



DIVISION OF REVENUE AND TAXATION
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
TERRITORIAL INDIVIDUAL INCOME TAX RETURN



Form 1040CM

(Please type or print in ink)

2008

Do not write in this space

Name and Address	For the year Jan. 1 - Dec. 31, 2008, or other tax year beginning _____, 2008, ending _____ 20 _____		Your social security number	
	Your first name and initial _____ Last name _____		_____	
	If a joint return, spouse's first name and initial _____ Last name _____		Spouse's social security number	
	Home address (number and street). If you have a P.O. Box, see page 14. _____ Apt. No. _____		_____	
City, town, or post office, state and ZIP code. If you have a foreign address, see page 14. _____				

IMPORTANT !
 You must enter SSN(s) above

Filing Status Check only one box	<input type="checkbox"/> 1 Single
	<input type="checkbox"/> 2 Married filing joint return (even if only one had income)
	<input type="checkbox"/> 3 Married filing separate return. Enter spouse's social security no. above and full name here.▶ _____
	<input type="checkbox"/> 4 Head of household (with qualifying person). (See page 15.) If the qualifying person is a child but not your dependent, enter this child's name here. ▶ _____
	<input type="checkbox"/> 5 Qualifying widow(er) with dependent child (year spouse died ▶ _____). (See page 16)

Exemptions If more than four dependents see page 17	<input type="checkbox"/> 6a Yourself. If your parent (or someone else) can claim you as a dependent on his or her tax return, do not check box 6a.....	}	No. of boxes checked on 6a and 6b _____		
	<input type="checkbox"/> 6b Spouse.				
	c Dependents:	(2) Dependent's social security number	(3) Dependent's relationship to you	(4) <input checked="" type="checkbox"/> If qualifying child for child tax credit (see page 17)	No. of children on 6c who: <input type="checkbox"/> lived with you <input type="checkbox"/> did not live with you due to divorce or separation (see page 18) Dependents on 6c not entered above Add numbers entered on lines above ▶ <input style="width: 40px;" type="text"/>
	(1) First Name _____ Last Name _____	_____	_____	<input type="checkbox"/>	
	_____	_____	_____	<input type="checkbox"/>	
_____	_____	_____	<input type="checkbox"/>		
d Total number of exemptions claimed.....	_____			_____	

SOURCE OF INCOME	A. INCOME WITHOUT AND Income not subject to rebate	B. INCOME WITHIN AND Income subject to rebate	C. TOTAL INCOME
------------------	--	---	-----------------

Income	7 Wages, salaries, tips, etc. Attach Form(s) W-2 and W-2CM.....	7		
	8 a. Taxable interest. Attach Schedule B if required (see page 21).....	8a		
	b. Tax-exempt interest. DO NOT include on line 8a	8b		
	9 a. Ordinary dividends. Attach Schedule B if required.....	9a		
	b. Qualified dividends (see page 21)	9b		
	10 Taxable refunds, credits, or offsets of state and local income taxes (see page 22).....	10		
	11 Alimony received.....	11		
	12 Business income or (loss). Attach Schedule C or C-EZ.....	12		
	13 Capital gain (or loss). Attach Schedule D if required. If not required, check here.....▶ <input type="checkbox"/>	13		
	14 Other gains or (losses). Attach Form 4797.....	14		
	15 a. IRA distributions	15a		
	b. Taxable amount (see page 23)	15b		
	16 a. Pensions and annuities	16a		
	b. Taxable amount (see page 24)	16b		
	17 Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E.....	17		
	18 Farm income or (loss). Attach Schedule F.....	18		
	19 Unemployment compensation.....	19		
	20 a. Social security benefits	20a		
	b. Taxable amount (see page 26)	20b		
	21 a. Gambling winnings. Attach Form(s) W-2G.....	21a		
	b. Other income. List type and amount (see pages 28).....	21b		
	22 a. Total Income. Add amounts shown in all columns for lines 7 through 21b.....	22a		
b. Allocable percentage (see instructions).....	22b	_____ %	_____ %	
			100%	

