

FORM 104PN - PART-YEAR RESIDENT/NONRESIDENT TAX CALCULATION SCHEDULE 2002

Taxpayer's Name	Social Security Number
(a) Taxpayer is (check one): <input type="checkbox"/> Full-Year Resident; <input type="checkbox"/> Full-Year Nonresident; <input type="checkbox"/> Part-Year Resident from _____/02 to _____/02.	
(b) Spouse is (check one): <input type="checkbox"/> Full-Year Resident; <input type="checkbox"/> Full-Year Nonresident; <input type="checkbox"/> Part-Year Resident from _____/02 to _____/02.	

HOW THIS FORM WORKS. A detailed explanation and examples of the part-year resident and nonresident form and laws are available in **[FYI] Income 6**. Use this form if you and/or your spouse are a part-year resident or a nonresident of Colorado. It will determine what percentage of your income was earned in Colorado or was earned while you were a Colorado resident. Since the tax amount you get from the tax table is calculated on your total income for the year including income not taxable by Colorado, this percentage will reduce the tax amount so you are only taxed on your Colorado source income. Simply follow the four steps on the front and back of this form.

STEP ONE. Check the part-year resident/nonresident box at the top of Form 104. Complete lines 1 through 14 of Form 104. Using the Colorado taxable income on line 14 of Form 104, find the tax from the tax tables. Enter that tax on line P of Form 104PN.

STEP TWO. COMPLETE THE FEDERAL COLUMN. Com-

plete lines A through J of the federal column using the information from your 2002 federal income tax return. Line H will be the same as line 22 of your federal Form 1040, line 15 of your federal Form 1040A, or line 4 of your federal Form 1040EZ. Line I will be the same as line 34 of your federal Form 1040 or line 20 of your federal Form 1040A. Line J will be the same as line 35 of your federal Form 1040, line 21 of your federal Form 1040A, or line 4 of your federal Form 1040EZ. Enter on line K the total amounts you entered on line 3, (excluding any charitable contribution adjustment) of your Colorado Form 104. Enter on line M the amount you entered on lines 5, 6, 7, 8, 9, 11, and 12, of your Colorado Form 104.

Note: Your federal itemized deductions, standard deduction, and personal deduction are **not** entered on this form because you are calculating only the **percentage** of income taxable by Colorado. The federal taxable income on line 1 of Form 104 already gives you the benefit of these deductions.

(Steps three and four on reverse side)

ROUND ALL DOLLAR AMOUNTS TO THE NEAREST DOLLAR		FEDERAL COLUMN		COLORADO COLUMN	
A. Wages, salaries, tips, etc.	A.		.00		.00
B. Interest and dividends	B.		.00		.00
C. Business and/or farm income or (loss)	C.		.00		.00
D. Gains or (losses) from the sale or exchange of assets	D.		.00		.00
E. Taxable IRA, pension and annuities, social security	E.		.00		.00
F. Federal Schedule E income (rents, royalties, partnerships, estates, trusts, etc.)	F.		.00		.00
G. Other income, list	G.		.00		.00
H. Total income, add lines A through G	H.		.00		.00
I. Federal adjustments, list	I.		.00		.00
J. Adjusted gross income, line H minus line I	J.		.00		.00
K. Additions to federal adjusted gross income	K.		.00		.00
L. Total of lines J and K	L.		.00		.00
M. Subtractions from federal adjusted gross income	M.		.00		.00
N. Modified adjusted gross income, line L minus line M	N.		.00		.00
O. Amount on line N, Colorado column, divided by amount on line N, federal column	O.			%	
P. Tax from tax table based on income reported on Form 104 , line 14	P.				.00
Q. Apportioned tax, amount on line P multiplied by the percentage on line O. Enter here and on line 15, Form 104	Q.				.00

ATTACH THIS FORM TO YOUR COMPLETED INCOME TAX RETURN, FORM 104
See FYI Income 6 for additional information on this form.

