

← Staple W-2s Here  
**D-400**  
 Web-Fill  
 9-08

# Individual Income Tax Return 2008

North Carolina Department of Revenue

**IMPORTANT: Do not send a photocopy of this form.**

For calendar year **2008**, or fiscal year beginning (MM-DD-YY) \_\_\_\_\_ and ending (MM-DD-YY) \_\_\_\_\_

Your Social Security Number

Spouse's Social Security Number

← **You must enter your social security number(s)** →

Your First Name <small>(USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)</small>	M.I.	Your Last Name
If a Joint Return, Spouse's First Name	M.I.	Spouse's Last Name
Address		County <small>(Enter first five letters)</small>
City	State	Zip Code
		Country <small>(If not U.S.)</small>

○ ← Fill in circle if you or your spouse were out of the country on April 15 and a U.S. citizen or resident.

Deceased Taxpayer Information	N.C. Public Campaign Fund	N.C. Political Parties Financing Fund
Taxpayer (MM-DD-YY) Spouse (MM-DD-YY) <div style="border: 1px solid black; padding: 5px; margin-top: 10px;">             If return is for a deceased taxpayer or deceased spouse, enter date of death.           </div>	Mark 'Yes' if you want to designate \$3 of taxes to this special Fund for voter education materials and for candidates who accept spending limits. Marking 'Yes' does not change your tax or refund. You      Your Spouse (Fill in appropriate circle) <input type="radio"/> Yes <input type="radio"/> Yes <input type="radio"/> No <input type="radio"/> No	Fill in appropriate circle if you want to designate \$3 to this fund. Your tax remains the same whether or not you make a designation. You                      Your Spouse <input type="radio"/> Democratic <input type="radio"/> Democratic <input type="radio"/> Republican <input type="radio"/> Republican <input type="radio"/> Libertarian <input type="radio"/> Libertarian <input type="radio"/> Unspecified <input type="radio"/> Unspecified
<input type="radio"/> Fill in circle if return is filed and signed by Executor or Administrator.		

**Federal Adjusted Gross Income**  
 Enter federal adjusted gross income from your federal return  
 (Form 1040, Line 37; Form 1040A, Line 21; or Form 1040EZ, Line 4)    ▶

**Residency Status**    Were you a resident of N.C. for the entire year of 2008?     Yes     No    *If No, complete Lines 1 through 11. Then go to Page 4 of Form D-400. Fill in residency information and complete Lines 51 through 53.*  
 Was your spouse a resident for the entire year?     Yes     No

**Filing Status**    **Same as federal. Fill in one circle only.** If your spouse was a nonresident and had no North Carolina taxable income in 2008, see the Line Instructions for Lines 1 through 5. If you do not indicate your filing status by filling in one of the circles, any refund due will be delayed.

1.  **Single**

2.  **Married Filing Jointly**

3.  **Married Filing Separately**    → (Enter your spouse's full name and Social Security Number)    Name    SSN

4.  **Head of Household**

5.  **Qualifying Widow(er) with Dependent Child**    (Year spouse died: \_\_\_\_\_ )

Enter the **Number of Exemptions** claimed on your federal income tax return

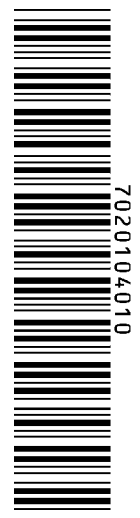
6. **Taxable Income from Your Federal Income Tax Return**  
 Form 1040, Line 43; Form 1040A, Line 27; or Form 1040EZ, Line 6  
*(If zero, see the Line Instructions)*    ▶    6.    Enter Whole U.S. Dollars Only

7. **Additions to Federal Taxable Income**  
 All taxpayers must complete **Lines 30 through 40 on Page 3** and enter amount from Line 40    ▶    7.

8. **Add Lines 6 and 7**    8.

