



DIVISION OF REVENUE AND TAXATION
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

2008

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 9		Apt. No.
City, town or post office, state and Zip code. If you have a foreign address, see page 9		IMPORTANT ! You must enter SSN(s) above

Income	1	Total Wages, salaries, and tips. This should be shown in box 1 of your W-2CM form(s). Attach your W-2CM form(s).....	1	
	2	Taxable Interest income. If the total is over \$1,500, you cannot use Form 1040EZ-CM.....	2	
	3	Unemployment compensation (see page 11)	3	
	4	Add lines 1,2, and 3. This is your adjusted gross income	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"/> You <input type="checkbox"/> Spouse If no one can claim you (or your spouse if a joint return), enter \$8950, if single; \$17,900 if married filing jointly . 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 taxable Income.....	6	
Payments and tax	7	Enter your NMTIT (Chapter 7) income tax withheld from box 2a of your W-2CM form(s).....	7	
	8	a. Earned Income Credit (EIC) (see page 12)	8a	
		b. Nontaxable combat pay election (8b) <input type="checkbox"/> <input type="checkbox"/>		
	9	Recovery rebate credit (see worksheet on pages 17 and 18).....	9	
	10	Add lines 7, 8a, and 9. These are your total payments	10	
	11	Tax. Use the amount on line 6 above to find your tax in the tax table on pages 28-36 of the booklet Then, enter the tax from the table on this line	11	
Refund	12	If line 10 is larger than line 11, subtract line 11 from line 10. This is your refund (before rebate) If Form 8888 is attached, Check here <input type="checkbox"/>	12	
Amount you owe	13	If line 11 is larger than line 10, subtract line 10 from line 11. This the amount you owe (before rebate offset).....	13	

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

Joint return? See Page 6 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 selfemployed) ▶ address and Zip code.			EIN
				Phone no.

Form 1040EZ-CM (2008)

Use this form if	<ul style="list-style-type: none"> ● Your filing status is single or married filing jointly. If you are not sure about your filing status, see page 6. ● You (and your spouse if married) were under 65 and not blind at the end of 2008. If you were born on January 1, 1944, and you are considered to be age 65 at the end of 2008. ● You do not claim any dependents. For information on dependents, see Pub. 501. ● Your taxable income (line 6) is less than \$100,000. ● You do not claim any adjustment to income. For information on adjustments to income, use TeleTax topics 451-553 and 455-458 (see page 27). ● You had only CNMI source wages, salaries, tips, taxable scholarship or fellowship grants, or unemployment compensation, and your taxable interest was not over \$ 1,500. But 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 page 10). ● You did not receive any advance earned income credit payments.
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Filling in your return	<p>If you received a scholarship or fellowship grant or tax-exempt interest income, such as on municipal bonds, see the booklet before filling in the form. Also, see the booklet if you received a Form 1099-INT showing Federal or CNMI income tax withheld or if Federal income tax was withheld from your unemployment compensation or Alaska Permanent Fund dividends.</p> <p>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 union, etc., even if you do not get a Form 1099-INT.</p> <p> For tips on how to avoid common mistakes, see page 22.</p>
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Worksheet for dependents who checked one or both boxes on line 5.	<p>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.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">A.</td> <td style="width: 40%;">Amount, if any, from line 1 on front.</td> <td style="width: 10%; text-align: center;">+</td> <td style="width: 10%; border-bottom: 1px solid black; text-align: center;">300.00</td> <td style="width: 10%;"></td> <td style="width: 10%;"></td> </tr> <tr> <td></td> <td></td> <td></td> <td style="border-bottom: 1px solid black;"></td> <td style="text-align: right;">A.</td> <td style="border-bottom: 1px solid black;"></td> </tr> <tr> <td>B.</td> <td>Minimum standard deduction</td> <td></td> <td></td> <td style="text-align: right;">B.</td> <td style="border-bottom: 1px solid black; text-align: right;">900.00</td> </tr> <tr> <td>C.</td> <td>Enter the larger of line A or line B here.....</td> <td></td> <td></td> <td style="text-align: right;">C.</td> <td style="border-bottom: 1px solid black;"></td> </tr> <tr> <td>D.</td> <td>Maximum standard deduction. If single, enter \$5,450; if married filing jointly, enter \$10,900.....</td> <td></td> <td></td> <td style="text-align: right;">D.</td> <td style="border-bottom: 1px solid black;"></td> </tr> <tr> <td>E.</td> <td>Enter the smaller of line C or line D here. This is your standard deduction.....</td> <td></td> <td></td> <td style="text-align: right;">E.</td> <td style="border-bottom: 1px solid black;"></td> </tr> <tr> <td>F.</td> <td>Exemption amount..</td> <td></td> <td></td> <td style="text-align: right;">F.</td> <td style="border-bottom: 1px solid black;"></td> </tr> <tr> <td></td> <td> <ul style="list-style-type: none"> ● If single, enter -0- ● If married filing jointly and you checked ---. <ul style="list-style-type: none"> - both you and your spouse can be claimed as a dependent, enter -0- - only one of you can be claimed as a dependent, enter \$3,500. </td> <td></td> <td></td> <td style="text-align: right;">}</td> <td style="border-bottom: 1px solid black;"></td> </tr> <tr> <td>G.</td> <td>Add lines E and F. Enter the total here and on line 5 on front.....</td> <td></td> <td></td> <td style="text-align: right;">G.</td> <td style="border-bottom: 1px solid black;"></td> </tr> </table> <p>If you did not check any boxes on line 5, enter on line 5 the amount shown below that applies to you.</p> <ul style="list-style-type: none"> ● Single, enter \$8,950. This is the total of your standard deduction (\$5,450.00) and your exemption (\$3,500.00). ● Married filing jointly, enter \$17,900.00. This is the total of your standard deduction (\$10,900.00), your exemption (\$3,500.00), and your spouse's exemption (\$3,500.00). 	A.	Amount, if any, from line 1 on front.	+	300.00							A.		B.	Minimum standard deduction			B.	900.00	C.	Enter the larger of line A or line B here.....			C.		D.	Maximum standard deduction. If single , enter \$5,450; if married filing jointly , enter \$10,900.....			D.		E.	Enter the smaller of line C or line D here. This is your standard deduction.....			E.		F.	Exemption amount..			F.			<ul style="list-style-type: none"> ● If single, enter -0- ● If married filing jointly and you checked ---. <ul style="list-style-type: none"> - both you and your spouse can be claimed as a dependent, enter -0- - only one of you can be claimed as a dependent, enter \$3,500. 			}		G.	Add lines E and F. Enter the total here and on line 5 on front.....			G.	
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Mailing your return	<p>If filing by mail, please send to:</p> <p style="text-align: right;">Division of Revenue and Taxation Post Office Box 5234 CHRB Saipan, MP 96950</p>
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**DIVISION OF REVENUE AND TAXATION
COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS
ANNUAL WAGE AND SALARY**



