

STATE OF DELAWARE
DEPARTMENT OF FINANCE

DIVISION OF REVENUE
INFORMATION CIRCULAR 73-10

March 23, 1973

SUBJECT: Computation of proration percentage of a non-resident and part-year resident who has a Delaware Adjusted Gross Income in excess of Federal Adjusted Gross Income.

In cases where the non-resident or part-year resident has included in Federal Adjusted Gross Income a loss incurred from operations outside of Delaware while a non-resident that loss would not be included in determining Delaware Income. The Delaware Adjusted Gross Income could be in excess of Federal Adjusted Gross Income.

In cases where the Delaware Adjusted Gross Income exceeds Federal Adjusted Gross Income the proration percentage would be 100%.

Example (1): Taxpayer, a non-resident has earned income from Delaware sources of \$10,000. In addition he operates a business in Pennsylvania which has a loss of \$5,000. His Federal Adjusted Gross Income is \$5,000 (\$10,000 - \$5,000). His Delaware Adjusted Gross Income is \$10,000. His exemptions would be allowed in full. Standard deduction is 10% of \$10,000 or itemized deductions would be 100% of total itemized deductions.


J. H. Kennedy
Director of Revenue

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