



**DIVISION OF REVENUE AND TAXATION
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
TERRITORIAL INDIVIDUAL INCOME TAX RETURN
FOR SINGLE AND JOINT FILERS WITH NO DEPENDENTS
AND CNMI SOURCE INCOME ONLY**



Form 1040EZ-CM

2009

| | | | |
|-------------------------|--|-----------|--|
| Name and Address | Your first name and initial | Last Name | Your social security number |
| | If a joint return, spouse's first name and initial | Last Name | Spouse's social security number |
| | Home address (number and street). If you have a P.O. Box, see page 9. | | Apt. No. |
| | City, town, or post office, state and ZIP code. If you have a foreign address, see page 9. | | IMPORTANT! You must enter SSN(s) above |

| | | | |
|---|---|---|--|
| Income Attach Form(s) W-2CM Here | 1 Total Wages, salaries, and tips. This should be shown in box 1 of your W-2CM form(s). Attach your W-2CM form(s)..... | 1 | |
| | 2 Taxable Interest income. If the total is over \$1,500, you cannot use Form 1040EZ-CM..... | 2 | |
| | 3 Unemployment compensation in excess of \$2,400 per recipient (see page 11) | 3 | |
| | 4 Add lines 1,2, and 3. This is your adjusted gross income | 4 | |
| | 5 If someone can claim you (or your spouse if a joint return) as a dependent, check the applicable box(es) below and enter the amount from the worksheet on page 2. <input type="checkbox"/> You <input type="checkbox"/> Spouse If no one can claim you (or your spouse if a joint return), enter \$9,350, if single; \$18,700 if married filing jointly . See page 2 for explanation..... | 5 | |
| | 6 Subtract line 5 from line 4. If line 5 is larger than line 4, enter -0-. This is your taxable Income | 6 | |

| | | | |
|---|---|----|--|
| Payments and Tax | 7 NMTIT (Chapter 7) income tax withheld from box 2a of your W-2CM form(s)..... | 7 | |
| | 8 Making work pay credit (see worksheet on back) | 8 | |
| | 9a Earned Income Credit (EC) (see page 13) | 9a | |
| | b Non-taxable combat pay election9b _____ | | |
| | 10 Add lines 7, 8, and 9a. These are your total payments and credits | 10 | |
| 11 Tax . Use the amount on line 6 above to find your tax in the tax table on pages 27-35 of the instructions. Then, enter the tax from the table on this line | 11 | | |

| | | | |
|---------------------------------|--|----|--|
| Refund or Amount you Owe | 12a If line 10 is larger than line 11, subtract line 11 from line 10. This is your refund (before rebate)..... | 12 | |
| | 13 If line 11 is larger than line 10, subtract line 10 from line 11. This is the amount you owe (before rebate offset)..... | 13 | |

| | | | |
|-----------------------------|--|------------|---|
| Third Party Designee | Do you want to allow another person to discuss this return with the Division of Revenue and Taxation (see page 20)? <input type="checkbox"/> Yes. Complete the following. <input type="checkbox"/> No. | | |
| | Designee's name ▶ | Phone no ▶ | Personal Identification Number (PIN) ▶ <input type="text"/> |

| | | | | |
|---|---|------|---------------------|----------------------|
| Sign Here Joint return? See page 6. Keep a copy of this return for your records | Under penalties of perjury. I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. | | | |
| | ▶ Your signature | Date | Your occupation | Daytime Phone number |
| | ▶ Spouse's signature. If a joint return, both must sign | Date | Spouse's occupation | |

| | | | | |
|---------------------------------|--|------|---|------------------------|
| Paid Preparer's Use Only | ▶ Preparer's signature | Date | Check if self-employed <input type="checkbox"/> | Preparer's SSN or PTIN |
| | Firm's name (or yours if self-employed) and address and Zip Code | | | EIN |
| | | | | Phone No. |

Use this worksheet to figure the amount to enter on line 5 if someone can claim you (or your spouse if married filing jointly) as a dependent, even if that person chooses not to do so. To find out if someone can claim you as a dependent see Pub. 501.

Worksheet for dependents who checked one or both boxes on line 5.

