

FORM **505X** MARYLAND NONRESIDENT AMENDED TAX RETURN



2012

12505X049

Your first name and initial	Last name	Social Security number	Check here if you are: <input type="checkbox"/> 65 or over <input type="checkbox"/> Blind
Spouse's first name and initial	Last name	Social Security number	Check here if your spouse is: <input type="checkbox"/> 65 or over <input type="checkbox"/> Blind
Present address (No. and street)	City or town	State	ZIP code
			Daytime telephone number

**IF THIS IS BEING FILED TO CLAIM A NET OPERATING LOSS, CHECK THE APPROPRIATE BOX**  CARRY BACK  
**Attach copies of the federal loss year return and Form 1045, Schedules A and B. See Instruction 13.**  CARRY FORWARD

Is this address different from the address on your original return? . . . . .  YES  NO  
 Enter your state of legal residence \_\_\_\_\_.  
 Enter the local jurisdiction of which you are a resident \_\_\_\_\_.  
 Are you a resident of a local jurisdiction which imposes an income or earnings tax on Maryland residents? . . . . .  YES  NO  
 Enter dates you resided in Maryland \_\_\_\_\_ - \_\_\_\_\_.  
 Any changes from the original filing must be explained in Part III of this form.  
 Did you request an extension of time to file the original return? . . . . .  YES  NO  
 If yes, enter the date the return was filed \_\_\_\_\_.  
 Is an amended Federal return being filed? . . . . .  YES  NO  
 Has your original Federal return been changed or corrected by the Internal Revenue Service? . . . . .  YES  NO

**STOP** You must use Form 502X if you are changing to Resident status.

**CHANGE OF FILING STATUS**

**Original Amended**

Single

Married filing joint return or spouse had no income

Married filing separately \_\_\_\_\_  
SPOUSE'S SOCIAL SECURITY NO.

Head of household

Qualifying widow(er) with dependent child

Dependent taxpayer

**IMPORTANT NOTE: Read the instructions and complete page 2 first.**

	A. As originally reported or as previously adjusted (See instructions)	B. Net change - increase or (-) decrease - explain on page 2	C. Corrected amount
1. Federal adjusted gross income. . . . .	1		
2. Additions to income. . . . .	2		
3. Total (Add lines 1 and 2) . . . . .	3		
4. Subtractions from income (See Instructions). . . . .	4		
5. Total Maryland adjusted gross income (Subtract line 4 from line 3) . . . . .	5		
6. CHECK ONLY ONE METHOD (See Instruction 5)			
<b>STANDARD DEDUCTION METHOD</b> <input type="checkbox"/>			
<b>ITEMIZED DEDUCTION METHOD</b> <input type="checkbox"/> Enter total Md. itemized deductions from Part II, on page 2.	6		
7. Net income (Subtract line 6 from line 5) . . . . .	7		
8. Exemption amount (See Instruction 5) . . . . .	8		
9. Taxable net income (Subtract line 8 from line 7). . . . .	9		
10. Maryland tax from line 16 of revised Form 505NR . . . . .	10		
11. Special Nonresident tax from line 17 of revised Form 505NR. . . . .	11		
12. Total Maryland tax (Add lines 10 and 11). . . . .	12		
12a. Credits: Earned Income Credit <input type="text"/> Poverty Level Credit <input type="text"/>			
Personal Credit <input type="text"/> Business Credit <input type="text"/> Enter total credits . . . . .	12a		
12b. Maryland tax after credits (Subtract line 12a from line 12) If less than 0, enter 0 . . . . .	12b		
13. Contribution: A. <input type="text"/> B. <input type="text"/> C. <input type="text"/>	13		
Enter total contributions (See Instruction 8) . . . . .			
14. Total Maryland income tax and contribution (Add lines 12b and 13) . . . . .	14		
15. Total Maryland tax withheld. . . . .	15		
16. Estimated tax payments and payments made with Form 502E and Form MW506NRS . . . . .	16		
17. Refundable earned income credit. . . . .	17		
18. Nonresident tax paid by pass-through entities . . . . .	18		
19. Refundable income tax credits (Attach Form 500CR, 502CR, 502H, and/or 502S). . . . .	19		
20. Total payments and credits (Add lines 15 through 19) . . . . .	20		
21. Balance due (if line 14 is more than line 20 subtract line 20 from line 14). . . . .	21		
22. Overpayment (if line 14 is less than line 20 subtract line 14 from line 20). . . . .	22		
23. Tax paid with original return, plus additional tax paid after it was filed (Do not include any interest or penalty) . . . . .	23		
24. Prior overpayment (Total all refunds previously issued). . . . .	24		
25. REFUND DUE YOU (if line 21 is less than line 23, subtract line 21 from line 23) (if line 24 is less than line 22, subtract line 24 from line 22) (Add line 22 to line 23) (See Instruction 10) . . . . .	25	<b>REFUND</b>	
26. BALANCE DUE (if line 21 is more than line 23, subtract line 23 from line 21) (Add line 21 to line 24) (if line 22 is less than line 24, subtract line 22 from line 24) (See Instruction 10) . . . . .	26		
27. Interest and/or penalty charges on tax due and/or from Form 502UP (See Instruction 11). . . . .	27		
28. TOTAL AMOUNT DUE (Add line 26 and line 27). . . . .	28	<b>PAY IN FULL WITH THIS RETURN</b>	

