



Changes in Maryland 2015 Tax Forms and Instructions

Christopher J. Kolb, CPA
Manager - Taxpayer Media Section



Income Tax

Maryland Tax Forms

- ✓ Fill-in forms and the current Withholding Guide are available on www.marylandtaxes.com.
- ✓ We no longer distribute resident tax booklets through mass mailing.
- ✓ We have made a limited number of resident tax booklets available to libraries.

Maryland Tax Forms



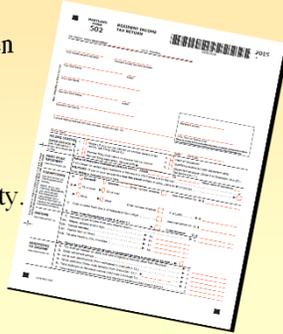
Forms may be requested through our Central Files Unit or one of our branch offices.

Maryland Tax Forms

Our tax forms have been reformatted:

1. to enhance form processing
2. to improve readability.

Note: Some of our forms will have more pages.



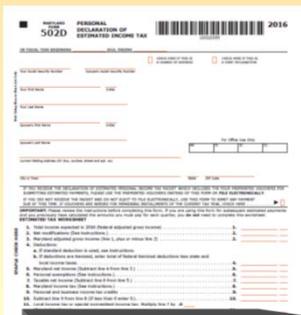
Form 502 Resident Return

New Contribution: Fair Campaign Financing Fund

New lines on tax forms:

- ✓ Line 38 of Form 502
- ✓ Line 41 of Form 505
- ✓ Line 25 of Form 504

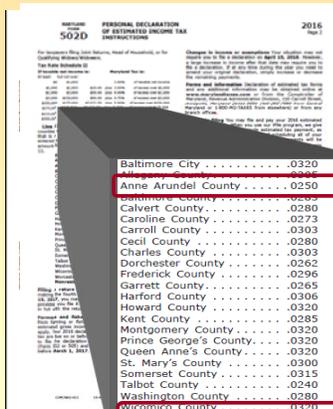




Form 502D
Maryland
Declaration of
Estimated Income
Tax

Line 12 is the new line for the local income

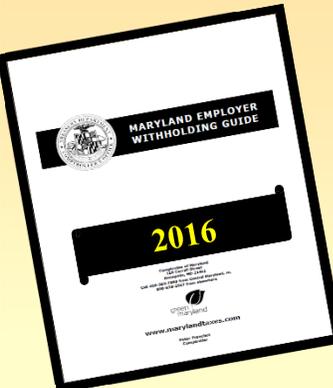
12. Local income tax credit



Form 502D
Maryland
Declaration of
Estimated Income
Tax

Baltimore City . . . . .	.0320
Baltimore County . . . . .	.0250
Anne Arundel County . . . . .	.0250
Calvert County . . . . .	.0280
Caroline County . . . . .	.0273
Carroll County . . . . .	.0303
Cecil County . . . . .	.0280
Charles County . . . . .	.0303
Dorchester County . . . . .	.0262
Frederick County . . . . .	.0296
Garrett County . . . . .	.0265
Harford County . . . . .	.0306
Howard County . . . . .	.0320
Kent County . . . . .	.0285
Montgomery County . . . . .	.0320
Prince George's County . . . . .	.0320
Queen Anne's County . . . . .	.0320
St. Mary's County . . . . .	.0300
Somerset County . . . . .	.0315
Talbot County . . . . .	.0240
Washington County . . . . .	.0280
Wicomico County . . . . .	.0320
Worcester County . . . . .	.0175

Anne Arundel County decreased rate to .0250 for 2016.
 Worcester County increased rate to .0175.
 Nonresidents use .0175.



Employer
Withholding
Guide

We have updated the Withholding Guide with the new **1.75%** local and/or special nonresident tax rate for **2016**.