STEP THREE. COMPLETE THE COLORADO COLUMN of Form 104PN using the following instructions. The Colorado column will include income from the federal column that was earned in Colorado, received while a Colorado resident, or earned from Colorado sources. On a joint return, when one spouse is a full-year resident and the other is not, the resident spouse should enter his or her entire income and adjustments in the Colorado column plus the Colorado income and adjustments of the other spouse. Instruction letters below correspond to line letters on Form 104PN. Do not include anything in lines A through N of the Colorado Column that is not included in the federal column. If you entered an amount in the federal column on any line, the instructions below will explain what amount to enter in the Colorado column.

PART-YEAR RESIDENT INSTRUCTIONS

- A. Part-year residents enter wages, salaries, etc. earned during that part of the year you were a Colorado resident. Enter moving expense reimbursement if you are moving into Colorado, not if you are moving out.
- B. Part-year residents enter interest earned and dividends received during that part of the year you were a Colorado resident.
- C. Part-year residents enter the business or farm income earned during that part of the year you were a Colorado resident.
- D. Part-year residents enter the gain or loss realized during that part of the year you were a Colorado resident.
- E. Part-year residents report IRA distributions, pension or annuity benefits or taxable social security benefits included in federal income and received during that part of the year you were a Colorado resident.
- F. Part-year residents report the rent and royalty income received or credited to your account during that part of the year you were a Colorado resident. Report partnership, S corporation, and fiduciary income apportioned based on the number of days of Colorado residency during the corporation, partnership or fiduciary tax year.
- G. Part-year residents report any other income earned or received during that part of the year you were a Colorado resident.
- I. The IRA deduction, the medical savings account deduction, educator expenses, the self-employment tax, the self-employed health insurance deduction, the SEP and the SIMPLE deduction are allowed in the ratio of Colorado wages and self-employment income to total wages and self-employment income. Alimony, the student loan interest deduction, and the tuition and fees deduction are allowed in the Colorado to federal total income (line H) ratio. Part-year residents may claim penalty paid on early withdrawal made while a Colorado resident. Enter moving expenses if you are moving into Colorado, not if you are moving out.
- K. Enter any non-Colorado state or local bond interest earned while a Colorado resident, and any lump-sum distribution from a pension or profit sharing plan received while a Colorado resident. Do not include any state income tax deduction addback, and any charitable contribution addback due to the donation of a Colorado conservation easement on line K.
- M. Enter the state income tax refund subtraction, the federal interest subtraction, the pension-annuity subtraction, the Colorado capital gain subtraction, the tuition program contribution and the PERA or School District Number One retirement subtraction to the extent the income is included as Colorado income on line J. Do not include the marriage penalty subtraction on line M.

NONRESIDENT INSTRUCTIONS

- A. Nonresidents enter wages, salaries, etc. earned while working in Colorado.
- B. Nonresidents enter nothing on line B.
- C. Nonresidents report the net profit from Colorado operations.
- D. Nonresidents report the gain or loss realized from property located in Colorado.
- E. Nonresidents report nothing on line E.
- F. Nonresidents report the income from Colorado sources.
- G. Nonresidents report any other income from Colorado sources.
- I. The IRA deduction, the medical savings account deduction, educational expenses, the self-employment tax, the self-employed health insurance deduction, the SEP and the SIMPLE deduction are allowed in the ratio of Colorado wages and self-employment income to total wages and self-employment income. Alimony, the student loan interest deduction and the tuition and fees deduction are allowed in the Colorado to federal total income (line H) ratio. Nonresidents can not claim the penalty for early withdrawal.
- K. Do not include any state income tax deduction addback or any charitable contribution addback due to the donation of a Colorado conservation easement on line K.
- M. Enter the state income tax refund subtraction, the Colorado capital gain subtraction to the extent the income is reported as Colorado income on line J and the tuition program contribution. Do not include the marriage penalty subtraction on line M.

STEP FOUR. CALCULATE YOUR TAX

- O. The Colorado percentage is determined by dividing the Colorado adjusted gross income (line N, Colorado column) by the modified federal adjusted gross income (line N, federal column). Enter the Colorado percentage on line O. If the amount on line N of the Colorado column is larger than the amount on line N of the federal column, the percentage on line O will be more than 100%.
- P. Enter on line P the tax from the tax table based on the Colorado taxable income on line 14 of your Colorado tax return, Form 104.
- Q. Your Colorado tax will be the amount on line P multiplied by the percentage on line O. Enter your tax on line Q of this form and on line 15, Form 104.