## State Income Tax Return Forms

You can prepare and efile this tax form on efile.com as part of your current Federal and/or State Tax Return on from:

**Early January until mid October**

[You can start, prepare, and efile your tax return now](#)

You will just need to answer a few tax questions and the efile.com tax preparation software will select the correct tax forms for you.



### Attention

**If you missed the mid October efile deadline for the current tax year you have the following options to prepare and file your tax return:**

**1. You can download the State Tax form here:**

<http://www.efile.com/support-state-tax-agency-list/>

**2. Work online on your tax return with an efile Tax Professional**

[Start working with a LIVE TaxPRO](#)

**3. Download Federal tax forms by tax year, complete and mail to the IRS**

[Download Federal Tax Forms](#)

### Free Tax Tools, Calculators and Educators

Head of Household Educator:

<http://www.efile.com/claim-head-of-household-single-qualifying-person-requirement-tax-tool/>

Qualifying Child Dependent Educator:

<http://www.efile.com/qualifying-child-test-qualified-dependent-tax-tool/>

Qualifying Relative Educator:

<http://www.efile.com/qualifying-relative-test-dependent-requirement-tax-tool/>

Earned Income Tax Credit Educator:

<http://www.efile.com/what-is-the-earned-income-tax-credit-eitc-eic-eligibility-schedule-calculator/>

Child Tax Credit Educator:

<http://www.efile.com/how-to-qualify-for-child-tax-credit-deduction-requirements-tool/>

**Got Tax Questions? [Contact efile.com!](#)**



12505X149

NAME \_\_\_\_\_ SSN \_\_\_\_\_

**I. INCOME AND ADJUSTMENTS TO INCOME:** You must complete the following using the amounts from your federal income tax return. If there are no changes to the amounts claimed on your original Maryland return, check here  and complete Column A and line 17 of Column C.

**INCOME AND ADJUSTMENTS INFORMATION**  
(See Instruction 4) (Use a minus sign ( - ) to indicate a loss.)

	A. Federal income or loss ( - ) as corrected	B. Maryland income or loss ( - ) as corrected	C. Non-Maryland income or loss ( - ) as corrected
1. Wages, salaries, tips, etc . . . . .	1		
2. Taxable interest income . . . . .	2		
3. Dividend income. . . . .	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 (from federal Form 4797). . . . .	8		
9. Taxable amount of pensions, IRA distributions, and annuities . . . . .	9		
10. Rents, royalties, partnerships, estates, trusts, etc. (Circle appropriate item). . . . .	10		
11. Farm income or loss. . . . .	11		
12. Unemployment compensation. . . . .	12		
13. Taxable amount of social security and tier 1 railroad retirement benefits. . . . .	13		
14. Other income (including lottery or other gambling winnings) . . . . .	14		
15. Total income (Add lines 1 through 14). . . . .	15		
16. Total adjustments to income from federal return (IRA, alimony, etc.) . . . . .	16		
17. Adjusted gross income (Subtract line 16 from 15) (Carry the amount from line 17, column A, to page 1, line 1, column C). . . . .	17		