A. Amount, if any, from line 1, page 1. 300.00 Enter total ► A. _____

B. Minimum standard deduction B. 950.00

C. Enter the larger of line A or line B here..... C. _____

D. Maximum standard deduction. If **single**, enter \$5,700; if **married filing jointly**, enter \$11,400 D. _____

E. Enter the **smaller** of line C or line D here. This is your standard deduction..... E. _____

F. Exemption amount. }

- If single, enter -0-
- If married filing jointly and ---
 - both **you and your spouse can be claimed** as dependents, enter -0-
 - only one of you can be claimed as a dependent, enter \$3,650.

F. _____

G. Add lines E and F. Enter the total here and on line 5, page 1..... G. _____

If you did not check any boxes on line 5, enter on line 5 the amount shown below that applies to you.

- Single, enter \$9,350. This is the total of your standard deduction (\$5,700.00) and your exemption (\$3,650.00).
- Married filing jointly, enter \$18,700.00. This is the total of your standard deduction (\$11,400.00), your exemption (\$3,650.00), and your spouse's exemption (\$3,650.00).

Before you begin: If you can be claimed as a dependent on someone else's return, you **do not** qualify for this credit. If married filing jointly, include your spouse's amounts with yours when completing this worksheet.

Worksheet for line 8 - Making work pay credit

1a. Important. See instructions on page 12 if your wages include pay for work performed while an inmate in a penal institution, or a scholarship or fellowship grant not reported on Form W-2CM
Do you (and your spouse if filing jointly) have 2009 wages of more than \$6,451 (\$12,903 if filing jointly)?

Yes. Skip lines 1a through 3. Enter \$400 (\$800 if married filing jointly) on line 4 and go to line 5.

No. Enter your earned income (see instructions) 1a. _____

1b. Nontaxable combat pay included on line 1a (see instructions) 1b. _____

2. Multiply line 1a by 6.2% (.062) 2 _____

3. Enter \$400 (\$800 if married filing jointly) 3 _____

4. Enter the **smaller** of line 2 or line 3 (unless you checked "Yes" on line 1a.) 4 _____

5. Enter amount from line 4 (on front)..... 5 _____

6. Enter \$75,000 (\$150,000 if married filing jointly) 6 _____

7. Is the amount on line 5 more than the amount on line 6?

No. Skip line 8. Enter the amount from line 4 on line 9 below

Yes. Subtract line 6 from line 5 7 _____

8. Multiply line 7 by 2% (.02) 8 _____

9. Subtract line 8 from line 4. If zero or less, enter zero

10. Did you (or your spouse, if filing jointly) receive an economic recovery payment in 2009? You may have received this payment if you received social security benefits, supplemental security income, railroad retirement benefits, or veterans disability compensation or pension benefits (see instructions).

No. Enter -0- on line 10.

Yes. Enter the total of the economic recovery payments received by you (and your spouse, if filing jointly). **Do not** enter more than \$250 (\$500 if married filing jointly) 10 _____

11. **Making work pay credit.** Subtract line 10 from line 9. If zero or less, enter -0-. Enter the result here and on Form 1040EZ-CM, line 8. 11 _____

Mailing your return

If filing by mail, please send to: Division of Revenue and Taxation
Post Office Box 5234 CHRFB
Saipan, MP 96950

DEADLINE: APRIL 15, 2010



**DIVISION OF REVENUE AND TAXATION
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
ANNUAL WAGE AND SALARY**



For Form 1040EZ-CM

(Please type or print in ink)

2009

| | | | | |
|-------------------------|--|-----------|---------------------------------|---|
| Name and Address | Your first name and initial | Last Name | Your social security number | |
| | If a joint return, spouse's first name and initial | Last Name | Spouse's social security number | |
| | Home address (number and street). | | Apt. No. | IMPORTANT ! You must enter SSN(s) above |
| | City, town, or post office, state and ZIP code. | | | |

(SEE SUPPLEMENTAL INSTRUCTIONS)

| | | | A. YOURSELF | B. SPOUSE |
|--|--|---|-------------|-----------|
| Part A Wage and Salary tax computation | 1 CNMI wages and salaries from Form(s) W-2CM..... | 1 | | |
| | 2 Other CNMI wages and salaries not included in line 1..... | 2 | | |
| | 3 Total CNMI wages and salaries (add lines 1 and 2)..... | 3 | | |
| | 4 Amount on line 3 not subject to the wage and salary tax (attach explanation)..... | 4 | | |
| | 5 CNMI wages and salaries (subtract line 4 from line 3)..... | 5 | | |
| | 6 Annual wage and salary tax..... | 6 | | |
| | 7 Combined annual wage and salary tax (add line 6, Columns A and B)..... | 7 | | |
| | 8 Wage and salary tax withheld and/or paid (Form W-2CM)..... | 8 | | |
| | 9 Total wage and salary tax due or (overpaid) Subtract line 8 from line 7. If less than zero, place a bracket around the figure..... | 9 | | |

