adjustments	•	.00

* to the extent previously deducted or credited on Utah return

• .00

• .00

Total additions to income (add all additions to income and enter total here and on TC-40, line 5) .00

Part 2 - Subtractions from Income (write the code and amount of each subtraction from income)

Code			Code		Code	Amount
				•	82	18000 .00
71	Interest from U.S. Government Obligations		**78**	Railroad retirement income		
77	Native American Income:	**Tribe**	**79**	Equitable adjustments	•	.00
	Enrollment Number	**Code**	**82**	Nonresident active duty military pay		
Yours	•		**85**	State tax refund distributed to beneficiary	•	.00
Spouse's	•		**88**	Nonresident military spouse income		

• .00

• .00

Total subtractions from income (add all subtractions from income and enter total here and on TC-40, line 8) 18000 .00

Part 3 - Apportionable Nonrefundable Credits (write the code and amount of each credit)

Code		Code		Code	Amount
			•		.00
04	Capital gain transactions credit	**22**	Medical Care Savings Account (MSA) credit		
18	Retirement tax credit (attach TC-40C)	**23**	Health benefit plan credit	•	.00
20	Utah Educational Savings Plan (UESP) credit	**24**	Qualifying solar project credit		
		26	Gold and silver coin sale credit	•	.00

• .00

• .00

Total apportionable nonrefundable credits (add all Part 3 credits and enter total here and on TC-40, line 24) .00

Part 4 - Nonapportionable Nonrefundable Credits (write the code and amount of each credit)

Code		Code		Code	Amount
			•		.00
01	At-home parent credit	**12**	Research activities credit		
02	Qualified sheltered workshop credit - name:	**13**	Carryover of mach./equip. research credit	•	.00
		17	Tax paid to another state (attach TC-40S)		
05	Clean fuel vehicle credit	**19**	Live organ donation expenses credit	•	.00
06	Historic preservation credit	**21**	Renewable residential energy systems credit		
07	Enterprise zone credit	**25**	Combat related death credit	•	.00
08	Low-income housing credit	**27**	Veteran employment tax credit		
10	Recycling market dev. zone credit	**28**	Employing persons who are homeless	•	.00

Total nonapportionable nonrefundable credits (add all Part 4 credits and enter total here and on TC-40, line 26) .00

Submit page ONLY if data entered.

Attach completed schedule to your Utah Income Tax Return.

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40506

Non and Part-year Resident Schedule

SSN _____ Last nam

TC-40B
2015

Nonresident Single Military Service Member

Residency Status: • ____ Nonresident: Home state abbreviatio ____ to ____
y mm/dd/yy

Income		**Col. A - UTAH**	**Col. B - TOTAL**
1	Wages, salaries, tips, etc. (1040/1040A line 7, 1040EZ line 1)	15600 .00	33600 .00
2	Taxable interest income (1040/1040A line 8a, 1040EZ line 2)	.00	.00
3	Ordinary dividends (1040/1040A line 9a)	.00	.00
4	Taxable refunds, credits, or offsets of state and local income taxes (1040 line 10)	.00	.00
5	Alimony received (1040 line 11)	.00	.00
6	Business income or (loss) (1040 line 12)	.00	.00
7	Capital gain or (loss) (1040 line 13, 1040A line 10)	.00	.00
8	Other gains or (losses) (1040 line 14)	.00	.00
9	IRA distributions - taxable amount (1040 line 15b, 1040A line 11b)	.00	.00
10	Pensions and annuities - taxable amount (1040 line 16b, 1040A line 12b)	.00	.00
11	Rental real estate, royalties, partnerships, S corporations, trusts, etc. (1040 line 17)	.00	.00
12	Farm income or (loss) (1040 line 18)	.00	.00
13	Unemployment compensation (1040 line 19, 1040A line 13, 1040EZ line 3)	.00	.00
14	Social Security benefits - taxable amount (1040 line 20b, 1040A line 14b)	.00	.00
15	Other income (1040 line 21)	.00	.00
16	Additions to income from TC-40A, Part 1 (Utah portion only in Utah column)	.00	.00
17	Total income (loss) - add lines 1 through 16 for both columns A and B	15600 .00	33600 .00

