



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



**Form 1040CM**

**2004**

**Please Type or Print in Ink**

For the year Jan. 1- Dec. 31, 2004, or other tax year beginning \_\_\_\_\_, 2004, ending \_\_\_\_\_ 20, \_\_\_\_\_

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 page 16. _____ Apt. No. _____	<b>♦ IMPORTANT ! ♦</b> You must enter SSN(s) above
City, town or post office, state, and ZIP code. If you have foreign address, see page 16. _____	

**Filing Status**  
Check only one box

1.  Single  
 2.  Married filing joint return (even if only one had income)  
 3.  Married filing separate return. Enter spouse's social security no. above and full name here. (See page 4 and 29.) \_\_\_\_\_  
 4.  Head of household (with qualifying person). (See page 17.) If the qualifying person is a child but not your dependent, enter this child's name here. \_\_\_\_\_  
 5.  Qualifying widow(er) with dependent child (year spouse died \_\_\_\_\_) (See page 17.)

**Exemptions**  
If more than five dependents, see page 18.

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.....  
 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 18)
(1) First Name	Last Name			
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

d Total number of exemptions claimed. \_\_\_\_\_

No. of boxes checked on 6a and 6b \_\_\_\_\_  
 No. of your children on 6c who:  
 lived with you  
 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 \_\_\_\_\_

**SOURCE OF INCOME**

		A. INCOME WITHOUT AND Income not subject to rebate	B. INCOME WITHIN AND Income subject to rebate	C. TOTAL INCOME
7	Wages, salaries, tips, etc. Attach Form(s) W2 and W-2CM .....	7		
8a	Taxable interest. Attach Schedule B if required.....	8a		
b	Tax-exempt interest. DO NOT include on line 8a..... [8b] _____			
9a	Ordinary Dividends. Attach Schedule B if required.....	9a		
b	Qualified dividends (see page 20)..... [9b] _____			
10	Taxable refunds, credits, or offsets of state and local income taxes (see page 20).....	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		
15a	IRA distributions _____ b Taxable amount (see page 22)	15b		
16a	Pensions and annuities _____ b Taxable amount (see page 22)	16b		
17	Rental real estate, royalties, partnerships, S corporations, trusts, etc. Attach Schedule E (see important instructions on page 77)	17		
18	Farm income or (loss). Attach Schedule F.....	18		
19	Unemployment compensation.....	19		
20a	Social security benefits _____ b Taxable amount (see page 24)	20b		
21a	Gambling winnings. Attach Form(s) W-2G.....	21a		
b	Other income. List type and amount (see page 24).....	21b		
22a	Total Income. Add amounts shown in all columns for lines 7 through 21b .....	22a		
b.	Allocable percentage (see instructions on page 77).....	22b	%	100%
23	Educator expenses (see page 26).....	23		
24	Certain business expenses of reservists, performing artists, and fee-basis government official. Attach Form 2106 or 2106-EZ.....	24		
25	IRA deduction (see page 26).....	25		
26	Student loan interest deduction (see page 28).....	26		
27	Tuition and fees deduction (see page 29).....	27		
28	Health savings account deduction. Attach Form 8889.....	28		
29	Moving expenses. Attach Form 3903.....	29		
30	One-half of self-employment tax. Attach Schedule SE.....	30		
31	Self-employed health insurance deduction (see page 30).....	31		
32	Self-employed SEP, SIMPLE, and qualified plans.....	32		
33	Penalty on early withdrawal of savings.....	33		
34a	Alimony paid b Recipient's SSN _____	34a		
35	Add lines 23 through 34a.....	35		
36	Subtract line 35 from line 22a, col. C. This is your adjusted gross income.....	36		

