

# 2023 Answer Booklet



**North Carolina  
Department of Revenue**

## Test Question #1

### Facts:

Mary B. Brown (SSN 000-00-0004) is divorced and lives at 101 Maple Street, Hometown, North Carolina 29999. This is in Edgecombe County. She has one daughter, Sally Brown (SSN 333-33-3333) who is 4 years old and lived with her for the entire 2023 tax year.

Ms. Brown was granted an automatic extension to file her 2023 federal income tax return. Once she filed her 2023 federal income tax return, she claimed head of household as her filing status and claimed a federal child tax credit for Sally. Ms. Brown worked at Grocery Bag Food Mart and earned wages in the amount of \$23,425.00. She had \$403.00 withheld in North Carolina state income tax from her wages. In addition, she received interest income in the amount of \$50.00 from Wells Fargo Bank.

Ms. Brown claimed the standard deduction on her federal income tax return and claimed the North Carolina standard deduction for tax year 2023. Her federal adjusted gross income reported on Form 1040, Line 11 was \$23,475.00. In addition, Ms. Brown did not make any out-of-state purchases during the 2023 tax year.

Ms. Brown wants to contribute \$10.00 of her North Carolina state tax refund to the North Carolina Breast and Cervical Cancer Control Program.

Please complete Ms. Brown's 2023 North Carolina individual income tax return.

For the year Jan. 1–Dec. 31, 2023, or other tax year beginning , 2023, ending , 20 See separate instructions.

Your first name and middle initial MARY B Last name BROWN Your social security number 0 0 0 0 0 0 0 4

If joint return, spouse's first name and middle initial Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. 101 MAPLE STREET Apt. no. Presidential Election Campaign

City, town, or post office. If you have a foreign address, also complete spaces below. HOMETOWN State NC ZIP code 29999 Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.

Foreign country name Foreign province/state/county Foreign postal code You Spouse

Filing Status Single Head of household (HOH) Married filing jointly (even if only one had income) Married filing separately (MFS) Qualifying surviving spouse (QSS) If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:

Digital Assets At any time during 2023, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction Someone can claim: You as a dependent Your spouse as a dependent Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: Were born before January 2, 1959 Are blind Spouse: Was born before January 2, 1959 Is blind

Table with 5 columns: (1) First name, Last name, (2) Social security number, (3) Relationship to you, (4) Check the box if qualifies for (see instructions): Child tax credit, Credit for other dependents. Row 1: SALLY BROWN, 3 3 3 3 3 3 3 3 3 3, [X], [ ]

Income table with 2 columns: Description, Amount. Rows 1a-1z. Total amount from Form(s) W-2, box 1: 23,425. Total income: 23,475. Adjusted gross income: 23,475. Standard deduction: 20,800. Taxable income: 2,675.

Attach Sch. B if required.

Standard Deduction for: Single or Married filing separately, \$13,850; Married filing jointly or Qualifying surviving spouse, \$27,700; Head of household, \$20,800; If you checked any box under Standard Deduction, see instructions.

<b>Tax and Credits</b>	<b>16</b>	<b>Tax</b> (see instructions). Check if any from Form(s): <b>1</b> <input type="checkbox"/> 8814 <b>2</b> <input type="checkbox"/> 4972 <b>3</b> <input type="checkbox"/> _____	<b>16</b>	
	<b>17</b>	Amount from Schedule 2, line 3	<b>17</b>	
	<b>18</b>	Add lines 16 and 17	<b>18</b>	
	<b>19</b>	Child tax credit or credit for other dependents from Schedule 8812	<b>19</b>	
	<b>20</b>	Amount from Schedule 3, line 8	<b>20</b>	
	<b>21</b>	Add lines 19 and 20	<b>21</b>	
	<b>22</b>	Subtract line 21 from line 18. If zero or less, enter -0-	<b>22</b>	
	<b>23</b>	Other taxes, including self-employment tax, from Schedule 2, line 21	<b>23</b>	
	<b>24</b>	Add lines 22 and 23. This is your <b>total tax</b>	<b>24</b>	

<b>Payments</b>	<b>25</b>	Federal income tax withheld from:		
	<b>a</b>	Form(s) W-2	<b>25a</b>	
	<b>b</b>	Form(s) 1099	<b>25b</b>	
	<b>c</b>	Other forms (see instructions)	<b>25c</b>	
	<b>d</b>	Add lines 25a through 25c	<b>25d</b>	
	<b>26</b>	2023 estimated tax payments and amount applied from 2022 return	<b>26</b>	
	<b>27</b>	Earned income credit (EIC)	<b>27</b>	
	<b>28</b>	Additional child tax credit from Schedule 8812	<b>28</b>	
	<b>29</b>	American opportunity credit from Form 8863, line 8	<b>29</b>	
	<b>30</b>	Reserved for future use	<b>30</b>	
<b>31</b>	Amount from Schedule 3, line 15	<b>31</b>		
	<b>32</b>	Add lines 27, 28, 29, and 31. These are your <b>total other payments and refundable credits</b>	<b>32</b>	
	<b>33</b>	Add lines 25d, 26, and 32. These are your <b>total payments</b>	<b>33</b>	

<b>Refund</b>	<b>34</b>	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you <b>overpaid</b>	<b>34</b>	
	<b>35a</b>	Amount of line 34 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/>	<b>35a</b>	
	<b>b</b>	Routing number: _____ <b>c</b> Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings		
	<b>d</b>	Account number: _____		
	<b>36</b>	Amount of line 34 you want <b>applied to your 2024 estimated tax</b>	<b>36</b>	

<b>Amount You Owe</b>	<b>37</b>	Subtract line 33 from line 24. This is the <b>amount you owe</b> . For details on how to pay, go to <a href="http://www.irs.gov/Payments">www.irs.gov/Payments</a> or see instructions	<b>37</b>	
	<b>38</b>	Estimated tax penalty (see instructions)	<b>38</b>	

<b>Third Party Designee</b>	Do you want to allow another person to discuss this return with the IRS? See instructions <input type="checkbox"/> <b>Yes</b> . Complete below. <input type="checkbox"/> <b>No</b>		
	Designee's name	Phone no.	Personal identification number (PIN) _____

<b>Sign Here</b>	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	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) _____
	Spouse's signature. If a joint return, <b>both</b> must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) _____
	Phone no.	Email address		

<b>Paid Preparer Use Only</b>	Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> Self-employed
	Firm's name	Firm's address			Phone no.
	Firm's address				Firm's EIN

AMENDED RETURN Fill in circle (See instructions)

IMPORTANT: Do not send a photocopy of this form.

For calendar year 2023, or fiscal year beginning (MM-DD) - 2 3 and ending (MM-DD-YY)

Your Social Security Number

000-00-0004

You must enter your social security number(s)

Spouse's Social Security Number

Your First Name (USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)

MARY

If a Joint Return, Spouse's First Name

M.I.

B

M.I.

Your Last Name

BROWN

Spouse's Last Name

Mailing Address

101 MAPLE STREET

Apartment Number

City

HOMETOWN

State

NC

Zip Code

29999

Country (If not U.S.)

County (Enter first five letters)

EDGE C

N.C. Education Endowment Fund: You may contribute to the N.C. Education Endowment Fund by making a contribution or designating some or all of your overpayment to the Fund. To make a contribution, enclose Form NC-EDU and your payment of \$... To designate your overpayment to the Fund, enter the amount of your designation on Page 2, Line 31. (See instructions for information about the Fund.)

Out of Country Fill in circle if you, or if married filing jointly, your spouse were out of the country on April 15, 2024, and a U.S. citizen or resident.

Deceased Taxpayer Information Enter date of death of deceased taxpayer or deceased spouse.

Fill in circle if return is filed and signed by Executor, Administrator, or Court-Appointed Personal Representative.

Taxpayer (MM-DD-YY)

Spouse (MM-DD-YY)

Residency Status Were you a resident of N.C. for the entire year? Yes No Was your spouse a resident for the entire year? Yes No If No, complete and attach Form D-400 Schedule PN.

Veteran Information Are you a veteran? Yes No Is your spouse a veteran? Yes No

Federal Extension Were you granted an automatic extension to file your 2023 federal income tax return, e.g., Form 1040? Yes No

Filing Status (Fill in one circle only)

1. Single

2. Married Filing Jointly

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

Name

4. Head of Household

SSN

5. Qualifying Widow(er) (Year spouse died: )

Enter Whole U.S. Dollars Only

6. Federal Adjusted Gross Income 6. 23475.00

7. Additions to Federal Adjusted Gross Income (From Form D-400 Schedule S, Part A, Line 16) 7. 23475.00

8. Add Lines 6 and 7 8. 23475.00

9. Deductions From Federal Adjusted Gross Income (From Form D-400 Schedule S, Part B, Line 41) 9.

10. Child Deduction (On Line 10a, enter the number of qualifying children for whom you were allowed a federal child tax credit. On Line 10b, enter the amount of the child deduction. See instructions.) 10a. 1 10b. 3000.00

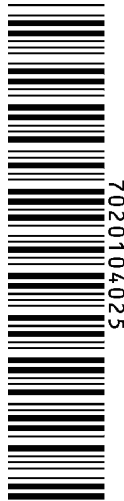
11. N.C. Standard Deduction OR N.C. Itemized Deductions (Fill in one circle only. See Form D-400 Schedule A.) 11. 19125.00

12. a. Add Lines 9, 10b, and 11. 22125.00 12b. Subtract Line 12a from Line 8 1350.00

13. Part-year Residents and Nonresidents Taxable Percentage (From Form D-400 Schedule PN, Line 24. Enter amount as decimal.) 13.

14. North Carolina Taxable Income Full-year residents enter the amount from Line 12b. Part-year residents and nonresidents multiply amount on Line 12b by the decimal amount on Line 13. 14. 1350.00

15. North Carolina Income Tax Multiply Line 14 by 4.75% (0.0475). If zero or less, enter a zero. 15. 64.00

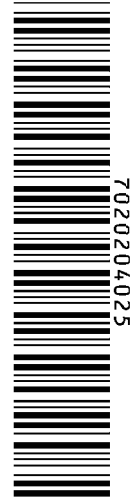


7020104025

Staple All Pages of Your Return Here

Staple W-2s Here

<b>16. Tax Credits</b> (From Form D-400TC, Part 3, Line 20)	▶	16.	
<b>17. Subtract</b> Line 16 from Line 15	▶	17.	64.00
<b>18. Consumer Use Tax</b> (See instructions)	▶	18.	
If you certify that no Consumer Use Tax is due, fill in circle. ▶ ●			
<b>19. Add</b> Lines 17 and 18	▶	19.	64.00
<b>20. North Carolina Income Tax Withheld</b>	▶		
a. Your tax withheld			403.00
b. Spouse's tax withheld	▶		
<b>21. Other Tax Payments</b>	▶		
a. 2023 estimated tax	▶		
b. Partnership	▶		
c. Paid with extension	▶		
d. S Corporation	▶		
If you claim a partnership payment on Line 21c or S corporation payment on Line 21d, you must attach a copy of the NC K-1.			
<b>22. Additional Payments</b> (Amended Returns Only. See instructions)	▶	22.	
<b>23. Add</b> Lines 20a through 22	▶	23.	403.00
<b>24. Previous Refunds</b> (Amended Returns Only. See instructions)	▶	24.	
<b>25. Subtract</b> Line 24 from Line 23. (If less than zero, see instructions.)	▶	25.	403.00
<b>26. a. Tax Due</b> - If Line 25 is less than Line 19, subtract Line 25 from Line 19. Otherwise, go to Line 28.	▶	26a.	
b. Penalties	▶		
c. Interest	▶		
(Add Lines 26b and 26c and enter the total on Line 26d.)		26d.	
e. Interest on the Underpayment of Estimated Income Tax (See instructions and enter letter in box, if applicable.)	▶	26e.	
<b>27. Amount Due</b> - Add Lines 26a, 26d, and 26e. Pay in U.S. Currency from a Domestic Bank - You can pay online at <a href="http://www.ncdor.gov">www.ncdor.gov</a> .	▶	27.	\$
Exception to Underpayment of Estimated Tax			
<b>28. Overpayment</b> - If Line 25 is more than Line 19, subtract Line 19 from Line 25.	▶	28.	339.00
When filing an amended return, see instructions			
<b>29. Amount of Line 28 to be applied to 2024 Estimated Income Tax</b>	▶	29.	
<b>30. Contribution to the N.C. Nongame and Endangered Wildlife Fund</b>	▶	30.	
<b>31. Contribution to the N.C. Education Endowment Fund</b>	▶	31.	
<b>32. Contribution to the N.C. Breast and Cervical Cancer Control Program</b>	▶	32.	10.00
<b>33. Add</b> Lines 29 through 32	▶	33.	10.00
<b>34. Subtract</b> Line 33 from Line 28. This is the <b>Amount To Be Refunded</b> . For direct deposit, file electronically	▶	34.	329.00



I declare and certify 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.

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

Contact Phone Number (Include area code) \_\_\_\_\_  Check here if you authorize the North Carolina Department of Revenue to discuss this return and attachments with the paid preparer below.

**PAID PREPARER USE ONLY** If prepared by a person other than taxpayer, this certification is based on all information of which the preparer has any knowledge. Preparer's FEIN, SSN, or PTIN \_\_\_\_\_ Preparer's Contact Phone Number (Include area code) \_\_\_\_\_  
Paid Preparer's Signature \_\_\_\_\_ Date \_\_\_\_\_

### Child Deduction Worksheet

1. Filing status (From D-400, Lines 1 through 5).....	1.	HOH
2. Federal adjusted gross income (From D-400, Line 6).....	2.	\$23,475
3. Number of qualifying children for whom a federal tax credit was claimed.....	3.	1
Enter the amount from Line 3 above on Form D-400, Line 10a.		
4. Deduction amount per qualifying child from the "Child Deduction Table".....	4.	\$3,000
5. Child deduction (Multiply Line 3 by Line 4).....	5.	\$3,000
Enter the amount from Line 5 above on Form D-400, Line 10b.		

### Child Deduction Table

Filing Status	Federal Adjusted Gross Income	Deduction Amount Per Qualifying Child
Married Filing Jointly/Qualifying Widow(er)/Surviving Spouse	Up to \$40,000	\$3,000
	Over \$40,000 - Up to \$60,000	\$2,500
	Over \$60,000 - Up to \$80,000	\$2,000
	Over \$80,000 - Up to \$100,000	\$1,500
	Over \$100,000 - Up to \$120,000	\$1,000
	Over \$120,000 - Up to \$140,000	\$500
	Over \$140,000	\$0
Head of Household	Up to \$30,000	\$3,000
	Over \$30,000 - Up to \$45,000	\$2,500
	Over \$45,000 - Up to \$60,000	\$2,000
	Over \$60,000 - Up to \$75,000	\$1,500
	Over \$75,000 - Up to \$90,000	\$1,000
	Over \$90,000 - Up to \$105,000	\$500
	Over \$105,000	\$0
Single/Married Filing Separately	Up to \$20,000	\$3,000
	Over \$20,000 - Up to \$30,000	\$2,500
	Over \$30,000 - Up to \$40,000	\$2,000
	Over \$40,000 - Up to \$50,000	\$1,500
	Over \$50,000 - Up to \$60,000	\$1,000
	Over \$60,000 - Up to \$70,000	\$500
	Over \$70,000	\$0

## Test Question #2

### Facts:

Robert E. (001-11-2222) and Ellen J. (002-22-3333) Black live at 102 Green Road, Anywhere, North Carolina 21111. This is in Washington County. They filed their federal income tax return as married filing jointly. They were residents of North Carolina for the entire tax year of 2023.

Robert is 64 years old. He worked for the federal government from 1975 until he retired in 2005. He later retired from IBM in 2013. In 2023, he received wages from Amazon Corporation in the amount of \$28,000.00 and had \$1,350.00 withheld in North Carolina state income tax. He also received United States Civil Service annuity income in the amount of \$18,000.00 and \$5,700.00 in retirement income from IBM.

Ellen is 62 years old. She began working for the State of North Carolina in 1996 and retired in 2008. She received retirement income from the State of North Carolina of \$7,000.00.

In addition, Mr. and Mrs. Black received interest income from First Citizens Bank in the amount of \$1,500.00 and a state income tax refund reported on their federal income tax return in the amount of \$329.00. They claimed itemized deductions on their 2022 federal income tax return. For tax year 2023, they claimed the North Carolina standard deduction.

The taxpayers would like to report \$25.00 in consumer use tax for out-of-state purchases during the 2023 tax year. They paid total 2023 North Carolina estimated income tax in the amount of \$1,200.00. In addition, they would like to request that \$250.00 of their 2023 North Carolina state tax refund be applied to their 2024 North Carolina estimated income tax.

Please complete Mr. and Mrs. Black's 2023 North Carolina individual income tax return.



For the year Jan. 1–Dec. 31, 2023, or other tax year beginning , 2023, ending , 20 See separate instructions.

Your first name and middle initial Last name Your social security number
ROBERT E BLACK 0 0 1 1 1 2 2 2 2

If joint return, spouse's first name and middle initial Last name Spouse's social security number
ELLEN J BLACK 0 0 2 2 2 3 3 3 3

Home address (number and street). If you have a P.O. box, see instructions. Apt. no. Presidential Election Campaign
102 GREEN ROAD Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.

City, town, or post office. If you have a foreign address, also complete spaces below. State ZIP code
ANYWHERE NC 21111

Foreign country name Foreign province/state/county Foreign postal code
You Spouse

Filing Status Single Married filing jointly (even if only one had income) Married filing separately (MFS) Head of household (HOH) Qualifying surviving spouse (QSS)
Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:

Digital Assets At any time during 2023, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction Someone can claim: You as a dependent Your spouse as a dependent Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: Were born before January 2, 1959 Are blind Spouse: Was born before January 2, 1959 Is blind

Table with 5 columns: (1) First name, Last name, (2) Social security number, (3) Relationship to you, (4) Check the box if qualifies for (see instructions): Child tax credit, Credit for other dependents.

Income table with columns 1a-1i and 1z. 1a Total amount from Form(s) W-2, box 1 (see instructions) 28,000. 1z Add lines 1a through 1h 28,000.

Table with columns 2a-2b, 3a-3b, 4a-4b, 5a-5b, 6a-6b. 2a Tax-exempt interest. 2b Taxable interest 1,500. 3a Qualified dividends. 3b Ordinary dividends. 4a IRA distributions. 4b Taxable amount. 5a Pensions and annuities 30,700. 5b Taxable amount 30,700. 6a Social security benefits. 6b Taxable amount.

Table with columns 7-15. 7 Capital gain or (loss). 8 Additional income from Schedule 1, line 10 329. 9 Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income 60,529. 10 Adjustments to income from Schedule 1, line 26. 11 Subtract line 10 from line 9. This is your adjusted gross income 60,529. 12 Standard deduction or itemized deductions (from Schedule A) 27,700. 13 Qualified business income deduction from Form 8995 or Form 8995-A. 14 Add lines 12 and 13 27,700. 15 Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income 32,829.