For Form 1040EZ-CM

(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 !
	City, town, or post office, state and ZIP code.		

(See supplemental instructions)

		A. YOURSELF	B. SPOUSE
Part A Wage 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 Combined annual wage and salary tax (add line 6, Columns A and B)..... 7		
	8 Wage and salary tax withheld and/or paid (Form W-2CM) 8		
	9 Total wage and salary tax due or (overpaid) Subtract line 8 from line 7. If less than zero, place a bracket around the figure..... 9		

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

Part B Chapter 7 tax and Rebate offset calculation	1 Chapter 7 tax underpayment after non-refundable credit. Enter amount from Form OS-3405A, line 5..... 1	
	2 Chapter 7 overpayment after non refundable credit. Enter amount from Form OS 3405A, line 4..... 2	()
	3 Rebate offset amount. Enter amount from Form OS-3405A, line 6..... 3	()
	4 Chapter 7 liability or (overpayment) after rebate offset amount (add lines 1 through 3). If less than zero place a bracket around figure..... 4	
	5 Tax on overpayment of credits. Enter the lesser of line 2 above or line 8a page 1 of 1040EZ-CM..... 5	
	6 Estimated tax penalty..... 6	
	7 Total Chapter 7 liability or (overpayment) (add lines 4, 5 and 6)..... 7	
Part C Combined Due or (Overpayment)	1 Amount due or (overpaid), Chapter 2 and Chapter 7 (add lines 9 of part A, and line 4 of part B) If this amount is an overpayment, skip lines 2 through 4 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 B)..... 5		
6 If line 5 is an overpayment, enter amount you want credited to your 2009 ESTIMATED TAX 6		
7 Net overpayment..... 7		

Third Party Designee Do you want to allow another person to discuss this return with the Division of Revenue and Taxation (see page 57)? Yes. Complete the following. No.

Designee's name ▶ Phone no. ▶ () Personal identification number (PIN) [] [] [] [] [] []

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 taxpayer) is based on all information of which 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 Preparer's SSN or PTIN [] [] [] [] [] []

Firm's name (or yours if selfemployed) address and zip ▶ EIN [] [] [] [] [] [] Phone no. [] [] [] [] [] []

DEADLINE: APRIL 15, 2009 * If received after the due date, show post mark.

Instructions for Wage And Salary Tax, Chapter 7 Tax, and Rebate Offset Calculations (for Form 1040EZ-CM) 2008

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. If this is a joint return, your spouse must also enter the same information, if any, in column B.
2. Enter in column A, 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. If this is a joint return, your spouse must also enter the same information, if any, in column B.
3. Add lines 1 and 2 under each column.
4. Enter the amount not subject to the wage and salary tax. This includes CNMI government/agency employees W-2CM box 12 code G, housing benefits included in line 1, etc. Attach explanation otherwise this amount will be disallowed.
5. Subtract line 4 from line 3 under each column. This is your total CNMI wages and salaries that is subject to the wage and salary tax.
6. Compute your tax liability on amount reported on line 5 of 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%			

7. Add the tax on line 6, columns A and B.
8. Enter the total Chapter 2 tax withheld as shown in Form(s) W-2CM box 17. Also, enter other Chapter 2 wage and salary tax payments made for wages and salaries.
9. Subtract line 8 from line 7. If less than zero, place a bracket around the figure to indicate an over payment. This is the Chapter 2 wage and salary tax due/overpayment.