**Adjusted Gross Income**

Tax and Credits	37	Amount from line 36 (adjusted gross income).....	37			
	38a	Check if: <b>G</b> You were born before Jan. 2, 1940, <b>G</b> Blind; Total boxes <b>G</b> Spouse was born before Jan. 2, 1940, <b>G</b> Blind. Checked..... ▶ 38a <input type="checkbox"/>				
		b If your spouse itemizes on a separate return or you were a dual-status alien, see pg. 31 and check. ▶ 38b <input type="checkbox"/>				
	39	Enter the <b>larger</b> of your <b>Itemized deductions</b> from Schedule A, <b>OR Standard deduction</b> shown below. People who checked any box on line 38a or 38b or who can be claimed as a dependent, see page 31. All others: ! Single - \$4,850 ! Married filing jointly or Qualifying widow(er) - \$9,700 ! Head of household - \$7,150 ! Married filing separately \$4,850.....	39			
	40	Subtract line 39 from line 37.....	40			
	41	If line 37 is \$107,025 or less, multiply \$3,100 by the total number of exemptions claimed on line 6d. If line 37 is over \$107,025, see the worksheet on page 33.....	41			
	42	<b>Taxable income.</b> Subtract line 41 from line 40. If line 41 is more than line 40, enter -0-.....	42			
	43	<b>Tax</b> (see page 33). Check if any tax is from a <input type="checkbox"/> Form(s) 8814 b <input type="checkbox"/> Form 4972.....	43			
	44	<b>Alternative minimum tax</b> (See page 35). Attach Form 6251.....	44			
	45	Add lines 43 and 44.....▶	45			
	46	Foreign Tax Credit. Attach Form 1116 if required.....	46			
	47	Credit for child and dependent care expenses. Attach Form 2441.....	47			
	48	Credit for the elderly or the disabled. Attach Schedule R.....	48			
	49	Education credits. Attach Form 8863.....	49			
	50	Retirement savings contributions credit. Attach Form 8880.....	50			
	51	Child tax credit. (see page 37).....	51			
	52	Adoption Credit. Attach Form 8839.....	52			
	53	Credits from: a <b>G</b> Form 8396 b <b>G</b> Form 8859	53			
	54	Other credits. Check applicable box(es) a <b>G</b> Form 3800 b <b>G</b> Form 8801 c <b>G</b> Specify.....	54			
	55	Add lines 46 through 54. These are your <b>total credits</b> .....	55			
	56	Subtract line 55 from line 45. If line 55 is more than line 45, enter -0-.....▶	56			
	Other Taxes	57	Self-employment tax. Attach Schedule SE.....	57		
		58	Social security and Medicare tax on tip income not reported to employer. Attach Form 4137.....	58		
		59	Additional tax on IRAs, other qualified retirement plans etc. Attach Form 5329 if required.....	59		
		60	Advance earned income credit payments from Form(s) W-2 and W-2CM.....	60		
61		Household employment taxes. Attach Schedule H.....	61			
62		Add lines 56 through 61. This is your <b>total tax</b> .....▶	62			
Payments	63a	Federal income tax withheld from Forms W-2 and 1099.....	63a			
	63b	NMTIT (Chapter 7) withheld from Forms W-2CM and 1099.....	63b			
	64	2004 estimated tax payments and amount applied from 2003 return.....	64			
	65a	<b>Earned income credit.</b> Attach Schedule EIC if you have a qualifying child.....	65a			
	65b	<b>Nontaxable combat pay election</b> <input type="text" value="65b"/>				
	66	<b>Excess social security and tier 1 RRTA tax withheld (see page 54)</b> .....	66			
	67	Additional child tax credit. Attach Form 8812.....	67			
	68	Amount paid with request for extension to file (see page 54).....	68			
69	Other payments from: a <b>G</b> Form 2439 b <b>G</b> Form 4136 c <b>G</b> Form 8885	69				
70	Add lines 63a, 63b, 64, 65a, and 67 through 69. These are your <b>total payments</b> .....▶	70				
Refund	71	If line 70 is more than line 62, subtract line 62 from line 70. This is the amount you <b>OVERPAID before Non-refundable credit and rebate offset</b> .....▶	71			
	72	Amount of line 71 you want <b>REFUNDED TO YOU</b> .....▶	72			
	73	Amount of line 71 you want <b>APPLIED TO YOUR 2005 ESTIMATED TAX</b> .....	73			
Amount You Owe	74	Subtract line 70 from line 62. This is the amount you <b>OWE</b> before Non-refundable credit and rebate offset. (See additional instructions on pages 55 and 78).....	74			
	75	Estimated tax penalty. (See additional instructions on pages 55 and 78).....	75			