Tax and Credits

16 Tax (see instructions). Check if any from Form(s): 1  8814 2  4972 3  \_\_\_\_\_

17 Amount from Schedule 2, line 3

18 Add lines 16 and 17

19 Child tax credit or credit for other dependents from Schedule 8812

20 Amount from Schedule 3, line 8

21 Add lines 19 and 20

22 Subtract line 21 from line 18. If zero or less, enter -0-

23 Other taxes, including self-employment tax, from Schedule 2, line 21

24 Add lines 22 and 23. This is your **total tax**

16	
17	
18	
19	
20	
21	
22	
23	
24	

Payments

25 Federal income tax withheld from:

a Form(s) W-2 25a

b Form(s) 1099 25b

c Other forms (see instructions) 25c

d Add lines 25a through 25c 25d

26 2023 estimated tax payments and amount applied from 2022 return

27 Earned income credit (EIC) 27

28 Additional child tax credit from Schedule 8812 28

29 American opportunity credit from Form 8863, line 8 29

30 Reserved for future use 30

31 Amount from Schedule 3, line 15 31

32 Add lines 27, 28, 29, and 31. These are your **total other payments and refundable credits**

33 Add lines 25d, 26, and 32. These are your **total payments**

25a	
25b	
25c	
25d	
26	
27	
28	
29	
30	
31	
32	
33	

Refund

34 If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you **overpaid**

35a Amount of line 34 you want **refunded to you**. If Form 8888 is attached, check here

b Routing number \_\_\_\_\_ c Type:  Checking  Savings

d Account number \_\_\_\_\_

36 Amount of line 34 you want **applied to your 2024 estimated tax** 36

34	
35a	
36	

Amount You Owe

37 Subtract line 33 from line 24. This is the **amount you owe**. For details on how to pay, go to [www.irs.gov/Payments](http://www.irs.gov/Payments) or see instructions

38 Estimated tax penalty (see instructions) 38

37	
38	

Third Party Designee

Do you want to allow another person to discuss this return with the IRS? See instructions  **Yes**. Complete below.  **No**

Designee's name \_\_\_\_\_ Phone no. \_\_\_\_\_ Personal identification number (PIN) \_\_\_\_\_

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.

Your signature	Date	Your occupation	If the IRS sent you an Identity Protection PIN, enter it here (see inst.)
Spouse's signature. If a joint return, <b>both</b> must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.)
Phone no.	Email address		

Paid Preparer Use Only

Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> Self-employed
Firm's name	Firm's address			Phone no.
Firm's address				Firm's EIN

**SCHEDULE 1  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Additional Income and Adjustments to Income**

Attach to Form 1040, 1040-SR, or 1040-NR.

Go to [www.irs.gov/Form1040](http://www.irs.gov/Form1040) for instructions and the latest information.

OMB No. 1545-0074

**2023**

Attachment  
Sequence No. **01**

Name(s) shown on Form 1040, 1040-SR, or 1040-NR

**ROBERT E & ELLEN J BLACK**

Your social security number

**001-11-2222**

**Part I Additional Income**

<b>1</b>	Taxable refunds, credits, or offsets of state and local income taxes . . . . .	<b>1</b>	<b>329</b>
<b>2a</b>	Alimony received . . . . .	<b>2a</b>	
<b>b</b>	Date of original divorce or separation agreement (see instructions): _____		
<b>3</b>	Business income or (loss). Attach Schedule C . . . . .	<b>3</b>	
<b>4</b>	Other gains or (losses). Attach Form 4797 . . . . .	<b>4</b>	
<b>5</b>	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E . . . . .	<b>5</b>	
<b>6</b>	Farm income or (loss). Attach Schedule F . . . . .	<b>6</b>	
<b>7</b>	Unemployment compensation . . . . .	<b>7</b>	
<b>8</b>	Other income:		
<b>a</b>	Net operating loss . . . . .	<b>8a</b>	( )
<b>b</b>	Gambling . . . . .	<b>8b</b>	
<b>c</b>	Cancellation of debt . . . . .	<b>8c</b>	
<b>d</b>	Foreign earned income exclusion from Form 2555 . . . . .	<b>8d</b>	( )
<b>e</b>	Income from Form 8853 . . . . .	<b>8e</b>	
<b>f</b>	Income from Form 8889 . . . . .	<b>8f</b>	
<b>g</b>	Alaska Permanent Fund dividends . . . . .	<b>8g</b>	
<b>h</b>	Jury duty pay . . . . .	<b>8h</b>	
<b>i</b>	Prizes and awards . . . . .	<b>8i</b>	
<b>j</b>	Activity not engaged in for profit income . . . . .	<b>8j</b>	
<b>k</b>	Stock options . . . . .	<b>8k</b>	
<b>l</b>	Income from the rental of personal property if you engaged in the rental for profit but were not in the business of renting such property . . . . .	<b>8l</b>	
<b>m</b>	Olympic and Paralympic medals and USOC prize money (see instructions) . . . . .	<b>8m</b>	
<b>n</b>	Section 951(a) inclusion (see instructions) . . . . .	<b>8n</b>	
<b>o</b>	Section 951A(a) inclusion (see instructions) . . . . .	<b>8o</b>	
<b>p</b>	Section 461(l) excess business loss adjustment . . . . .	<b>8p</b>	
<b>q</b>	Taxable distributions from an ABLÉ account (see instructions) . . . . .	<b>8q</b>	
<b>r</b>	Scholarship and fellowship grants not reported on Form W-2 . . . . .	<b>8r</b>	
<b>s</b>	Nontaxable amount of Medicaid waiver payments included on Form 1040, line 1a or 1d . . . . .	<b>8s</b>	( )
<b>t</b>	Pension or annuity from a nonqualified deferred compensation plan or a nongovernmental section 457 plan . . . . .	<b>8t</b>	
<b>u</b>	Wages earned while incarcerated . . . . .	<b>8u</b>	
<b>z</b>	Other income. List type and amount: _____	<b>8z</b>	
<b>9</b>	Total other income. Add lines 8a through 8z . . . . .	<b>9</b>	
<b>10</b>	Combine lines 1 through 7 and 9. This is your <b>additional income</b> . Enter here and on Form 1040, 1040-SR, or 1040-NR, line 8 . . . . .	<b>10</b>	<b>329</b>

**Part II Adjustments to Income**

<b>11</b>	Educator expenses . . . . .		<b>11</b>
<b>12</b>	Certain business expenses of reservists, performing artists, and fee-basis government officials. Attach Form 2106 . . . . .		<b>12</b>
<b>13</b>	Health savings account deduction. Attach Form 8889 . . . . .		<b>13</b>
<b>14</b>	Moving expenses for members of the Armed Forces. Attach Form 3903 . . . . .		<b>14</b>
<b>15</b>	Deductible part of self-employment tax. Attach Schedule SE . . . . .		<b>15</b>
<b>16</b>	Self-employed SEP, SIMPLE, and qualified plans . . . . .		<b>16</b>
<b>17</b>	Self-employed health insurance deduction . . . . .		<b>17</b>
<b>18</b>	Penalty on early withdrawal of savings . . . . .		<b>18</b>
<b>19a</b>	Alimony paid . . . . .		<b>19a</b>
<b>b</b>	Recipient's SSN . . . . .		
<b>c</b>	Date of original divorce or separation agreement (see instructions): . . . . .		
<b>20</b>	IRA deduction . . . . .		<b>20</b>
<b>21</b>	Student loan interest deduction . . . . .		<b>21</b>
<b>22</b>	Reserved for future use . . . . .		<b>22</b>
<b>23</b>	Archer MSA deduction . . . . .		<b>23</b>
<b>24</b>	Other adjustments:		
<b>a</b>	Jury duty pay (see instructions) . . . . .	<b>24a</b>	
<b>b</b>	Deductible expenses related to income reported on line 8l from the rental of personal property engaged in for profit . . . . .	<b>24b</b>	
<b>c</b>	Nontaxable amount of the value of Olympic and Paralympic medals and USOC prize money reported on line 8m . . . . .	<b>24c</b>	
<b>d</b>	Reforestation amortization and expenses . . . . .	<b>24d</b>	
<b>e</b>	Repayment of supplemental unemployment benefits under the Trade Act of 1974 . . . . .	<b>24e</b>	
<b>f</b>	Contributions to section 501(c)(18)(D) pension plans . . . . .	<b>24f</b>	
<b>g</b>	Contributions by certain chaplains to section 403(b) plans . . . . .	<b>24g</b>	
<b>h</b>	Attorney fees and court costs for actions involving certain unlawful discrimination claims (see instructions) . . . . .	<b>24h</b>	
<b>i</b>	Attorney fees and court costs you paid in connection with an award from the IRS for information you provided that helped the IRS detect tax law violations . . . . .	<b>24i</b>	
<b>j</b>	Housing deduction from Form 2555 . . . . .	<b>24j</b>	
<b>k</b>	Excess deductions of section 67(e) expenses from Schedule K-1 (Form 1041) . . . . .	<b>24k</b>	
<b>z</b>	Other adjustments. List type and amount: . . . . .	<b>24z</b>	
<b>25</b>	Total other adjustments. Add lines 24a through 24z . . . . .		<b>25</b>
<b>26</b>	Add lines 11 through 23 and 25. These are your <b>adjustments to income</b> . Enter here and on Form 1040, 1040-SR, or 1040-NR, line 10 . . . . .		<b>26</b>

IMPORTANT: Do not send a photocopy of this form.

AMENDED RETURN Fill in circle (See instructions)

For calendar year 2023, or fiscal year beginning (MM-DD) - 2 3 and ending (MM-DD-YY)

Your Social Security Number

001-11-2222

Spouse's Social Security Number

002-22-3333

You must enter your social security number(s)

Your First Name (USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)

ROBERT

M.I. Your Last Name

E BLACK

If a Joint Return, Spouse's First Name

ELLEN

M.I. Spouse's Last Name

J BLACK

Mailing Address

102 GREEN ROAD

Apartment Number

City

ANYWHERE

State

NC

Zip Code

21111

Country (If not U.S.)

County (Enter first five letters)

WASHI

N.C. Education Endowment Fund: You may contribute to the N.C. Education Endowment Fund by making a contribution or designating some or all of your overpayment to the Fund. To make a contribution, enclose Form NC-EDU and your payment of \$... To designate your overpayment to the Fund, enter the amount of your designation on Page 2, Line 31. (See instructions for information about the Fund.)

Out of Country Fill in circle if you, or if married filing jointly, your spouse were out of the country on April 15, 2024, and a U.S. citizen or resident.

Deceased Taxpayer Information Enter date of death of deceased taxpayer or deceased spouse.

Fill in circle if return is filed and signed by Executor, Administrator, or Court-Appointed Personal Representative.

Taxpayer (MM-DD-YY)

Spouse (MM-DD-YY)

Residency Status Were you a resident of N.C. for the entire year? Was your spouse a resident for the entire year?

Veteran Information Are you a veteran? Is your spouse a veteran?

Federal Extension Were you granted an automatic extension to file your 2023 federal income tax return, e.g., Form 1040?

Filing Status (Fill in one circle only)

1. Single

2. Married Filing Jointly

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

Name

4. Head of Household

SSN

5. Qualifying Widow(er) (Year spouse died: )

Enter Whole U.S. Dollars Only

6. Federal Adjusted Gross Income 6. 60529.00

7. Additions to Federal Adjusted Gross Income (From Form D-400 Schedule S, Part A, Line 16) 7. 60529.00

8. Add Lines 6 and 7 8. 60529.00

9. Deductions From Federal Adjusted Gross Income (From Form D-400 Schedule S, Part B, Line 41) 9. 18329.00

10. Child Deduction (On Line 10a, enter the number of qualifying children for whom you were allowed a federal child tax credit. On Line 10b, enter the amount of the child deduction. See instructions.) 10a. 10b.

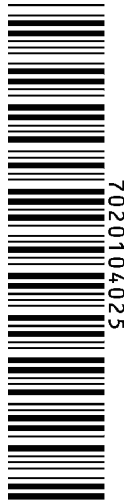
11. N.C. Standard Deduction OR N.C. Itemized Deductions (Fill in one circle only. See Form D-400 Schedule A.) 11. 25500.00

12. a. Add Lines 9, 10b, and 11. 43829.00 12b. Subtract Line 12a from Line 8 16700.00

13. Part-year Residents and Nonresidents Taxable Percentage (From Form D-400 Schedule PN, Line 24. Enter amount as decimal.) 13.

14. North Carolina Taxable Income Full-year residents enter the amount from Line 12b. Part-year residents and nonresidents multiply amount on Line 12b by the decimal amount on Line 13. 14. 16700.00

15. North Carolina Income Tax Multiply Line 14 by 4.75% (0.0475). If zero or less, enter a zero. 15. 793.00



7020104025

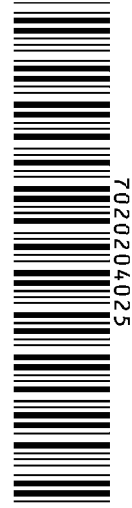
Staple All Pages of Your Return Here

Staple W-2s Here

<b>16. Tax Credits</b> (From Form D-400TC, Part 3, Line 20)	▶				
<b>17. Subtract</b> Line 16 from Line 15					793.00
<b>18. Consumer Use Tax</b> (See instructions)					25.00
If you certify that no Consumer Use Tax is due, fill in circle. ▶ <input type="radio"/>					
<b>19. Add</b> Lines 17 and 18					818.00
<b>20. North Carolina Income Tax Withheld</b>	a. Your tax withheld	b. Spouse's tax withheld			
	▶ 1350.00	▶			
<b>21. Other Tax Payments</b>	a. 2023 estimated tax	b. Paid with extension			
	▶ 1200.00	▶			
	c. Partnership	d. S Corporation			
	▶	▶			
<b>22. Additional Payments</b> (Amended Returns Only. See instructions)					
<b>23. Add</b> Lines 20a through 22					2550.00
<b>24. Previous Refunds</b> (Amended Returns Only. See instructions)					
<b>25. Subtract</b> Line 24 from Line 23. (If less than zero, see instructions.)					2550.00
<b>26. a. Tax Due</b> - If Line 25 is less than Line 19, subtract Line 25 from Line 19. Otherwise, go to Line 28.					▶ 26a.
b. Penalties	c. Interest				
▶	▶				26d.
				(Add Lines 26b and 26c and enter the total on Line 26d.)	
e. Interest on the Underpayment of Estimated Income Tax (See instructions and enter letter in box, if applicable.)	▶				▶ 26e.
<b>27. Amount Due</b> - Add Lines 26a, 26d, and 26e. Pay in U.S. Currency from a Domestic Bank - You can pay online at <a href="http://www.ncdor.gov">www.ncdor.gov</a> .					27. \$
<b>28. Overpayment</b> - If Line 25 is more than Line 19, subtract Line 19 from Line 25.					28. 1732.00
When filing an amended return, see instructions					
<b>29. Amount of Line 28 to be applied to 2024 Estimated Income Tax</b>					▶ 29. 250.00
<b>30. Contribution to the N.C. Nongame and Endangered Wildlife Fund</b>					▶ 30.
<b>31. Contribution to the N.C. Education Endowment Fund</b>					▶ 31.
<b>32. Contribution to the N.C. Breast and Cervical Cancer Control Program</b>					▶ 32.
<b>33. Add</b> Lines 29 through 32					33. 250.00
<b>34. Subtract</b> Line 33 from Line 28. This is the Amount To Be Refunded For direct deposit, file electronically					▶ 34. 1482.00

If you claim a partnership payment on Line 21c or S corporation payment on Line 21d, you must attach a copy of the NC K-1.

Exception to Underpayment of Estimated Tax



I declare and certify 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.

Your Signature _____	Date	Spouse's Signature (If filing joint return, both must sign.) _____	Date
Contact Phone Number (Include area code) ▶		<input type="checkbox"/> Check here if you authorize the North Carolina Department of Revenue to discuss this return and attachments with the paid preparer below.	

<b>PAID PREPARER USE ONLY</b> If prepared by a person other than taxpayer, this certification is based on all information of which the preparer has any knowledge. _____ Paid Preparer's Signature	Date	Preparer's FEIN, SSN, or PTIN	Preparer's Contact Phone 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

# D-400 Schedule S

## 2023 N.C. Adjustments for Individuals

DOR  
Use  
Only

If you are required to add certain items to federal adjusted gross income on Form D-400, Line 7, or if you are entitled to take deductions from federal adjusted gross income on Form D-400, Line 9, you must complete and attach this schedule to Form D-400. Importantly, you must attach both pages of this schedule to Form D-400, even if you are only required to complete one part of the schedule. If you do not, the Department may be unable to process your return.

Last Name (First 10 Characters)

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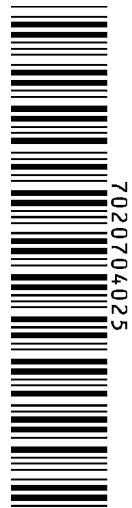
Do not send a photocopy of this form.

Your Social Security Number

001-11-2222

### Part A. Additions to Federal Adjusted Gross Income *(Only add items that are not included in federal adjusted gross income)*

- |   |   |     |
|---|---|-----|
| 1. Interest Income From Obligations of States Other Than N.C.   | ▶ | 1.  |
| 2. Deferred Gains Reinvested Into an Opportunity Fund   | ▶ | 2.  |
| 3. Bonus Depreciation   | ▶ | 3.  |
| 4. IRC Section 179 Expense  | ▶ | 4.  |
| 5. S-Corporation Shareholder Built-in Gains Tax   | ▶ | 5.  |
| 6. Amount by Which Federal Basis Exceeds State Basis for Property Disposed of in 2023                       | ▶ | 6.  |
| 7. Federal Net Operating Loss Deduction   | ▶ | 7.  |
| 8. State, Local, or Foreign Income Tax Deducted by an S Corporation, Partnership, or Estate and Trust       | ▶ | 8.  |
| 9. Withdrawal of 529 Plan Contributions Not Used for Permissible Purpose                                    | ▶ | 9.  |
| 10. Discharge of Qualified Principal Residence Indebtedness   | ▶ | 10. |
| 11. Qualified Education Loan Payments Paid by Employer  | ▶ | 11. |
| 12. Expenses Allocable to Income Exempt or Excluded From Gross Income <i>(New for 2023)</i>                 | ▶ | 12. |
| 13. Discharge of Certain Student Loan Debt  | ▶ | 13. |
| 14. Taxed Pass-Through Entity Loss  | ▶ | 14. |
| 15. Reserved for Future Use   | ▶ | 15. |
| 16. <b>Total Additions</b> - Add Lines 1 through 15 <i>(Enter the total here and on Form D-400, Line 7)</i> |   | 16. |



**Part B. Deductions From Federal Adjusted Gross Income** (Only deduct items that are included in federal adjusted gross income)

17. State or Local Income Tax Refund	▶ 17.	329.00
18. Interest Income From Obligations of the United States or United States' Possessions	▶ 18.	
19. Taxable Portion of Social Security and Railroad Retirement Benefits	▶ 19.	
20. Retirement Benefits Received by <b>Vested</b> N.C. State Government, N.C. Local Government, or Federal Government Retirees, i.e. <i>Bailey Settlement</i>	▶ 20.	18000.00
21. Certain Retirement Benefits Received by a Retired Member of the United States Uniformed Services Not Deducted on Line 20	▶ 21.	
22. Bonus Asset Basis	▶ 22.	
23. Bonus Depreciation		
▶ 23a. 2018	▶ 23b. 2019	▶ 23c. 2020
▶ 23d. 2021	▶ 23e. 2022	<b>Total</b>
		23f. (Add Lines 23a -23e)
24. IRC Section 179 Expense		
▶ 24a. 2018	▶ 24b. 2019	▶ 24c. 2020
▶ 24d. 2021	▶ 24e. 2022	<b>Total</b>
		24f. (Add Lines 24a -24e)
25. Recognized IRC Section 1400Z-2 Gain	▶ 25.	
26. Gain From the Disposition of Exempt N.C. Obligations Issued Before July 1, 1995	▶ 26.	
27. Exempt Income Earned or Received by a Member of a Federally Recognized Indian Tribe	▶ 27.	
28. Amount by Which State Basis Exceeds Federal Basis for Property Disposed of in 2023	▶ 28.	
29. Ordinary and Necessary Business Expense Reduced or not Allowed Due to Claiming a Federal Tax Credit in Lieu of a Deduction	▶ 29.	
30. Personal Education Student Account Deposits	▶ 30.	
31. Certain State Emergency Response and Disaster Relief Reserve Fund Payments	▶ 31.	
32. Certain Economic Incentive Payments	▶ 32.	
33. Certain N.C. Grant Payments	▶ 33.	
34. Certain Net Operating Loss Carrybacks (Limited to 20% of amount added to AGI in tax years 2013 through 2019)	▶ 34.	
35. Excess Net Operating Loss Carryforward (Limited to 20% of amount added to AGI in 2019 and 2020)	▶ 35.	
36. Excess Business Loss (Limited to 20% of amount added to AGI in 2018, 2019, and 2020)	▶ 36.	
37. Business Interest Limitation (Limited to 20% of amount added to AGI in 2019 and 2020)	▶ 37.	
38. Taxed Pass-Through Entity Income	▶ 38.	
39. N.C. Net Operating Loss	▶ 39.	
40. Reserved for Future Use	▶ 40.	
41. <b>Total Deductions</b> - Add Lines 17 through 22, 23f, 24f, and 25 through 40 (Enter the total here and on Form D-400, Line 9)	41.	18329.00





### Test Question #3

#### Facts:

Joe T. (202-00-0000) and Mary C. (303-00-0000) Army are both South Carolina residents. Their address is 101 Army Road, Fort Mill, SC 12789.