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

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 line 1 thru 3 of this part. Note that lines 2 and 3 are negative numbers. If the total on this line is less than zero, place a bracket around the figure.
5. Enter the lesser of the amount on line 8a 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.

PART C Combined due/(overpayment)

1. **AMOUNT DUE/(OVERPAID).** Add line 9 of Part A and line 4 of Part B. If this line shows a tax due and you filed on or before the deadline, continue on line 5. **HOWEVER**, if this line shows a tax due and you filed **AFTER** the deadline, proceed to line 2a. If this is an overpayment, place a bracket around your figure and continue on line 5.
2. (a) Enter the lesser of line 9, Part A or line 1 of this part. However, if line 9 is zero or less enter zero and continue on line 3.
(b) **Failure to File Penalty for Chapter 2 taxes:** For returns filed and paid after the due date, a penalty of 5% of amount due (line 2a) shall be added for every month or fraction thereof, elapsing between the due date of this return until the date it is actually filed; not exceeding 25% in the aggregate. If the failure to pay penalty becomes applicable, the 5% failure to file penalty shall be reduced by 1/2 of 1%. Enter the total Chapter 2 failure to file penalty on this line.
(c) **Failure to Pay Penalty for Chapter 2 taxes:** A penalty of 1/2 of 1% per month, or fraction thereof, of the amount due (line 2a) shall be added for failure to pay taxes. Enter the total Chapter 2 failure to pay penalty on this line.
(d) **Interest on Chapter 2 taxes:** Interest at prevailing rate compounded daily, is imposed on the amount due (line 2a, 2b and 2c). Enter the total Chapter 2 interest on this line. (Note: The annual interest rate is subject to change as determined by the Commissioner). The applicable interest table is available at the Division of Revenue and Taxation. The Division of Revenue and Taxation can compute the interest charges and bill you on it.
3. (a) If line 1 is a tax due, subtract line 2a from line 1.
(b) **Failure to File Penalty for Chapter 7 taxes:** A penalty of 5% is imposed of the net amount due (line 3a) up to one month, with an additional 5% for every additional month or fraction thereof, up to a maximum of 25%. If the failure to pay penalty becomes applicable, the 5% failure to file penalty shall be reduced by 1/2 of 1%. Enter the total Chapter 7 failure to file penalty on this line.
(c) **Failure to Pay Penalty for Chapter 7 taxes:** A penalty of 1/2 of 1% per month, or fraction thereof, of the amount due (line 3a) shall be added for failure to pay taxes. The aggregate amount shall be limited to a maximum of 25%. Enter the total Chapter 7 failure to pay penalty on this line.
(d) **Interest on Chapter 7 taxes:** Interest at prevailing rate compounded daily, is imposed on the amount due (line 3a, 3b and 3c). Enter the total Chapter 7 interest on this line. (Note: The annual interest rate is subject to change as determined by the Commissioner). The applicable interest table is available at the Division of Revenue and Taxation. The Division of Revenue and Taxation can compute the interest and bill you on it.
4. Add lines 2b, 2c, 2d, 3b, 3c and 3d. This is the total penalty and interest charges applicable to Chapter 7 and Chapter 2 taxes.
5. Add lines 1 and 4 (if any) of this part, and lines 5 and 6 of Part B. If it is a tax due, make your check payable to: "CNMI Treasurer". This is the combined due/overpayment for Chapter 7 and/or Chapter 2 taxes. If it is an overpayment, place a bracket around your figure and proceed to line 6.
6. Enter amount of overpayment on line 5, you want applied to your 2009 ESTIMATED TAX.
7. **Amount you want refunded.** Add lines 5 and 6 of this part. This is the combined overpayment for Chapter 2 and Chapter 7 refund/rebate.

NOTE: Applicable interest rates is available at www.cnmidof.net



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

2008

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.	
City, town, or post office, state and ZIP code.			♦ IMPORTANT ! ♦ You must enter SSN(s) above	

PART A - Non-refundable Credits

Wage and salary tax. Enter amount from line 7, Part A of the Wage and Salary Tax Return.....

PART B - Rebate Computation

1	Total NMTIT. Enter amount from line 11 of form 1040EZ-CM.....	1	<input type="text"/>
2	Total NMTIT payments made. Enter amount from line 10 of form 1040EZ-CM.....	2	<input type="text"/>
3	Rebate base amount. Subtract the amount in Part A, from the amount on line 1 of this part. If zero or less, enter -0-....	3	<input type="text"/>
4	NMTIT overpayment. If line 2 is greater than line 3, subtract line 3 from line 2, otherwise enter 0.....	4	<input type="text"/>
5	NMTIT underpayment. If line 3 is greater than line 2, subtract line 2 from line 3, otherwise enter 0.....	5	<input type="text"/>
6	Rebate offset amount. Calculate this amount as determined by the rebate base (line 3) using the rebate table shown below.	6	<input type="text"/>

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 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.			
	Your signature	Date	Your occupation	Daytime phone number ()
Keep a copy for Your Records	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 selfemployed) address and zip			EIN Phone no.