Adjusted Gross Income	23 Educator expenses (see page 28).....	23	
	24 Certain business expenses of reservists, performing artists, and fee-basis governmental official. Attach Form 2106 or 2106-EZ.....	24	
	25 Health savings account deduction. Attach Form 8889.....	25	
	26 Moving expenses. Attach Form 3903.....	26	
	27 One-half of self-employment tax. Attach Schedule SE.....	27	
	28 Self-employed SEP, SIMPLE, and qualified plans.....	28	
	29 Self-employed health insurance deduction (see page 29).....	29	
	30 Penalty on early withdrawal of savings.....	30	
	31 a. Alimony paid	31a	
	b. Recipient's SSN	31b	
	32 IRA deduction (see page 30).....	32	
	33 Student loan interest deduction (see page 33).....	33	
	34 Tuition and fees deduction. Attach Form 8917.....	34	
	35 Domestic production activities deduction. Attach Form 8903.....	35	
	36 Add lines 23 through 31a and 32 through 35.....	36	
37 Subtract line 36 from line 22a, col. C. This is your adjusted gross income	37		

	38 Amount from line 37 (adjusted gross income).....		38
Tax and Credits	39 a. Check if: <input type="checkbox"/> YOU were born before January 2, 1944 <input type="checkbox"/> Blind Total boxes		
	<input type="checkbox"/> SPOUSE was born before January 2, 1944 <input type="checkbox"/> Blind Checked ▶ 39a <input type="checkbox"/>		
	b. If your spouse itemizes on a separate return or you were a dual-status alien, see page 34 and check here. ▶ 39b <input type="checkbox"/>		
	c. Check if standard deduction includes real estate taxes or disaster loss (see page 34) ▶ 39c <input type="checkbox"/>		
	40 Itemized deductions (from Schedule A) or your standard deduction People who checked any box on line 39a, 39b, or 39c or who can be claimed as a dependent (see page 34)		
	All others: <input checked="" type="radio"/> Single - \$5,450 <input checked="" type="radio"/> Married filing jointly or Qualifying widow(er) - \$10,900		
	<input checked="" type="radio"/> Head of household - \$8,000 <input checked="" type="radio"/> Married filing separately - \$5,450.....	40	
	41 Subtract line 40 from line 38.....	41	
	42 If line 38 is over \$119,975, or you provided housing to a Midwestern displaced individual, see page 36. Otherwise, multiply \$3,500 by the total number of exemptions claimed on line 6d.....	42	
	43 Taxable income. Subtract line 42 from line 41. If line 42 is more than line 41, enter -0-.....	43	
	44 Tax (see page 36). Check if any tax from a. <input type="checkbox"/> Form(s) 8814 b. <input type="checkbox"/> Form 4972.....	44	
	45 Alternative minimum tax. (See page 39). Attach Form 6251.....	45	
	46 Add lines 44 and 45..... ▶	46	
	47 Foreign tax credit. Attach Form 1116 if required.....	47	
	48 Credit for child and dependent care expenses. Attach Form 2441.....	48	
49 Credit for the elderly or the disabled. Attach Schedule R.....	49		
50 Education credits. Attach Form 8863.....	50		
51 Retirement savings contributions credit. Attach Form 8880.....	51		
52 Child tax credit(see page 42). Attach Form 8901 if required.....	52		
53 Credits from Form: a. <input type="checkbox"/> Form 8396 b. <input type="checkbox"/> Form 8839 c. <input type="checkbox"/> Form 5695.....	53		
54 Other Credits from Form: a. <input type="checkbox"/> Form 3800 b. <input type="checkbox"/> Form 8801 c. <input type="checkbox"/>	54		
55 Add lines 47 through 54. These are your total credits	55		
56 Subtract line 55 from line 46. If line 55 is more than line 46, enter -0-..... ▶	56		

	57 Self-employment tax. Attach Schedule SE.....		57
Other Taxes	58 Unreported social security and Medicare tax from Form: <input type="checkbox"/> a. Form 4137 <input type="checkbox"/> b. Form 8919.....		58
	59 Additional tax on IRAs, other qualified retirement plans, etc. Attach Form 5329 if required.....		59
	60 Additional taxes: <input type="checkbox"/> a. AEIC payments Do not include household employment taxes		60
	61 Add lines 57 through 60. This is your total tax ▶		61

	62 a. Federal income tax withheld from Forms W-2 and 1099.....	62a		
Payments	b. Total NMTIT (Chapter 7) withheld from Forms W-2CM and 1099.....	62b		
	63 2008 estimated tax payments and amount applied from 2007 return.....	63		
	64 a. Earned income credit (EIC)	64a		
	b. Nontaxable combat pay election <input type="checkbox"/> 64b <input type="checkbox"/>			
	65 Excess social security and tier 1 RRTA tax withheld (see page 61).....	65		
	66 Additional child tax credit. Attach Form 8812.....	66		
	67 Amount paid with request for extension to file (see page 61).....	67		
	68 Credits from Form: a. <input type="checkbox"/> 2439 b. <input type="checkbox"/> 4136 c. <input type="checkbox"/> 8801 d. <input type="checkbox"/> 8885	68		
	69 First-time homebuyer credit. Attach Form 5405.....	69		
	70 Recovery rebate credit (see worksheet on pages 62 and 63).....	70		
71 Add lines 62a, 62b, 63, 64a, 67 through 70. This is your total payments ▶	71			

