



# DIVISION OF REVENUE AND TAXATION

Department of Finance

Commonwealth of the Northern Mariana Islands

## TERRITORIAL INDIVIDUAL INCOME TAX RETURN FOR SINGLE AND JOINT FILERS WITH NO DEPENDENTS AND CNMI SOURCE INCOME ONLY



Form

**1040EZ-CM**

(Please type or print in ink)

**2017**

FOR OFFICIAL USE ONLY

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). If you have a P.O. box, see instructions		Apt. no.
		<b>Make sure the SSN(s) above are correct.</b>

City, town or post office, state, and ZIP code. If you have a foreign address, also complete spaces below (see instructions)

Foreign country name	Foreign province/state/county	Foreign postal code
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<b>Income</b>	1 Wages, salaries, and tips. This should be shown in box 1 of your W-2CM form(s). Attach your Form(s) W-2CM	1	
	2 Taxable interest. If the total is over \$1,500, you cannot use Form 1040EZ	2	
	3 Unemployment compensation and Alaska Permanent Fund dividends. See page 2 for explanation	3	
	4 Add lines 1, 2, and 3. This is your <b>adjusted gross income</b> .	4	
	5 If someone can claim you (or your spouse if a joint return) as a dependent, check the applicable box(es) below and enter the amount from the worksheet on page 2. <input type="checkbox"/> <b>You</b> <input type="checkbox"/> <b>Spouse</b>		
	If no one can claim you (or your spouse if a joint return) enter \$10,400 if <b>single</b> ; \$20,800 if <b>married filing jointly</b> . See page 2 for explanation.	5	
	6 Subtract line 5 from line 4. If line 5 is larger than line 4, enter -0-. This is your <b>taxable income</b> .	6	
	<b>Payments, Credits, and Tax</b>		
	7 NMTIT (Chapter 7) income tax withheld from box 2 of your form(s) W-2CM and 1099.	7	
	8a <b>Earned income credit</b> (EIC) (see instructions).	8a	
	b Nontaxable combat pay election.	8b	
	9 Add lines 7 and 8a. These are your <b>total payments and credits</b> .	9	
10 <b>Tax</b> . Use the amount on <b>line 6 above</b> to find your tax in the table in the instructions. Then, enter the tax from the table on this line.	10		
11 Health care: individual responsibility (see instructions) Full-year coverage <input type="checkbox"/>	11		
12 Add lines 10 and 11. This is your <b>total tax</b> .	12		
<b>Refund</b>			
13 If line 9 is larger than line 12, subtract line 12 from line 9. This is your <b>refund before rebate</b> .	13		
<b>Amount you owe</b>			
14 If line 12 is larger than line 9, subtract line 9 from line 12. This is the <b>amount you owe before rebate</b> .	14		

Enclose, but do not attach, any payment.

Do you want to allow another person to discuss this return with the Division of Revenue and Taxation (see instructions)?  **Yes**. Complete below.  **No**

Third Party Designee name	Phone no.	Personal identification number (PIN)
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**Sign Here**

Under penalties of perjury, I declare that I have examined this return and, to the best of my knowledge and belief, it is true, correct, and accurately lists all amounts and sources of income I received during the tax year. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge.

Joint return? See instructions	Your signature.	Date	Your occupation	Daytime phone number ( )
Keep a copy for your records.	Spouse's signature. If a joint return, <b>both</b> must sign.	Date	Spouse's occupation	

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
<b>Paid Preparer Use Only</b>	Firm's name	Firm's EIN	Phone no. ( )	
	Firm's address			

**Use this form if**

- Your filing status is single or married filing jointly. If you are not sure about your filing status, see instructions.
- You (and your spouse if married filing jointly) were under age 65 and not blind at the end of 2017. If you were born on January 1, 1953, you are considered to be age 65 at the end of 2017.
- You do not claim any dependents. For information on dependents, see Publication 501 .
- Your taxable income (line 6) is less than \$100,000 .
- You do not claim any adjustments to income. For information on adjustments to income, use the Tax Topics listed under Adjustments to Income at [www.irs.gov/taxtopics](http://www.irs.gov/taxtopics) (see instructions).
- The only tax credit you can claim is the earned income credit (EIC). The credit may give you a refund even if you do not owe any tax. You do not need a qualifying child to claim the EIC. For information on credits, use the Tax Topics listed under Tax Credits at [www.irs.gov/taxtopics](http://www.irs.gov/taxtopics) (see instructions). If you received a Form 1098-T or paid higher education expenses, you may be eligible for a tax credit or deduction that you must claim on Form 1040A-CM or Form 1040CM. For more information on tax benefits for education, see Pub. 970.
- **Caution:** If you can claim the premium tax credit or you received any advance payment of the premium tax credit in 2017, you must use Form 1040A-CM or Form 1040CM.
- You had only CNMI source wages, salaries, tips, taxable scholarship or fellowship grants, AND your total taxable interest was not over:
  - \$1,500 if filing single OR
  - \$3,000 if filing jointly, and neither you nor your spouse individually has interest income in excess of \$1,500.
 If you earned tips, including allocated tips, that are not included in box 5 and box 7 of your W-2CM, you may not be able to use Form 1040EZ-CM (see instructions). If you are planning to use Form 1040EZ-CM for a child who received Alaska Permanent Fund dividends, see the exception below.