**II. ITEMIZED DEDUCTIONS:** If you itemized deductions on your Maryland return, you must complete the following. If there are no changes to the amounts claimed on your original Maryland return, check here  and complete Column A and line 11 of Column C.

	A. As originally reported or as previously adjusted	B. Net increase or decrease ( - )	C. Corrected amount
1. Medical and dental expense. . . . .	1		
2. Taxes. . . . .	2		
3. Interest. . . . .	3		
4. Contributions. . . . .	4		
5. Casualty or theft losses. . . . .	5		
6. Miscellaneous. . . . .	6		
7. Enter total itemized deductions from federal Schedule A. . . . .	7		
8. Enter state and local income taxes included on line 2 or from worksheet (See Instruction 4). . . . .	8		
9. Net deductions (Subtract line 8 from line 7). . . . .	9		
10. AGI factor (See instruction 14 of the nonresident instructions). . . . .	10		
11. Total Maryland deductions (multiply line 9 by line 10) (Enter on page 1, in each appropriate column of line 6). . . . .	11		

**III. EXPLANATION OF CHANGES TO INCOME, DEDUCTIONS AND CREDITS:** Enter the line number from page 1 for each item you are changing and give the reason for each change. Attach any required supporting forms and schedules for items changed.

Check here  if you authorize your preparer to discuss this return with us.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct and complete. If prepared by a person other than taxpayer, the declaration is based on all information of which the preparer has any knowledge.

Make checks payable and mail to:  
**COMPTROLLER OF MARYLAND**  
Revenue Administration Division, 110 Carroll Street  
Annapolis, Maryland 21411-0001  
(It is recommended that you write your Social Security number on your check in blue or black ink.)

Your signature \_\_\_\_\_ Date \_\_\_\_\_  
Spouse's signature \_\_\_\_\_ Date \_\_\_\_\_

Signature of preparer other than taxpayer \_\_\_\_\_ Preparer's PTIN (Required by Law) \_\_\_\_\_  
Address and telephone number of preparer \_\_\_\_\_

**FORM MARYLAND NONRESIDENT  
505X AMENDED INCOME TAX RETURN  
2012 INSTRUCTIONS**

### IMPORTANT NOTES

The instructions included here should enable you to complete a nonresident amended return for tax year 2012. If you are changing your resident status from nonresident to resident, you must use Form 502X and not this form. **If you must amend a tax year prior to 01/01/2012, you should obtain a Form 505X and a nonresident tax booklet for the year you wish to amend so that you will have the proper instructions and rates.**

Changes made as part of an amended return are subject to audit for up to three years from the date that the amended return is filed.

#### WHEN AND WHERE TO FILE

Generally, Form 505X must be filed within three years from the date the original return was due (including extensions) or filed. The following exceptions apply.

- A claim filed after three years, but within two years from the time the tax was paid is limited to the amount paid within the two years immediately before filing the claim.
- A claim for refund based on a federal net operating loss carryback must be filed within 3 years after the due date (including extensions) of the return for the tax year of the net operating loss.
- If the claim for refund or credit for overpayment resulted from a final determination made by an administrative board or an appeal of a decision of an administrative board, that is more than three years from the date of filing the return or more than two years from the time the tax was paid, the claim for refund must be filed within one year of the date of the final decision of the administrative board or final decision of the highest court to which an appeal of the administrative board is taken.
- If the Internal Revenue Service issues a final determination of adjustments that would result in a decrease to Maryland taxable income, file an amended return within one year after the final adjustment

report or the final court decision if appealed.

