Schedule NTS-L-NR/PY. No Tax Status and Limited Income Credit

Enter all losses as "0" 1996

LINE

1 Total 5.95% income (from Form 1-NR/PY, line 12) . . . 1

2 Adjustments to income (Enter the total of Schedule Y, lines 1 through 3) . . . 2

3 Adjusted 5.95% income. Subtract line 2 from line 1. Do not enter less than "0" . . . 3

4 Interest exemption used (from Form 1-NR/PY, enter the smaller of line 7a or line 7b) . . . 4

5 Subtotal 12% and 5% income (total of Form 1-NR/PY, line 25a and 26a) . . . 5

6 Excess exemptions (from Schedule B, line 20): a.
(from Schedule D, line 9): b. . . . a + b = 6

7 Nonresidents, enter the amount from Form 1-NR/PY, line 14e. Part-year residents, enter income earned while a nonresident . . . 7

8 Massachusetts Adjusted Gross Income (AGI). Add lines 3 through 7 . . . 8

If you are single and the total in line 8 is $8,000 or less, you qualify for No Tax Status. Fill in the oval in line 27, enter "0" in line 28, and continue on Form 1-NR/PY. If you are single but do not qualify for No Tax Status and your total in line 8 is $14,000 or less, go to line 11 to see if you qualify for the Limited Income Credit.

9 If married and filing a joint return, multiply the number of dependents (from Form 1-NR/PY, line 4b) by $1,000 and add $13,450 to that amount. If head of household, multiply the number of dependents (from Form 1-NR/PY, line 4b) by $1,000 and add $12,120 to that amount. If line 8 is less than or equal to line 9, you qualify for No Tax Status. Fill in the oval in line 27, enter "0" in line 28, and continue on Form 1-NR/PY . . . 9

10 If you do not qualify for No Tax Status and you are married and filing a joint return, multiply the number of dependents (from Form 1-NR/PY, line 4b) by $1,750 and add $23,538 to that amount. If head of household, multiply the number of dependents (from Form 1-NR/PY, line 4b) by $1,750 and add $21,210 to that amount. Enter the result here. If line 8 is less than or equal to line 10, you may qualify for the Limited Income Credit. Go to line 11 . . . 10

11 No Tax Status threshold. Enter $8,000 if single. If married filing a joint return or head of household, enter the amount from line 9. . . . 11

12 Income for Limited Income Credit. Subtract line 11 from line 8 . . . 12

13 Total tax (from Form 1-NR/PY, line 28) . . . 13

14 Tax for Limited Income Credit. Multiply line 12 by 10% (.10) . . . 14

15 Limited Income Credit. If line 13 is smaller than line 14, you are not eligible for this credit. Enter "0." If line 13 is larger than line 14, subtract line 14 from line 13 and enter the result here and in line 29 of Form 1-NR/PY . . . 15

Schedule F. Credit for Income Taxes Paid to Other Jurisdictions

For part-year residents only

If you have 12% or 5% income that is taxed by other jurisdictions, see instructions.

1 Total 5.95% income taxed by other jurisdictions . . . ► 1

2 Total gross 5.95% income (from Form 1-NR/PY, add line 12 and the **smaller** of line 7a or line 7b) . . . 2

3 Percentage of total taxed by other jurisdictions. Divide line 1 by line 2 . . . 3

4 Mass. tax on 5.95% income (from Form 1-NR/PY, line 24, subtract Limited Income Credit in line 29 and Schedule B-1 credit in line 30) . . . 4

5 Percentage of Massachusetts tax. Multiply line 3 by line 4 . . . 5

6 Income tax paid on such income to other jurisdictions (enclose copies of returns). See instructions . . . 6

7 **ALLOWABLE CREDIT.** Enter the **smaller** of line 5 or line 6 here and in line 31 on Form 1-NR/PY . . . 7