Adjustments		**Col. A - UTAH**	**Col. B - TOTAL**
18	Educator expenses (1040 line 23, 1040A line 16)	.00	.00
19	Certain business expenses of reservists, performing artists, etc. (1040 line 24)	.00	.00
20	Health savings account deduction (1040 line 25)	.00	.00
21	Moving expenses (1040 line 26) - enter in col. A only expenses moving into Utah	.00	.00
22	Deductible part of self-employment tax (1040 line 27)	.00	.00
23	Self-employed SEP, SIMPLE and qualified plans (1040 line 28)	.00	.00
24	Self-employed health insurance deduction (1040 line 29)	.00	.00
25	Penalty on early withdrawal of savings (1040 line 30)	.00	.00
26	Alimony paid (1040 line 31a)	.00	.00
27	IRA deduction (1040 line 32, 1040A line 17)	.00	.00
28	Student loan interest deduction (1040 line 33, 1040A line 18)	.00	.00
29	Tuition and fees (1040 line 34, 1040A line 19)	.00	.00
30	Domestic production activities deduction (1040 line 35)	.00	.00
31	Taxable refunds, credits, or offsets of state and local income taxes (1040 line 10)	.00	.00
32	Subtractions from income from TC-40A, Part 2 (Utah portion only in Utah column)	.00	18000 .00
33	(see instructions): _____	.00	.00
34	Total adjustments - add lines 18 through 33 for both columns A and B	0 .00	18000 .00

35	Subtract line 34 from line 17 for both columns A and B Line 35, column B must equal TC-40, line 9	• 15600 .00	• 15600 .00

Non or Part-year Resident Utah Tax

36	Divide line 35 column A by line 35 column B (to 4 decimal places) Do not enter a number greater than 1.0000 or less than 0.0000	36	1.0000
37	Subtract TC-40, line 24 from TC-40, line 23 and enter the result (not less than zero) here	37	245 .00
38	Multiply line 37 by the decimal on line 36. This is your Utah tax. Enter on TC-40, page 2, line 25	• 38	245 .00

Submit this page ONLY if data entered.
Attach completed schedule to your Utah Income Tax Return.

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40501

9998

Utah State Tax Commission

Utah Individual Income Tax Return

All State Income Tax Dollars Fund Education

2015 TC-40

• Amended Return - enter code: _____ (code 1 - 5 from instructions)

Your Social Security No. | Your first n | If deceased, complete page 3, Part 1

Spouse's Soc. Sec. No. | Spouse's f

Address

City | ot U.S.)

Example for a Nonresident Married Military Service Member and Spouse

1 Filing Status - enter code	• 2 Exemptions - enter number	3 Election Campaign Fund - enter code
1 = Single	a 1 Yourself*	Does not increase your tax or reduce your refund
• 2 **2** = Married filing jointly	b 1 Spouse*	**C** = Constitution
3 = Married filing separately	c Dependents*	**D** = Democratic — Yourself • ____ Spouse • ____
4 = Head of household	d Dependents with a disability	**M** = Independent American
5 = Qualifying widow(er)	e 2 Total exemptions (add a through d)	**L** = Libertarian
If using code 2 or 3, enter spouse's name and SSN above	* from federal return	**R** = Republican — **N** = No contribution

4	Federal adjusted gross income from federal return		• 4 69550.00
5	Additions to income from TC-40A, Part 1 (attach TC-40A, page 1)		• 5 .00
6	Total income - add line 4 and line 5		6 69550.00
7	State tax refund included on federal form 1040, line 10, if any		• 7 .00
8	Subtractions from income from TC-40A, Part 2 (attach TC-40A, page 1)		• 8 40125.00
9	**Utah taxable income (loss)** - subtract the sum of lines 7 and 8 from line 6		• 9 29425.00
10	**Utah tax** - multiply line 9 by 5% (.05) (not less than zero)		• 10 1471.00
11	Exemption amount - multiply line 2e by $3,000 (if line 4 over $154,950, see instr.)	• 11 6000.00	
12	Federal standard or itemized deductions	• 12 12600.00	
13	Add line 11 and line 12	13 18600.00	
14	State income tax deducted on federal Schedule A, line 5, if any	• 14 .00	
15	Subtract line 14 from line 13	15 18600.00	
16	Initial credit before phase-out - multiply line 15 by 6% (.06)	• 16 1116.00	
17	Enter: **$13,805** (if single or married filing separately); **$20,707** (if head of household); or **$27,610** (if married filing jointly or qualifying widower)	• 17 27610.00	
18	Income subject to phase-out - subtract line 17 from line 9 (not less than zero)	18 1815.00	
19	Phase-out amount - multiply line 18 by 1.3% (.013)	• 19 24.00	
20	Taxpayer tax credit - subtract line 19 from line 16 (not less than zero)		• 20 1092.00
21	If you are a qualified exempt taxpayer, enter "X" (complete worksheet in instr.)	• 21 ____	
22	**Utah income tax** - subtract line 20 from line 10 (not less than zero)		• 22 379.00

Electronic filing is quick, easy and free, and will speed up your refund.