- If the Internal Revenue Service issued a final determination of adjustments that would result in an increase to Maryland taxable income, file the amended return within ninety days after the final determination.

**Do not file an amended return until sufficient time has passed to allow the original return to be processed. For current year returns, allow at least six weeks.** Please note that no refund for less than \$1.00 will be issued.

The amended return must be filed with the Comptroller of Maryland, Revenue Administration Division, 110 Carroll Street, Annapolis, Maryland 21411-0001.

For more information regarding refund limitations, see Administrative Release 20.

#### PROTECTIVE CLAIMS

A protective claim is a claim for a specific amount of refund filed on an amended return with a request that the Comptroller delay acting on the refund request. The claim for refund may not be based on a federal audit. The delay requested must be due to a pending decision by a state or federal court which will affect the outcome of the refund, or for reasonable cause. The protective claim must be filed in accordance with the limitations outlined in the section WHEN AND WHERE TO FILE. The Comptroller may accept or reject a protective claim. If rejected, the taxpayer will be informed of a right to a hearing. We cannot accept a protective claim unless an original return has been filed.

#### PENALTIES

There are severe penalties for failing to file a tax return, failing to pay any tax when due, filing false or fraudulent returns or making a false certification. The penalties include criminal fines, imprisonment and a penalty on your taxes. In addition, interest is charged on amounts not paid when due.

To collect unpaid taxes, the Comptroller is directed to enter liens against the salary, wages or property of delinquent taxpayers.

#### PRIVACY ACT INFORMATION

The Revenue Administration Division requests information on tax returns to administer the income tax laws of Maryland, including determination and collection of correct taxes. If you fail to provide all or part of the requested information, the exemptions, exclusions, credits, deductions or adjustments may be disallowed and you may owe more tax. In addition, the law provides penalties for failing to supply information required by law or regulations.

You may look at any records held by the Revenue Administration Division which contain personal information about you. You may inspect such records, and you have certain rights to amend or correct them.

As authorized by law, information furnished to the Revenue Administration Division may be given to the United States Internal Revenue Service, a proper official of any state that exchanges tax information with Maryland and to an officer of this state having a right to the information in that officer's official capacity. The information may also be obtained with a proper legislative or judicial order.

#### USE OF FEDERAL RETURN

Most changes to your federal return will result in changes on your Maryland return and you will need the information from your federal amendment to complete your Maryland amended return. Therefore, complete your federal return first. Maryland law requires that your income and deductions be entered on your Maryland return exactly as they were reported on your federal return. However, all items reported on your Maryland return are subject to verification, audit and revision by the Maryland Comptroller's Office.

**If you are amending your federal return, attach a photocopy of the federal Form 1040X and any revised schedules to your Maryland Form 505X.** If your tax has been increased by the Internal Revenue Service, you must report this increase to the Maryland Revenue Administration Division within ninety (90) days from the final IRS determination.

### SPECIFIC INSTRUCTIONS

- 1 NAME AND ADDRESS INFORMATION.** Enter the Social Security number, correct name and current address in the boxes. Be sure to check the appropriate box if you or your spouse are 65 or over or blind on the last day of the tax year. If your address is different from the address on your original return, be sure to answer "Yes" to the first question.
- 2 QUESTIONS.** Answer all of the questions and attach copies of any federal notices, amended forms and schedules. If filing your amended return for a Net Operating Loss Carryback or Carryforward, check the appropriate box. Provide the dates you resided in Maryland for the tax year and explain any changes from your original filing in Part III of Form 505X.
- 3 FILING STATUS.** Enter the filing status you used on your original return and show any change of filing status. Your filing status should correspond to the filing status used on your federal return.

Generally, you may not change from married filing joint to married filing separately after the original due date of

the return. Any change in filing status to or from married filing joint requires the signature of both spouses. Enter a

complete explanation in Part III of Form 505X.

## 4 COMPLETE PAGE 2 OF FORM 505X.

### PART I - Page 2

Enter the amount of income (or loss) from your federal return as corrected in Column A. Enter the amount of your Maryland income (or loss) as corrected in Column B. Enter the amount of your non-Maryland income (or loss) as corrected in Column C.