COMPLETE FORM OS-3405A, PAGE 4 - COMPUTATION OF NON-REFUNDABLE CREDIT AND APPLICATION FOR REBATE ON CNMI SOURCE TAX BEFORE COMPLETING PART B

PART B CHAPTER 7 TAX AND REBATE OFFSET CALCULATIONS

| | | | |
|--|--|---|-----|
| Part B Chapter 7 tax and Rebate offset calculation | 1 Chapter 7 tax underpayment after non-refundable credit. Enter amount from Form OS-3405A, line 5..... | 1 | |
| | 2 Chapter 7 overpayment after non-refundable credit. Enter amount from Form OS-3405A, line 4..... | 2 | () |
| | 3 Rebate offset amount. Enter amount from Form OS-3405A, line 6..... | 3 | () |
| | 4 Chapter 7 liability or (overpayment) after rebate offset amount (add lines 1 through 3), place a bracket if overpayment..... | 4 | |
| | 5 Tax on overpayment of credits..... | 5 | |
| | 6 Estimated tax penalty..... | 6 | |
| | 7 Total Chapter 7 liability or (overpayment) (add lines 4, 5 and 6)..... | 7 | |

| | | | |
|--|---|---|--|
| Part C Combined Due or (Overpayment) | 1 Amount due or (overpaid), Chapter 2 and Chapter 7 (add line 9 of part A, and line 4 of part B). If this amount is an overpayment, skip lines 2 through 4..... | 1 | |
| | 2 CHAPTER 2 : (b) Failure to File..... 2b | | |
| | (a) _____ Enter amount underpaid (c) Failure to Pay..... 2c | | |
| | (d) Interest Charge..... 2d | | |
| | 3 CHAPTER 7 : (b) Failure to File..... 3b | | |
| | (a) _____ Enter amount underpaid (c) Failure to Pay..... 3c | | |
| | (d) Interest Charge..... 3d | | |
| 4 Total penalty and interest charges (add lines 2b, 2c, 2d, 3b, 3c, and 3d)..... | 4 | | |
| 5 Total amount due or (overpaid), Chapter 2 and Chapter 7 (add lines 1 and 4 of this part, and lines 5 and 6 of Part B)..... | 5 | | |
| 6 If line 5 is an overpayment, enter amount you want credited to your 2010 ESTIMATED TAX | 6 | | |
| 7 Net overpayment..... | 7 | | |

| | | | |
|-----------------------------|--|---------------|---|
| Third Party Designee | Do you want to allow another person to discuss this return with the Division of Revenue and Taxation? <input type="checkbox"/> Yes. Complete the following. <input type="checkbox"/> No. | | |
| | Designee's name | Phone no. () | Personal Identification Number (PIN) <input type="text"/> |

Sign Here. Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

| | | | | |
|-------------------------------------|--|------|---------------------|--------------------------|
| Keep a copy for your records | Your signature | Date | Your occupation | Daytime phone number () |
| | Spouse's signature. If a joint return, BOTH must sign | Date | Spouse's occupation | |

| | | | | |
|---------------------------------|---|------|---|------------------------|
| Paid Preparer's use only | Preparer's signature | Date | Check if self-employed <input type="checkbox"/> | Preparer's SSN or PTIN |
| | Firm's name (or yours if self-employed) address and zip | | | EIN |
| | | | | Phone no. |

DEADLINE: APRIL 15, 2010



DIVISION OF REVENUE AND TAXATION
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
COMPUTATION OF NON-REFUNDABLE CREDIT AND
APPLICATION FOR REBATE ON CNMI SOURCE INCOME TAX

Form OS-3405A (1040EZ-CM)