**Filling in your return**

For tips on how to avoid common mistakes, see Instructions

- **Exception to using Form 1040EZ-CM.** If you have unemployment compensation or Alaska Permanent Fund dividends, you may not be able to use this form, as such income is generally not CNMI source. Unless the total Adjusted Gross Income on line 4 is not more than the exemption amount on line 5 and you have no further income tax withheld, you must use Form 1040A-CM or Form 1040-CM.  
If you received a scholarship or fellowship grant or tax-exempt interest income, such as on municipal bonds, see the instructions before filling in the form. Also, see the instructions if you received a Form 1099-INT showing federal income tax or NMTIT withheld or if federal income tax was withheld from your unemployment compensation or Alaska Permanent Fund dividends.  
Remember, you must report all wages, salaries, and tips even if you do not get a Form W-2CM from your employer. You must also report all your taxable interest, including interest from banks, savings and loans, credit unions, etc., even if you do not get a Form 1099-INT.

Use this worksheet to figure the amount to enter on line 5 if someone can claim you (or your spouse if married filing jointly) as a dependent, even if that person chooses not to do so. To find out if someone can claim you as a dependent, see Pub. 501

**Worksheet for Line 5- Dependents Who Checked One or Both boxes**

A. Amount, if any, from line 1 on front . . . . .	+ <u>350.00</u>	<b>Enter Total</b> ▶	A. _____
B. Minimum standard deduction . . . . .			B. <u>1,050</u>
C. Enter the <b>larger</b> of line A or line B here . . . . .			C. _____
D. Maximum standard deduction. If <b>single</b> , enter \$6,350; if <b>married filing jointly</b> , enter \$12,700			D. _____
E. Enter the <b>smaller</b> of line C or line D here. This is your standard deduction . . . . .			E. _____
F. Exemption amount.			F. _____
<ul style="list-style-type: none"> <li>• If single, enter -0-</li> <li>• If married filing jointly and -                             <ul style="list-style-type: none"> <li>- both you and your spouse can be claimed as dependents, enter -0-.</li> <li>- only one of you can be claimed as a dependent, enter \$4,050.</li> </ul> </li> </ul>	}		
G. Add lines E and F. Enter the total here and on line 5 on the front . . . . .			G. _____

(keep a copy for your records)

**If you did not check any boxes on line 5**, enter on line 5 the amount shown below that applies to you.

- Single, enter \$10,400. This is the total of your standard deduction (\$6,350) and your exemption (\$4,050).
- Married filing jointly, enter \$20,800. This is the total of your standard deduction (\$12,700), your exemption (\$4,050), and your spouse's exemption (\$4,050).



DIVISION OF REVENUE AND TAXATION

Department of Finance

Commonwealth of the Northern Mariana Islands

ANNUAL WAGE AND SALARY TAX RETURN



2017

Form 1040EZ-CM

(Please type or print in ink)

Form header section with fields for first name, last name, and social security number for both individual and spouse.

Attach Forms W-2CM and 1099 here.

PART A WAGE AND SALARY TAX COMPUTATION

A. YOURSELF

B. SPOUSE

Table with 7 rows for wage and salary tax computation, including CNMI wages, annual tax, withheld tax, and total due.

COMPLETE FORM OS-3405A ON PAGE 4 - COMPUTATION OF NON-REFUNDABLE CREDIT AND APPLICATION FOR REBATE ON CNMI SOURCE TAX BEFORE COMPLETING PART B BELOW

PART B CHAPTER 7 TAX AND REBATE OFFSET CALCULATIONS

Table with 7 rows for Chapter 7 tax and rebate offset calculations, including underpayment, overpayment, and liability.

PART C COMBINED DUE OR (OVERPAYMENT)

Table with 3 rows for combined due or overpayment, including total amount due and refund/rebate.

Third Party Designee section with fields for name, phone, and personal identification number.

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.

Signature section with fields for taxpayer and spouse signatures, dates, and occupations.

Paid Preparer Use Only section with fields for preparer name, signature, date, and firm information.