Joe received wages from Duke Energy in Fort Mill, SC in the amount of \$56,800.00 and had \$0.00 withheld in North Carolina state income tax. He retired from the U.S. Army in 2014 with 22 years of service and receives his military retirement in the amount of \$42,100.00. Mary worked for Bank of America located in Charlotte, NC. She received wages in the amount of \$35,250.00 and had \$1,330.00 withheld in North Carolina state income tax. In addition, Mary received interest income in the amount of \$212.00. They did not make any out-of-state purchases.

Mr. & Mrs. Army filed their 2023 federal income tax return as married filing jointly.

Please complete North Carolina individual income tax returns using the married filing jointly and married filing separately filing statuses to determine the most beneficial filing for Mr. & Mrs. Army. In both scenarios, it was more beneficial for the taxpayers to claim the federal standard deduction and North Carolina standard deduction. Mr. Army elects to denote that he is a veteran on the married filing jointly North Carolina income tax return.

For the year Jan. 1–Dec. 31, 2023, or other tax year beginning , 2023, ending , 20 See separate instructions.

Your first name and middle initial Last name Your social security number
JOE T ARMY 2 0 2 0 0 0 0 0

If joint return, spouse's first name and middle initial Last name Spouse's social security number
MARY C ARMY 3 0 3 0 0 0 0 0

Home address (number and street). If you have a P.O. box, see instructions. Apt. no. Presidential Election Campaign
101 ARMY ROAD Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.

City, town, or post office. If you have a foreign address, also complete spaces below. State ZIP code
FORT MILL SC 12789

Foreign country name Foreign province/state/county Foreign postal code
You Spouse

Filing Status Single Married filing jointly (even if only one had income) Married filing separately (MFS) Head of household (HOH) Qualifying surviving spouse (QSS)
Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:

Digital Assets At any time during 2023, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction Someone can claim: You as a dependent Your spouse as a dependent Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: Were born before January 2, 1959 Are blind Spouse: Was born before January 2, 1959 Is blind

Table with 5 columns: (1) First name, Last name, (2) Social security number, (3) Relationship to you, (4) Check the box if qualifies for (see instructions): Child tax credit, Credit for other dependents.

Income section table with rows 1a through 1z. Total amount from Form(s) W-2, box 1: 92,050. Total income: 134,362. Adjusted gross income: 134,362. Standard deduction: 27,700. Taxable income: 106,662.

Attach Sch. B if required.

Standard Deduction for: Single or Married filing separately, \$13,850; Married filing jointly or Qualifying surviving spouse, \$27,700; Head of household, \$20,800; If you checked any box under Standard Deduction, see instructions.

<b>Tax and Credits</b>	<b>16</b>	<b>Tax</b> (see instructions). Check if any from Form(s): <b>1</b> <input type="checkbox"/> 8814 <b>2</b> <input type="checkbox"/> 4972 <b>3</b> <input type="checkbox"/> _____	<b>16</b>
	<b>17</b>	Amount from Schedule 2, line 3	<b>17</b>
	<b>18</b>	Add lines 16 and 17	<b>18</b>
	<b>19</b>	Child tax credit or credit for other dependents from Schedule 8812	<b>19</b>
	<b>20</b>	Amount from Schedule 3, line 8	<b>20</b>
	<b>21</b>	Add lines 19 and 20	<b>21</b>
	<b>22</b>	Subtract line 21 from line 18. If zero or less, enter -0-	<b>22</b>
	<b>23</b>	Other taxes, including self-employment tax, from Schedule 2, line 21	<b>23</b>
<b>24</b>	Add lines 22 and 23. This is your <b>total tax</b>	<b>24</b>	

<b>Payments</b>	<b>25</b>	Federal income tax withheld from:		
	<b>a</b>	Form(s) W-2	<b>25a</b>	
	<b>b</b>	Form(s) 1099	<b>25b</b>	
	<b>c</b>	Other forms (see instructions)	<b>25c</b>	
	<b>d</b>	Add lines 25a through 25c	<b>25d</b>	
	<b>26</b>	2023 estimated tax payments and amount applied from 2022 return	<b>26</b>	
	<b>27</b>	Earned income credit (EIC)	<b>27</b>	
	<b>28</b>	Additional child tax credit from Schedule 8812	<b>28</b>	
	<b>29</b>	American opportunity credit from Form 8863, line 8	<b>29</b>	
	<b>30</b>	Reserved for future use	<b>30</b>	
<b>31</b>	Amount from Schedule 3, line 15	<b>31</b>		
<b>32</b>	Add lines 27, 28, 29, and 31. These are your <b>total other payments and refundable credits</b>	<b>32</b>		
<b>33</b>	Add lines 25d, 26, and 32. These are your <b>total payments</b>	<b>33</b>		

<b>Refund</b>	<b>34</b>	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you <b>overpaid</b>	<b>34</b>
	<b>35a</b>	Amount of line 34 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/>	<b>35a</b>
	<b>b</b>	Routing number: _____ <b>c</b> Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
	<b>d</b>	Account number: _____	
<b>36</b>	Amount of line 34 you want <b>applied to your 2024 estimated tax</b>	<b>36</b>	

<b>Amount You Owe</b>	<b>37</b>	Subtract line 33 from line 24. This is the <b>amount you owe</b> . For details on how to pay, go to <a href="http://www.irs.gov/Payments">www.irs.gov/Payments</a> or see instructions	<b>37</b>
	<b>38</b>	Estimated tax penalty (see instructions)	<b>38</b>

<b>Third Party Designee</b>	Do you want to allow another person to discuss this return with the IRS? See instructions <input type="checkbox"/> <b>Yes</b> . Complete below. <input type="checkbox"/> <b>No</b>		
	Designee's name	Phone no.	Personal identification number (PIN) _____

<b>Sign Here</b>	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	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) _____
	Spouse's signature. If a joint return, <b>both</b> must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) _____
	Phone no.	Email address		

<b>Paid Preparer Use Only</b>	Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> Self-employed
	Firm's name	Firm's address			Phone no.
	Firm's address				Firm's EIN

For the year Jan. 1–Dec. 31, 2023, or other tax year beginning , 2023, ending , 20 See separate instructions.

Your first name and middle initial MARY C Last name ARMY Your social security number 303000000

If joint return, spouse's first name and middle initial Last name Spouse's social security number

Home address (number and street). If you have a P.O. box, see instructions. 101 ARMY ROAD Apt. no. Presidential Election Campaign

City, town, or post office. If you have a foreign address, also complete spaces below. ANYWHERE State SC ZIP code 12789 Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.

Foreign country name Foreign province/state/county Foreign postal code You Spouse

Filing Status Single Married filing jointly (even if only one had income) Married filing separately (MFS) Head of household (HOH) Qualifying surviving spouse (QSS) If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent: JOE T ARMY

Digital Assets At any time during 2023, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction Someone can claim: You as a dependent Your spouse as a dependent Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: Were born before January 2, 1959 Are blind Spouse: Was born before January 2, 1959 Is blind

Table with 5 columns: (1) First name, Last name, (2) Social security number, (3) Relationship to you, (4) Check the box if qualifies for (see instructions): Child tax credit, Credit for other dependents.

Income section table with rows 1a through 1z. Total amount from Form(s) W-2, box 1 (see instructions) 35,250. Add lines 1a through 1h 35,250.

Table with rows 2a through 6b. 2a Tax-exempt interest, 2b Taxable interest 212. 3a Qualified dividends, 3b Ordinary dividends. 4a IRA distributions, 4b Taxable amount. 5a Pensions and annuities, 5b Taxable amount. 6a Social security benefits, 6b Taxable amount.

Table with rows 7 through 15. 7 Capital gain or (loss). Attach Schedule D if required. If not required, check here. 8 Additional income from Schedule 1, line 10. 9 Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income 35,462. 10 Adjustments to income from Schedule 1, line 26. 11 Subtract line 10 from line 9. This is your adjusted gross income 35,462. 12 Standard deduction or itemized deductions (from Schedule A) 13,850. 13 Qualified business income deduction from Form 8995 or Form 8995-A. 14 Add lines 12 and 13 13,850. 15 Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income 21,612.

Attach Sch. B if required.

Standard Deduction for— Single or Married filing separately, \$13,850. Married filing jointly or Qualifying surviving spouse, \$27,700. Head of household, \$20,800. If you checked any box under Standard Deduction, see instructions.

<b>Tax and Credits</b>	<b>16</b>	<b>Tax</b> (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/>	<b>16</b>
	<b>17</b>	Amount from Schedule 2, line 3	<b>17</b>
	<b>18</b>	Add lines 16 and 17	<b>18</b>
	<b>19</b>	Child tax credit or credit for other dependents from Schedule 8812	<b>19</b>
	<b>20</b>	Amount from Schedule 3, line 8	<b>20</b>
	<b>21</b>	Add lines 19 and 20	<b>21</b>
	<b>22</b>	Subtract line 21 from line 18. If zero or less, enter -0-	<b>22</b>
	<b>23</b>	Other taxes, including self-employment tax, from Schedule 2, line 21	<b>23</b>
<b>24</b>	Add lines 22 and 23. This is your <b>total tax</b>	<b>24</b>	

<b>Payments</b>	<b>25</b>	Federal income tax withheld from:		
	<b>a</b>	Form(s) W-2	<b>25a</b>	
	<b>b</b>	Form(s) 1099	<b>25b</b>	
	<b>c</b>	Other forms (see instructions)	<b>25c</b>	
	<b>d</b>	Add lines 25a through 25c	<b>25d</b>	
	<b>26</b>	2023 estimated tax payments and amount applied from 2022 return	<b>26</b>	
	<b>27</b>	Earned income credit (EIC)	<b>27</b>	
	<b>28</b>	Additional child tax credit from Schedule 8812	<b>28</b>	
	<b>29</b>	American opportunity credit from Form 8863, line 8	<b>29</b>	
	<b>30</b>	Reserved for future use	<b>30</b>	
<b>31</b>	Amount from Schedule 3, line 15	<b>31</b>		
<b>32</b>	Add lines 27, 28, 29, and 31. These are your <b>total other payments and refundable credits</b>	<b>32</b>		
<b>33</b>	Add lines 25d, 26, and 32. These are your <b>total payments</b>	<b>33</b>		

<b>Refund</b>	<b>34</b>	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you <b>overpaid</b>	<b>34</b>
	<b>35a</b>	Amount of line 34 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/>	<b>35a</b>
	<b>b</b>	Routing number: _____ <b>c</b> Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
	<b>d</b>	Account number: _____	
<b>36</b>	Amount of line 34 you want <b>applied to your 2024 estimated tax</b>	<b>36</b>	

<b>Amount You Owe</b>	<b>37</b>	Subtract line 33 from line 24. This is the <b>amount you owe</b> . For details on how to pay, go to <a href="http://www.irs.gov/Payments">www.irs.gov/Payments</a> or see instructions	<b>37</b>
	<b>38</b>	Estimated tax penalty (see instructions)	<b>38</b>

<b>Third Party Designee</b>	Do you want to allow another person to discuss this return with the IRS? See instructions <input type="checkbox"/> <b>Yes</b> . Complete below. <input type="checkbox"/> <b>No</b>		
	Designee's name	Phone no.	Personal identification number (PIN) _____

<b>Sign Here</b>	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	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) _____
	Spouse's signature. If a joint return, <b>both</b> must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) _____
	Phone no.	Email address		

<b>Paid Preparer Use Only</b>	Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> Self-employed
	Firm's name	Firm's address			Phone no.
	Firm's address				Firm's EIN

D-400 Individual Income Tax Return

2023

DOR Use Only

AMENDED RETURN Fill in circle (See instructions)

IMPORTANT: Do not send a photocopy of this form.

For calendar year 2023, or fiscal year beginning (MM-DD) - 2 3 and ending (MM-DD-YY)

Your Social Security Number

202-00-0000

Spouse's Social Security Number

303-00-0000

You must enter your social security number(s)

Your First Name (USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)

JOE

M.I. Your Last Name

T ARMY

If a Joint Return, Spouse's First Name

MARY

M.I. Spouse's Last Name

C ARMY

Mailing Address

101 ARMY ROAD

Apartment Number

City

FORT MILL

State

SC

Zip Code

12789

Country (If not U.S.)

County (Enter first five letters)

N.C. Education Endowment Fund: You may contribute to the N.C. Education Endowment Fund by making a contribution or designating some or all of your overpayment to the Fund. To make a contribution, enclose Form NC-EDU and your payment of \$... To designate your overpayment to the Fund, enter the amount of your designation on Page 2, Line 31. (See instructions for information about the Fund.)

Out of Country Fill in circle if you, or if married filing jointly, your spouse were out of the country on April 15, 2024, and a U.S. citizen or resident.

Deceased Taxpayer Information Enter date of death of deceased taxpayer or deceased spouse.

Fill in circle if return is filed and signed by Executor, Administrator, or Court-Appointed Personal Representative.

Taxpayer (MM-DD-YY)

Spouse (MM-DD-YY)

Residency Status Were you a resident of N.C. for the entire year? Yes No Was your spouse a resident for the entire year? Yes No If No, complete and attach Form D-400 Schedule PN.

Veteran Information Are you a veteran? Yes No Is your spouse a veteran? Yes No

Federal Extension Were you granted an automatic extension to file your 2023 federal income tax return, e.g., Form 1040? Yes No

Filing Status (Fill in one circle only)

1. Single

2. Married Filing Jointly

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

Name

4. Head of Household

SSN

5. Qualifying Widow(er) (Year spouse died: )

Enter Whole U.S. Dollars Only

6. Federal Adjusted Gross Income 6. 134362.00

7. Additions to Federal Adjusted Gross Income (From Form D-400 Schedule S, Part A, Line 16) 7. 134362.00

8. Add Lines 6 and 7 8. 134362.00

9. Deductions From Federal Adjusted Gross Income (From Form D-400 Schedule S, Part B, Line 41) 9. 42100.00

10. Child Deduction (On Line 10a, enter the number of qualifying children for whom you were allowed a federal child tax credit. On Line 10b, enter the amount of the child deduction. See instructions.) 10a. 10b.

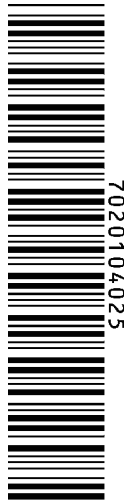
11. N.C. Standard Deduction OR N.C. Itemized Deductions (Fill in one circle only. See Form D-400 Schedule A.) 11. 25500.00

12. a. Add Lines 9, 10b, and 11. 67600.00 12b. Subtract Line 12a from Line 8 66762.00

13. Part-year Residents and Nonresidents Taxable Percentage (From Form D-400 Schedule PN, Line 24. Enter amount as decimal.) 13. 0.3821

14. North Carolina Taxable Income Full-year residents enter the amount from Line 12b. Part-year residents and nonresidents multiply amount on Line 12b by the decimal amount on Line 13. 14. 25510.00

15. North Carolina Income Tax Multiply Line 14 by 4.75% (0.0475). If zero or less, enter a zero. 15. 1212.00

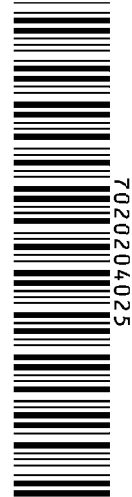


7020104025

Staple All Pages of Your Return Here

Staple W-2s Here

<b>16. Tax Credits</b> (From Form D-400TC, Part 3, Line 20)	▶	16.	
<b>17. Subtract</b> Line 16 from Line 15		17.	1212.00
<b>18. Consumer Use Tax</b> (See instructions)	If you certify that no Consumer Use Tax is due, fill in circle. ▶ ● ▶	▶ 18.	
<b>19. Add</b> Lines 17 and 18		19.	1212.00
<b>20. North Carolina Income Tax Withheld</b>	▶		
a. Your tax withheld			
b. Spouse's tax withheld	▶		1330.00
<b>21. Other Tax Payments</b>	▶		
a. 2023 estimated tax			
b. Partnership			
c. Paid with extension	▶		
d. S Corporation	▶		
If you claim a partnership payment on Line 21c or S corporation payment on Line 21d, you must attach a copy of the NC K-1.			
<b>22. Additional Payments</b> (Amended Returns Only. See instructions)		22.	
<b>23. Add</b> Lines 20a through 22		23.	1330.00
<b>24. Previous Refunds</b> (Amended Returns Only. See instructions)		24.	
<b>25. Subtract</b> Line 24 from Line 23. (If less than zero, see instructions.)		25.	1330.00
<b>26. a. Tax Due</b> - If Line 25 is less than Line 19, subtract Line 25 from Line 19. Otherwise, go to Line 28.	▶	26a.	
b. Penalties			
c. Interest			
(Add Lines 26b and 26c and enter the total on Line 26d.)		26d.	
e. Interest on the Underpayment of Estimated Income Tax (See instructions and enter letter in box, if applicable.)	▶	26e.	
<b>27. Amount Due</b> - Add Lines 26a, 26d, and 26e. Pay in U.S. Currency from a Domestic Bank - You can pay online at <a href="http://www.ncdor.gov">www.ncdor.gov</a> .	Exception to Underpayment of Estimated Tax ▶	27. \$	
<b>28. Overpayment</b> - If Line 25 is more than Line 19, subtract Line 19 from Line 25.		28.	118.00
When filing an amended return, see instructions			
<b>29. Amount of Line 28 to be applied to 2024 Estimated Income Tax</b>		▶ 29.	
<b>30. Contribution to the N.C. Nongame and Endangered Wildlife Fund</b>		▶ 30.	
<b>31. Contribution to the N.C. Education Endowment Fund</b>		▶ 31.	
<b>32. Contribution to the N.C. Breast and Cervical Cancer Control Program</b>		▶ 32.	
<b>33. Add</b> Lines 29 through 32		▶ 33.	
<b>34. Subtract</b> Line 33 from Line 28. This is the Amount To Be Refunded For direct deposit, file electronically		▶ 34.	118.00



I declare and certify 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.

Your Signature _____	Date	Spouse's Signature (If filing joint return, both must sign.) _____	Date
Contact Phone Number (Include area code) ▶		<input type="checkbox"/> Check here if you authorize the North Carolina Department of Revenue to discuss this return and attachments with the paid preparer below.	