9. **Deductions from Federal Taxable Income**  
 If applicable, complete **Lines 41 through 50 on Page 3** and enter amount from Line 50    ▶    9.

10. **Line 8 minus Line 9**    10.



- 11. Enter amount from Line 10 11.
- 12. **Part-year residents and nonresidents** 12.  
Complete Lines 51 through 53 on Page 4 and enter decimal amount from Line 53
- 13. **North Carolina Taxable Income** 13.  
Full-year residents enter the amount from Line 11  
Part-year residents and nonresidents multiply amount on Line 11 by the decimal amount on Line 12
- 14. **North Carolina Income Tax** 14.  
If the amount on Line 13 is less than \$68,000, use the Tax Table beginning on Page 17 of the instructions to determine your tax. If the amount on Line 13 is \$68,000 or more, use the Tax Rate Schedule on Page 25 to calculate your tax.
- 15. **Tax Credits** (From Form D-400TC, Part 4, Line 36 - You must attach Form D-400TC if you enter an amount on this line) ▶ 15.
- 16. Subtract Line 15 from Line 14 16.
- 17. **Consumer Use Tax** (See instructions on Page 7) ▶ 17.
- 18. Add Lines 16 and 17 18.
- 19. **North Carolina Income Tax Withheld**
  - (Staple original or copy of the original State wage and tax statement(s) in top left-hand corner of the return)
    - a. Your tax withheld ▶ 19a.
    - b. Spouse's tax withheld ▶ 19b.
- 20. **Other Tax Payments**
  - a. 2008 Estimated Tax ▶ 20a.
  - b. Paid with Extension ▶ 20b.
  - c. Partnership ▶ 20c.
  - d. S Corporation ▶ 20d.

*If you claim a partnership payment on Line 20c or S corporation payment on Line 20d, you must attach a copy of the NC K-1.*
- 21. **North Carolina Earned Income Tax Credit** ▶ 21.  
(From Form D-400TC, Part 5)
- 22. Add Lines 19a through 21 and enter the total on Line 22 22.
- 23. a. If Line 18 is more than Line 22, subtract and enter the result ▶ 23a.
  - b. Penalties and interest (See Line instructions) 23b.
  - c. Interest on the underpayment of estimated income tax (See Line instructions and enter letter in box, if applicable) ▶ 23c.

Exception to underpayment of estimated tax ▶
- 24. Add Lines 23a, 23b, and 23c and enter the total - Pay This Amount 24. \$  
You can now pay online. Go to our website and click on [Electronic Services](#) for details.
- 25. If Line 18 is less than Line 22, subtract and enter the result 25.
- 26. Amount of Line 25 to be applied to 2009 Estimated Income Tax ▶ 26.
- 27. Contribution to the N.C. Nongame and Endangered Wildlife Fund ▶ 27.
- 28. Add Lines 26 and 27 28.
- 29. Subtract Line 28 from Line 25 and enter the Amount To Be Refunded ▶ 29.  
For a faster refund, file electronically. Go to our website and click on [efile](#).



**Additions to Federal Taxable Income** (See Line Instructions beginning on Page 9.)

**30.** Enter the itemized deductions or the standard deduction from your federal return

- Form 1040, Line 40
- Form 1040A, Line 24
- Form 1040EZ SINGLE filers - enter \$5,450 **OR** the amount from Line 5 of Form 1040EZ, **whichever is less**
- Form 1040EZ MARRIED FILING JOINTLY filers - enter \$10,900 **OR** the amount from Line 5 of Form 1040EZ, **whichever is less**

Enter Whole U.S. Dollars Only

▶ 30.

**31.** Enter your N.C. standard deduction (The standard deduction for most people is shown below.)

<input type="radio"/> Single	\$3,000	<input type="radio"/> Married filing jointly.....	\$6,000
<input type="radio"/> Head of household	\$4,400	<input type="radio"/> Married filing separately:	
<input type="radio"/> Qualifying widow(er)	\$6,000	If your spouse <b>does not</b> claim itemized deductions ..	\$3,000
		If your spouse claims itemized deductions .....	0

▶ 31.