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40504

Income Tax Supplemental Schedule

SSN _____ Last nar

Nonresident Married Military Service Member and Spouse

TC-40A 2015

Part 1 - Additions to Income (write the code and amount of each addition to income)

Code		Code		Code	Amount
			•		.00
51	Lump sum distributions	**57**	Municipal bond interest		
53	Medical Savings Account (MSA) addback*	**60**	Untaxed income of a resident trust	•	.00
54	Utah Educational Savings Plan (UESP) addback*	**61**	Untaxed income of a nonresident trust		
56	Child's income excluded from parent's return	**69**	Equitable adjustments	•	.00
* to the extent previously deducted or credited on Utah return					
			•		.00
			•		.00

Total additions to income (add all additions to income and enter total here and on TC-40, line 5) .00

Part 2 - Subtractions from Income (write the code and amount of each subtraction from income)

Code			Code		Code	Amount
				•	82	24875 .00
71	Interest from U.S. Government Obligations		**78** Railroad retirement income			
77	Native American Income:	**Tribe**	**79** Equitable adjustments	•	88	15250 .00
	Enrollment Number	**Code**	**82** Nonresident active duty military pay			
	Yours •		**85** State tax refund distributed to beneficiary	•		.00
	Spouse's •		**88** Nonresident military spouse income			
				•		.00
				•		.00

Total subtractions from income (add all subtractions from income and enter total here and on TC-40, line 8) 40125 .00

Part 3 - Apportionable Nonrefundable Credits (write the code and amount of each credit)

Code		Code		Code	Amount
			•		.00
04	Capital gain transactions credit	**22**	Medical Care Savings Account (MSA) credit		
18	Retirement tax credit (attach TC-40C)	**23**	Health benefit plan credit	•	.00
20	Utah Educational Savings Plan (UESP) credit	**24**	Qualifying solar project credit		
		26	Gold and silver coin sale credit	•	.00
				•	.00
				•	.00

Total apportionable nonrefundable credits (add all Part 3 credits and enter total here and on TC-40, line 24) .00

Part 4 - Nonapportionable Nonrefundable Credits (write the code and amount of each credit)

Code		Code		Code	Amount
			•		.00
01	At-home parent credit	**12**	Research activities credit		
02	Qualified sheltered workshop credit - name:	**13**	Carryover of mach./equip. research credit	•	.00
		17	Tax paid to another state (attach TC-40S)		
05	Clean fuel vehicle credit	**19**	Live organ donation expenses credit	•	.00
06	Historic preservation credit	**21**	Renewable residential energy systems credit		
07	Enterprise zone credit	**25**	Combat related death credit	•	.00
08	Low-income housing credit	**27**	Veteran employment tax credit		
10	Recycling market dev. zone credit	**28**	Employing persons who are homeless	•	.00

Total nonapportionable nonrefundable credits (add all Part 4 credits and enter total here and on TC-40, line 26) .00

Submit page ONLY if data entered.
Attach completed schedule to your Utah Income Tax Return.

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40506

Non and Part-year Resident Schedule

SSN _____ Last nam

TC-40B
2015

Nonresident Married Military Service Member and Spouse

Residency Status: • ____ Nonresident: Home state abbreviatio ____ to ____
y mm/dd/yy

Income		**Col. A - UTAH**	**Col. B - TOTAL**
1	Wages, salaries, tips, etc. (1040/1040A line 7, 1040EZ line 1)	38775 .00	68350 .00
2	Taxable interest income (1040/1040A line 8a, 1040EZ line 2)	.00	1200 .00
3	Ordinary dividends (1040/1040A line 9a)	.00	.00
4	Taxable refunds, credits, or offsets of state and local income taxes (1040 line 10)	.00	.00
5	Alimony received (1040 line 11)	.00	.00
6	Business income or (loss) (1040 line 12)	.00	.00
7	Capital gain or (loss) (1040 line 13, 1040A line 10)	.00	.00
8	Other gains or (losses) (1040 line 14)	.00	.00
9	IRA distributions - taxable amount (1040 line 15b, 1040A line 11b)	.00	.00
10	Pensions and annuities - taxable amount (1040 line 16b, 1040A line 12b)	.00	.00
11	Rental real estate, royalties, partnerships, S corporations, trusts, etc. (1040 line 17)	.00	.00
12	Farm income or (loss) (1040 line 18)	.00	.00
13	Unemployment compensation (1040 line 19, 1040A line 13, 1040EZ line 3)	.00	.00
14	Social Security benefits - taxable amount (1040 line 20b, 1040A line 14b)	.00	.00
15	Other income (1040 line 21)	.00	.00
16	Additions to income from TC-40A, Part 1 (Utah portion only in Utah column)	.00	.00
17	Total income (loss) - add lines 1 through 16 for both columns A and B	38775 .00	69550 .00