<b>PAID PREPARER USE ONLY</b> If prepared by a person other than taxpayer, this certification is based on all information of which the preparer has any knowledge.	Preparer's FEIN, SSN, or PTIN	Preparer's Contact Phone Number (Include area code)
Paid Preparer's Signature _____	Date	

# D-400 Schedule S

## 2023 N.C. Adjustments for Individuals

DOR  
Use  
Only

If you are required to add certain items to federal adjusted gross income on Form D-400, Line 7, or if you are entitled to take deductions from federal adjusted gross income on Form D-400, Line 9, you must complete and attach this schedule to Form D-400. Importantly, you must attach both pages of this schedule to Form D-400, even if you are only required to complete one part of the schedule. If you do not, the Department may be unable to process your return.

Last Name (First 10 Characters)

ARMY

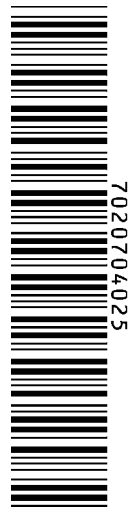
Do not send a photocopy of this form.

Your Social Security Number

202-00-0000

### Part A. Additions to Federal Adjusted Gross Income *(Only add items that are not included in federal adjusted gross income)*

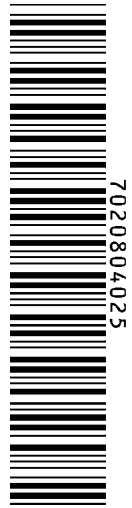
- |   |   |     |
|---|---|-----|
| 1. Interest Income From Obligations of States Other Than N.C.   | ▶ | 1.  |
| 2. Deferred Gains Reinvested Into an Opportunity Fund   | ▶ | 2.  |
| 3. Bonus Depreciation   | ▶ | 3.  |
| 4. IRC Section 179 Expense  | ▶ | 4.  |
| 5. S-Corporation Shareholder Built-in Gains Tax   | ▶ | 5.  |
| 6. Amount by Which Federal Basis Exceeds State Basis for Property Disposed of in 2023                       | ▶ | 6.  |
| 7. Federal Net Operating Loss Deduction   | ▶ | 7.  |
| 8. State, Local, or Foreign Income Tax Deducted by an S Corporation, Partnership, or Estate and Trust       | ▶ | 8.  |
| 9. Withdrawal of 529 Plan Contributions Not Used for Permissible Purpose                                    | ▶ | 9.  |
| 10. Discharge of Qualified Principal Residence Indebtedness   | ▶ | 10. |
| 11. Qualified Education Loan Payments Paid by Employer  | ▶ | 11. |
| 12. Expenses Allocable to Income Exempt or Excluded From Gross Income <i>(New for 2023)</i>                 | ▶ | 12. |
| 13. Discharge of Certain Student Loan Debt  | ▶ | 13. |
| 14. Taxed Pass-Through Entity Loss  | ▶ | 14. |
| 15. Reserved for Future Use   | ▶ | 15. |
| 16. <b>Total Additions</b> - Add Lines 1 through 15 <i>(Enter the total here and on Form D-400, Line 7)</i> |   | 16. |





**Part B. Deductions From Federal Adjusted Gross Income** (Only deduct items that are included in federal adjusted gross income)

17. State or Local Income Tax Refund				▶	17.	
18. Interest Income From Obligations of the United States or United States' Possessions				▶	18.	
19. Taxable Portion of Social Security and Railroad Retirement Benefits				▶	19.	
20. Retirement Benefits Received by <b>Vested</b> N.C. State Government, N.C. Local Government, or Federal Government Retirees, i.e. <i>Bailey Settlement</i>				▶	20.	
21. Certain Retirement Benefits Received by a Retired Member of the United States Uniformed Services Not Deducted on Line 20				▶	21.	42100.00
22. Bonus Asset Basis				▶	22.	
23. Bonus Depreciation						
▶ 23a. 2018	▶ 23b. 2019		▶ 23c. 2020			
▶ 23d. 2021	▶ 23e. 2022				<b>Total</b>	
					23f. (Add Lines 23a -23e)	
24. IRC Section 179 Expense						
▶ 24a. 2018	▶ 24b. 2019		▶ 24c. 2020			
▶ 24d. 2021	▶ 24e. 2022				<b>Total</b>	
					24f. (Add Lines 24a -24e)	
25. Recognized IRC Section 1400Z-2 Gain				▶	25.	
26. Gain From the Disposition of Exempt N.C. Obligations Issued Before July 1, 1995				▶	26.	
27. Exempt Income Earned or Received by a Member of a Federally Recognized Indian Tribe				▶	27.	
28. Amount by Which State Basis Exceeds Federal Basis for Property Disposed of in 2023				▶	28.	
29. Ordinary and Necessary Business Expense Reduced or not Allowed Due to Claiming a Federal Tax Credit in Lieu of a Deduction				▶	29.	
30. Personal Education Student Account Deposits				▶	30.	
31. Certain State Emergency Response and Disaster Relief Reserve Fund Payments				▶	31.	
32. Certain Economic Incentive Payments				▶	32.	
33. Certain N.C. Grant Payments				▶	33.	
34. Certain Net Operating Loss Carrybacks (Limited to 20% of amount added to AGI in tax years 2013 through 2019)				▶	34.	
35. Excess Net Operating Loss Carryforward (Limited to 20% of amount added to AGI in 2019 and 2020)				▶	35.	
36. Excess Business Loss (Limited to 20% of amount added to AGI in 2018, 2019, and 2020)				▶	36.	
37. Business Interest Limitation (Limited to 20% of amount added to AGI in 2019 and 2020)				▶	37.	
38. Taxed Pass-Through Entity Income				▶	38.	
39. N.C. Net Operating Loss				▶	39.	
40. Reserved for Future Use				▶	40.	
41. <b>Total Deductions</b> - Add Lines 17 through 22, 23f, 24f, and 25 through 40 (Enter the total here and on Form D-400, Line 9)					41.	42100.00



# D-400 Schedule PN 2023 Part-Year Resident and Nonresident Schedule

DOR  
Use  
Only

If you enter a taxable percentage on Form D-400, Line 13 because you or your spouse, if married filing jointly, were not full-year residents of North Carolina during tax year 2023, you must attach this schedule to Form D-400. Importantly, you must attach both pages of this schedule to Form D-400. If you do not, the Department may be unable to process your return.

Last Name (First 10 Characters)

ARMY

Do not send a photocopy of this form.

Your Social Security Number

202-00-0000

A part-year resident or a nonresident who receives income from N.C. sources must complete this form to determine the percentage of total income from all sources that is subject to N.C. tax. You are a "part-year resident" if you moved to N.C. and became a resident during the tax year, or you moved out of N.C. and became a resident of another state during the tax year. You are a "nonresident" if you were not a resident of N.C. at any time during the tax year.

**Important: Refer to the instructions before completing this form.**

## Part A. Residency Status

**Taxpayer is:** (Fill in applicable circle)

Full-Year Resident     Nonresident     Part-Year Resident  
Date N.C. residency began                      Date N.C. residency ended

(MM-DD-YY)

(MM-DD-YY)

**Spouse is:** (Fill in applicable circle)

Full-Year Resident     Nonresident     Part-Year Resident  
Date N.C. residency began                      Date N.C. residency ended

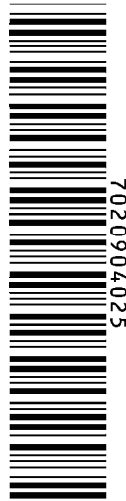
(MM-DD-YY)

(MM-DD-YY)

If you and your spouse were both full-year residents of N.C., **stop here**; do not complete Parts B and C. Do not attach Schedule PN to Form D-400.

## Part B. Allocation of Income for Part-Year Residents and Nonresidents

Total Income	COLUMN A		COLUMN B	
	Total Income from all Sources		Amount of Column A Attributable to N.C.	
1. Wages, Salaries, Tips, Etc.	1.	92050.00		35250.00
2. Taxable Interest	2.	212.00		
3. Taxable Dividends	3.			
4. Taxable Refunds, Credits, or Offsets of State and Local Income Taxes	4.			
5. Alimony Received	5.			
6. Business Income or (Loss)	6.			
7. Capital Gain or (Loss)	7.			
8. Other Gains or (Losses)	8.			
9. Taxable Amount of IRA Distributions	9.			
10. Taxable Amount of Pensions and Annuities	10.	42100.00		
11. Rental Real Estate, Royalties, Partnerships, S-Corps, Estates, Trusts, Etc.	11.			
12. Farm Income or (Loss)	12.			
13. Unemployment Compensation	13.			
14. Taxable Portion of Social Security and Railroad Retirement Benefits	14.			
15. Other Income	15.			
16. Total Income (Add Lines 1 through 15)	16.	134362.00		35250.00



**Part B. Allocation of Income for Part-Year Residents and Nonresidents** *(continued)*

North Carolina Adjustments	COLUMN A Amount from Form D-400 Schedule S	COLUMN B Amount of Column A Attributable to N.C.
<b>17. Additions:</b>		
a. Interest Income From Obligations of States Other Than N.C.	17a.	
b. Deferred Gains Reinvested Into an Opportunity Fund	17b.	
c. Bonus Depreciation	17c.	
d. IRC Section 179 Expense	17d.	
e. Other Additions to Federal Adjusted Gross Income That Relate to Gross Income <i>(From Form D-400 Schedule PN-1, Part A, Line 12.)</i>	17e.	
<b>18. Total Additions</b> <i>(Add Lines 17a through 17e)</i>	18.	
<b>19. Deductions:</b>		
a. State or Local Income Tax Refund	19a.	
b. Interest Income From Obligations of the United States or United States' Possessions	19b.	
c. Taxable Portion of Social Security and Railroad Retirement Benefits	19c.	
d. Retirement Benefits Received by <b>Vested</b> N.C. State Government, N.C. Local Government, or Federal Government Retirees, i.e. <i>Bailey Settlement</i>	19d.	
e. Bonus Asset Basis	19e.	
f. Bonus Depreciation	19f.	
g. IRC Section 179 Expense	19g.	
h. Other Deductions From Federal Adjusted Gross Income That Relate to Gross Income <i>(From Form D-400 Schedule PN-1, Part B, Line 30.)</i>	19h.	42100.00
<b>20. Total Deductions</b> <i>(Add Lines 19a through 19h)</i>	20.	42100.00
<b>21. Total Income Modified by N.C. Adjustments</b> <i>(Line 16 plus Line 18 minus Line 20)</i>	21.	92262.00
		35250.00

**Part C. Part-Year Residents and Nonresidents Taxable Percentage**

<b>22.</b> Enter the Amount From <b>Column B, Line 21</b>	▶ 22.	35250.00
<b>23.</b> Enter the Amount From <b>Column A, Line 21</b>	▶ 23.	92262.00
<b>24. Part-Year Residents and Nonresidents Taxable Percentage</b> <i>(Divide Line 22 by Line 23)</i> Enter the result as a decimal amount here and on Form D-400, Line 13.	24.	0.3821

# D-400 Schedule PN-1 2023 Other Additions and Other Deductions

DOR  
Use  
Only

If you enter an amount on Form D-400 Schedule PN, Part B, Line 17e or Line 19h, you must attach this schedule to Form D-400. Importantly, you must attach both pages of this schedule to Form D-400, even if you are only required to complete one part of the schedule. If you do not, the Department may be unable to process your return.

Last Name (First 10 Characters)

ARMY

**Important:**  
Refer to the Instructions before  
completing this worksheet.

Your Social Security Number

202-00-0000

**Part A. Other Additions to Federal Adjusted Gross Income That Relate to Gross Income** (From 2023 Form D-400 Schedule S, Part A)

	<b>COLUMN A</b> Amount from Form D-400 Schedule S	<b>COLUMN B</b> Amount of Column A Attributable to N.C.
1. S Corporation Shareholder Built-in Gains Tax	1.	
2. Amount by Which Federal Basis Exceeds State Basis for Property Disposed of in 2023	2.	
3. Federal Net Operating Loss Deduction	3.	
4. State, Local, or Foreign Income Tax Deducted by an S Corporation, Partnership, or Estate and Trust	4.	
5. Withdrawal of 529 Plan Contributions Not Used for Permissible Purpose	5.	
6. Discharge of Qualified Principal Residence Indebtedness	6.	
7. Qualified Education Loan Payments Paid by Employer	7.	
8. Expenses Allocable to Income Exempt or Excluded From Gross Income <i>(New for 2023)</i>	8.	
9. Discharge of Certain Student Loan Debt	9.	
10. Taxed Pass-Through Entity Loss	10.	
11. Reserved for Future Use	11.	
12. <b>Total Other Additions</b> (Add Lines 1 through 11) Enter the total here and on Form D-400 Schedule PN, Line 17e.	12.	

**Part B. Other Deductions From Federal Adjusted Gross Income That Relate to Gross Income** (From 2023 Form D-400 Schedule S, Part B)

	<b>COLUMN A</b> Amount from Form D-400 Schedule S	<b>COLUMN B</b> Amount of Column A Attributable to N.C.
13. Certain Retirement Benefits Received by a Retired Member of the United States Uniformed Services Not Deducted on Form D-400 Schedule PN, Part B, Line 19d	42100.00	
14. Recognized IRC Section 1400Z-2 Gain		
15. Gain From the Disposition of Exempt N.C. Obligations Issued Before July 1, 1995		
16. Exempt Income Earned or Received by a Member of a Federally Recognized Indian Tribe		
17. Amount by Which State Basis Exceeds Federal Basis for Property Disposed of in 2023		
18. Ordinary and Necessary Business Expense Reduced or not Allowed Due to Claiming a Federal Tax Credit in Lieu of a Deduction		
19. Personal Education Student Account Deposits		
20. Certain State Emergency Response and Disaster Relief Reserve Fund Payments		
21. Certain Economic Incentive Payments		
22. Certain N.C. Grant Payments		
23. Certain Net Operating Loss Carrybacks (Limited to 20% of amount added to AGI in tax years 2013 through 2019)		
24. Excess Net Operating Loss Carryforward (Limited to 20% of amount added to AGI in 2019 and 2020)		
25. Excess Business Loss (Limited to 20% of amount added to AGI in 2018, 2019, and 2020)		
26. Business Interest Limitation (Limited to 20% of amount added to AGI in 2019 and 2020)		
27. Taxed Pass-Through Entity Income		
28. N.C. Net Operating Loss		
29. Reserved for Future Use		
30. <b>Total Other Deductions</b> (Add Lines 13 through 29) Enter the total here and on Form D-400 Schedule PN, Line 19h	42100.00	

AMENDED RETURN Fill in circle (See instructions)

IMPORTANT: Do not send a photocopy of this form.

For calendar year 2023, or fiscal year beginning (MM-DD) - 2 3 and ending (MM-DD-YY)

Your Social Security Number

303-00-0000

Spouse's Social Security Number

You must enter your social security number(s)

Your First Name (USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)

MARY

M.I.

C

Your Last Name

ARMY

If a Joint Return, Spouse's First Name

M.I.

Spouse's Last Name

Mailing Address

101 ARMY ROAD

Apartment Number

City

FORT MILL

State

SC

Zip Code

12789

Country (If not U.S.)

County (Enter first five letters)

N.C. Education Endowment Fund: You may contribute to the N.C. Education Endowment Fund by making a contribution or designating some or all of your overpayment to the Fund. To make a contribution, enclose Form NC-EDU and your payment of \$... To designate your overpayment to the Fund, enter the amount of your designation on Page 2, Line 31. (See instructions for information about the Fund.)

Out of Country Fill in circle if you, or if married filing jointly, your spouse were out of the country on April 15, 2024, and a U.S. citizen or resident.

Deceased Taxpayer Information

Enter date of death of deceased taxpayer or deceased spouse.

Fill in circle if return is filed and signed by Executor, Administrator, or Court-Appointed Personal Representative.

Taxpayer (MM-DD-YY)

Spouse (MM-DD-YY)

Residency Status

Were you a resident of N.C. for the entire year?

Yes No

Was your spouse a resident for the entire year?

Yes No

If No, complete and attach Form D-400 Schedule PN.

Veteran Information

Are you a veteran?

Yes No

Is your spouse a veteran?

Yes No

Federal Extension

Were you granted an automatic extension to file your 2023 federal income tax return, e.g., Form 1040?

Yes No

Filing Status (Fill in one circle only)

1. Single

2. Married Filing Jointly

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

Name JOE T ARMY

4. Head of Household

SSN 202-00-0000

5. Qualifying Widow(er) (Year spouse died: )

Enter Whole U.S. Dollars Only

6. Federal Adjusted Gross Income

6. 35462.00

7. Additions to Federal Adjusted Gross Income (From Form D-400 Schedule S, Part A, Line 16)

7.

8. Add Lines 6 and 7

8. 35462.00

9. Deductions From Federal Adjusted Gross Income (From Form D-400 Schedule S, Part B, Line 41)

9.

10. Child Deduction (On Line 10a, enter the number of qualifying children for whom you were allowed a federal child tax credit. On Line 10b, enter the amount of the child deduction. See instructions.)

10a. 10b.

11. N.C. Standard Deduction OR N.C. Itemized Deductions (Fill in one circle only. See Form D-400 Schedule A.)

11. 12750.00

12. a. Add Lines 9, 10b, and 11. 12750.00

12b. Subtract Line 12a from Line 8

22712.00

13. Part-year Residents and Nonresidents Taxable Percentage (From Form D-400 Schedule PN, Line 24. Enter amount as decimal.)

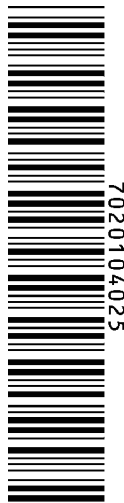
13. 0.9940

14. North Carolina Taxable Income Full-year residents enter the amount from Line 12b. Part-year residents and nonresidents multiply amount on Line 12b by the decimal amount on Line 13.

14. 22576.00

15. North Carolina Income Tax Multiply Line 14 by 4.75% (0.0475). If zero or less, enter a zero.

15. 1072.00

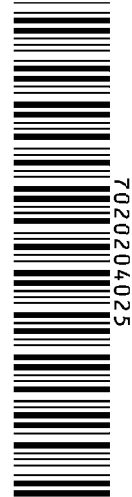


7020104025

Staple All Pages of Your Return Here

Staple W-2s Here

<b>16. Tax Credits</b> (From Form D-400TC, Part 3, Line 20)	▶			16.
<b>17. Subtract</b> Line 16 from Line 15				17. 1072.00
<b>18. Consumer Use Tax</b> (See instructions)				18.
If you certify that no Consumer Use Tax is due, fill in circle. ▶ ● ▶				
<b>19. Add</b> Lines 17 and 18				19. 1072.00
<b>20. North Carolina Income Tax Withheld</b>	▶	▶		
a. Your tax withheld		1330.00		
b. Spouse's tax withheld				
<b>21. Other Tax Payments</b>	▶	▶		
a. 2023 estimated tax				
b. Paid with extension				
c. Partnership				
d. S Corporation				
If you claim a partnership payment on Line 21c or S corporation payment on Line 21d, you must attach a copy of the NC K-1.				
<b>22. Additional Payments</b> (Amended Returns Only. See instructions)				22.
<b>23. Add</b> Lines 20a through 22				23. 1330.00
<b>24. Previous Refunds</b> (Amended Returns Only. See instructions)				24.
<b>25. Subtract</b> Line 24 from Line 23. (If less than zero, see instructions.)				25. 1330.00
<b>26. a. Tax Due</b> - If Line 25 is less than Line 19, subtract Line 25 from Line 19. Otherwise, go to Line 28.				▶ 26a.
b. Penalties		c. Interest		
▶		▶		26d.
				(Add Lines 26b and 26c and enter the total on Line 26d.)
e. Interest on the Underpayment of Estimated Income Tax (See instructions and enter letter in box, if applicable.)				▶ 26e.
Exception to Underpayment of Estimated Tax				
<b>27. Amount Due</b> - Add Lines 26a, 26d, and 26e. Pay in U.S. Currency from a Domestic Bank - You can pay online at <a href="http://www.ncdor.gov">www.ncdor.gov</a> .				27. \$
<b>28. Overpayment</b> - If Line 25 is more than Line 19, subtract Line 19 from Line 25.				28. 258.00
When filing an amended return, see instructions				
<b>29. Amount of Line 28 to be applied to 2024 Estimated Income Tax</b>				▶ 29.
<b>30. Contribution to the N.C. Nongame and Endangered Wildlife Fund</b>				▶ 30.
<b>31. Contribution to the N.C. Education Endowment Fund</b>				▶ 31.
<b>32. Contribution to the N.C. Breast and Cervical Cancer Control Program</b>				▶ 32.
<b>33. Add</b> Lines 29 through 32				▶ 33.
<b>34. Subtract</b> Line 33 from Line 28. This is the <b>Amount To Be Refunded</b> For direct deposit, file electronically				▶ 34. 258.00



I declare and certify 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.