	72 If line 71 is more than line 61, subtract line 61 from line 71. This is the amount you OVERPAID before Non-refundable credit and rebate offset.....		72
Refund	73 Amount of line 72 you want refunded to you . If Form 8888 is attached, check here <input type="checkbox"/>		73
	74 Amount of line 72 you want APPLIED TO YOUR 2009 ESTIMATED TAX		74

	75 Amount you owe. Subtract line 71 from line 61. This is the amount you OWE before the Non-refundable credit and rebate offset (see supplemental instructions).....		75
Amount you owe	76 Estimated tax penalty. (See page 65).....		76

	Do you want to allow another person to discuss this return with the Division of Revenue and Taxation (see page 66)? <input type="checkbox"/> Yes. Complete the following. <input type="checkbox"/> No.	
Third party designee	Designee's name ▶ Phone no. ▶ () Personal identification number (PIN) <input type="text"/>	

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

Keep a copy for Your Records	Your signature ▶	Date	Your occupation	Daytime phone number ()
	Spouse's signature. If a joint return, both must sign ▶	Date	Spouse's occupation	
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and Zip code. ▶			EIN Phone no. ()



DIVISION OF REVENUE AND TAXATION
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
ANNUAL WAGE AND SALARY AND EARNINGS TAX RETURN



For Form 1040CM

(Please type or print in ink)

2008

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

(See Form 1040-CM Supplemental instructions)

PART A WAGE AND SALARY TAX COMPUTATION	A. YOURSELF	B. SPOUSE
1 CNMI wages and salaries from Form(s) W-2 and W-2CM.....	1	
2 Other CNMI wages and salaries not included in line 1.....	2	
3 Total CNMI wages and salaries. (add lines 1 and 2).....	3	
4 Amount on line 3 not subject to the wage and salary tax. (attach explanation)	4	
5 CNMI wages and salaries. (subtract line 4 from line 3).....	5	
6 Annual wage and salary tax.....	6	
7 Education tax credit. (attach Schedule ETC).....	7	
8 Wage and salary tax after credit. (subtract line 7 from line 6).....	8	
9 Combined annual wage and salary tax. (add line 8, Columns A and B).....	9	
10 Wage and salary tax withheld and/or paid. (Form W-2CM)	10	
11 Total wage and salary tax due or (overpaid). Subtract line 10 from line 9. (if zero or less, place a bracket around the figure).....	▶ 11	

ATTACH FORM(S) W-2, W-2CM, W-2G AND 1099-R HERE

PART B EARNINGS TAX COMPUTATION	A. YOURSELF	B. SPOUSE
1 Gain from the sale of personal property.....	1	
2 One half of the gain from the sale of real property.....	2	
3 One half of the net income from leasing of real property.....	3	
4 Interest, dividends, rents, royalties	4	
5 a. Gross winnings from any gaming, lottery, raffle, etc.....	5a	
b. Less amount excludable. (attach Form(s) W-2G).....	5b	
Balance. (subtract line 5b from line 5a).....	5c	
6 Other income subject to the NMTIT, unless excludable under the earnings tax.....	6	
7 Total income subject to the earnings tax. (add lines 1 thru 4, line 5c, and line 6).....	7	
8 Annual earnings tax.....	8	
9 Education tax credit. (attach Schedule ETC).....	9	
10 Earnings tax after credit. (subtract line 9 from line 8).....	10	
11 Total earnings tax due. (add line 10, columns A and B).....	▶ 11	

PART C TOTAL CHAPTER 2 TAX DUE OR (OVERPAYMENT)	
Total Wage and Salary and Earnings taxes due or (overpayment). Add lines 11 of Part A and of Part B.....	▶

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

PART D CHAPTER 7 TAX AND REBATE OFFSET		
1 Chapter 7 tax underpayment after non-refundable credit. (enter amount from Form OS-3405A, line 16, part B).....	1	
2 Chapter 7 overpayment after non-refundable credit. (enter amount from Form OS-3405A, line 15, part B).....	2	()
3 Rebate offset amount. (enter amount from Form OS-3405A, line 17, part B).....	3	()
4 Chapter 7 liability or (overpayment) after rebate offset amount. (add lines 1 through 3).....	4	
5 Tax on overpayment of credits.....	5	
6 Estimated tax penalty.....	6	
7 Total Chapter 7 liability or (overpayment). (add lines 4, 5 and 6).....	7	