### PART II - Page 2

If you itemized deductions, enter your

original or previously adjusted amounts in Column A. Enter any increase (or decrease) in Column B and enter the corrected amounts in Column C.

Any amount deducted as contributions of Preservation and Conservation Easements for which a credit is claimed on Form 502CR must be included on line 8. On line 10, enter the adjusted gross income factor from the worksheet in Instruction 5.

### PART III

Use this section to provide a detailed explanation of the changes being made on the amended return. A filing status change must be fully explained here.

Enter the line number from page 1 for each item you are changing and state the reason for the change. Be sure to attach revised Form 505NR and any other required schedules or forms.

## NOW COMPLETE PAGE 1 OF FORM 505X.

### COLUMNS A-C

In Column A, enter the amounts from your return as originally filed or as previously adjusted or amended.

In Column B, enter the net increase or net decrease for each line you are

changing. Use a minus sign ( - ) to indicate a decrease. Explain each change in Part III of Form 505X and attach any related schedule or form. If you need more space, show the required information on an attached statement.

For Column C, add the increase in Column B to the amount in Column A, or subtract the Column B decrease from Column A. For any item you do not change, enter the amount from Column A in Column C.

## 5 FIGURE YOUR MARYLAND AND SPECIAL NONRESIDENT TAX.

**LINE 1 - Income and adjustments from federal return.** Copy the amounts from your federal amended return or as corrected by the IRS. Be sure to reconcile this figure to Part 1 of Form 505X and enter a complete explanation of the changes in Part III.

**LINE 2 - Additions to income.** For decoupling and tax preference items and amounts to be added when credits are claimed, attach corrected Maryland Form(s) 500DM, 502TP, 502CR or 500CR. Enter an explanation of the changes in Part III.

**LINE 4 - Subtractions from income.** Enter items such as child care expenses, pension exclusion and other subtractions as shown in the 2012 nonresident tax booklet. Enter an explanation of the changes in Part III and attach any corrected forms.

### LINE 6 - Method of computation.

**Standard deduction method.** The standard deduction is 15% of the Maryland adjusted gross income with the following

minimums and maximums.

#### Filing Status

Single	- Minimum of \$1,500 and maximum of \$2,000
Married filing separately	
Dependent taxpayer	

#### Filing Status

Married filing joint or spouse had no income	- Minimum of \$3,000 and maximum of \$4,000
Head of household	
Qualifying widow(er) with dependent child	

**Itemized deduction method.** Check the box and enter your total Maryland itemized deductions.

**LINE 8 - Exemptions.** The personal exemption is \$3,200. This exemption amount is reduced once the taxpayer's federal adjusted gross income exceeds \$100,000. (\$150,000 if filing Joint, Head of Household or Qualifying Widow(er) with Dependent Child). If you are subject to

this reduction, see the exemption chart in the nonresident tax instructions. Taxpayers 65 years or over or blind get an additional exemption of \$1,000.

Multiply the exemption amount by the AGI factor in the worksheet below to calculate the amount of the exemption to enter in column C of line 8 on the front of Form 505X. Use the exemption amount that you had claimed on your original return (or as previously adjusted) in Column A of line 8. The difference between these two figures should be entered in Column B of line 8.

Attach amended Form 502B if you are changing dependent information.

**LINE 10 - Computing the tax.** Complete Form 505NR nonresident instructions using corrected figures to determine the tax. Line 16 of the revised Form 505NR is entered on line 10 of Form 505X. Line 17 of the revised Form 505NR is entered on line 11 of Form 505X.