Your Signature _____	Date	Spouse's Signature (If filing joint return, both must sign.) _____	Date
Contact Phone Number _____ (Include area code)		<input type="checkbox"/> Check here if you authorize the North Carolina Department of Revenue to discuss this return and attachments with the paid preparer below.	

<b>PAID PREPARER USE ONLY</b>	If prepared by a person other than taxpayer, this certification is based on all information of which the preparer has any knowledge.
Preparer's FEIN, SSN, or PTIN _____	Preparer's Contact Phone Number (Include area code) _____
Paid Preparer's Signature _____	Date _____

# D-400 Schedule PN 2023 Part-Year Resident and Nonresident Schedule

DOR  
Use  
Only

If you enter a taxable percentage on Form D-400, Line 13 because you or your spouse, if married filing jointly, were not full-year residents of North Carolina during tax year 2023, you must attach this schedule to Form D-400. Importantly, you must attach both pages of this schedule to Form D-400. If you do not, the Department may be unable to process your return.

Last Name (First 10 Characters)

ARMY

Do not send a photocopy of this form.

Your Social Security Number

303-00-0000

A part-year resident or a nonresident who receives income from N.C. sources must complete this form to determine the percentage of total income from all sources that is subject to N.C. tax. You are a "part-year resident" if you moved to N.C. and became a resident during the tax year, or you moved out of N.C. and became a resident of another state during the tax year. You are a "nonresident" if you were not a resident of N.C. at any time during the tax year.

**Important: Refer to the instructions before completing this form.**

## Part A. Residency Status

**Taxpayer is:** (Fill in applicable circle)

Full-Year Resident     Nonresident     Part-Year Resident  
Date N.C. residency began                      Date N.C. residency ended

(MM-DD-YY)

(MM-DD-YY)

**Spouse is:** (Fill in applicable circle)

Full-Year Resident     Nonresident     Part-Year Resident  
Date N.C. residency began                      Date N.C. residency ended

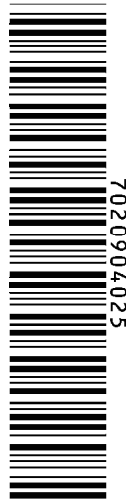
(MM-DD-YY)

(MM-DD-YY)

If you and your spouse were both full-year residents of N.C., **stop here**; do not complete Parts B and C. Do not attach Schedule PN to Form D-400.

## Part B. Allocation of Income for Part-Year Residents and Nonresidents

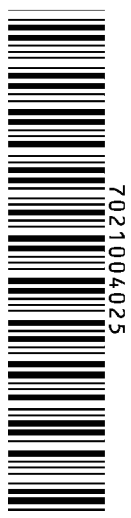
Total Income		COLUMN A		COLUMN B	
		Total Income from all Sources		Amount of Column A Attributable to N.C.	
1. Wages, Salaries, Tips, Etc.	1.	35250.00		35250.00	
2. Taxable Interest	2.	212.00			
3. Taxable Dividends	3.				
4. Taxable Refunds, Credits, or Offsets of State and Local Income Taxes	4.				
5. Alimony Received	5.				
6. Business Income or (Loss)	6.				
7. Capital Gain or (Loss)	7.				
8. Other Gains or (Losses)	8.				
9. Taxable Amount of IRA Distributions	9.				
10. Taxable Amount of Pensions and Annuities	10.				
11. Rental Real Estate, Royalties, Partnerships, S-Corps, Estates, Trusts, Etc.	11.				
12. Farm Income or (Loss)	12.				
13. Unemployment Compensation	13.				
14. Taxable Portion of Social Security and Railroad Retirement Benefits	14.				
15. Other Income	15.				
16. Total Income (Add Lines 1 through 15)	16.	35462.00		35250.00	





**Part B. Allocation of Income for Part-Year Residents and Nonresidents** *(continued)*

North Carolina Adjustments	COLUMN A Amount from Form D-400 Schedule S	COLUMN B Amount of Column A Attributable to N.C.
<b>17. Additions:</b>		
a. Interest Income From Obligations of States Other Than N.C.	17a.	
b. Deferred Gains Reinvested Into an Opportunity Fund	17b.	
c. Bonus Depreciation	17c.	
d. IRC Section 179 Expense	17d.	
e. Other Additions to Federal Adjusted Gross Income That Relate to Gross Income <i>(From Form D-400 Schedule PN-1, Part A, Line 12.)</i>	17e.	
<b>18. Total Additions</b> <i>(Add Lines 17a through 17e)</i>	18.	
<b>19. Deductions:</b>		
a. State or Local Income Tax Refund	19a.	
b. Interest Income From Obligations of the United States or United States' Possessions	19b.	
c. Taxable Portion of Social Security and Railroad Retirement Benefits	19c.	
d. Retirement Benefits Received by Vested N.C. State Government, N.C. Local Government, or Federal Government Retirees, i.e. <i>Bailey Settlement</i>	19d.	
e. Bonus Asset Basis	19e.	
f. Bonus Depreciation	19f.	
g. IRC Section 179 Expense	19g.	
h. Other Deductions From Federal Adjusted Gross Income That Relate to Gross Income <i>(From Form D-400 Schedule PN-1, Part B, Line 30.)</i>	19h.	
<b>20. Total Deductions</b> <i>(Add Lines 19a through 19h)</i>	20.	
<b>21. Total Income Modified by N.C. Adjustments</b> <i>(Line 16 plus Line 18 minus Line 20)</i>	21.	35462.00
		35250.00



**Part C. Part-Year Residents and Nonresidents Taxable Percentage**

<b>22.</b> Enter the Amount From <b>Column B, Line 21</b>	▶ 22.	35250.00
<b>23.</b> Enter the Amount From <b>Column A, Line 21</b>	▶ 23.	35462.00
<b>24. Part-Year Residents and Nonresidents Taxable Percentage</b> <i>(Divide Line 22 by Line 23)</i> Enter the result as a decimal amount here and on Form D-400, Line 13.	24.	0.9940

## Test Question #4

### Facts:

Lester L. (SSN 123-22-4567) and Gladys W. (SSN 234-33-6789) Scruggs were part-year residents of North Carolina for tax year 2023. They became North Carolina residents on July 1, 2023. Mr. Scruggs elects to denote on his North Carolina income tax return that he is a veteran. Mr. and Mrs. Scruggs have two children, James (SSN 444-55-6666) age 14 and Sue (SSN 777-66-3333) age 18 who is a full-time student. They live at 1313 Not Real Lane, Raleigh, North Carolina 27615. This is in Wake County.

Lester received \$25,000.00 in wages from Lockheed Martin earned in Virginia before becoming a North Carolina resident. He received \$55,000.00 in wages from Lockheed Martin earned in North Carolina after becoming a North Carolina resident on or after July 1, 2023 and had \$2,500.00 withheld in North Carolina state income tax. Mr. Scruggs received \$6,000.00 (\$500.00 per month) in his pension from the United States Navy (Bailey Vested) during 2023. Mr. Scruggs received two separate IRA distributions of \$10,000.00 each on April 2, 2023 and September 8, 2023. Mr. Scruggs received interest income each month with a yearly total of \$776.00 from Coastal Federal Credit Union. Mr. Scruggs also sold stock on December 1, 2023, for a capital gain of \$2,500.00. Gladys worked part-time at Dillard's after moving to North Carolina. She earned \$12,000.00 in wages and had \$500.00 withheld in North Carolina state income tax.

Previously, the taxpayers were North Carolina residents in tax year 2013 and claimed a deduction from federal adjusted gross income of \$5,000 for contributions made to an N.C. 529 Plan on their 2013 North Carolina income tax return. In 2023, the taxpayers withdrew \$5,000 from their N.C. 529 Plan on November 1, 2023 and the funds were not used for a purpose allowed under IRC section 529.

The Scruggs did not make any out-of-state purchases during the 2023 tax year. They claimed the standard deduction on their federal income tax return because it was greater than the amount of their eligible federal itemized deductions shown on Federal Schedule A. As a result, the Scruggs must determine if it will be more beneficial to claim the N.C. standard deduction or the allowable N.C. itemized deductions on their North Carolina income tax return. Please complete Mr. and Mrs. Scruggs 2023 North Carolina individual income tax return.

For the year Jan. 1–Dec. 31, 2023, or other tax year beginning , 2023, ending , 20 See separate instructions.

Your first name and middle initial LESTER L Last name SCRUGGS Your social security number 1 2 3 2 2 4 5 6 7

If joint return, spouse's first name and middle initial GLADYS W Last name SCRUGGS Spouse's social security number 2 3 4 3 3 6 7 8 9

Home address (number and street). If you have a P.O. box, see instructions. 1313 NOT REAL LANE Apt. no. Presidential Election Campaign

City, town, or post office. If you have a foreign address, also complete spaces below. RALEIGH State NC ZIP code 27615 Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.

Foreign country name Foreign province/state/county Foreign postal code You Spouse

Filing Status Single Married filing jointly (even if only one had income) Married filing separately (MFS) Head of household (HOH) Qualifying surviving spouse (QSS) If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:

Digital Assets At any time during 2023, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction Someone can claim: You as a dependent Your spouse as a dependent Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: Were born before January 2, 1959 Are blind Spouse: Was born before January 2, 1959 Is blind

Table with 5 columns: (1) First name, Last name, (2) Social security number, (3) Relationship to you, (4) Check the box if qualifies for (see instructions): Child tax credit, Credit for other dependents. Rows for JAMES SCRUGGS (SON) and SUE SCRUGGS (DAUGHTER).

Income section table with rows 1a through 1i. Total amount from Form(s) W-2, box 1: 92,000. Other income items listed.

Table with rows 2a through 6b. Tax-exempt interest, Qualified dividends, IRA distributions, Pensions and annuities, Social security benefits, Taxable interest, Ordinary dividends, Taxable amount.

Table with rows 7 through 15. Capital gain or (loss), Additional income from Schedule 1, line 10, Add lines 1z, 2b, 3b, 4b, 5b, 6b, 7, and 8. This is your total income: 121,276. Adjustments to income from Schedule 1, line 26. Subtract line 10 from line 9. This is your adjusted gross income: 121,276. Standard deduction or itemized deductions (from Schedule A): 27,700. Qualified business income deduction from Form 8995 or Form 8995-A. Add lines 12 and 13. Subtract line 14 from line 11. If zero or less, enter -0-. This is your taxable income: 93,576.

Attach Sch. B if required.

Standard Deduction for— Single or Married filing separately, \$13,850 Married filing jointly or Qualifying surviving spouse, \$27,700 Head of household, \$20,800 If you checked any box under Standard Deduction, see instructions.

<b>Tax and Credits</b>	<b>16</b>	<b>Tax</b> (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/>	<b>16</b>
	<b>17</b>	Amount from Schedule 2, line 3	<b>17</b>
	<b>18</b>	Add lines 16 and 17	<b>18</b>
	<b>19</b>	Child tax credit or credit for other dependents from Schedule 8812	<b>19</b>
	<b>20</b>	Amount from Schedule 3, line 8	<b>20</b>
	<b>21</b>	Add lines 19 and 20	<b>21</b>
	<b>22</b>	Subtract line 21 from line 18. If zero or less, enter -0-	<b>22</b>
	<b>23</b>	Other taxes, including self-employment tax, from Schedule 2, line 21	<b>23</b>
<b>24</b>	Add lines 22 and 23. This is your <b>total tax</b>	<b>24</b>	

<b>Payments</b>	<b>25</b>	Federal income tax withheld from:		
	<b>a</b>	Form(s) W-2	<b>25a</b>	
	<b>b</b>	Form(s) 1099	<b>25b</b>	
	<b>c</b>	Other forms (see instructions)	<b>25c</b>	
	<b>d</b>	Add lines 25a through 25c	<b>25d</b>	
	<b>26</b>	2023 estimated tax payments and amount applied from 2022 return	<b>26</b>	
	<b>27</b>	Earned income credit (EIC)	<b>27</b>	
	<b>28</b>	Additional child tax credit from Schedule 8812	<b>28</b>	
	<b>29</b>	American opportunity credit from Form 8863, line 8	<b>29</b>	
	<b>30</b>	Reserved for future use	<b>30</b>	
<b>31</b>	Amount from Schedule 3, line 15	<b>31</b>		
<b>32</b>	Add lines 27, 28, 29, and 31. These are your <b>total other payments and refundable credits</b>	<b>32</b>		
<b>33</b>	Add lines 25d, 26, and 32. These are your <b>total payments</b>	<b>33</b>		

<b>Refund</b>	<b>34</b>	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you <b>overpaid</b>	<b>34</b>
	<b>35a</b>	Amount of line 34 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/>	<b>35a</b>
	<b>b</b>	Routing number: _____ <b>c</b> Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
	<b>d</b>	Account number: _____	
<b>36</b>	Amount of line 34 you want <b>applied to your 2024 estimated tax</b>	<b>36</b>	

<b>Amount You Owe</b>	<b>37</b>	Subtract line 33 from line 24. This is the <b>amount you owe</b> . For details on how to pay, go to <a href="http://www.irs.gov/Payments">www.irs.gov/Payments</a> or see instructions	<b>37</b>
	<b>38</b>	Estimated tax penalty (see instructions)	<b>38</b>

<b>Third Party Designee</b>	Do you want to allow another person to discuss this return with the IRS? See instructions <input type="checkbox"/> <b>Yes</b> . Complete below. <input type="checkbox"/> <b>No</b>		
	Designee's name	Phone no.	Personal identification number (PIN) _____

<b>Sign Here</b>	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	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) _____
	Spouse's signature. If a joint return, <b>both</b> must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) _____
	Phone no.	Email address		

<b>Paid Preparer Use Only</b>	Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> Self-employed
	Firm's name	Firm's address			Phone no.
	Firm's address				Firm's EIN

**SCHEDULE A  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Itemized Deductions**

Attach to Form 1040 or 1040-SR.

Go to [www.irs.gov/ScheduleA](http://www.irs.gov/ScheduleA) for instructions and the latest information.

**Caution:** If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 16.

OMB No. 1545-0074

**2023**

Attachment  
Sequence No. **07**

Name(s) shown on Form 1040 or 1040-SR

**LESTER L & GLADYS W SCRUGGS**

Your social security number

**123-22-4567**

**Medical and Dental Expenses**

**Caution:** Do not include expenses reimbursed or paid by others.

<b>1</b>	Medical and dental expenses (see instructions)		<b>1</b>
<b>2</b>	Enter amount from Form 1040 or 1040-SR, line 11	<b>2</b>	
<b>3</b>	Multiply line 2 by 7.5% (0.075)		<b>3</b>
<b>4</b>	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-		<b>4</b>

**Taxes You Paid**

<b>5</b>	State and local taxes.		
<b>a</b>	State and local income taxes or general sales taxes. You may include either income taxes or general sales taxes on line 5a, but not both. If you elect to include general sales taxes instead of income taxes, check this box <input type="checkbox"/>	<b>5a</b>	<b>2,500</b>
<b>b</b>	State and local real estate taxes (see instructions)	<b>5b</b>	<b>450</b>
<b>c</b>	State and local personal property taxes	<b>5c</b>	<b>250</b>
<b>d</b>	Add lines 5a through 5c	<b>5d</b>	<b>3,200</b>
<b>e</b>	Enter the smaller of line 5d or \$10,000 (\$5,000 if married filing separately)	<b>5e</b>	<b>3,200</b>
<b>6</b>	Other taxes. List type and amount: _____	<b>6</b>	
<b>7</b>	Add lines 5e and 6	<b>7</b>	<b>3,200</b>

**Interest You Paid**

**Caution:** Your mortgage interest deduction may be limited. See instructions.

<b>8</b>	Home mortgage interest and points. If you didn't use all of your home mortgage loan(s) to buy, build, or improve your home, see instructions and check this box <input type="checkbox"/>		
<b>a</b>	Home mortgage interest and points reported to you on Form 1098. See instructions if limited	<b>8a</b>	<b>4,250</b>
<b>b</b>	Home mortgage interest not reported to you on Form 1098. See instructions if limited. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address _____	<b>8b</b>	
<b>c</b>	Points not reported to you on Form 1098. See instructions for special rules	<b>8c</b>	
<b>d</b>	Reserved for future use	<b>8d</b>	
<b>e</b>	Add lines 8a through 8c	<b>8e</b>	<b>4,250</b>
<b>9</b>	Investment interest. Attach Form 4952 if required. See instructions	<b>9</b>	
<b>10</b>	Add lines 8e and 9	<b>10</b>	<b>4,250</b>

**Gifts to Charity**

**Caution:** If you made a gift and got a benefit for it, see instructions.

<b>11</b>	Gifts by cash or check. If you made any gift of \$250 or more, see instructions	<b>11</b>	<b>16,900</b>
<b>12</b>	Other than by cash or check. If you made any gift of \$250 or more, see instructions. You <b>must</b> attach Form 8283 if over \$500	<b>12</b>	
<b>13</b>	Carryover from prior year	<b>13</b>	
<b>14</b>	Add lines 11 through 13	<b>14</b>	<b>16,900</b>

**Casualty and Theft Losses**

<b>15</b>	Casualty and theft loss(es) from a federally declared disaster (other than net qualified disaster losses). Attach Form 4684 and enter the amount from line 18 of that form. See instructions	<b>15</b>	
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**Other Itemized Deductions**

<b>16</b>	Other—from list in instructions. List type and amount: _____	<b>16</b>	
-----------	--	-----------	--

**Total Itemized Deductions**

<b>17</b>	Add the amounts in the far right column for lines 4 through 16. Also, enter this amount on Form 1040 or 1040-SR, line 12	<b>17</b>	<b>24,350</b>
<b>18</b>	If you elect to itemize deductions even though they are less than your standard deduction, check this box <input type="checkbox"/>		

IMPORTANT: Do not send a photocopy of this form.

AMENDED RETURN Fill in circle (See instructions)

For calendar year 2023, or fiscal year beginning (MM-DD) - 23 and ending (MM-DD-YY)

Your Social Security Number

123-22-4567

Spouse's Social Security Number

234-33-6789

You must enter your social security number(s)

Your First Name (USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)

LESTER

M.I.

L

Your Last Name

SCRUGGS

If a Joint Return, Spouse's First Name

GLADYS

M.I.

W

Spouse's Last Name

SCRUGGS

Mailing Address

1313 NOT REAL LANE

Apartment Number

City

RALEIGH

State

NC

Zip Code

27615

Country (If not U.S.)

County (Enter first five letters)

WAKE

N.C. Education Endowment Fund: You may contribute to the N.C. Education Endowment Fund by making a contribution or designating some or all of your overpayment to the Fund. To make a contribution, enclose Form NC-EDU and your payment of \$... To designate your overpayment to the Fund, enter the amount of your designation on Page 2, Line 31. (See instructions for information about the Fund.)