**Note:** If 65 or older or blind **OR** if someone can claim you as a dependent, see the applicable chart or worksheet on Page 9 to determine the amount to enter on this line.

**32.** Subtract Line 31 from Line 30 and enter the result here, but not less than zero 32.

**33.** If you claimed the standard deduction on your federal return, do not enter any amount on Line 33. Instead, skip Line 33 and go to Line 34.

**33.** If you itemized your deductions on your federal return, enter on this line the state and local taxes from Line 5 of Federal Schedule A and any foreign income taxes included on Line 8 of Federal Schedule A. **IMPORTANT:** If you were required to complete the **Itemized Deductions Worksheet** in the instructions for **Federal Form 1040**, and you answered "Yes" on Line 7 of the federal worksheet, see Page 10. ▶ 33.

**34.** If you claimed the standard deduction, enter the amount from Line 32 above.

**34.** If you itemized your deductions, compare Line 32 with Line 33 and enter whichever is less. ▶ 34.

**35.** Personal exemption adjustment (Complete the **Personal Exemption Adjustment Worksheet** on Page 10 of the instructions and enter the result) ▶ 35.

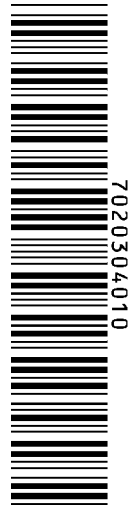
**36.** Interest income from obligations of states other than North Carolina ▶ 36.

**37.** Adjustment for domestic production activities (See instructions on Page 10) ▶ 37.

**38.** Adjustment for bonus depreciation (See instructions on Page 10) ▶ 38.

**39.** Other additions to federal taxable income (Attach explanation or schedule) ▶ 39.

**40. Total additions** - Add Lines 34 through 39 (Enter the total here and on Line 7) 40.



**Deductions from Federal Taxable Income** (See Line Instructions beginning on Page 11.)

**41.** State or local income tax refund if included on Line 10 of Federal Form 1040 ▶ 41.

**42.** Interest income from obligations of the United States or United States' possessions ▶ 42.

**43.** Taxable portion of Social Security and Railroad Retirement Benefits included on your federal return ▶ 43.

**44.** Retirement benefits received from **vested** N.C. State government, N.C. local government, or federal government retirees (**Bailey settlement - Important: See Line instructions on Page 11**) ▶ 44.

**45.** If you have retirement benefits not reported on Lines 43 or 44, complete the **Retirement Benefits Worksheet** on Page 11 and enter the result here ▶ 45.

**46.** Severance wages (See Line instructions on Page 12 for explanation of qualifying severance wages) ▶ 46.

**47.** Adjustment for additional first-year depreciation added back in 2002, 2003, and 2004 (**Important:** See Line instructions on Page 12) ▶ 47.

**48.** Contributions to North Carolina's National College Savings Program (NC 529 Plan) (See Line instructions on Page 12 for deduction limitations) ▶ 48.

**49.** Other deductions from federal taxable income (Attach explanation or schedule. Do not include any deduction for retirement benefits on this line.) ▶ 49.

**50. Total deductions** - Add Lines 41 through 49 (Enter the total here and on Line 9) 50.

**Computation of North Carolina Taxable Income for Part-Year Residents and Nonresidents**

(See Line Instructions beginning on Page 12. Note: **Do not** complete Lines 51 through 53 if you were a full-year resident.)

