



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

2011

Name, Address and SSN	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.	IMPORTANT ! You must enter SSN(s) above
	City, town, or post office, state and ZIP code. If you have a foreign address, see page 9.			
	Foreign country name	Foreign province/Country	Foreign postal code	

Income <small>Attach Form(s) W-2CM here.</small>	1 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 \$1,000, you cannot use Form 1040EZ.....	2	
	3 Unemployment compensation (see instructions)	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 \$9,500, if single; \$19,000 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, Credits and Tax	7 NMTIT (Chapter 7) income tax withheld from box 2 of your W-2CM form(s)	7	
	8a Earned Income Credit (EIC) (see page 13)	8a	
	b Non-taxable combat pay election	8b	
	9 Add lines 7 and 8a. These are your total payments and credits	9	
10 Tax . Use the amount on line 6 above to find your tax in the tax table instructions. Then, enter the tax from the table on this line	10		

Refund	11 If line 9 is larger than line 10, subtract line 10 from line 9. This is your refund (before rebate)	11	
Amount you owe	12 If line 10 is larger than line 9, subtract line 9 from line 10. This is the amount you owe (before rebate offset)..	12	

Third Party Designee

Do you want to allow another person to discuss this return with the Division of Revenue and Taxation (see instructions)? Yes. Complete below. 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 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.

▶ 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

Print/type preparer's name	Preparer's signature	Date	Check if <input type="checkbox"/> self-employed	PTIN
Firm's name ▶				Firm's EIN
Firm's address ▶				Phone No.



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 (1040EZ-CM)

2011

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.		

PART A - Non-refundable Credits

1 Wage and salary tax. Enter amount from line 7, Part A of the Wage and Salary Tax Return..... 1

PART B - Rebate Computation

1 Total NMTIT. Enter amount from line 10 of form 1040EZ-CM, page 1 1

2 Total NMTIT payments made. Enter amount from line 9 of form 1040EZ-CM, page 1..... 2

3 Rebate base amount. Subtract line 1 Part A, from line 1 of this part. If zero or less, enter -0- 3

4 NMTIT overpayment. If line 2 is greater than line 3, subtract line 3 from line 2. Otherwise enter -0-..... 4

5 NMTIT underpayment. If line 3 is greater than line 2, subtract line 2 from line 3. Otherwise enter -0-..... 5

6 **Rebate offset amount.** Calculate this amount as determined by the rebate base (line 3) using the rebate table shown below. 6

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 (line 3) X 90%
\$20,001 - \$100,000	\$18,000 plus 70% of the rebate base over \$20,000	Rebate base (line 3) - 20,000 X 70% + 18,000

Sign Here Keep a copy for your records	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.				
	▶ 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	Print/type preparer's name	Preparer's signature	Date	Check if <input type="checkbox"/> self-employed	PTIN
	Firm's name ▶				Firm's EIN
	Firm's address ▶				Phone no.

SUPPLEMENTAL INSTRUCTIONS FOR FORM 1040EZ-CM 2011
Annual Wage and Salary Tax, Chapter 7 Tax, and Rebate Offset Calculations

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 information 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. Enter the amount not subject to the wage and salary tax. This includes CNMI government/agency employees W-2CM box 12 code G, deductible portion of housing benefits included in line 1, etc. Attach explanation otherwise this amount will be disallowed.
5. Subtract line 4 from line 3 in each column. This is the total CNMI wages and salaries subject to the wage and salary tax.
6. Compute the wage and salary on amount reported on line 5 (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 and enter on this line.
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 overpayment. 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 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 amount on lines 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. If overpayment, place a bracket around the figure.

PART C COMBINED DUE/(OVERPAYMENT)

1. AMOUNT DUE/(OVERDUE). Add line 9 of Part A and line 4 of Part B. If you file **BEFORE** the deadline or if this line shows an overpayment continue on line 5, otherwise, continue on line 2.
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 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 line 2b, 2c, 2d, 3b, 3c and 3d. This is the total penalty and interest charges applicable to Chapter 2 and Chapter 7 taxes.
5. Add lines 1 and 4 (if any) of this part, and lines 5 and 6 Part B. This is the combined due/overpayment for Chapter 2 and Chapter 7 tax. This shows an amount if it is an overpayment, place a bracket around your figure.
6. Enter amount of overpayment on line 5, you want applied to your 2012 ESTIMATED TAX.
7. **Amount you want refunded.** Add lines 5 and 6. This is the combined overpayment for Chapter 2 and Chapter 7 refund/rebate.

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