Out of Country Fill in circle if you, or if married filing jointly, your spouse were out of the country on April 15, 2024, and a U.S. citizen or resident.

Deceased Taxpayer Information

Enter date of death of deceased taxpayer or deceased spouse.

Fill in circle if return is filed and signed by Executor, Administrator, or Court-Appointed Personal Representative.

Taxpayer (MM-DD-YY)

Spouse (MM-DD-YY)

Residency Status

Were you a resident of N.C. for the entire year?

Yes No

Was your spouse a resident for the entire year?

Yes No

If No, complete and attach Form D-400 Schedule PN.

Veteran Information

Are you a veteran?

Yes No

Is your spouse a veteran?

Yes No

Federal Extension

Were you granted an automatic extension to file your 2023 federal income tax return, e.g., Form 1040?

Yes No

Filing Status (Fill in one circle only)

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) (Year spouse died: )

Enter Whole U.S. Dollars Only

6. Federal Adjusted Gross Income

6. 121276.00

7. Additions to Federal Adjusted Gross Income (From Form D-400 Schedule S, Part A, Line 16)

7. 5000.00

8. Add Lines 6 and 7

8. 126276.00

9. Deductions From Federal Adjusted Gross Income (From Form D-400 Schedule S, Part B, Line 41)

9. 6000.00

10. Child Deduction (On Line 10a, enter the number of qualifying children for whom you were allowed a federal child tax credit. On Line 10b, enter the amount of the child deduction. See instructions.)

10a. 1 10b. 500.00

11. N.C. Standard Deduction OR N.C. Itemized Deductions (Fill in one circle only. See Form D-400 Schedule A.)

11. 25500.00

12. a. Add Lines 9, 10b, and 11. 32000.00

12b. Subtract Line 12a from Line 8 94276.00

13. Part-year Residents and Nonresidents Taxable Percentage (From Form D-400 Schedule PN, Line 24. Enter amount as decimal.)

13. 0.7058

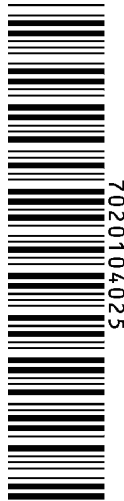
14. North Carolina Taxable Income

Full-year residents enter the amount from Line 12b. Part-year residents and nonresidents multiply amount on Line 12b by the decimal amount on Line 13.

14. 66540.00

15. North Carolina Income Tax Multiply Line 14 by 4.75% (0.0475). If zero or less, enter a zero.

15. 3161.00



7020104025

Staple All Pages of Your Return Here

Staple W-2s Here

16. Tax Credits (From Form D-400TC, Part 3, Line 20) ▶ 16.

17. Subtract Line 16 from Line 15 ▶ 17. 3161.00

18. Consumer Use Tax (See instructions) ▶ 18.

If you certify that no Consumer Use Tax is due, fill in circle. ▶ ●

19. Add Lines 17 and 18 ▶ 19. 3161.00

20. North Carolina Income Tax Withheld ▶

a. Your tax withheld ▶ 2500.00	b. Spouse's tax withheld ▶ 500.00
--------------------------------	-----------------------------------

21. Other Tax Payments ▶

a. 2023 estimated tax ▶	b. Paid with extension ▶
c. Partnership ▶	d. S Corporation ▶

If you claim a partnership payment on Line 21c or S corporation payment on Line 21d, you must attach a copy of the NC K-1.

22. Additional Payments (Amended Returns Only. See instructions) ▶ 22.

23. Add Lines 20a through 22 ▶ 23. 3000.00

24. Previous Refunds (Amended Returns Only. See instructions) ▶ 24.

25. Subtract Line 24 from Line 23. (If less than zero, see instructions.) ▶ 25. 3000.00

26. a. Tax Due - If Line 25 is less than Line 19, subtract Line 25 from Line 19. Otherwise, go to Line 28. ▶ 26a. 161.00

b. Penalties ▶	c. Interest ▶	
----------------	---------------	--

(Add Lines 26b and 26c and enter the total on Line 26d.)

▶ 26d.

e. Interest on the Underpayment of Estimated Income Tax (See instructions and enter letter in box, if applicable.) →

Exception to Underpayment of Estimated Tax ▶

27. Amount Due - Add Lines 26a, 26d, and 26e Pay in U.S. Currency from a Domestic Bank - You can pay online at [www.ncdor.gov](http://www.ncdor.gov). ▶ 27. \$ 161.00

28. Overpayment - If Line 25 is more than Line 19, subtract Line 19 from Line 25. ▶ 28.

When filing an amended return, see instructions

29. Amount of Line 28 to be applied to 2024 Estimated Income Tax ▶ 29.

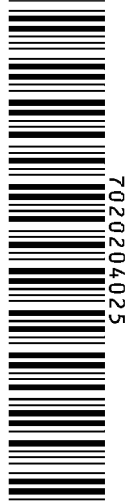
30. Contribution to the N.C. Nongame and Endangered Wildlife Fund ▶ 30.

31. Contribution to the N.C. Education Endowment Fund ▶ 31.

32. Contribution to the N.C. Breast and Cervical Cancer Control Program ▶ 32.

33. Add Lines 29 through 32 ▶ 33.

34. Subtract Line 33 from Line 28. This is the Amount To Be Refunded For direct deposit, file electronically ▶ 34.



I declare and certify 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.

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

Contact Phone Number (Include area code) ▶ \_\_\_\_\_

Check here if you authorize the North Carolina Department of Revenue to discuss this return and attachments with the paid preparer below.

**PAID PREPARER USE ONLY**

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

Preparer's FEIN, SSN, or PTIN \_\_\_\_\_ Preparer's Contact Phone Number (Include area code) \_\_\_\_\_

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

# D-400 Schedule S

## 2023 N.C. Adjustments for Individuals

DOR  
Use  
Only

If you are required to add certain items to federal adjusted gross income on Form D-400, Line 7, or if you are entitled to take deductions from federal adjusted gross income on Form D-400, Line 9, you must complete and attach this schedule to Form D-400. Importantly, you must attach both pages of this schedule to Form D-400, even if you are only required to complete one part of the schedule. If you do not, the Department may be unable to process your return.

Last Name (First 10 Characters)

SCRUGGS

Do not send a photocopy of this form.

Your Social Security Number

123-22-4567

### Part A. Additions to Federal Adjusted Gross Income *(Only add items that are not included in federal adjusted gross income)*

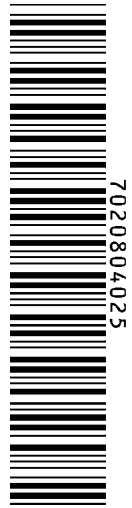
1. Interest Income From Obligations of States Other Than N.C.	▶	1.	
2. Deferred Gains Reinvested Into an Opportunity Fund	▶	2.	
3. Bonus Depreciation	▶	3.	
4. IRC Section 179 Expense	▶	4.	
5. S-Corporation Shareholder Built-in Gains Tax	▶	5.	
6. Amount by Which Federal Basis Exceeds State Basis for Property Disposed of in 2023	▶	6.	
7. Federal Net Operating Loss Deduction	▶	7.	
8. State, Local, or Foreign Income Tax Deducted by an S Corporation, Partnership, or Estate and Trust	▶	8.	
9. Withdrawal of 529 Plan Contributions Not Used for Permissible Purpose	▶	9.	5000.00
10. Discharge of Qualified Principal Residence Indebtedness	▶	10.	
11. Qualified Education Loan Payments Paid by Employer	▶	11.	
12. Expenses Allocable to Income Exempt or Excluded From Gross Income <i>(New for 2023)</i>	▶	12.	
13. Discharge of Certain Student Loan Debt	▶	13.	
14. Taxed Pass-Through Entity Loss	▶	14.	
15. Reserved for Future Use	▶	15.	
16. <b>Total Additions</b> - Add Lines 1 through 15 <i>(Enter the total here and on Form D-400, Line 7)</i>		16.	5000.00





**Part B. Deductions From Federal Adjusted Gross Income** (Only deduct items that are included in federal adjusted gross income)

17. State or Local Income Tax Refund			▶	17.	
18. Interest Income From Obligations of the United States or United States' Possessions			▶	18.	
19. Taxable Portion of Social Security and Railroad Retirement Benefits			▶	19.	
20. Retirement Benefits Received by <b>Vested</b> N.C. State Government, N.C. Local Government, or Federal Government Retirees, i.e. <i>Bailey Settlement</i>			▶	20.	6000.00
21. Certain Retirement Benefits Received by a Retired Member of the United States Uniformed Services Not Deducted on Line 20			▶	21.	
22. Bonus Asset Basis			▶	22.	
23. Bonus Depreciation					
▶ 23a. 2018	▶ 23b. 2019	▶ 23c. 2020			
▶ 23d. 2021	▶ 23e. 2022				
					<b>Total</b>
					23f. (Add Lines 23a -23e)
24. IRC Section 179 Expense					
▶ 24a. 2018	▶ 24b. 2019	▶ 24c. 2020			
▶ 24d. 2021	▶ 24e. 2022				
					<b>Total</b>
					24f. (Add Lines 24a -24e)
25. Recognized IRC Section 1400Z-2 Gain			▶	25.	
26. Gain From the Disposition of Exempt N.C. Obligations Issued Before July 1, 1995			▶	26.	
27. Exempt Income Earned or Received by a Member of a Federally Recognized Indian Tribe			▶	27.	
28. Amount by Which State Basis Exceeds Federal Basis for Property Disposed of in 2023			▶	28.	
29. Ordinary and Necessary Business Expense Reduced or not Allowed Due to Claiming a Federal Tax Credit in Lieu of a Deduction			▶	29.	
30. Personal Education Student Account Deposits			▶	30.	
31. Certain State Emergency Response and Disaster Relief Reserve Fund Payments			▶	31.	
32. Certain Economic Incentive Payments			▶	32.	
33. Certain N.C. Grant Payments			▶	33.	
34. Certain Net Operating Loss Carrybacks (Limited to 20% of amount added to AGI in tax years 2013 through 2019)			▶	34.	
35. Excess Net Operating Loss Carryforward (Limited to 20% of amount added to AGI in 2019 and 2020)			▶	35.	
36. Excess Business Loss (Limited to 20% of amount added to AGI in 2018, 2019, and 2020)			▶	36.	
37. Business Interest Limitation (Limited to 20% of amount added to AGI in 2019 and 2020)			▶	37.	
38. Taxed Pass-Through Entity Income			▶	38.	
39. N.C. Net Operating Loss			▶	39.	
40. Reserved for Future Use			▶	40.	
41. <b>Total Deductions</b> - Add Lines 17 through 22, 23f, 24f, and 25 through 40 (Enter the total here and on Form D-400, Line 9)				41.	6000.00



# D-400 Schedule A

## 2023 N.C. Itemized Deductions

DOR  
Use  
Only

If you choose to itemize North Carolina deductions on Form D-400, Line 11, you must attach this schedule to Form D-400. If you do not, the Department may be unable to process your return.

Last Name (First 10 Characters)

Your Social Security Number

SCRUGGS

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

123-22-4567

### N.C. Standard Deduction or N.C. Itemized Deductions

You may deduct from federal adjusted gross income either the N.C. standard deduction or N.C. itemized deductions. You can determine the amount of your N.C. standard deduction by looking at the chart below. If you claim the N.C. standard deduction, do not complete Lines 1 through 10. Instead, enter the amount of your N.C. standard deduction on Form D-400, Line 11.

#### N.C. Standard Deduction

(In general, the N.C. standard deduction is equal to the amount listed below based on your filing status. However, if you are not eligible for a standard deduction on the federal income tax return, your N.C. standard deduction amount is zero. For more information on eligibility, see the instructions.)

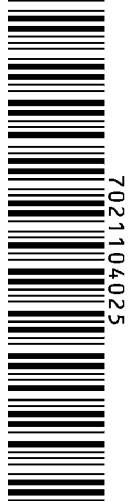
**If your filing status is:**

- Single
- Head of household
- Married filing jointly
- Qualifying widow(er)/Surviving Spouse
- Married filing separately:
  - If your spouse does not claim itemized deductions
  - If your spouse claims itemized deductions

**Your N.C. standard deduction is:**

\$ 12,750  
\$ 19,125  
\$ 25,500  
\$ 25,500  
\$ 12,750  
\$ 0  
\$ 0

**If you are not eligible for a standard deduction on your federal tax return \$ 0**



1. Home Mortgage Interest (See instructions)	▶	1.	4250.00
2. Real Estate Property Taxes	▶	2.	450.00
3. Home Mortgage Interest and Real Estate Property Taxes Before Limitation (Add Lines 1 and 2)		3.	4700.00
4. Home Mortgage Interest and Real Estate Property Taxes Limitation		4.	20000
5. Home Mortgage Interest and Real Estate Property Taxes After Limitation (Compare Line 3 to Line 4; enter whichever is less.)	▶	5.	4700.00
6. Charitable Contributions (See instructions)	▶	6.	16900.00
7. a. Medical and Dental Expenses Before Limitation (See instructions)	▶	7a.	
b. Enter the amount from Form D-400, Line 6.		7b.	
c. Multiply Line 7b by 7.5% (0.075). If zero or less, enter a zero.		7c.	
d. Medical and Dental Expenses After Limitation (Subtract Line 7c from Line 7a. If Line 7c is more than Line 7a, enter a zero.)	▶	7d.	
8. Repayment of Claim of Right Income	▶	8.	
9. Reserved for Future Use	▶	9.	
<b>10. Total N.C. Itemized Deductions</b> (Add Lines 5, 6, 7d, 8, and 9. Enter the total here and on Form D-400, Line 11.)		<b>10.</b>	<b>21600.00</b>

# D-400 Schedule PN 2023 Part-Year Resident and Nonresident Schedule

DOR  
Use  
Only

If you enter a taxable percentage on Form D-400, Line 13 because you or your spouse, if married filing jointly, were not full-year residents of North Carolina during tax year 2023, you must attach this schedule to Form D-400. Importantly, you must attach both pages of this schedule to Form D-400. If you do not, the Department may be unable to process your return.

Last Name (First 10 Characters)

Your Social Security Number

SCRUGGS

Do not send a photocopy of this form.

123-22-4567

A part-year resident or a nonresident who receives income from N.C. sources must complete this form to determine the percentage of total income from all sources that is subject to N.C. tax. You are a "part-year resident" if you moved to N.C. and became a resident during the tax year, or you moved out of N.C. and became a resident of another state during the tax year. You are a "nonresident" if you were not a resident of N.C. at any time during the tax year.

**Important: Refer to the instructions before completing this form.**

## Part A. Residency Status

**Taxpayer is:** (Fill in applicable circle)

Full-Year Resident     Nonresident     Part-Year Resident

Date N.C. residency began

Date N.C. residency ended

07-01-23

12-31-23

(MM-DD-YY)

(MM-DD-YY)

**Spouse is:** (Fill in applicable circle)

Full-Year Resident     Nonresident     Part-Year Resident

Date N.C. residency began

Date N.C. residency ended

07-01-23

12-31-23

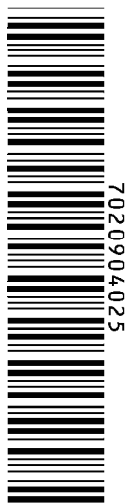
(MM-DD-YY)

(MM-DD-YY)

If you and your spouse were both full-year residents of N.C., **stop here**; do not complete Parts B and C. Do not attach Schedule PN to Form D-400.

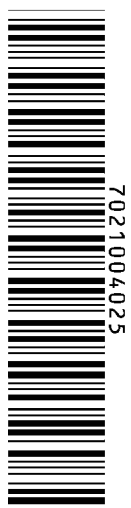
## Part B. Allocation of Income for Part-Year Residents and Nonresidents

Total Income		COLUMN A		COLUMN B	
		Total Income from all Sources		Amount of Column A Attributable to N.C.	
1. Wages, Salaries, Tips, Etc.	1.	92000.00		67000.00	
2. Taxable Interest	2.	776.00		388.00	
3. Taxable Dividends	3.				
4. Taxable Refunds, Credits, or Offsets of State and Local Income Taxes	4.				
5. Alimony Received	5.				
6. Business Income or (Loss)	6.				
7. Capital Gain or (Loss)	7.	2500.00		2500.00	
8. Other Gains or (Losses)	8.				
9. Taxable Amount of IRA Distributions	9.	20000.00		10000.00	
10. Taxable Amount of Pensions and Annuities	10.	6000.00		3000.00	
11. Rental Real Estate, Royalties, Partnerships, S-Corps, Estates, Trusts, Etc.	11.				
12. Farm Income or (Loss)	12.				
13. Unemployment Compensation	13.				
14. Taxable Portion of Social Security and Railroad Retirement Benefits	14.				
15. Other Income	15.				
16. Total Income (Add Lines 1 through 15)	16.	121276.00		82888.00	



**Part B. Allocation of Income for Part-Year Residents and Nonresidents** (continued)

North Carolina Adjustments	COLUMN A Amount from Form D-400 Schedule S	COLUMN B Amount of Column A Attributable to N.C.
<b>17. Additions:</b>		
a. Interest Income From Obligations of States Other Than N.C. 17a.		
b. Deferred Gains Reinvested Into an Opportunity Fund 17b.		
c. Bonus Depreciation 17c.		
d. IRC Section 179 Expense 17d.		
e. Other Additions to Federal Adjusted Gross Income That Relate to Gross Income (From Form D-400 Schedule PN-1, Part A, Line 12.) 17e.	5000.00	5000.00
<b>18. Total Additions</b> (Add Lines 17a through 17e) 18.	5000.00	5000.00
<b>19. Deductions:</b>		
a. State or Local Income Tax Refund 19a.		
b. Interest Income From Obligations of the United States or United States' Possessions 19b.		
c. Taxable Portion of Social Security and Railroad Retirement Benefits 19c.		
d. Retirement Benefits Received by Vested N.C. State Government, N.C. Local Government, or Federal Government Retirees, i.e. Bailey Settlement 19d.	6000.00	3000.00
e. Bonus Asset Basis 19e.		
f. Bonus Depreciation 19f.		
g. IRC Section 179 Expense 19g.		
h. Other Deductions From Federal Adjusted Gross Income That Relate to Gross Income (From Form D-400 Schedule PN-1, Part B, Line 30.) 19h.		
<b>20. Total Deductions</b> (Add Lines 19a through 19h) 20.	6000.00	3000.00
<b>21. Total Income Modified by N.C. Adjustments</b> (Line 16 plus Line 18 minus Line 20) 21.	120276.00	84888.00



**Part C. Part-Year Residents and Nonresidents Taxable Percentage**

<b>22.</b> Enter the Amount From <b>Column B, Line 21</b> ▶ 22.	84888.00
<b>23.</b> Enter the Amount From <b>Column A, Line 21</b> ▶ 23.	120276.00
<b>24. Part-Year Residents and Nonresidents Taxable Percentage</b> (Divide Line 22 by Line 23) Enter the result as a decimal amount here and on Form D-400, Line 13. 24.	0.7058



# D-400 Schedule PN-1 2023 Other Additions and Other Deductions

DOR  
Use  
Only

If you enter an amount on Form D-400 Schedule PN, Part B, Line 17e or Line 19h, you must attach this schedule to Form D-400. Importantly, you must attach both pages of this schedule to Form D-400, even if you are only required to complete one part of the schedule. If you do not, the Department may be unable to process your return.

