

17 NCAC 06B .3904 TAXABLE INCOME OF NONRESIDENTS AND PART-YEAR RESIDENTS

- (a) Nonresidents and part-year residents shall prorate their adjusted gross income, adjusted as required under G.S. 105-153.5 and G.S. 105-153.6, to determine the portion that is subject to North Carolina tax.
- (b) An individual who files a joint federal income tax return with his or her spouse and is not required to file a joint North Carolina income tax return because the spouse is a nonresident and had no North Carolina taxable income, may file the State return as either married filing jointly or married filing separately. However, once the individual files a joint North Carolina income tax return, the individual shall not amend the return to file as married filing separately for that tax year after the due date of the return. An individual who files a joint federal income tax return and chooses to file a separate State return shall calculate the individual's adjusted gross income on a federal income tax form as a married person filing a separate federal income tax return and attach it to the individual's North Carolina return to show how the separate adjusted gross income was determined. The individual filing the separate federal income tax return shall report only the individual's income and deductions. In lieu of making the calculation on a federal form, an individual may submit a schedule showing the computation of the individual's separate adjusted gross income. An individual who submits a schedule shall attach a copy of pages one and two of the individual's joint federal return if the federal return reflects an address outside North Carolina.
- (c) An individual who has income from sources within another state or country while a resident of North Carolina and is subject to tax on the income by the other state or country may be eligible to claim a tax credit for tax paid to another state or country under G.S. 105-153.9.
- (d) A nonresident is not entitled to the tax credit for tax paid to another state or country.

History Note: Authority G.S. 105-153.4; 105-153.8; 105-153.9; 105-262;
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