

**2019 Schedule IN-113**



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**Vermont Income Adjustment Calculations**

Please PRINT in BLUE or BLACK INK

**Nonresidents and Part-Year Residents Must Complete Parts I and II  
Full-Year Residents with Adjustments Complete only Part II**

**INCLUDE WITH FORM IN-111**

Taxpayer's Last Name	First Name	MI	Taxpayer's Social Security Number
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**PART I. Enter figures as they appear on your federal return or recomputed federal return in Column A and list the Vermont portion in Column B. See instructions.**

Dates of Vermont residency in 2019		
From (MMDDYYYY):	To (MMDDYYYY):	Name of State(s), Canadian province, or country during non-Vermont residency (use standard 2-character abbreviation)

	A. Federal Amount \$	B. Vermont Portion \$
1. Wages, salaries, tips, etc. . . . . 1A.	.00	1B. .00
2. Taxable interest. . . . . 2A.	.00	2B. .00
3. Ordinary dividends . . . . . 3A.	.00	3B. .00
4. Taxable IRAs, pensions, and annuities. . . . . 4A.	.00	4B. .00
5. Taxable Social Security . . . . . 5A.	.00	5B. .00
6. Taxable refunds of state and local income taxes 6A.	.00	6B. .00
7. Alimony received . . . . . 7A.	.00	7B. .00
8. Business income or loss . . . . . <input type="checkbox"/> ← Check to indicate loss 8A.	.00	<input type="checkbox"/> ← Check to indicate loss 8B. .00
9. Capital gain or loss . . . . . <input type="checkbox"/> ← Check to indicate loss 9A.	.00	<input type="checkbox"/> ← Check to indicate loss 9B. .00
10. Rents, royalties, partnerships, S corporations, trusts, etc . . . . . <input type="checkbox"/> ← Check to indicate loss 10A.	.00	<input type="checkbox"/> ← Check to indicate loss 10B. .00
11. Farm income or loss . . . . . <input type="checkbox"/> ← Check to indicate loss 11A.	.00	<input type="checkbox"/> ← Check to indicate loss 11B. .00
12. Unemployment compensation . . . . . 12A.	.00	12B. .00
13. Other: Specify . . . . . <input type="checkbox"/> ← Check to indicate loss 13A.	.00	<input type="checkbox"/> ← Check to indicate loss 13B. .00
14. <b>TOTAL INCOME</b> (Add Lines 1-13) . . . . . <input type="checkbox"/> ← Check to indicate loss 14A.	.00	<input type="checkbox"/> ← Check to indicate loss 14B. .00

Taxpayer's Last Name	Social Security Number
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	Column A. Federal Amount \$	Column B. Vermont Portion \$
15. IRA, Keogh/SEP/SIMPLE (Reported on federal Form 1040) . . . . .	15A. _____ .00	15B. _____ .00
Self _____ Spouse _____		
16. Student Loan Interest (Reported on Form 1040) . . . . .	16A. _____ .00	16B. _____ .00
17. Employee Deductions: Reservists, Performing Artists, Fee-basis Gov't Officials (Reported on Form 1040) . . . . .	17A. _____ .00	17B. _____ .00
18. Self-Employment Deductions: Tax and Health Insurance (Reported on Form 1040) . . . . .	18A. _____ .00	18B. _____ .00
19. Health Savings Account (Reported on Form 1040) . . . . .	19A. _____ .00	19B. _____ .00
20. Moving Expenses (Reported on Form 1040) . . . . .	20A. _____ .00	20B. _____ .00
21. Penalty on Early Withdrawal of Savings (Reported on Form 1040) . . . . .	21A. _____ .00	21B. _____ .00
22. Alimony Paid (Reported on Form 1040) . . . . .	22A. _____ .00	22B. _____ .00
23. Domestic Production Activities (Reported on Form 1040) . . . . .	23A. _____ .00	23B. _____ .00
24. Educator Expenses and Tuition & Fees (Reported on Form 1040) . . . . .	24A. _____ .00	24B. _____ .00
25. Deductions not listed above but reported on Form 1040 . . . . .	25A. _____ .00	25B. _____ .00
26. <b>TOTAL ADJUSTMENTS</b> (Add Lines 15-25) . . . . .	26A. _____ .00	26B. _____ .00
27. Adjusted Gross Income (Subtract Line 26A from Line 14A) . . . . .	<input type="checkbox"/> ← Check to indicate loss	27. _____ .00
28. Vermont Portion of AGI (Subtract Line 26B from Line 14B) . . . . .	<input type="checkbox"/> ← Check to indicate loss	28. _____ .00
29. Non-Vermont Income (Subtract Line 28 from Line 27) Also enter on Part II, Line 31 below. . . . .	<input type="checkbox"/> ← Check to indicate loss	29. _____ .00