**Adjusted Gross Income (AGI) Factor.** You must adjust your standard or itemized deductions and exemptions using the AGI factor calculated in the worksheet below. Carry this amount to six decimal places. **NOTE: If Maryland adjusted gross income before subtractions (line 2) is 0 or less, use 0 as your factor. If your federal adjusted gross income (line 1) is 0 or less and line 2 is greater than 0, use 1 as your factor.**

### ADJUSTED GROSS INCOME FACTOR WORKSHEET

1. Enter your federal adjusted gross income (from line 17, column 1) . . . . . 1 \_\_\_\_\_
2. Enter your Maryland adjusted gross income before subtraction of non-Maryland income (from line 25) 2 \_\_\_\_\_
3. AGI factor. Divide line 2 by line 1 . . . . . 3 \_\_\_\_\_



## 2012 Tax Rate Schedules

### Tax Rate Schedule I

**For taxpayers filing as Single, Married Filing Separately, or as Dependent Taxpayers. This rate is also used for taxpayers filing as Fiduciaries.**

If taxable net income is:		Maryland Tax is:	
At least:	but not over:		
\$0	\$1,000	2.00%	of taxable net income
\$1,000	\$2,000	plus 3.00%	of excess over \$1,000
\$2,000	\$3,000	plus 4.00%	of excess over \$2,000
\$3,000	\$100,000	plus 4.75%	of excess over \$3,000
\$100,000	\$125,000	plus 5.00%	of excess over \$100,000
\$125,000	\$150,000	plus 5.25%	of excess over \$125,000
\$150,000	\$250,000	plus 5.50%	of excess over \$150,000
\$250,000	\$12,760.00	plus 5.75%	of excess over \$250,000

### Tax Rate Schedule II

**For taxpayers filing Joint, Head of Household, or for Qualifying Widows/Widowers.**

If taxable net income is:		Maryland Tax is:	
At least:	but not over:		
\$0	\$1,000	2.00%	of taxable net income
\$1,000	\$2,000	plus 3.00%	of excess over \$1,000
\$2,000	\$3,000	plus 4.00%	of excess over \$2,000
\$3,000	\$150,000	plus 4.75%	of excess over \$3,000
\$150,000	\$175,000	plus 5.00%	of excess over \$150,000
\$175,000	\$225,000	plus 5.25%	of excess over \$175,000
\$225,000	\$300,000	plus 5.50%	of excess over \$225,000
\$300,000	\$15,072.50	plus 5.75%	of excess over \$300,000

## 6 **EARNED INCOME CREDIT, POVERTY LEVEL CREDIT, CREDITS FOR INDIVIDUALS AND BUSINESS TAX CREDITS.** Enter each credit being claimed in the appropriate box on line 12a.

You may claim a credit equal to one-half of your federal earned income credit on line 12a. Since you are a nonresident, you must prorate the earned income credit using the Maryland income factor from line 9 of Form 505NR.

You may also claim a credit on line 12a equal to 5% of your earned income. If your income is less than the poverty level guidelines, please refer to the nonresident

instructions and worksheet to compute the allowable credit. If you are a nonresident, you must prorate the poverty level credit using the Maryland income factor.

Personal income tax credits from Form 502CR and business tax credits from Form 500CR should be entered in the appropriate box on line 12a. If these amounts are different from the original return, be sure to attach the completed Form 502CR and/

or Form 500CR with appropriate documentation or certifications.

If the total credits on line 12a are greater than the tax on line 12, enter zero on line 12b. The credits entered on line 12a are nonrefundable. For information concerning refundable credits, see Instruction 9.

## 7 **SPECIAL NONRESIDENT INCOME TAX.** The special nonresident tax is calculated on Line 17 of revised Form 505NR.

## 8 **CONTRIBUTIONS TO THE CHESAPEAKE BAY AND ENDANGERED SPECIES FUND, DEVELOPMENTAL DISABILITIES WAITING LIST EQUITY FUND AND MARYLAND CANCER FUND.**

Enter the amounts of your contribution in 13A for the Chesapeake Bay and Endangered Species Fund, 13B for the Developmental Disabilities Waiting List Equity Fund and 13C for the Maryland Cancer Fund. Any contribution will increase your balance due or reduce your refund. Enter the total of your contributions in the appropriate columns. Additional information concerning the funds is contained in the Maryland tax instructions for the tax year of the amended return.