2009

| | | | |
|-------------------------|--|-----------|--|
| Name and Address | Your first name and initial | Last name | Your social security number |
| | If a joint return, spouse's first name and initial | Last name | Spouse's social security number |
| | Home address (number and street). | | Apt. No. |
| | City, town, or post office, state and ZIP code. | | IMPORTANT! You must enter SSN(s) above |

| | |
|---|---|
| PART A - Non-refundable Credits | |
| Wage and salary tax. Enter amount from line 7, Part A of the Wage and Salary Tax Return..... | |
| PART B - Rebate Computation | |
| 1 Total NMTIT. Enter amount from line 11 of form 1040EZ-CM. | 1 |
| 2 Total NMTIT payments made. Enter amount from line 10 of form 1040EZ-CM. | 2 |
| 3 Rebate base amount. Subtract the amount in Part A, from the amount line 1 of this part. If zero or less, enter 0. | 3 |
| 4 NMTIT overpayment. If line 2 is greater than line 3, subtract line 3 from line 2. Otherwise enter 0. | 4 |
| 5 NMTIT underpayment. If line 3 is greater than line 2, subtract line 2 from line 3. Otherwise enter 0. | 5 |
| 6 Rebate offset amount. Calculate this amount as determined by the rebate base (line 3) using the rebate table shown below. | 6 |

| REBATE TABLE | | |
|-----------------------------|--|-------------------------------------|
| IF REBATE BASE (line 3) IS: | THE REBATE OFFSET AMOUNT IS: | EXAMPLE: |
| Not over \$20,000 | 90% of the rebate base | Rebate base X 90% |
| \$20,001 - \$100,000 | \$18,000 plus 70% of the rebate base over \$20,000 | Rebate base - 20,000 X 70% + 18,000 |

| | | | | |
|--|--|------|---|-----------------------------|
| Sign Here. Keep a copy for your records | Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge. | | | |
| | Your signature | Date | Your occupation | Daytime phone number () |
| Paid Preparer's use only | Spouse's signature. If a joint return, BOTH must sign | Date | Spouse's occupation | |
| | Preparer's signature | Date | Check if self-employed <input type="checkbox"/> | Preparer's SSN or PTIN |
| | Firm's name (or yours if self-employed) address and zip code | | | EIN |
| | | | | Phone no |

Instructions for Wage And Salary Tax, Chapter 7 Tax, and Rebate Offset Calculations (for Form 1040EZ-CM) 2009

PART A Wage and salary tax computation

1. Enter total wages and salaries **received for work performed in the CNMI** per Form(s) W-2CM box 16. If this is a joint return, your spouse must also enter the same information, if any, in column B.
2. Enter other wages and salaries **received for work performed in the CNMI** which Form(s) W-2CM were not issued or received, i.e. tips, freelance income, etc. If this is a joint return, your spouse must also enter the same information, if any, in column B.
3. Add lines 1 and 2 under each column.
4. Enter the amount not subject to the wage and salary tax. This includes CNMI government/agency employees W-2CM box 12 code G, deductible portion of housing benefits included in line 1, etc. Attach explanation otherwise this amount will be disallowed.
5. Subtract line 4 from line 3 under each column. This is your total CNMI wages and salaries subject to the wage and salary tax.
6. Compute your tax liability on amount reported on line 5 (each column) using the wage and salary tax table below.

WAGE AND SALARY TAX TABLE

| FROM | TO | RATE | FROM | TO | RATE |
|---------------|-----------|------|---------------|-----------|------|
| (a) 0 | 1,000.00 | -0- | (f) 22,000.01 | 30,000.00 | 6.0% |
| (b) 1,000.01 | 5,000.00 | 2.0% | (g) 30,000.01 | 40,000.00 | 7.0% |
| (c) 5,000.01 | 7,000.00 | 3.0% | (h) 40,000.01 | 50,000.00 | 8.0% |
| (d) 7,000.01 | 15,000.00 | 4.0% | (i) 50,000.01 | and over | 9.0% |
| (e) 15,000.01 | 22,000.00 | 5.0% | | | |

7. Add the tax on line 6, columns A and B.
8. Enter the total Chapter 2 tax withheld as shown in Form(s) W-2CM box 17. Also, enter other Chapter 2 wage and salary tax payments made for wages and salaries.
9. Subtract line 8 from line 7. If less than zero, place a bracket around the figure to indicate an over payment. This is the Chapter 2 wage and salary tax due/overpayment.