**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** For Form 1040EZ-CM

**2017**

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.	<b>Make sure the SSN(s) ▲ above are correct</b>
City, town or post office, state, and ZIP code		

**PART A - Non-refundable Credits**

Wage and salary tax. Enter amount from line 5, Part A of the Annual Wage and Salary Tax Return on page 3 **1**

**PART B - Rebate Computation**

<b>1</b>	Total NMTIT. Enter amount from line 10 of form 1040EZ-CM on page 1 . . . . .	<b>1</b>	
<b>2</b>	Total NMTIT payments made. Enter amount from line 9 of form 1040EZ-CM on page 1 . . . . .	<b>2</b>	
<b>3</b>	<b>Rebate base.</b> Subtract the amount in Part A, from the amount on line 1 of this part. If zero or less, enter -0-	<b>3</b>	
<b>4</b>	NMTIT overpayment (If line 2 is greater than line 3, subtract line 3 from line 2). Otherwise enter -0- . . .	<b>4</b>	
<b>5</b>	NMTIT underpayment (If line 3 is greater than line 2, subtract line 2 from line 3). Otherwise enter -0- . . .	<b>5</b>	
<b>6</b>	<b>Rebate offset amount.</b> Calculate this amount as determined by the rebate base (line 3) using the rebate table shown below. . . . .	<b>6</b>	

REBATE TABLE		
IF REBATE BASE (line 3) 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

**Sign Here** Under penalties of perjury, I declare that I have examined this return, and to the best of my knowledge and belief, it is true, correct, and accurately list all amounts and sources of income I received during the tax year. Declaration of preparer (other than the taxpayer) is based on all information of which the preparer has any knowledge.

<b>Keep a copy for Your Records</b>	Your signature	Date	Your occupation	Daytime phone number ( )
	Spouse's signature. If a joint return, <b>both</b> must sign	Date	Spouse's occupation	

<b>Paid Preparer Use only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's TIN   EIN
	Firm's address ▶				Phone no. ( )

**SUPPLEMENTAL INSTRUCTIONS FOR FORM 1040EZ-CM 2017**  
**Annual Wage and Salary Tax, Chapter 7 Tax, and Rebate Offset Calculations**

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**PART A WAGE AND SALARY TAX COMPUTATION**

1. Enter total wages and salaries received for work performed in the CNMI per Form(s) W-2CM box 16. (For a joint return, enter spouse's income in column B).
2. Enter other wages and salaries received for work performed in the CNMI which Form(s) W-2CM were not issued or received, i.e. tips, freelance income, etc.
3. Add lines 1 and 2 in each column.
4. Compute your wage and salary tax on the amount reported on line 3 (each column) using the wage and salary tax table below.

**WAGE AND SALARY TAX TABLE**

FROM	TO	RATE	FROM	TO	RATE
(a) 0	1,000.00	-0-	f) 22,000.01	30,000.00	6.0%
(b) 1,000.01	5,000.00	2.0%	g) 30,000.01	40,000.00	7.0%
(c) 5,000.01	7,000.00	3.0%	h) 40,000.01	50,000.00	8.0%
(d) 7,000.01	15,000.00	4.0%	i) 50,000.01	and over	9.0%
(e) 15,000.01	22,000.00	5.0%			

5. Add the tax on line 4, columns A and B and enter on this line.
  6. Enter the total Chapter 2 tax withheld as shown in Form(s) W-2CM box 17. Also, add other Chapter 2 wage and salary tax payments made for wages and salaries.
  7. Subtract line 6 from line 5. If less than zero, enclose the amount in parenthesis ( ) to indicate overpayment. This is the Chapter 2 wage and salary tax due or (overpaid).
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COMPLETE FORM OS-3405A -COMPUTATION OF NON-REFUNDABLE CREDIT AND APPLICATION FOR REBATE ON CNMI SOURCE TAX **BEFORE** COMPLETING PART B

**PART B CHAPTER 7 TAX AND REBATE OFFSET CALCULATIONS**

1. Enter amount from line 5 of Form OS-3405A.
  2. Enter amount from line 4 of Form OS-3405A.
  3. Enter amount from line 6 of Form OS-3405A.
  4. Add amounts on lines 1 through 3 of this part. Note that lines 2 and 3 are negative numbers. If the total on this line is less than zero, enclose the amount in parenthesis ( ).
  5. Enter the lesser of the amount on line 5 of Form 1040EZ-CM or the amount on line 2 (ignore bracket).
  6. Enter the estimated tax penalty here based on the underpaid tax shown on line 1 of this part.
  7. Add lines 4 thru 6. This is your total Chapter 7 (NMTIT) liability or overpayment. If overpaid, enclose the amount in parenthesis ( ).
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**PART C COMBINED DUE OR (OVERPAYMENT)**

1. Amount due or (overpaid). Add line 7 of PART A and line 7 of PART B. Make sure that negative amount is enclosed in parenthesis ( ).
2. If line 1 is an overpayment, enter amount you want credited to your **2018 estimated tax**.
3. Net (overpaid). Add line 1 and line 2 of this part. This is your **refund/rebate**.