## 9 **TAXES PAID AND CREDITS.** Write your taxes paid and credits on lines 15-20.

Enter the correct amounts on lines 15 through 19 and attach any additional or corrected W-2 statements, photocopies of cancelled checks or money orders for estimated account payments not credited on your original return. Attach corrected Form 502CR and other state returns, or corrected Form 500CR, Form 502H, and/or 502S for the applicable year being amended.

**Refundable Earned Income Credit.** You may be eligible for a refundable earned income credit if one-half of your federal earned income credit is greater than your

Maryland tax. Please refer to the Refundable Earned Income Credit Worksheet in the nonresident instructions, and enter the allowable credit on line 17.

**Refundable Income Tax Credits.** Enter the total of your refundable income tax credits on line 19. Attach Form 502CR.

a. **NEIGHBORHOOD STABILIZATION CREDIT.** Beginning with tax year 1999, individuals certified by Baltimore City or Baltimore County as qualified for the neighborhood stabilization credit may claim a credit equal to the property tax

credit granted by Baltimore City or Baltimore County. Attach a copy of the certification.

b. **HERITAGE STRUCTURE REHABILITATION AND SUSTAINABLE COMMUNITIES TAX CREDIT.** A credit is allowed for a percentage of qualified rehabilitation expenditures as certified by the Maryland Historical Trust. Attach a copy of the appropriate Form 502H and/or 502S and certification.

c. **REFUNDABLE BUSINESS INCOME TAX CREDIT.** See Form 500CR for instructions and qualifications.

## 10 **BALANCE DUE OR OVERPAYMENT.** Calculate the balance due or overpayment by subtracting the total on line 20 from the amount on line 14 and enter the result on either line 21 or line 22.

Enter the tax paid with the original return plus any additional tax paid after filing on line 23 (do not enter interest or penalty paid) OR enter the overpayment from your original return plus any additional overpayments from prior amendments or adjustments on line 24.

### If there is an amount on line 21:

- and line 21 is more than line 23, you owe additional tax. Enter the difference on line 26 and compute the interest due using the interest rates in Instruction 11.
- and there is also an amount on line 24,

you owe additional tax. Add the two together and enter the total on line 26. Compute the interest due. See Instruction 11.

- and line 21 is less than line 23, you are due a refund. Enter the difference on line 25.

### If there is an amount on line 22:

- and line 22 is more than line 24, you are due an additional refund. Enter the difference on line 25.
- and there is also an amount on line 23, you are due an additional refund. Add

the two together and enter on line 25.

- and line 22 is less than line 24, you owe additional tax. Enter the difference on line 26 and compute the interest due using the interest rates in Instruction 11.

### Previous interest and penalty

Interest and/or penalty charges for the year you are amending, whether previously paid or still outstanding, may be adjusted as a result of your amendment. Any payments made on the account have been applied first to penalty, then to interest and lastly to tax due. These payments

may require reallocation depending on the result of the amendment. We will notify you of the net balance due or refund when

we have completed processing your Form 505X.

**NOTE:** If all or part of the overpayment on your original return was credited to an estimated tax account for next year, we cannot reduce or remove this credit without specific authorization from you. If you have a balance due, and wish to apply monies credited to a 2013 estimated tax account, please attach written authorization for the amount to be removed. Interest charges are assessed even if the balance due is removed from the 2013 account.

## **11 INTEREST ON TAX DUE AND INTEREST FOR UNDERPAYMENT OF ESTIMATED TAX.** Interest must be computed and paid on any balance of tax due. Interest is due from the date the return was originally due to be filed until the date the tax is paid. The annual interest rate has been 13% since January 1, 1993.

### **UNDERPAYMENT OF ESTIMATED TAX**

If you do not meet the requirement for avoidance of interest for underpayment of estimated tax, obtain Form 502UP online at [www.marylandtaxes.com](http://www.marylandtaxes.com) or from

any office of the Revenue Administration Division. Complete and attach it to your amended return. Enter any interest due on line 27 of Form 505X.

If you calculated and paid interest on

underpayment of estimated tax with your original return, please recalculate the interest based on your amended tax return, and attach a copy of a revised Form 502UP showing your recalculation.