(See instructions on pages 78, 79, and 80)

**A. YOURSELF      B. SPOUSE**

<b>PART A</b> Wages and Salary Tax Computation	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.....	10	(		)
	11	Total wage and salary tax due or (overpaid) (add lines 9 and 10).....	11			

**A. YOURSELF      B. SPOUSE**

<b>PART B</b> Earnings Tax Computation	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 ( <b>see important instructions on page 79</b> ).....	4			
	5a	Gross winnings from any gaming, lottery, raffle, etc.....	5a			
	5b	Less amount excludable (attach Form(s) W-2G).....	5b	(		)
	5c	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				

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

**COMPLETE SCHEDULE OS-3405A (APPLICATION FOR REBATE ON CNMI SOURCE TAX) ON PAGE 4, BEFORE COMPLETING PART C**

<b>PART C</b> Chapter 7 Tax and Rebate Offset Calculations	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		

<b>PART D</b> Combined Due or (overpayment)	1	Amount due or (overpaid), Chapter 2 and Chapter 7 (add lines 11 of part A and B, and line 4 of part C).....	1		
	2	CHAPTER 2 : (b) Failure to File.....	2b		
		(a) _____ Enter amount underpaid (c) Failure to Pay.....	2c		
		(d) Interest Charge.....	2d		
	3	CHAPTER 7 : (b) Failure to File.....	3b		
		a) _____ Enter amount underpaid (c) Failure to Pay.....	3c		
		d) 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 C).....	5			
6	If line 5 is an overpayment, enter amount you want credited to your <b>2005 ESTIMATED TAX</b> .....	6			
7	Amount from line 5 you want credited to your <b>2005 BUSINESS GROSS REVENUE TAX</b> .....	7			
8	Net overpayment.....	8	(	)	

**Third Party Designee** Do you want to allow another person to discuss this return with the Division of Revenue and Taxation (see page 56)?  **Yes**. Complete the following.  **No**.

Designee's name ▶ \_\_\_\_\_ Phone no. ▶ (    )      Personal identification number (PIN) 

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**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 taxpayer) is based on all information of which preparer has any knowledge.

<b>Sign Here. 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's Use Only</b>	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed) and address and Zip ▶ _____			EIN Phone no. (    )

**SCHEDULE OS-3405A (APPLICATION FOR REBATE ON CNMI SOURCE INCOME TAX)  
AND CLAIM FOR ADDITIONAL CHILD TAX CREDIT**

(See instructions on page 81)

**PART A - Non-refundable Credits**

1 Wage and salary tax.....	1											
2 Earnings tax.....	2											
3 Business gross revenue tax												
a) <table border="1" style="width:100%; border-collapse: collapse;"><thead><tr><th style="width:50%;">Name</th><th style="width:50%;">Tax ID No.</th></tr></thead><tbody><tr><td> </td><td> </td></tr><tr><td> </td><td> </td></tr><tr><td> </td><td> </td></tr></tbody></table>	Name	Tax ID No.							a)			
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Name	Tax ID No.											
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 the 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 Adjusted CNMI source tax (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 Total tax underpaid (If line 14 is greater than line 9, subtract line 9 from line 14, otherwise, enter -0-).....	16			
17 Rebate base computation. (Enter this amount on Page 3, Part C, line 3).....	17			

**PART C - 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 important instructions on page 82, Part C, line 2 regarding rebate offset.

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

**PART D. Business Gross Revenue Tax Credit Allocation**

Enter the TIN and amount you want credited from line 7, Part D, page 3. The total credit allocation shall be equal to the amount on line 7, page 3.

TIN	TAX TYPE	AMOUNT	TIN	TAX TYPE	AMOUNT
	3105G			3105G	
	3105AF			3105AF	
	3105MW			3105MW	

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

**DEADLINE: APRIL 15, 2005**