PART E COMBINE DUE OR (OVERPAYMENT)

1	Amount due or (overpaid), Chapter 2 and Chapter 7. (add lines 1 of Part C, and line 4 of Part D) If this amount is an overpayment, skip lines 2 through 4 1	
2	CHAPTER 2 : (a) () Enter amount underpaid (b) Failure to File..... 2b (c) Failure to Pay..... 2c (c) Interest Charge..... 2d	
3	CHAPTER 7 : (a) () Enter amount underpaid (b) Failure to File..... 3b (c) Failure to Pay..... 3c (c) Interest Charge..... 3d	
4	Total penalty and interest charges. (add lines 2b, 2c, 2d, 3b, 3c, and 3d)..... 4	
5	Total amount due or (overpaid), Chapter 2 and Chapter 7. (add lines 1 and 4 of this Part, and lines 5 and 6 of Part D)..... 5	
6	If line 5 is an overpayment, enter amount you want credited to your 2009 ESTIMATED TAX 6	
7	Amount from line 5 you want credited to your 2009 Business Gross Revenue Tax . Indicate the quarter..... 7	
8	Net overpayment 8	

PART F BUSINESS GROSS REVENUE TAX CREDIT ALLOCATION

Enter the TIN and amount you want credited from line 7, Part E above. The total credit allocation shall be equal to the amount on line 7, Part E above.

TIN	TAX TYPE	AMOUNT
	3105G	
	3105AF	
	3105MW	

TIN	TAX TYPE	AMOUNT
	3105G	
	3105AF	
	3105MW	

PART G ADDITIONAL CHILD TAX CREDIT COMPUTATION

Special Notice

This Part is provided to enable the Division of Revenue and Taxation to process your claim of the Additional Child Tax Credit (ACTC). Please note that the ACTC is being paid by the U.S. Treasury, and the Division of Revenue and Taxation is only facilitating your ACTC claim as agreed upon between the CNMI Department of Finance and the U.S. Treasury. By applying for the ACTC Refund and allowing the refund to be processed by the Division of Revenue and Taxation, you are giving the Division of Revenue and Taxation authorization to release tax information to the Internal Revenue Service (IRS). See supplemental Instructions for Part F, line 2 regarding rebate offset amount.

1	Additional Child Tax Credit. Enter the amount from line 13 of Form 8812. (Attach Form 8812)..... 1	
2	Enter the amount underpaid from line 5, Part E above..... 2	
3	Additional Child Tax Credit refund. (subtract line 2 from line 1, but not less than zero)..... 3	
4	Amount you still owe on this return after offset of the ACTC. (subtract line 2 from line 1, but not less than zero)..... 4	

Third Party Designee	Do you want to allow another person to discuss this return with the Division of Revenue and Taxation (see page 57)? <input type="checkbox"/> Yes. Complete the following. <input type="checkbox"/> No.			
	Designee's name ▶	Phone no. ▶ ()	Personal identification number (PIN)	<input type="text"/>
Sign Here	Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge.			
Joint return? See Page 15 Keep a copy for Your Records	Your signature	Date	Your occupation	Daytime phone number ()
	Spouse's signature. If a joint return, both must sign	Date	Spouse's occupation	
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed) address and Zip code. ▶			EIN Phone no. ()

FOR OFFICIAL USE ONLY					
DATE FILED*	DATE PAID	AMOUNT PAID	RECEIPT NO.	VERIFIED BY	POSTED BY



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



Form OS-3405A (Attach to Form 1040CM)

(SEE INSTRUCTIONS ON REVERSE SIDE)

2008

Name and Address

Your first name and initial	Last name	Your social security number
If a joint return, spouse's first name and initial	Last name	Spouse's social security number
Home address (number and street).	Apt. No.	<p align="center">IMPORTANT !</p> <p>You must enter SSN(s) above</p>
City, town, or post office, state and ZIP code.		