Fill in applicable circles

You Spouse

Fill in circle(s) if you or your spouse **moved into or out of North Carolina** during the year and enter the dates of residency in the boxes. →

You	
Date residency began	Date residency ended
(MM-DD-YY)	(MM-DD-YY)

Spouse	
Date residency began	Date residency ended
(MM-DD-YY)	(MM-DD-YY)

Fill in circle(s) if you or your spouse were **nonresidents of North Carolina** for the entire year. →

**Part-year residents and nonresidents must complete the worksheet on Page 12 of the instructions to determine the amounts to enter on Lines 51 and 52 below.**

Enter Whole U.S. Dollars Only

- 51. Enter the amount from **Column B, Line 30 of the Part-Year Resident/Nonresident Worksheet** on Page 12 of the Instructions. ▶ 51.
- 52. Enter the amount from **Column A, Line 30 of the Part-Year Resident/Nonresident Worksheet** on Page 12 of the Instructions. ▶ 52.
- 53. Divide Line 51 by Line 52 (Enter the result as a decimal amount here and on Line 12; round to four decimal places.) 53.

I certify that, to the best of my knowledge, this return is accurate and complete.

If prepared by a person other than taxpayer, this certification is based on all information of which the preparer has any knowledge.

Sign Here

Your Signature \_\_\_\_\_ Date \_\_\_\_\_

Paid Preparer's Signature \_\_\_\_\_ Date \_\_\_\_\_

Spouse's Signature (If filing joint return, both must sign.) \_\_\_\_\_ Date \_\_\_\_\_

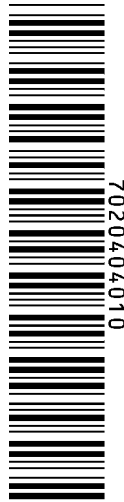
Preparer's FEIN, SSN, or PTIN ▶

Home Telephone Number (Include area code.) ▶

Preparer's Telephone Number (Include area code.) ▶

**If REFUND mail return to:** N.C. DEPT. OF REVENUE  
P.O. BOX R  
RALEIGH, NC 27634-0001

**If you ARE NOT due a refund, mail return, any payment, and D-400V to:** N.C. DEPT. OF REVENUE  
P.O. BOX 25000  
RALEIGH, NC 27640-0640



**Payment Options**

**Online** - You can pay your tax online by bank draft or credit or debit card using Visa or MasterCard. Go to our website [www.dornc.com](http://www.dornc.com) and click on **Electronic Services** for details.

**Payment Voucher** - If you received a pre-addressed income tax booklet **and** you do not pay your tax online, use the payment voucher (**Form D-400V**) included in the back of the booklet. Complete the voucher and enclose it with your return and payment in the envelope provided. **Note:** The Department will not accept a check, money order, or cashier's check unless it is drawn on a U.S. (domestic) bank and the funds are payable in U.S. dollars. Be sure to enter your social security number(s) in the boxes provided on the voucher. Do not use Form D-400V if any of the preprinted information does not match what you entered on your return. Instead, go to our website to generate a personalized D-400V with the correct information. Please do not staple, tape, paper clip, or otherwise attach your payment or voucher to your return or to each other.

D-400TC

Web-Fill  
9-08

2008 Individual Tax Credits

North Carolina Department of Revenue

See instructions beginning on Page 13.

If you claim a tax credit on Line 15 or Line 21 of Form D-400, you must attach this form to the return. If you do not, the tax credit may be disallowed.

Last Name (First 10 Characters)

Your Social Security Number

IMPORTANT: Do not send a photocopy of this form.  
The original form is printed in pink and black ink.

Part 1. Credit for Income Tax Paid to Another State or Country - N.C. Residents Only You must attach a copy of the return filed with the other state or country and proof of payment. Important: If you claim a tax credit for tax paid to more than one state or country, do not fill in Lines 1 through 6; instead, see instructions on Page 13.

