

2020 NMI Unemployment Compensation Exclusion Worksheet—Schedule 1CM, line 8b

Attach this worksheet to your 2020 1040CM or 1040NR-CM

Primary name as shown on return.

Social Security Number

New Exclusion of up to \$10,200 of Unemployment Compensation

If your modified adjusted gross income (AGI) is less than \$150,000, the American Rescue Plan enacted on March 11, 2021, excludes from income up to \$10,200 of unemployment compensation paid in 2020, which means you don't have to pay tax on unemployment compensation of up to \$10,200. If you are married, each spouse receiving unemployment compensation doesn't have to pay tax on unemployment compensation of up to \$10,200. Amounts over \$10,200 for each individual are still taxable. If your modified AGI is \$150,000 or more, you can't exclude any unemployment compensation.

1. If you are filing Form 1040CM, enter the total of lines 1 through 7 of Form 1040CM. If you are filing Form 1040NR-CM, enter the total of lines 1a, 1b, and lines 2 through 7 **1.** _____
2. Enter the amount from Schedule 1CM, lines 1 through 6, and 8a. Don't include any amount of unemployment compensation from Schedule 1CM, line 7 on this line **2.** _____
3. Use the line 8 instructions of the IRS 1040 and 1040-SR to determine the amount to include on Schedule 1CM, line 8b, and enter here. Do not reduce this amount by the amount of unemployment compensation you may be able to exclude **3.** _____
4. Add lines 1, 2, and 3 **4.** _____
5. If you are filing Form 1040CM, enter the amount from line 10c. If you are filing Form 1040NR-CM, enter the amount from line 10d. **5.** _____
6. Subtract line 5 from line 4. This is your modified adjusted gross income. **6.** _____
7. Is the amount on line 6 \$150,000 or more?
 - a. Yes. Stop You can't exclude any of your unemployment compensation
 - b. No. Go to line 8
8. Enter the amount of unemployment compensation paid to you in 2020. Don't enter more than \$10,200 . **8.** _____
9. If married filing jointly, enter the amount of unemployment compensation paid to your spouse in 2020. Don't enter more than \$10,200. If you are filing Form 1040NR-CM, enter -0-. **9.** _____
10. Add lines 8 and 9 and enter the amount here. This is the amount of unemployment compensation excluded from your income. **10.** _____
11. Subtract line 10 from line 3 and enter the amount on Schedule 1CM, line 8b, column B. If the result is less than zero, enter it in parenthesis. On the line next to Schedule 1CM, line 8b, enter "UCE" and show the amount of unemployment compensation exclusion (line 10) in parenthesis on the line. Complete the rest of Schedule 1CM and Form 1040CM, or 1040NR-CM **11.** _____