Form 588

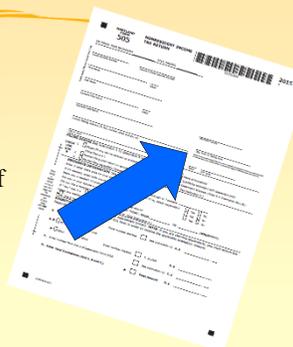
New for Tax Year 2015

Individual taxpayers now have the option to use all or part of their Maryland income tax refund to purchase U.S. Series I Savings Bonds.

- You must have an established account with TreasuryDirect to which the designated portion of your refund will be deposited. Please see www.treasurydirect.gov for information on opening an account.
- Follow the General Instructions, as outlined above, for filling out Form 588. The Routing Number for TreasuryDirect is 051736158. Fill in your TreasuryDirect account number. REMEMBER, you must have an established Treasury Direct account.
- Once your designated refund has been deposited into your TreasuryDirect account, you may purchase U.S. Series I Savings Bonds by accessing your TreasuryDirect Account. For more information, please go to the following webpage: www.treasurydirect.gov

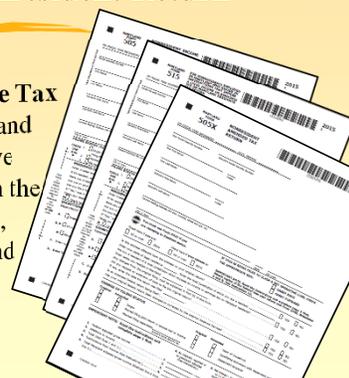
Form 505 Nonresident Return

County Information:
Nonresidents are to complete county and local jurisdiction info, if they earned wages in Maryland.



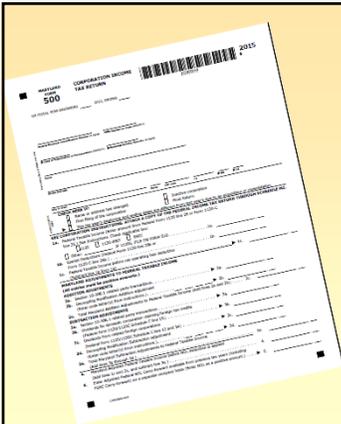
Form 505 Nonresident Return

No Earned Income Tax Credit: The EIC and refundable EIC have been removed from the nonresident returns, Form 505, 505X and 515.



Form 505 Nonresident Instructions

- ✓ **Instruction 12** – Letter code “c” updated:
 - When the **Endow Maryland Tax Credit** is claimed, add back the **amount of the donation** included in the application for this credit, rather than the tax credit amount.



Form 500 Corporation Income Tax Return

We have removed the reference to Maryland Form 500MC from line 8 of Schedule B.

Form 500 Corporation Instructions

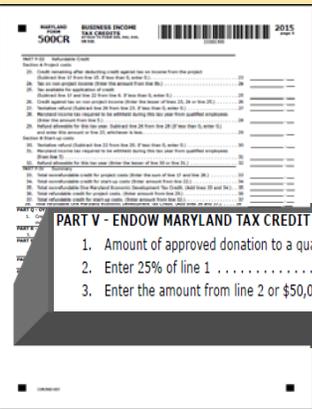
- ✓ **Instruction 8 – Line 7f**, Letter code “B” updated:
 - When the **Endow Maryland Tax Credit** is claimed, add back the **amount of the donation** included in the application for this credit, rather than the tax credit amount.

Form 500CR
Business Income Tax Credits - Part G



We will now require certification when claiming the **Qualified Vehicle Tax Credit** for Maryland registration of a **Class F Tractor**.