## **12 SIGNATURE, ATTACHMENTS AND PAYMENT INSTRUCTIONS.** Sign and date your return on page 2 and attach all required forms, schedules and statements.

### **SIGNATURES**

You must sign your return. Both husband and wife must sign a joint return. Your signature(s) signify that your return, including all attachments, is, to the best of your knowledge and belief, true, correct and complete, under the penalties of perjury.

### **TAX PREPARERS**

If another person prepared your return, that person must also sign the return and enter their preparer's tax identification number (PTIN). The preparer declares that the return is based on all information required to be reported of which the preparer has knowledge, under the

penalties of perjury. Penalties may be imposed for tax preparers who fail to sign the tax return and provide their preparers tax identification number.

### **ATTACHMENTS**

Be sure to attach wage and tax statements (Forms W-2, 1099 and K-1) to the front of your return if you are claiming additional Maryland withholding. Be sure to attach all forms, schedules and statements required by these instructions. Do not attach worksheets. Enclose your check or money order, if required.

### **MAILING INSTRUCTIONS**

Mail your return to:  
Comptroller of Maryland  
Revenue Administration Division  
Amended Return Unit  
110 Carroll Street  
Annapolis, Maryland 21411-0001

### **PAYMENT INSTRUCTIONS**

Make your check or money order payable to "Comptroller of Maryland." Write the type of tax and year of tax being paid on your check. It is recommended that you include your Social Security number on check using blue or black ink.  
**DO NOT SEND CASH.**

## **13 NET OPERATING LOSS (NOL).** To claim a deduction for a federal NOL on the Maryland return, you must first calculate the NOL for federal purposes. A deduction will be allowed on the Maryland return for the amount of the loss actually utilized on the federal return. The amount of loss utilized for federal purposes is generally equal to the federal taxable income (before loss is used) or the federal modified taxable income as calculated for the year of carryback or carryforward.

An addition or subtraction modification may be required in a carryback or carryforward year when the federal NOL, or the year to which the NOL is carried, includes items included in certain provisions of the Internal Revenue Code from which the State of Maryland has decoupled, including certain special depreciation allowances and 5-year carryback provisions. For more information, refer to Administrative Release 38.

An NOL generated when an individual or a business entity is not subject to Maryland income tax law, in a tax year beginning on or after October 22, 2007, cannot be used as a deduction to offset Maryland income. For acquisitions or liquidations occurring on or after October 22, 2007, the acquiring business entity which is subject to Maryland income tax law cannot use the

acquired or liquidated business entity's NOL as a deduction to offset Maryland income, if the acquired or liquidated business entity was not subject to Maryland income tax law when its NOL was generated. An NOL being carried forward from tax years beginning before October 22, 2007 can be used until exhausted.

An addition to income may be required in a carryback or carryforward year if the total Maryland additions to income exceeds the total Maryland subtractions from income **in the loss year**. The required addition to income represents a recapture of the excess additions over subtractions. The addition to income required is generally equal to the lesser of the NOL deduction in the carryback year or the net addition modification (NAM) in the loss year unless the loss year includes a

decoupling modification. For more information regarding NAM, refer to Administrative Release 18.

If an election to forgo a carryback is made, a copy of the federal election for the loss year must be attached with the Maryland amended return.

**You must attach copies of federal Form 1045 or 1040X, whichever was used for federal purposes, and a copy of the federal income tax return for the year of the loss. Also include Schedules A and B of Form 1045 or the equivalent worksheets used to develop the federal NOL and show the amounts utilized on the federal return in the carryback or carryforward years. Check the appropriate box on the front of Form 505X located directly below the name and address.**

## **14 INCOME TAX ASSISTANCE.** If you need additional information contact the Maryland Revenue Administration Division at 410-260-7980 from Central Maryland or 1-800-MDTAXES (1-800-638-2937) from elsewhere.

**REMINDER: Attach a revised Form 505NR to your 2012 Amended Nonresident Return.**