Last Name (First 10 Characters)

SCRUGGS

**Important:**  
Refer to the Instructions before  
completing this worksheet.

Your Social Security Number

123-22-4567

**Part A. Other Additions to Federal Adjusted Gross Income That Relate to Gross Income** (From 2023 Form D-400 Schedule S, Part A)

	COLUMN A Amount from Form D-400 Schedule S	COLUMN B Amount of Column A Attributable to N.C.
1. S Corporation Shareholder Built-in Gains Tax	1.	
2. Amount by Which Federal Basis Exceeds State Basis for Property Disposed of in 2023	2.	
3. Federal Net Operating Loss Deduction	3.	
4. State, Local, or Foreign Income Tax Deducted by an S Corporation, Partnership, or Estate and Trust	4.	
5. Withdrawal of 529 Plan Contributions Not Used for Permissible Purpose	5.      5000.00	5000.00
6. Discharge of Qualified Principal Residence Indebtedness	6.	
7. Qualified Education Loan Payments Paid by Employer	7.	
8. Expenses Allocable to Income Exempt or Excluded From Gross Income <i>(New for 2023)</i>	8.	
9. Discharge of Certain Student Loan Debt	9.	
10. Taxed Pass-Through Entity Loss	10.	
11. Reserved for Future Use	11.	
<b>12. Total Other Additions</b> (Add Lines 1 through 11) Enter the total here and on Form D-400 Schedule PN, Line 17e.	12.      5000.00	5000.00

**Part B. Other Deductions From Federal Adjusted Gross Income That Relate to Gross Income** (From 2023 Form D-400 Schedule S, Part B)

**COLUMN A**  
Amount from Form  
D-400 Schedule S

**COLUMN B**  
Amount of Column A  
Attributable to N.C.

- 13. Certain Retirement Benefits Received by a Retired Member of the United States Uniformed Services Not Deducted on Form D-400 Schedule PN, Part B, Line 19d 13.
- 14. Recognized IRC Section 1400Z-2 Gain 14.
- 15. Gain From the Disposition of Exempt N.C. Obligations Issued Before July 1, 1995 15.
- 16. Exempt Income Earned or Received by a Member of a Federally Recognized Indian Tribe 16.
- 17. Amount by Which State Basis Exceeds Federal Basis for Property Disposed of in 2023 17.
- 18. Ordinary and Necessary Business Expense Reduced or not Allowed Due to Claiming a Federal Tax Credit in Lieu of a Deduction 18.
- 19. Personal Education Student Account Deposits 19.
- 20. Certain State Emergency Response and Disaster Relief Reserve Fund Payments 20.
- 21. Certain Economic Incentive Payments 21.
- 22. Certain N.C. Grant Payments 22.
- 23. Certain Net Operating Loss Carrybacks (Limited to 20% of amount added to AGI in tax years 2013 through 2019) 23.
- 24. Excess Net Operating Loss Carryforward (Limited to 20% of amount added to AGI in 2019 and 2020) 24.
- 25. Excess Business Loss (Limited to 20% of amount added to AGI in 2018, 2019, and 2020) 25.
- 26. Business Interest Limitation (Limited to 20% of amount added to AGI in 2019 and 2020) 26.
- 27. Taxed Pass-Through Entity Income 27.
- 28. N.C. Net Operating Loss 28.
- 29. Reserved for Future Use 29.
- 30. **Total Other Deductions** (Add Lines 13 through 29) Enter the total here and on Form D-400 Schedule PN, Line 19h 30.

### Child Deduction Worksheet

1. Filing status (From D-400, Lines 1 through 5).....	1.	MFJ
2. Federal adjusted gross income (From D-400, Line 6).....	2.	\$121,276
3. Number of qualifying children for whom a federal tax credit was claimed.....	3.	1
Enter the amount from Line 3 above on Form D-400, Line 10a.		
4. Deduction amount per qualifying child from the "Child Deduction Table".....	4.	\$500
5. Child deduction (Multiply Line 3 by Line 4).....	5.	\$500
Enter the amount from Line 5 above on Form D-400, Line 10b.		

### Child Deduction Table

Filing Status	Federal Adjusted Gross Income	Deduction Amount Per Qualifying Child
Married Filing Jointly/Qualifying Widow(er)/Surviving Spouse	Up to \$40,000	\$3,000
	Over \$40,000 - Up to \$60,000	\$2,500
	Over \$60,000 - Up to \$80,000	\$2,000
	Over \$80,000 - Up to \$100,000	\$1,500
	Over \$100,000 - Up to \$120,000	\$1,000
	Over \$120,000 - Up to \$140,000	\$500
	Over \$140,000	\$0
Head of Household	Up to \$30,000	\$3,000
	Over \$30,000 - Up to \$45,000	\$2,500
	Over \$45,000 - Up to \$60,000	\$2,000
	Over \$60,000 - Up to \$75,000	\$1,500
	Over \$75,000 - Up to \$90,000	\$1,000
	Over \$90,000 - Up to \$105,000	\$500
	Over \$105,000	\$0
Single/Married Filing Separately	Up to \$20,000	\$3,000
	Over \$20,000 - Up to \$30,000	\$2,500
	Over \$30,000 - Up to \$40,000	\$2,000
	Over \$40,000 - Up to \$50,000	\$1,500
	Over \$50,000 - Up to \$60,000	\$1,000
	Over \$60,000 - Up to \$70,000	\$500
	Over \$70,000	\$0

## Test Question #5

### Facts:

John R. (SSN 101-55-0001) and Jane S. (SSN 202-66-0002) Smith were full year residents of North Carolina for tax year 2023. They have two children, Tim (SSN 111-11-1111) age 3 and Mike (SSN 222-22-2222) age 8. They live at 201 Somewhere Drive, Raleigh, North Carolina 02020. This is in Wake County.

In 2023, John's employer, Cisco Systems, temporarily assigned him to work out of state. He received wages of \$10,000.00 for Virginia source income and had \$0.00 state income tax withheld. He paid \$340.00 to the State of Virginia on the income he earned there. He received wages of \$15,000.00 for Maryland source income and had \$500.00 Maryland state income tax withheld. A Maryland state income tax return was filed and a refund of \$50.00 was received from the State of Maryland. John received total wages from Cisco Systems in the amount of \$105,000. He had \$5,250.00 withheld in North Carolina state income tax.

Jane is a sales associate for a Belk department store and received \$20,000.00 in wages during 2023. She had \$1,400.00 withheld in North Carolina state income tax.

In addition, they received \$300.00 in interest income from Truist Bank and \$150.00 from Virginia municipal bond interest.

Mr. and Mrs. Smith claimed federal itemized deductions of \$37,077 on their 2023 federal return. Please complete Mr. and Mrs. Smith's 2023 North Carolina individual income tax return.



For the year Jan. 1–Dec. 31, 2023, or other tax year beginning , 2023, ending , 20 See separate instructions.

Your first name and middle initial JOHN R Last name SMITH Your social security number 1 0 1 5 5 0 0 1

If joint return, spouse's first name and middle initial JANE S Last name SMITH Spouse's social security number 2 0 2 6 6 0 0 2

Home address (number and street). If you have a P.O. box, see instructions. 201 SOMEWHERE DRIVE Apt. no. Presidential Election Campaign

City, town, or post office. If you have a foreign address, also complete spaces below. RALEIGH State NC ZIP code 02020 Check here if you, or your spouse if filing jointly, want \$3 to go to this fund. Checking a box below will not change your tax or refund.

Foreign country name Foreign province/state/county Foreign postal code You Spouse

Filing Status Single Married filing jointly (even if only one had income) Married filing separately (MFS) Head of household (HOH) Qualifying surviving spouse (QSS) If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QSS box, enter the child's name if the qualifying person is a child but not your dependent:

Digital Assets At any time during 2023, did you: (a) receive (as a reward, award, or payment for property or services); or (b) sell, exchange, or otherwise dispose of a digital asset (or a financial interest in a digital asset)? (See instructions.) Yes No

Standard Deduction Someone can claim: You as a dependent Your spouse as a dependent Spouse itemizes on a separate return or you were a dual-status alien

Age/Blindness You: Were born before January 2, 1959 Are blind Spouse: Was born before January 2, 1959 Is blind

Table with 5 columns: (1) First name, Last name, (2) Social security number, (3) Relationship to you, (4) Check the box if qualifies for (see instructions): Child tax credit, Credit for other dependents. Rows include TIM SMITH and MIKE SMITH.

Income section table with columns 1a-1z and 1a-1z. Rows include Total amount from Form(s) W-2, box 1 (125,000), Tax-exempt interest (150), Taxable interest (300), and Total income (125,300).

Attach Sch. B if required.

Standard Deduction for—

- Single or Married filing separately, \$13,850
• Married filing jointly or Qualifying surviving spouse, \$27,700
• Head of household, \$20,800
• If you checked any box under Standard Deduction, see instructions.

<b>Tax and Credits</b>	<b>16</b>	<b>Tax</b> (see instructions). Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/>	<b>16</b>
	<b>17</b>	Amount from Schedule 2, line 3	<b>17</b>
	<b>18</b>	Add lines 16 and 17	<b>18</b>
	<b>19</b>	Child tax credit or credit for other dependents from Schedule 8812	<b>19</b>
	<b>20</b>	Amount from Schedule 3, line 8	<b>20</b>
	<b>21</b>	Add lines 19 and 20	<b>21</b>
	<b>22</b>	Subtract line 21 from line 18. If zero or less, enter -0-	<b>22</b>
	<b>23</b>	Other taxes, including self-employment tax, from Schedule 2, line 21	<b>23</b>
<b>24</b>	Add lines 22 and 23. This is your <b>total tax</b>	<b>24</b>	

<b>Payments</b>	<b>25</b>	Federal income tax withheld from:		
	<b>a</b>	Form(s) W-2	<b>25a</b>	
	<b>b</b>	Form(s) 1099	<b>25b</b>	
	<b>c</b>	Other forms (see instructions)	<b>25c</b>	
	<b>d</b>	Add lines 25a through 25c	<b>25d</b>	
	<b>26</b>	2023 estimated tax payments and amount applied from 2022 return	<b>26</b>	
	<b>27</b>	Earned income credit (EIC)	<b>27</b>	
	<b>28</b>	Additional child tax credit from Schedule 8812	<b>28</b>	
	<b>29</b>	American opportunity credit from Form 8863, line 8	<b>29</b>	
	<b>30</b>	Reserved for future use	<b>30</b>	
<b>31</b>	Amount from Schedule 3, line 15	<b>31</b>		
<b>32</b>	Add lines 27, 28, 29, and 31. These are your <b>total other payments and refundable credits</b>	<b>32</b>		
<b>33</b>	Add lines 25d, 26, and 32. These are your <b>total payments</b>	<b>33</b>		

<b>Refund</b>	<b>34</b>	If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you <b>overpaid</b>	<b>34</b>
	<b>35a</b>	Amount of line 34 you want <b>refunded to you</b> . If Form 8888 is attached, check here <input type="checkbox"/>	<b>35a</b>
	<b>b</b>	Routing number: _____ <b>c</b> Type: <input type="checkbox"/> Checking <input type="checkbox"/> Savings	
	<b>d</b>	Account number: _____	
<b>36</b>	Amount of line 34 you want <b>applied to your 2024 estimated tax</b>	<b>36</b>	

<b>Amount You Owe</b>	<b>37</b>	Subtract line 33 from line 24. This is the <b>amount you owe</b> . For details on how to pay, go to <a href="http://www.irs.gov/Payments">www.irs.gov/Payments</a> or see instructions	<b>37</b>
	<b>38</b>	Estimated tax penalty (see instructions)	<b>38</b>

<b>Third Party Designee</b>	Do you want to allow another person to discuss this return with the IRS? See instructions <input type="checkbox"/> <b>Yes</b> . Complete below. <input type="checkbox"/> <b>No</b>		
	Designee's name	Phone no.	Personal identification number (PIN) _____

<b>Sign Here</b>	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	If the IRS sent you an Identity Protection PIN, enter it here (see inst.) _____
	Spouse's signature. If a joint return, <b>both</b> must sign.	Date	Spouse's occupation	If the IRS sent your spouse an Identity Protection PIN, enter it here (see inst.) _____
	Phone no.	Email address		

<b>Paid Preparer Use Only</b>	Preparer's name	Preparer's signature	Date	PTIN	Check if: <input type="checkbox"/> Self-employed
	Firm's name	Firm's address			Phone no.
	Firm's EIN				

**SCHEDULE A  
(Form 1040)**

Department of the Treasury  
Internal Revenue Service

**Itemized Deductions**

Attach to Form 1040 or 1040-SR.

Go to [www.irs.gov/ScheduleA](http://www.irs.gov/ScheduleA) for instructions and the latest information.

**Caution:** If you are claiming a net qualified disaster loss on Form 4684, see the instructions for line 16.

OMB No. 1545-0074

**2023**

Attachment  
Sequence No. **07**

Name(s) shown on Form 1040 or 1040-SR

**JOHN R & JANE S SMITH**

Your social security number

**101-55-0001**

**Medical and Dental Expenses**

**Caution:** Do not include expenses reimbursed or paid by others.

<b>1</b>	Medical and dental expenses (see instructions)	<b>1</b>	<b>17,500</b>
<b>2</b>	Enter amount from Form 1040 or 1040-SR, line 11	<b>2</b>	<b>125,300</b>
<b>3</b>	Multiply line 2 by 7.5% (0.075)	<b>3</b>	<b>9,398</b>
<b>4</b>	Subtract line 3 from line 1. If line 3 is more than line 1, enter -0-	<b>4</b>	<b>8,102</b>

**Taxes You Paid**

<b>5</b>	State and local taxes.		
<b>a</b>	State and local income taxes or general sales taxes. You may include either income taxes or general sales taxes on line 5a, but not both. If you elect to include general sales taxes instead of income taxes, check this box <input type="checkbox"/>	<b>5a</b>	<b>6,650</b>
<b>b</b>	State and local real estate taxes (see instructions)	<b>5b</b>	<b>1,650</b>
<b>c</b>	State and local personal property taxes	<b>5c</b>	<b>450</b>
<b>d</b>	Add lines 5a through 5c	<b>5d</b>	<b>8,750</b>
<b>e</b>	Enter the smaller of line 5d or \$10,000 (\$5,000 if married filing separately)	<b>5e</b>	<b>8,750</b>
<b>6</b>	Other taxes. List type and amount: _____	<b>6</b>	
<b>7</b>	Add lines 5e and 6	<b>7</b>	<b>8,750</b>

**Interest You Paid**

**Caution:** Your mortgage interest deduction may be limited. See instructions.

<b>8</b>	Home mortgage interest and points. If you didn't use all of your home mortgage loan(s) to buy, build, or improve your home, see instructions and check this box <input type="checkbox"/>		
<b>a</b>	Home mortgage interest and points reported to you on Form 1098. See instructions if limited	<b>8a</b>	<b>14,500</b>
<b>b</b>	Home mortgage interest not reported to you on Form 1098. See instructions if limited. If paid to the person from whom you bought the home, see instructions and show that person's name, identifying no., and address _____	<b>8b</b>	
<b>c</b>	Points not reported to you on Form 1098. See instructions for special rules	<b>8c</b>	
<b>d</b>	Reserved for future use	<b>8d</b>	
<b>e</b>	Add lines 8a through 8c	<b>8e</b>	<b>14,500</b>
<b>9</b>	Investment interest. Attach Form 4952 if required. See instructions	<b>9</b>	
<b>10</b>	Add lines 8e and 9	<b>10</b>	<b>14,500</b>

**Gifts to Charity**

**Caution:** If you made a gift and got a benefit for it, see instructions.

<b>11</b>	Gifts by cash or check. If you made any gift of \$250 or more, see instructions	<b>11</b>	<b>5,725</b>
<b>12</b>	Other than by cash or check. If you made any gift of \$250 or more, see instructions. You <b>must</b> attach Form 8283 if over \$500	<b>12</b>	
<b>13</b>	Carryover from prior year	<b>13</b>	
<b>14</b>	Add lines 11 through 13	<b>14</b>	<b>5,725</b>

**Casualty and Theft Losses**

<b>15</b>	Casualty and theft loss(es) from a federally declared disaster (other than net qualified disaster losses). Attach Form 4684 and enter the amount from line 18 of that form. See instructions	<b>15</b>	
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**Other Itemized Deductions**

<b>16</b>	Other—from list in instructions. List type and amount: _____	<b>16</b>	
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**Total Itemized Deductions**

<b>17</b>	Add the amounts in the far right column for lines 4 through 16. Also, enter this amount on Form 1040 or 1040-SR, line 12	<b>17</b>	<b>37,077</b>
<b>18</b>	If you elect to itemize deductions even though they are less than your standard deduction, check this box <input type="checkbox"/>		

D-400 Individual Income Tax Return

2023

DOR Use Only

AMENDED RETURN Fill in circle (See instructions)

IMPORTANT: Do not send a photocopy of this form.

For calendar year 2023, or fiscal year beginning (MM-DD) - 2 3 and ending (MM-DD-YY)

Your Social Security Number

101-55-0001

Spouse's Social Security Number

202-66-0002

You must enter your social security number(s)

Your First Name (USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)

JOHN

M.I.

R

Your Last Name

SMITH

If a Joint Return, Spouse's First Name

JANE

M.I.

S

Spouse's Last Name

SMITH

Mailing Address

201 SOMEWHERE DRIVE

Apartment Number

City

RALEIGH

State

NC

Zip Code

02020

Country (If not U.S.)

County (Enter first five letters)

WAKE

N.C. Education Endowment Fund: You may contribute to the N.C. Education Endowment Fund by making a contribution or designating some or all of your overpayment to the Fund. To make a contribution, enclose Form NC-EDU and your payment of \$... To designate your overpayment to the Fund, enter the amount of your designation on Page 2, Line 31. (See instructions for information about the Fund.)

Out of Country Fill in circle if you, or if married filing jointly, your spouse were out of the country on April 15, 2024, and a U.S. citizen or resident.

Deceased Taxpayer Information

Enter date of death of deceased taxpayer or deceased spouse.

Fill in circle if return is filed and signed by Executor, Administrator, or Court-Appointed Personal Representative.

Taxpayer (MM-DD-YY)

Spouse (MM-DD-YY)

Residency Status

Were you a resident of N.C. for the entire year?

Yes No

Was your spouse a resident for the entire year?

Yes No

If No, complete and attach Form D-400 Schedule PN.

Veteran Information

Are you a veteran?

Yes No

Is your spouse a veteran?

Yes No

Federal Extension

Were you granted an automatic extension to file your 2023 federal income tax return, e.g., Form 1040?

Yes No

Filing Status (Fill in one circle only)

1. Single

2. Married Filing Jointly

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

Name

4. Head of Household

SSN

5. Qualifying Widow(er) (Year spouse died: )

Enter Whole U.S. Dollars Only

6. Federal Adjusted Gross Income

6. 125300.00

7. Additions to Federal Adjusted Gross Income (From Form D-400 Schedule S, Part A, Line 16)

7. 150.00

8. Add Lines 6 and 7

8. 125450.00

9. Deductions From Federal Adjusted Gross Income (From Form D-400 Schedule S, Part B, Line 41)

9.

10. Child Deduction (On Line 10a, enter the number of qualifying children for whom you were allowed a federal child tax credit. On Line 10b, enter the amount of the child deduction. See instructions.)

10a. 2 10b. 1000.00

11. N.C. Standard Deduction OR N.C. Itemized Deductions (Fill in one circle only. See Form D-400 Schedule A.)

11. 29977.00

12. a. Add Lines 9, 10b, and 11. 30977.00

12b. Subtract Line 12a from Line 8

94473.00

13. Part-year Residents and Nonresidents Taxable Percentage (From Form D-400 Schedule PN, Line 24. Enter amount as decimal.)

13.