**PART II. Adjustment for Vermont Exempt Income and Military Exempt Income**

30. Adjusted Gross Income. If Part I completed, enter Line 27 amount. Otherwise, enter amount from Form IN-111, Line 1 . . . . .	<input type="checkbox"/> ← Check to indicate loss	30. _____ .00
31. Non-Vermont Income (Line 29 above) . . . . .	<input type="checkbox"/> ← Check to indicate loss	31. _____ .00
32. Military pay. Number of months on active duty _____ (See instructions) . . . . .		32. _____ .00
33. Total (Add Lines 31 and 32) . . . . .	<input type="checkbox"/> ← Check to indicate loss	33. _____ .00
34. Vermont Income (Subtract Line 33 from Line 30) . . . . .	<input type="checkbox"/> ← Check to indicate loss	34. _____ .00
35. <b>INCOME ADJUSTMENT %</b> (Divide Line 34 by Line 30 out to the fourth decimal place) Also enter on Form IN-111, Line 15 (See instructions) . . . . .		35. _____ . _____ %

# SCHEDULE IN-113 Income Adjustment

## WHO MUST FILE IN-113

You must file Schedule IN-113 if you are either:

- a nonresident or part-year resident and earned or received Vermont income,

**OR**

- a Vermont resident claiming income exempt from Vermont income tax

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**Nonresident:** Complete both Parts I and II to determine the allocation of Vermont income. Visit our website for definition of nonresident income.

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**Resident:** Complete Part II to adjust for the following income exempt from Vermont income tax: military pay, federal railroad retirement income, or bond/note income from qualified investments.

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**Part-Year Resident:** Part-year residents may, in some cases, be able to adjust Vermont income by both the Vermont percentage of income on Schedule IN-113 and claim a credit for income tax paid to another tax jurisdiction on Schedule IN-117, Vermont Credit for Income Tax Paid to Other State or Canadian Province. The income tax paid to the other tax jurisdiction must be for income earned while a Vermont resident. Schedule IN-117, Line 2 cannot exceed the amount on Schedule IN-113, Line 27. Visit our website for more information.

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**Dates of Vermont Residency in 2019** Enter the dates you lived in Vermont in 2019. Leave blank if you did not live in Vermont.

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**Name of State(s) During Non-Vermont Residency** Write the names of the other states, Canadian provinces, or countries where you were a resident in 2019.

## PART I (For Nonresidents and Some Part-Year Vermont Residents)

Unless otherwise indicated in the line instruction, the Vermont portion is the income received from Vermont or received while a Vermont resident.

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**Lines 1 - 13, Column A** Enter the income for these categories as shown on your federal income tax return.

**NOTE:** For Line 3A - Use taxable amount "Ordinary dividends" from federal Form 1040, U.S. Individual Income Tax Return.

For Line 10A - Use amount from federal Schedule K-1 (Form 1065), Partner's Share of Income, Deductions, Credits, etc., *before* recalculation for exclusion of bonus depreciation.

For Line 12A - Use amount reported on federal Form 1040, Schedule 1.

For Line 13A - Use amounts from federal Form 1040, Schedule 1, lines reporting "other gains and losses" and "other income."