Adjustments		**Col. A - UTAH**	**Col. B - TOTAL**
18	Educator expenses (1040 line 23, 1040A line 16)	.00	.00
19	Certain business expenses of reservists, performing artists, etc. (1040 line 24)	.00	.00
20	Health savings account deduction (1040 line 25)	.00	.00
21	Moving expenses (1040 line 26) - enter in col. A only expenses moving into Utah	.00	.00
22	Deductible part of self-employment tax (1040 line 27)	.00	.00
23	Self-employed SEP, SIMPLE and qualified plans (1040 line 28)	.00	.00
24	Self-employed health insurance deduction (1040 line 29)	.00	.00
25	Penalty on early withdrawal of savings (1040 line 30)	.00	.00
26	Alimony paid (1040 line 31a)	.00	.00
27	IRA deduction (1040 line 32, 1040A line 17)	.00	.00
28	Student loan interest deduction (1040 line 33, 1040A line 18)	.00	.00
29	Tuition and fees (1040 line 34, 1040A line 19)	.00	.00
30	Domestic production activities deduction (1040 line 35)	.00	.00
31	Taxable refunds, credits, or offsets of state and local income taxes (1040 line 10)	.00	.00
32	Subtractions from income from TC-40A, Part 2 (Utah portion only in Utah column)	9950 .00	40125 .00
33	(see instructions): _____	.00	.00
34	Total adjustments - add lines 18 through 33 for both columns A and B	9950 .00	40125 .00
35	Subtract line 34 from line 17 for both columns A and B Line 35, column B must equal TC-40, line 9	• 28825 .00	• 29425 .00

Non or Part-year Resident Utah Tax

36	Divide line 35 column A by line 35 column B (to 4 decimal places) Do not enter a number greater than 1.0000 or less than 0.0000	36	0.9796
37	Subtract TC-40, line 24 from TC-40, line 23 and enter the result (not less than zero) here	37	379 .00
38	Multiply line 37 by the decimal on line 36. This is your Utah tax. Enter on TC-40, page 2, line 25	• 38	371 .00

Submit this page ONLY if data entered.
Attach completed schedule to your Utah Income Tax Return.

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Special Instructions Worksheet

Use the following worksheet to assist in completing your Utah income tax return. See instructions on page 4.

PART 1 - Allocation Percentage

1. Adjusted gross income on joint federal return for both taxpayers . . . . . 1 _____
2. Federal "as if" adjusted gross income of full-year Utah resident spouse only . . . . . 2 _____
3. Allocation percentage (divide line 2 by line 1 (carry to four decimal places) . . . . . 3 ____. ____ ____ ____ ____

Use the percentage calculated on line 3 above to allocate the following on your Utah return:

- Additions to income - enter only the allocated amount on TC-40A, Part 1.
- Subtractions from income - enter only the allocated amount on TC-40A, Part 2.
- Standard or itemized deductions - enter only the allocated amount on TC-40, line 12.
- State income tax deducted as an itemized deduction on federal form 1040, Schedule A, line 5 - enter only the allocated amount on TC-40, line 14.

PART 2 - Utah Exemption Amount

4. Total exemption amount deducted on your "as if" federal return[1] . . . . . 4 _____
5. Number of exemptions claimed on your "as if" federal return[2]. . . . . 5 _____
6. Full-year Utah resident spouse exemption amount - divide line 4 by line 5. . . . . 6 _____
7. Number of dependent(s) entered on TC-40, line 2c and line 2d . . . . . 7 _____
8. Multiply number of dependents on line 7 by the amount on line 6 . . . . . 8 _____
9. Multiply line 8 by allocation percentage on line 3 . . . . . 9 _____
10. Add lines 6 and 9. . . . . 10 _____
11. Multiply the amount on line 10 by .75 (75%). Enter this amount on TC-40, line 11 . . . . . 11 _____

[1] Form 1040, line 42

Form 1040A, line 26

Form 1040EZ - if you checked either box on line 5, enter the amount from line F on the back of your Form 1040EZ. If you did not check a box on line 5, enter $4,000

[2] Form 1040, line 6d

Form 1040A, line 6d

Form 1040EZ - enter "1" minus the number of boxes checked on line 5 of your form 1040EZ

Nonresident Spouse Instructions

If the nonresident spouse has Utah income and must file a Utah return, make these changes to the above worksheet:

1. Change the reference on line 2 to: Federal adjusted gross income of nonresident spouse only.
2. Change the reference on line 4 to: Nonresident spouse only "as if" exemption amount.

IMPORTANT: Be sure to enter "9" as your filing status on TC-40, line 1, to identify you are using Special Instructions for Military Service Members.