Form 500CR
Business Income Tax Credits - Part V



NEW CREDIT

PART V - ENDOW MARYLAND TAX CREDIT ** Must Include Required Certification

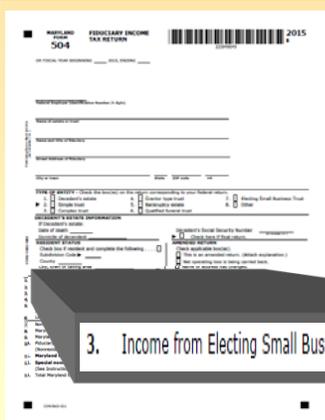
1. Amount of approved donation to a qualified permanent endowment fund
2. Enter 25% of line 1
3. Enter the amount from line 2 or \$50,000, whichever is less

Form 500X

Part D - Explanation of Changes to Income, Modifications, Apportionment Factor and Credits. Enter the line reference for which a change is being made and give the reason for each change below. Show the computation in detail and attach schedules as necessary. Check the box or boxes that reflect the reason for filing this amended return and explain in space provided below the checkboxes.

1. Amended to claim a Net Operating Loss Deduction
2. Amended to report a federal adjustment or an RAR (Revenue Agent Report)
3. Amended to claim Business Tax Credits
4. Amended to claim nonresident PTE Tax Credit
5. Amended to report income omitted on previous filing
6. Amended to change apportionment factor
7. Amended for another reason stated below:

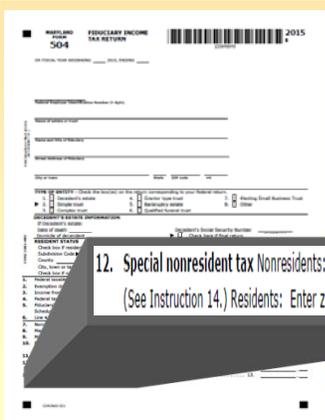
Part D - Explanation of Changes, we have added checkboxes for the seven most common reasons to amend a return.



**Form 504
Fiduciary Income
Tax Return**

We have moved the
income from
Electing Small

3. Income from Electing Small Business Trust (ESBT). Do Not Prorate.

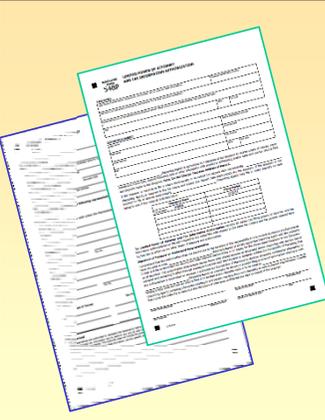


**Form 504
Fiduciary Income
Tax Return**

We have separated
the **Special**

**12. Special nonresident tax Nonresidents: Enter the amount from Form 504NR, line 22.
(See Instruction 14.) Residents: Enter zero.**

**Special Nonresident
Tax is now line 12.**



**Forms 548
& 548P
Maryland Power of
Attorney Forms**

We are developing
Power of Attorney
forms to be used in
place of the federal
forms.



Taxpayer Service



Taxpayer Communication

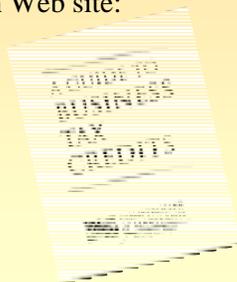
✓ Phone lines will be open Feb. 1 to April 18, Monday to Friday from 8:30 a.m. to 7 p.m (except State holidays).



Business Tax Credit Guide

✓ A Guide to Business Tax Credits will also be available on Web site:

- Select Businesses in top taskbar.
- Click on "Business Tax Credits" link.



Important Information

- ✓ Web site at www.marylandtaxes.com.
- ✓ Tax practitioner hotline: **410-260-7424**.
- ✓ Tax practitioner e-mail:
taxprohelp@comp.state.md.us.
- ✓ E-file tax practitioner hotline: **410-260-7753**.

Important Information

- ✓ E-file tax practitioner e-mail:
efil@comp.state.md.us.
- ✓ Tax forms e-mail:
taxforms@comp.state.md.us.



Questions?
