

Form 1, Line 29 Worksheet. Limited Income Credit (Only if Single, Head of Household, or Married Filing Jointly)

1. Enter amount from line 7 of Massachusetts AGI Worksheet
2. Enter \$8,000 if single. If married filing a joint return or head of household, enter the amount from the No Tax Status column of the No Tax Status/Limited Income Credit chart
3. Subtract line 2 from line 1.
4. Enter in line 4 the amount of tax from Form 1, line 28 less any Credit Recapture Amount entered in line 25 and/or Additional Tax on Installment Sales on line 26.
5. Multiply line 3 by 10% (.10)
6. If line 4 is smaller than line 5, you are not eligible for this credit. Enter "0." If line 4 is larger than line 5, subtract line 5 from line 4 and enter result here and on Form 1, line 29

Line 30. Income Tax Paid to Another State

If any of the income reported on this return is subject to taxation in another state or jurisdiction and you have filed a return and paid taxes in the other state or jurisdiction, complete the following worksheet and enter the amount of credit in line 30. Do not include taxes paid to the U.S. government. (This credit does not apply to city or local taxes.) You are allowed to claim a credit for taxes paid to the following jurisdictions: (a) other states in the U.S., **including payments made under the Rhode Island Temporary Disability Insurance Act** (see DOR Directive 12-1); (b) any territory or dependency of the U.S. (including Puerto Rico, the Virgin Islands, Guam, the District of Columbia); or (c) the Dominion of Canada or any of its provinces (less any U.S. credit amount allowable from U.S. Form 1116).

The total credit which you calculate on the worksheet is the smaller of the amount of taxes due to other jurisdictions (net of certain adjustments) or the portion of your Massachusetts tax due on your gross income that is taxed in such other jurisdictions.

Credit is not given for a property tax due to another jurisdiction on account of capital stock or property. This does not refer to a tax on gain or income from the sale of capital stock or property, as included on Schedule B or D. Credit is also not given for any interest and penalties paid on a tax due to another jurisdiction.

You must complete separate worksheets if you had 5.1% and interest income (other than interest from Massachusetts banks), dividends or capital gain income taxed by another jurisdiction. If you use this worksheet to calculate a credit for interest income (other than interest from Massachusetts banks), dividends or capital gain income for 5.1% income in line 1 of the worksheet. You must also substitute Schedule B, line 7 (interest and dividend income) and Schedule B, line 13 (taxable 12% capital gains) or Schedule D, line 13, (gross long-term capital gains and losses), but not less than "0," for Form 1, line 10 in line 2 of the worksheet, and the total of Form 1, line 20 multiplied by .051 (tax on interest and dividend income) and Form 1, line 23 (12% tax) or line 24 (tax on long-term capital gains) for Form 1, line 19 in line 4 of the worksheet.

■ When using the worksheet to calculate credit for interest income (other than interest from Massachusetts banks), dividends or capital gain income, enter in line 1 such income taxed in another jurisdiction calculated as if it was earned in Massachusetts.

■ If you choose to pay the optional 5.85% tax rate, substitute .0585 for .051 in line 4 of the worksheet.

Note: Be sure to complete and enclose Schedule OJC, Income Tax Paid to Other Jurisdictions, and enter the two-letter state or jurisdictional postal code for each state or jurisdiction for which you are taking the credit. Taxpayers from a territory or dependency of the U.S., or the Dominion of Canada or any of its provinces, must enter "FC" as the postal code.

Income Tax Paid to Another Jurisdiction Worksheet

1. Enter the total 5.1% income included in Form 1, line 10 on which you paid taxes to another jurisdiction
2. Enter the total of Form 1, line 10 and the total Massachusetts bank interest or the interest exemption amount, whichever is smaller, from Form 1, line 5a or line 5b
3. Divide line 1 by line 2. Not greater than "1"
4. Multiply Form 1, line 19 by .051
5. Enter any Limited Income Credit from Form 1, line 29
6. Subtract line 5 from line 4.
7. Multiply line 6 by line 3

8. Enter the total tax liability before credits, W-2 withholding and payments to other jurisdictions on income also reported on this return, including payments made under the Rhode Island Temporary Disability Insurance Act, unless the tax was paid to Canada. If the tax was paid to Canada, the amount reported in this line must be reduced by the amount claimed as a foreign tax credit on U.S. Form 1040, line 48. Credit is only allowable for amount of tax paid.

9. Enter the smaller of lines 7 or 8 here and on Form 1, line 30

Line 31. Other Credits (from Schedule CMS)

Enter the total from Schedule CMS, Credit Manager Schedule. Be sure to enclose Schedule CMS with your return. Failure to do so will delay the processing of your return.

Line 33. Voluntary Contributions

You may contribute any amount you choose to the following funds. Remember, these amounts are added to your tax. They increase the amount of your payment or reduce the amount of your refund.

a. Endangered Wildlife Conservation: The Natural Heritage and Endangered Species Fund is administered by the Division of Fisheries and Wildlife. Contributions are used to protect and restore rare and endangered wildlife and plants, and their habitats. This fund has helped restore and conserve in the Commonwealth populations of the Bald Eagle, Hessel's Hairstreak Butterfly, the Redbelly Turtle and the Plymouth Gentian.

b. Organ Transplant Fund: The Organ Transplant Fund is administered by the Massachusetts Department of Public Health. All contributions received by the Fund assist patients with the costs of medications without which they might lose their transplanted organs. For information on how to become an organ donor, visit the Registry of Motor Vehicle's website at mass.gov/rmv.

c. Massachusetts AIDS Fund: The Massachusetts AIDS Fund is administered by the Massachusetts Department of Public Health. Contributions are used for research, experimental treatment and education related to Acquired Immune Deficiency Syndrome (AIDS). Massachusetts residents living with AIDS receive experimental treatment through clinical trials which are wholly supported with this Fund. The Fund also educates people with AIDS about treatment options and how to gain access to medication and experimental treatment.