COMPLETE FORM OS-3405A - COMPUTATION OF NON-REFUNDABLE CREDIT AND APPLICATION FOR REBATE ON CNMI SOURCE TAX BEFORE COMPLETING PART B

PART B Chapter 7 tax and rebate offset

1. Enter amount from line 5 of Form OS-3405A.
2. Enter amount from line 4 of Form OS-3405A.
3. Enter amount from line 6 of Form OS-3405A..
4. Add amounts on line 1 thru 3 of this part. Note that lines 2 and 3 are negative numbers. If the total on this line is less than zero, place a bracket around the figure.
5. Enter the lesser of the amount on line 9a of Form 1040EZ-CM or the amount on line 2 (ignore bracket).
6. Enter the estimated tax penalty here based on the underpaid tax shown on line 1 of this part.
7. Add lines 4 thru 6. This is your total Chapter 7 (NMTIT) liability or overpayment. If overpayment, place a bracket around the figure.

PART C Combined due/(overpayment)

1. AMOUNT DUE/(OVERPAID). Add line 9 of Part A and line 4 of Part B. If this line shows a tax due and you filed on or **BEFORE** the deadline, continue on line 5. **HOWEVER**, if this line shows a tax due and you filed **AFTER** the deadline, proceed to line 2a. If this is an overpayment, place a bracket around your figure and continue on line 5.
2. (a) Enter the lesser of line 9, Part A or line 1 of this part. However, if line 9 is zero or less enter zero and continue on line 3.
(b) **Failure to File Penalty for Chapter 2 taxes:** For returns filed after the due date, a penalty of 5% of amount due (line 2a) shall be added for every month or fraction thereof, elapsing between the due date of this return until the date it is actually filed; not exceeding 25% in the aggregate. If the failure to pay penalty becomes applicable, the 5% failure to file penalty shall be reduced by 1/2 of 1%. Enter the total Chapter 2 failure to file penalty on this line.
(c) **Failure to Pay Penalty for Chapter 2 taxes:** A penalty of 1/2 of 1% per month, or fraction thereof, of the amount due (line 2a) shall be added for failure to pay taxes. Enter the total Chapter 2 failure to pay penalty on this line.
(d) **Interest on Chapter 2 taxes:** Interest at prevailing rate compounded daily, is imposed on the amount due (line 2a, 2b and 2c). Enter the total Chapter 2 interest on this line. (Note: The annual interest rate is subject to change as determined by the Commissioner). The applicable interest table is available at the Division of Revenue and Taxation. The Division of Revenue and Taxation can compute the interest charges and bill you on it.
3. (a) If line 1 is a tax due, subtract line 2a from line 1.
(b) **Failure to File Penalty for Chapter 7 taxes:** A penalty of 5% is imposed of the net amount due (line 3a) up to one month, with an additional 5% for every additional month or fraction thereof, up to a maximum of 25%. If the failure to pay penalty becomes applicable, the 5% failure to file penalty shall be reduced by 1/2 of 1%. Enter the total Chapter 7 failure to file penalty on this line.
(c) **Failure to Pay Penalty for Chapter 7 taxes:** A penalty of 1/2 of 1% per month, or fraction thereof, of the amount due (line 3a) shall be added for failure to pay taxes. The aggregate amount shall be limited to a maximum of 25%. Enter the total Chapter 7 failure to pay penalty on this line.
(d) **Interest on Chapter 7 taxes:** Interest at prevailing rate compounded daily, is imposed on the amount due (line 3a, 3b and 3c). Enter the total Chapter 7 interest on this line. (Note: The annual interest rate is subject to change as determined by the Commissioner). The applicable interest table is available at the Division of Revenue and Taxation. The Division of Revenue and Taxation can compute the interest and bill you on it.
4. Add lines 2b, 2c, 2d, 3b, 3c and 3d. This is the total penalty and interest charges applicable to Chapter 7 and Chapter 2 taxes.
5. Add lines 1 and 4 (if any) of this part, and lines 5 and 6 of Part B. If it is a tax due, make your check payable to: "CNMI Treasurer". This is the combined due/overpayment for Chapter 7 and/or Chapter 2 taxes. If it is an overpayment, place a bracket around your figure and proceed to line 6.
6. Enter amount of overpayment on line 5, you want applied to your 2010 ESTIMATED TAX.
7. **Amount you want refunded.** Add lines 5 and 6 of this part. This is the combined overpayment for Chapter 2 and Chapter 7 refund/rebate.

NOTE: Applicable interest rates is available at www.cnmidof.net