- 1. Total income from all sources (combined for joint filers) from Federal Form 1040, Line 22; 1040A, Line 15; or 1040EZ, Line 4, while a resident of North Carolina, adjusted by the applicable additions shown on Lines 36, 38 and 39 and deductions shown on Lines 41 through 47 and Line 49 of Form D-400. Do not make an adjustment for any portion of Line 39 or 49 that does not relate to gross income. (If Line 1 is negative, fill in circle.) Enter Whole U.S. Dollars Only
2. The portion of Line 1 that was taxed by another state or country.
3. Divide Line 2 by Line 1 and enter the result as a decimal amount. (Round to four decimal places.)
4. North Carolina income tax (From Form D-400, Line 14)
5. Computed credit (Multiply Line 3 by Line 4)
6. Amount of net tax paid to the other state or country on the income shown on Line 2 (See instructions on Page 13. Net tax paid is the total taxes paid [withholding, estimated tax payments, amount paid with extension, other payments] less any refunds received or expected to be received.)
7a. Enter the lesser of Line 5 or Line 6 and include in the total on Line 19, Part 4.
7b. Enter in the box the number of states for which credits are claimed.

Part 2. 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. (See Credit for Child and Dependent Care Expenses on Page 13 for additional information.)
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.
10. Credit (Use the Child and Dependent Care Credit Table on Page 13. Multiply the amount on Line 9 by the applicable decimal amount in Column A of the table and enter the result here.)
11. Other qualifying expenses (Line 8 minus Line 9)
12. Credit (Use the Child and Dependent Care Credit Table on Page 13 of the instructions. Multiply the amount on Line 11 by the applicable decimal amount in Column B of the table and enter the result here.)
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.
14. Part-year residents and nonresidents multiply the amount on Line 13 of this form by the decimal amount from Form D-400, Line 12 and enter the result here and on Line 15 below. If Line 12 of Form D-400 is more than 1.0000, enter the amount from Line 13 here and on Line 15 below.
15. Total credit for child and dependent care expenses from Line 13 or Line 14. (Include the amount on this line in the total on Line 19, Part 4.)



Part 3. Credit for Children (Important: This credit can be claimed only for a dependent child who was under 17 years of age on the last day of the tax year.)

If you are entitled to claim the federal child tax credit and your federal adjusted gross income (Form 1040, Line 37; or Form 1040A, Line 21) is less than the following amounts shown for your filing status (Married filing jointly/qualifying widow(er) - \$100,000; Head of Household - \$80,000; Single - \$60,000; or Married filing separately - \$50,000), complete Lines 16 through 18. Otherwise, do not complete Lines 16 through 18; you may not claim the credit for children.

- 16. Multiply the number of children for whom you are entitled to claim the federal child tax credit by \$100 and enter the result here. (Full-year residents enter this amount here and on Line 18 below.)
17. Part-year residents and nonresidents multiply the amount on Line 16 by the decimal amount from Form D-400, Line 12 and enter the result here and on Line 18 below. If Line 12 of Form D-400 is more than 1.0000, enter the amount from Line 16 here and on Line 18 below.
18. Credit for children (Include the amount on this line in the total on Line 19, Part 4.)

Part 4. Other Tax Credits (Limited to the amount of tax)

- 19. Total of Parts 1, 2, and 3 (Add Lines 7a, 15, and 18.)
20. Credit for charitable contributions by nonitemizers (Enter your total charitable contributions on Line 20a. Then complete the Worksheet for Determining Tax Credit for Charitable Contributions on Page 14 of the instructions and enter the tax credit on Line 20b.)

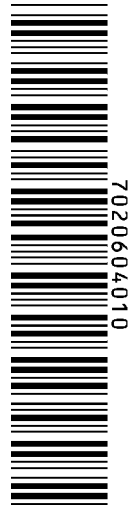
**Part 4. Other Tax Credits** (Limited to the amount of tax) (continued)