**Nonresidents:** Use Line 13A to adjust for non-Vermont state and local obligations and U.S. obligation interest.

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**Line 13, Column A** Examples of other income: gambling winnings including lotteries, raffles, or lump-sum payment from sale of right to receive future lottery annuity; reimbursement this year for items itemized last year such as medical expenses; interest; income from rental of personal property; taxable distributions from Coverdell Education Savings Account or Qualified Tuition Plan, medical savings account or Archer Medical Savings Account.

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**Lines 1 - 13, Column B** Enter the Vermont portion for these categories from your federal income tax return.

**NOTE:** For Line 3B - Use the amount of ordinary dividends received while a Vermont resident.

For Line 9B - Include amount from Line 2 of Vermont Schedule K-1VT, Shareholder, Partner, or Member Information plus all additional Vermont-sourced capital gains.

For Line 10B - Use sum of Line 1 and Line 3 of Schedule K-1VT *before* recalculation for exclusion of bonus depreciation.

For Line 12B - Enter total amount received for Vermont unemployment.

For Line 13B - Use the amount of other income earned or received from federal Form 1040, Schedule 1, lines reporting "other gains and losses" and "other income," from Vermont sources.

**Nonresidents:** Do not include tax-exempt interest here to adjust for non-Vermont state and local obligations and U.S. obligation interest.

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**Lines 15 - 23, Column A** Enter the amount for these categories as shown on your federal Form 1040.

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**Lines 15 - 23, Column B** Enter the portion of the deductions paid or incurred during your Vermont residency or resulting from Vermont income earned or received.

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**Line 24, Column A** Enter the combined amounts of Educator Expenses and Tuition and Fees from federal Form 1040.

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**Line 24, Column B** The Vermont portion of Educator Expenses and Tuition and Fees during Vermont residency.

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**Line 25, Column A** Enter deduction(s) to Adjusted Gross Income that are included in the total on federal Form 1040.

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**Line 25, Column B** Enter the portion of the deductions paid or incurred during your Vermont residency or resulting from Vermont income earned or received.

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**PART II Adjustment for Vermont Exempt Income**

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- Line 30** If Part I is completed, enter the amount from Line 27. Otherwise, enter Adjusted Gross Income from Form IN-111, Line 1.
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- Line 31** **Part-Year Residents and Nonresidents:** Enter the amount from Part I, Line 29. **Full-Year Residents:** Enter -0-.
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- Line 32** Enter the amount of Vermont exempt military pay received in 2019 that is included in your federal Adjusted Gross Income. Exempt military pay is:
- I.** Wages earned from the armed services for full-time active duty outside of Vermont. **You may be asked to provide the Required Supporting Documents:** Copy of active duty orders.
  - II.** Up to \$2,000 for National Guard or U.S. Reserve training pay earned in Vermont if your Adjusted Gross Income for tax year 2019 is less than \$50,000. **You may be asked to provide the Required Supporting Documents:** Copy of DFAS form or certification statement from your unit that all training was completed during the calendar year.
  - III.** Student loan repayment can be taken only if the amount is included in your Adjusted Gross Income. Enter the repayment benefit made under 10 U.S.C. Chapters 109 and 1609 for **2019**. **You may be asked to provide the Required Supporting Documents:** Certification statement from armed services showing your name, address, Social Security Number, amount of student loan repayment, and payment date.
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- Line 33** Add Lines 31 and 32 and enter result. This is the total amount of income not subject to Vermont income tax. No entry is needed on this line if you did not have entries on Lines 31 and 32.
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- Line 34** Subtract Line 33 from Line 30. This is the Vermont income subject to tax.
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- Line 35** Divide Line 34 by Line 30. Also enter on Form IN-111, Line 15.  
Carry out to four decimal places. *Example: XX.XXXX%*
- Dealing with negatives:**
- If Line 30 is a negative and Line 34 is a positive, enter 100%
  - If Line 34 is a negative, enter 0%
  - If Lines 30 and 34 are negative, enter 0%