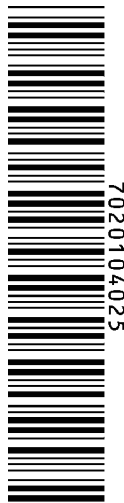
14. North Carolina Taxable Income

Full-year residents enter the amount from Line 12b. Part-year residents and nonresidents multiply amount on Line 12b by the decimal amount on Line 13.

14. 94473.00

15. North Carolina Income Tax Multiply Line 14 by 4.75% (0.0475). If zero or less, enter a zero.

15. 4487.00



7020104025

Staple All Pages of Your Return Here

Staple W-2s Here

16. Tax Credits (From Form D-400TC, Part 3, Line 20) ▶ 16. 790.00

17. Subtract Line 16 from Line 15 ▶ 17. 3697.00

18. Consumer Use Tax (See instructions) ▶ 18.

If you certify that no Consumer Use Tax is due, fill in circle. ▶ ●

19. Add Lines 17 and 18 ▶ 19.

20. North Carolina Income Tax Withheld ▶ a. Your tax withheld 5250.00 ▶ b. Spouse's tax withheld 1400.00

21. Other Tax Payments ▶ a. 2023 estimated tax ▶ b. Paid with extension ▶ c. Partnership ▶ d. S Corporation ▶

If you claim a partnership payment on Line 21c or S corporation payment on Line 21d, you must attach a copy of the NC K-1.

22. Additional Payments (Amended Returns Only. See instructions) ▶ 22.

23. Add Lines 20a through 22 ▶ 23. 6650.00

24. Previous Refunds (Amended Returns Only. See instructions) ▶ 24.

25. Subtract Line 24 from Line 23. (If less than zero, see instructions.) ▶ 25. 6650.00

26. a. Tax Due - If Line 25 is less than Line 19, subtract Line 25 from Line 19. Otherwise, go to Line 28. ▶ 26a.

b. Penalties ▶ c. Interest ▶ (Add Lines 26b and 26c and enter the total on Line 26d.) ▶ 26d.

e. Interest on the Underpayment of Estimated Income Tax (See instructions and enter letter in box, if applicable.) →

Exception to Underpayment of Estimated Tax ▶

27. Amount Due - Add Lines 26a, 26d, and 26e Pay in U.S. Currency from a Domestic Bank - You can pay online at www.ncdor.gov. ▶ 27. \$

28. Overpayment - If Line 25 is more than Line 19, subtract Line 19 from Line 25. ▶ 28. 2953.00

When filing an amended return, see instructions

29. Amount of Line 28 to be applied to 2024 Estimated Income Tax ▶ 29.

30. Contribution to the N.C. Nongame and Endangered Wildlife Fund ▶ 30.

31. Contribution to the N.C. Education Endowment Fund ▶ 31.

32. Contribution to the N.C. Breast and Cervical Cancer Control Program ▶ 32.

33. Add Lines 29 through 32 ▶ 33.

34. Subtract Line 33 from Line 28. This is the Amount To Be Refunded For direct deposit, file electronically ▶ 34. 2953.00

I declare and certify 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.

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

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

Contact Phone Number (Include area code) ▶

Check here if you authorize the North Carolina Department of Revenue to discuss this return and attachments with the paid preparer below.

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

Preparer's FEIN, SSN, or PTIN

Preparer's Contact Phone Number (Include area code)

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

# D-400 Schedule S

## 2023 N.C. Adjustments for Individuals

DOR  
Use  
Only

If you are required to add certain items to federal adjusted gross income on Form D-400, Line 7, or if you are entitled to take deductions from federal adjusted gross income on Form D-400, Line 9, you must complete and attach this schedule to Form D-400. Importantly, you must attach both pages of this schedule to Form D-400, even if you are only required to complete one part of the schedule. If you do not, the Department may be unable to process your return.

Last Name (First 10 Characters)

Your Social Security Number

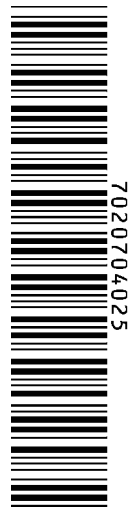
SMITH

Do not send a photocopy of this form.

101-55-0001

### Part A. Additions to Federal Adjusted Gross Income *(Only add items that are not included in federal adjusted gross income)*

1. Interest Income From Obligations of States Other Than N.C.	▶ 1.	150.00
2. Deferred Gains Reinvested Into an Opportunity Fund	▶ 2.	
3. Bonus Depreciation	▶ 3.	
4. IRC Section 179 Expense	▶ 4.	
5. S-Corporation Shareholder Built-in Gains Tax	▶ 5.	
6. Amount by Which Federal Basis Exceeds State Basis for Property Disposed of in 2023	▶ 6.	
7. Federal Net Operating Loss Deduction	▶ 7.	
8. State, Local, or Foreign Income Tax Deducted by an S Corporation, Partnership, or Estate and Trust	▶ 8.	
9. Withdrawal of 529 Plan Contributions Not Used for Permissible Purpose	▶ 9.	
10. Discharge of Qualified Principal Residence Indebtedness	▶ 10.	
11. Qualified Education Loan Payments Paid by Employer	▶ 11.	
12. Expenses Allocable to Income Exempt or Excluded From Gross Income <i>(New for 2023)</i>	▶ 12.	
13. Discharge of Certain Student Loan Debt	▶ 13.	
14. Taxed Pass-Through Entity Loss	▶ 14.	
15. Reserved for Future Use	▶ 15.	
16. <b>Total Additions</b> - Add Lines 1 through 15 <i>(Enter the total here and on Form D-400, Line 7)</i>	▶ 16.	150.00



**Part B. Deductions From Federal Adjusted Gross Income** (Only deduct items that are included in federal adjusted gross income)

- 17. State or Local Income Tax Refund ▶ 17.
- 18. Interest Income From Obligations of the United States or United States' Possessions ▶ 18.
- 19. Taxable Portion of Social Security and Railroad Retirement Benefits ▶ 19.
- 20. Retirement Benefits Received by **Vested** N.C. State Government, N.C. Local Government, or Federal Government Retirees, i.e. *Bailey Settlement* ▶ 20.
- 21. Certain Retirement Benefits Received by a Retired Member of the United States Uniformed Services Not Deducted on Line 20 ▶ 21.
- 22. Bonus Asset Basis ▶ 22.
- 23. Bonus Depreciation
 

▶ 23a. 2018	▶ 23b. 2019	▶ 23c. 2020
<b>Total</b>		
▶ 23d. 2021	▶ 23e. 2022	23f. (Add Lines 23a -23e)
- 24. IRC Section 179 Expense
 

▶ 24a. 2018	▶ 24b. 2019	▶ 24c. 2020
<b>Total</b>		
▶ 24d. 2021	▶ 24e. 2022	24f. (Add Lines 24a -24e)
- 25. Recognized IRC Section 1400Z-2 Gain ▶ 25.
- 26. Gain From the Disposition of Exempt N.C. Obligations Issued Before July 1, 1995 ▶ 26.
- 27. Exempt Income Earned or Received by a Member of a Federally Recognized Indian Tribe ▶ 27.
- 28. Amount by Which State Basis Exceeds Federal Basis for Property Disposed of in 2023 ▶ 28.
- 29. Ordinary and Necessary Business Expense Reduced or not Allowed Due to Claiming a Federal Tax Credit in Lieu of a Deduction ▶ 29.
- 30. Personal Education Student Account Deposits ▶ 30.
- 31. Certain State Emergency Response and Disaster Relief Reserve Fund Payments ▶ 31.
- 32. Certain Economic Incentive Payments ▶ 32.
- 33. Certain N.C. Grant Payments ▶ 33.
- 34. Certain Net Operating Loss Carrybacks (Limited to 20% of amount added to AGI in tax years 2013 through 2019) ▶ 34.
- 35. Excess Net Operating Loss Carryforward (Limited to 20% of amount added to AGI in 2019 and 2020) ▶ 35.
- 36. Excess Business Loss (Limited to 20% of amount added to AGI in 2018, 2019, and 2020) ▶ 36.
- 37. Business Interest Limitation (Limited to 20% of amount added to AGI in 2019 and 2020) ▶ 37.
- 38. Taxed Pass-Through Entity Income ▶ 38.
- 39. N.C. Net Operating Loss ▶ 39.
- 40. Reserved for Future Use ▶ 40.
- 41. **Total Deductions** - Add Lines 17 through 22, 23f, 24f, and 25 through 40 (Enter the total here and on Form D-400, Line 9) 41.



# D-400 Schedule A

## 2023 N.C. Itemized Deductions

DOR  
Use  
Only

If you choose to itemize North Carolina deductions on Form D-400, Line 11, you must attach this schedule to Form D-400. If you do not, the Department may be unable to process your return.

Last Name (First 10 Characters)

Your Social Security Number

SMITH

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

101-55-0001

### N.C. Standard Deduction or N.C. Itemized Deductions

You may deduct from federal adjusted gross income either the N.C. standard deduction or N.C. itemized deductions. You can determine the amount of your N.C. standard deduction by looking at the chart below. If you claim the N.C. standard deduction, do not complete Lines 1 through 10. Instead, enter the amount of your N.C. standard deduction on Form D-400, Line 11.

#### N.C. Standard Deduction

(In general, the N.C. standard deduction is equal to the amount listed below based on your filing status. However, if you are not eligible for a standard deduction on the federal income tax return, your N.C. standard deduction amount is zero. For more information on eligibility, see the instructions.)

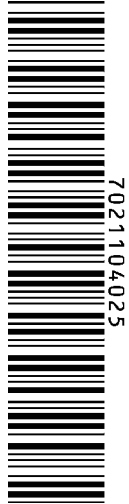
**If your filing status is:**

- Single
- Head of household
- Married filing jointly
- Qualifying widow(er)/Surviving Spouse
- Married filing separately:
  - If your spouse does not claim itemized deductions
  - If your spouse claims itemized deductions

**Your N.C. standard deduction is:**

**If you are not eligible for a standard deduction on your federal tax return**

\$ 12,750  
\$ 19,125  
\$ 25,500  
\$ 25,500  
\$ 12,750  
\$ 0  
\$ 0



1. Home Mortgage Interest (See instructions)	▶	1.	14500.00
2. Real Estate Property Taxes	▶	2.	1650.00
3. Home Mortgage Interest and Real Estate Property Taxes Before Limitation (Add Lines 1 and 2)		3.	16150.00
4. Home Mortgage Interest and Real Estate Property Taxes Limitation		4.	20000
5. Home Mortgage Interest and Real Estate Property Taxes After Limitation (Compare Line 3 to Line 4; enter whichever is less.)	▶	5.	16150.00
6. Charitable Contributions (See instructions)	▶	6.	5725.00
7. a. Medical and Dental Expenses Before Limitation (See instructions)	▶	7a.	17500.00
b. Enter the amount from Form D-400, Line 6.		7b.	125300.00
c. Multiply Line 7b by 7.5% (0.075). If zero or less, enter a zero.		7c.	9398.00
d. Medical and Dental Expenses After Limitation (Subtract Line 7c from Line 7a. If Line 7c is more than Line 7a, enter a zero.)	▶	7d.	8102.00
8. Repayment of Claim of Right Income	▶	8.	
9. Reserved for Future Use	▶	9.	
<b>10. Total N.C. Itemized Deductions</b> (Add Lines 5, 6, 7d, 8, and 9. Enter the total here and on Form D-400, Line 11.)		10.	<b>29977.00</b>



# D-400TC 2023 Individual Income Tax Credits

DOR  
Use  
Only

If you claim a tax credit on Form D-400, Line 16, you must attach this form to the return. Otherwise, the tax credit may be disallowed.

Last Name (First 10 Characters)

Your Social Security Number

SMITH

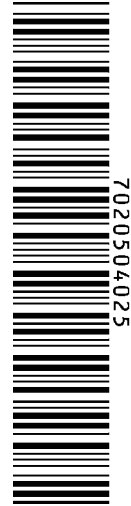
**Do not send a photocopy of this form.**

101-55-0001

**Important: Refer to the Instructions before completing this form.**

**Part 1. Credit for Income Tax Paid to Another State or Country (N.C. Residents Only)**

If you claim a tax credit for taxes paid to more than one state or country, do not complete Lines 1-6. Instead, complete the "Out-of-State Tax Credit Worksheet" in the instructions to determine the amount to enter on Line 7a.



Enter Whole U.S. Dollars Only

- 1. Total income from all sources while a resident of N.C. modified by N.C. adjustments to federal gross income ▶ 1.
- 2. Portion of Line 1 that was taxed by another state or country ▶ 2.
- 3. Divide Line 2 by Line 1 and enter the result as a decimal amount (Round to four decimal places) ▶ 3.
- 4. Total North Carolina income tax (From Form D-400, Line 15) ▶ 4.
- 5. Multiply Line 4 by Line 3 ▶ 5.
- 6. Amount of net tax paid to the other state or country on the income shown on Line 2 ▶ 6.
- 7a. Credit for Income Tax Paid to Another State or Country ▶ 7a. 790.00  
Enter the lesser of Line 5 or Line 6
- 7b. Enter the number of states or countries for which a credit is claimed ▶ 7b. 2

**Part 2. Credits for Rehabilitating Historic Structures**

On Lines 8a, 9a, 10a, and 11a, enter the amount of expenditures or expenses only if tax year 2023 is the first year the credit is taken. **Note:** For Lines 8a and 9a, the expenditures and expenses must have been incurred prior to January 1, 2015.

On Lines 8b, 9b, 10b, 11b, 12, and 13, enter the amount of the tax credit taken.

- 8. An **income-producing** historic structure (Article 3D) ▶ 8a. ▶ 8b.
- 9. A **nonincome-producing** historic structure (Article 3D) ▶ 9a. ▶ 9b.
- 10. An **income-producing** historic mill facility (Article 3H) ▶ 10a. ▶ 10b.
- 11. A **nonincome-producing** historic mill facility (Article 3H) ▶ 11a. ▶ 11b.
- 12. An **income-producing** historic structure (Article 3L) ▶ 12.  
(From Form NC-Rehab, Part 4, Line 23)
- 13. A **nonincome-producing** historic structure (Article 3L) ▶ 13.  
(From Form NC-Rehab, Part 4, Line 26)

If you take a credit on Lines 12 or 13, attach Form NC-Rehab to the front of Form D-400.

**Part 3. Computation of Total Tax Credits to be Taken for Tax Year 2023**

- 14. Tax credits carried over from previous years (Do not include any carryover of income tax credits taken on Form NC-478 or Form NC-Rehab.) ▶ 14.
- 15. Reserved for Future Use ▶ 15.
- 16. Add Lines 7a, 8b, 9b, 10b, 11b, 12, 13, 14, and 15 ▶ 16. 790.00
- 17. North Carolina income tax (From Form D-400, Line 15) ▶ 17. 4487.00
- 18. Enter the lesser of Line 16 or Line 17 ▶ 18. 790.00
- 19. Business incentive and energy tax credits (Attach Form NC-478 and any required supporting schedules to the front of Form D-400) ▶ 19.
- 20. Total Tax Credits to be Taken for Tax Year 2023 (Add Lines 18 and 19. Enter the result here and on Form D-400, Line 16.) The amount on Line 20 cannot exceed the tax shown on Form D-400, Line 15. ▶ 20. 790.00

### Maryland Out-of-State Tax Credit Worksheet

(Use a separate worksheet to determine the separate credit for each state or country.)

1. <b>Total income (loss) from all sources while a resident of N.C.</b> modified by N.C. adjustments to federal gross income .....	1.	<u>\$125,450</u>
2. The portion of Line 1 that was taxed by the other state or country.....	2.	<u>\$15,000</u>
3. Divide Line 2 by Line 1 and enter the result as a decimal amount ( <i>Round to four decimal places</i> ) .....	3.	<u>0.1196</u>
4. Enter total North Carolina income tax ( <i>From Form D-400, Line 15</i> ).....	4.	<u>\$4,487</u>
5. Multiply Line 4 by Line 3 .....	5.	<u>\$537</u>
6. Amount of net tax paid to the other state or country on the income shown on Line 2 ( <i>See above for definition of net tax paid.</i> ) .....	6.	<u>\$450</u>
7. Enter the lesser of Line 5 or Line 6. To determine the total amount of credit for income tax paid to another state or country, add the amount of Line 7 on each worksheet and enter the total on Form D-400TC, Line 7a. <b>On Line 7b, be sure to enter the number of states or countries for which a credit is claimed.</b> .....	7.	<u>\$450</u>

### Virginia Out-of-State Tax Credit Worksheet

(Use a separate worksheet to determine the separate credit for each state or country.)

1. <b>Total income (loss) from all sources while a resident of N.C.</b> modified by N.C. adjustments to federal gross income .....	1.	<u>\$125,450</u>
2. The portion of Line 1 that was taxed by the other state or country.....	2.	<u>\$10,000</u>
3. Divide Line 2 by Line 1 and enter the result as a decimal amount ( <i>Round to four decimal places</i> ) .....	3.	<u>0.0797</u>
4. Enter total North Carolina income tax ( <i>From Form D-400, Line 15</i> ).....	4.	<u>\$4,487</u>
5. Multiply Line 4 by Line 3 .....	5.	<u>\$358</u>
6. Amount of net tax paid to the other state or country on the income shown on Line 2 ( <i>See above for definition of net tax paid.</i> ) .....	6.	<u>\$340</u>
7. Enter the lesser of Line 5 or Line 6. To determine the total amount of credit for income tax paid to another state or country, add the amount of Line 7 on each worksheet and enter the total on Form D-400TC, Line 7a. <b>On Line 7b, be sure to enter the number of states or countries for which a credit is claimed.</b> .....	7.	<u>\$340</u>

### Child Deduction Worksheet

1. Filing status (From D-400, Lines 1 through 5).....	1. <u>MFJ</u>
2. Federal adjusted gross income (From D-400, Line 6).....	2. <u>\$125,300</u>
3. Number of qualifying children for whom a federal tax credit was claimed.....	3. <u>2</u>
<b>Enter the amount from Line 3 above on Form D-400, Line 10a.</b>	
4. Deduction amount per qualifying child from the "Child Deduction Table".....	4. <u>\$500</u>
5. Child deduction (Multiply Line 3 by Line 4).....	5. <u>\$1,000</u>
<b>Enter the amount from Line 5 above on Form D-400, Line 10b.</b>	

### Child Deduction Table

Filing Status	Federal Adjusted Gross Income	Deduction Amount Per Qualifying Child
Married Filing Jointly/Qualifying Widow(er)/Surviving Spouse	Up to \$40,000	\$3,000
	Over \$40,000 - Up to \$60,000	\$2,500
	Over \$60,000 - Up to \$80,000	\$2,000
	Over \$80,000 - Up to \$100,000	\$1,500
	Over \$100,000 - Up to \$120,000	\$1,000
	Over \$120,000 - Up to \$140,000	\$500
	Over \$140,000	\$0
Head of Household	Up to \$30,000	\$3,000
	Over \$30,000 - Up to \$45,000	\$2,500
	Over \$45,000 - Up to \$60,000	\$2,000
	Over \$60,000 - Up to \$75,000	\$1,500
	Over \$75,000 - Up to \$90,000	\$1,000
	Over \$90,000 - Up to \$105,000	\$500
	Over \$105,000	\$0
Single/Married Filing Separately	Up to \$20,000	\$3,000
	Over \$20,000 - Up to \$30,000	\$2,500
	Over \$30,000 - Up to \$40,000	\$2,000
	Over \$40,000 - Up to \$50,000	\$1,500
	Over \$50,000 - Up to \$60,000	\$1,000
	Over \$60,000 - Up to \$70,000	\$500
	Over \$70,000	\$0