- 21. Credit for long-term care insurance premiums (Complete the **Worksheet for Determining Tax Credit for Premiums Paid on Long-term Care Insurance Contracts** on Page 14 of the instructions.) ▶ 21.  
*Do not enter more than \$350 per contract.*
- 22. Credit for adoption expenses (Complete the **Adoption Tax Credit Worksheet** on Page 14 of the instructions.) ▶ 22.
- 23. Credit for Qualified Business Investments (See instructions on Page 15. You must attach a copy of the tax credit approval letter that you received from the Department of Revenue.) ▶ 23.
- 24. Credit for disabled taxpayer, dependent, or spouse (Complete **Form D-429, Worksheet for Determining the Credit for the Disabled Taxpayer, Dependent, or Spouse**, and enter the amount from Line 13 or 14, whichever is applicable.) ▶ 24.
- 25. Credit for certain real property land donations (See instructions on Page 15.) ▶ 25.
- 26. Credit for rehabilitating an **income-producing** historic structure (See instructions on Page 15.)  
Enter qualified rehabilitation expenditures ▶ 26a. Enter installment amount of credit ▶ 26b.
- 27. Credit for rehabilitating a **nonincome-producing** historic structure (See instructions on Page 15.)  
Enter rehabilitation expenses ▶ 27a. Enter installment amount of credit ▶ 27b.
- 28. Credit for rehabilitating an **income-producing** historic mill facility (See instructions on Page 15.)  
Enter qualified rehabilitation expenditures ▶ 28a. Enter amount of credit ▶ 28b.
- 29. Credit for rehabilitating a **nonincome-producing** historic mill facility (See instructions on Page 15.)  
Enter rehabilitation expenses ▶ 29a. Enter installment amount of credit ▶ 29b.
- 30. Other miscellaneous income tax credits (See instructions on Page 15.)

Fill in applicable circles:

- |   |   |
|---|---|
| <input type="radio"/> <b>Property Taxes on Farm Machinery</b><br><i>Maximum credit \$1,000</i>  | <input type="radio"/> <b>Gleaned Crops</b><br><i>10% of market value</i>                          |
| <input type="radio"/> <b>Handicapped Dwelling Units</b><br><i>Maximum credit \$550 per unit</i> | <input type="radio"/> <b>Poultry Composting</b><br><i>Maximum credit \$1,000 per installation</i> |
| <input type="radio"/> <b>Conservation Tillage Equipment</b><br><i>Maximum credit \$2,500</i>    | <input type="radio"/> <b>Recycling Oyster Shells</b><br><i>\$1 per bushel donated</i>             |

- 31. Tax credits carried over from previous year, if any. Do not include any carryover of tax credits claimed on Form NC-478. ▶ 31.
- 32. Total (Add Lines 19, 20b, 21, 22, 23, 24, 25, 26b, 27b, 28b, 29b, 30 and 31) ▶ 32.
- 33. Amount of tax (From Form D-400, Line 14) ▶ 33.
- 34. Enter the lesser of Line 32 or Line 33 ▶ 34.
- 35. Business incentive and energy tax credits (See instructions on Page 16. Attach Form NC-478 and any required supporting schedules to the front of your income tax return.) ▶ 35.
- 36. Add Lines 34 and 35 (Enter the total here and on Form D-400, Line 15.) ▶ 36.  
**The amount on this line may not exceed the tax shown on Form D-400, Line 14.**



Fill in circle if NC-478 is attached

**Part 5. Earned Income Tax Credit** (Not limited to the amount of tax)

You are allowed a credit equal to 3.5% of the Earned Income Tax Credit allowed on your federal return. For part-year residents and nonresidents, the credit must be prorated based on the ratio of income subject to North Carolina tax to total federal income.

- 37. Enter the amount of your federal earned income tax credit. Number of qualifying children ▶ 37.
- 38. Multiply Line 37 by 3.5% (.035)  
**Full-year residents** enter this amount here and on Line 21 of Form D-400. ▶ 38.
- 39. **Part-year residents and nonresidents** multiply the amount on Line 38 by the decimal amount from Form D-400, Line 12 and enter the result here and on Line 21 of Form D-400. If Line 12 of Form D-400 is more than 1.0000, enter the amount from Line 38 here and on Line 21 of Form D-400. ▶ 39.

**You must submit this form if you claim a tax credit on Line 15 or Line 21 of Form D-400.**