PART A NON-REFUNDABLE CREDITS

1	Wage and salary tax.....	1										
2	Earnings tax.....	2										
3	Business gross revenue tax											
	<table border="1"> <thead> <tr> <th>Name</th> <th>Tax ID No.</th> </tr> </thead> <tbody> <tr> <td>a)</td> <td></td> </tr> <tr> <td>b)</td> <td></td> </tr> <tr> <td>c)</td> <td></td> </tr> </tbody> </table>	Name	Tax ID No.	a)		b)		c)				
Name	Tax ID No.											
a)												
b)												
c)												
4	User fees paid.....	4										
5	Fees and taxes imposed under 4CMC § 2202(h).....	5										
6	Total non-refundable credits (add lines 1 through 5).....	6										

PART B REBATE COMPUTATION

7	Allocable percentage:		
	a Tax without the CNMI 7a _____ %		
	b Tax within the CNMI 7b _____ %		
8	Total NMTIT on all sources.....	8	
9	Total NMTIT payments made.....	9	
10	Tax on sources without CNMI. (multiply line 8 by the percentage as shown on line 7a).....	10	
11	Tax on sources within CNMI. (multiply line 8 by the percentage as shown on line 7b).....	11	
12	Total non-refundable credits. (enter amount from line 6, Part A).....	12	
13	Rebate base amount. (subtract line 12 from line 11. If zero or less, enter -0-).....	13	
14	Total CNMI and NON-CNMI source tax after non-refundable credits. (add lines 10 and 13).....	14	
15	NMTIT overpayment. (subtract line 14 from line 9. If zero or less, enter -0-).....	15	
16	NMTIT underpayment. (if line 14 is greater than line 9, subtract line 9 from line 14, otherwise, enter -0-).....	16	
17	Rebate offset amount. Calculate this amount as determined by the rebate base (line 13) using Rebate Table provided in Part B on reverse.....	17	

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

Instructions for Form OS-3405A -Computation of Non-Refundable Credit and Application for Rebate on CNMI Source Income Tax 2008

PART A NON-REFUNDABLE CREDITS

1. Enter the wage and salary tax as shown on line 9, Part A of the Annual Wage and Salary and Earnings Tax Return.
2. Enter the earnings tax as shown on line 11 of Part B of the Annual Wage and Salary and Earnings Tax Return.
3. Enter the amount of business gross revenue tax paid or accrued during the taxable year under 4 CMC Chapter 3. For partners and/or shareholders of sub-chapter S corporation, your share of BGRT should be in accordance with the percentage of profit or losses, or the equity, whichever is applicable. If you have more than one business name, list each one separately with its respective TIN and amount of BGRT. This is the tax under 4 CMC §1301.
4. Enter the amount of user fees paid during the taxable year under 4 CMC §1421.
5. Enter the amount of fees and taxes paid or accrued during the taxable year under 4 CMC §2202(h), in lieu of the tax under 4 CMC §1301.
6. Add all amounts shown in lines 1 through 5. This is your total non-refundable credit.

PART B REBATE COMPUTATION

- 7a. Enter the percentage (allocable ratio) of tax without the CNMI. This should be the percentage shown on line 22b column A of Form 1040CM.
- 7b. Enter the percentage (allocable ratio) of tax within the CNMI. This should be the percentage shown on line 22b column B of Form 1040CM.
8. Enter the tax as shown on line 61 of Form 1040CM.
9. Enter the total payments made for the taxable year as shown on line 71 of Form 1040CM.
10. Multiply the amount on line 8 by the percentage of tax without the CNMI as shown on line 7a.
11. Multiply the amount on line 8 by the percentage of tax within the CNMI as shown on line 7b.
12. Enter the total non-refundable credits from line 6, Part A.
13. Subtract line 12 from line 11. If zero or less, enter zero.
14. Add lines 10 and 13.
15. If line 9 is greater than line 14, subtract line 14 from line 9, otherwise, enter zero.
16. If line 14 is greater than line 9, subtract line 9 from line 14, otherwise, enter zero.
17. Calculate the rebate offset amount as determined by the rebate base (line 13) using the Rebate Table below. Enter the result here.

REBATE TABLE		
IF REBATE BASE (line 13) IS:	THE REBATE OFFSET AMOUNT IS:	EXAMPLE:
Not over \$20,000 ▶	90% of the rebate base ▶	Rebate base X 90%
\$20,001-\$100,000 ▶	\$18,000 plus 70% of the rebate base over \$20,000 ▶	Rebate base - 20,000 X 70% + 18,000
Over \$100,000 ▶	\$74,000 plus 50% of the rebate base over \$100,000 ▶	Rebate base - 100,000 X 50% + 74,000

If filing by mail, please send to:

**DIVISION OF REVENUE AND TAXATION
POST OFFICE BOX 5234 CHR
SAIPAN, MP 96950**

DEADLINE: APRIL 15, 2009