First of all, do you have to file Taxes with the State of North Carolina? If you earned less than $7,500 either as a Single or Married Filing Separately, then you do not have to file for NC state tax.

### Filing Requirements Chart:

<table>
<thead>
<tr>
<th>Filing Status</th>
<th>A Return is Required if Federal Gross Income Exceeds</th>
</tr>
</thead>
<tbody>
<tr>
<td>(1) Single</td>
<td>$7,500</td>
</tr>
<tr>
<td>(2) Married - Filing Joint Return</td>
<td>$15,000</td>
</tr>
<tr>
<td>(3) Married - Filing Separate Return</td>
<td>$7,500</td>
</tr>
</tbody>
</table>

The forms you need to fill out are **D-400 without TC AND D-400 SCHEDULE S.** These two forms and the North Carolina State Instruction Booklet can be found at: [www.dor.state.nc.us/downloads/individual.html](http://www.dor.state.nc.us/downloads/individual.html)
Look for Tax Forms. Then look for Individual Income. Download there.

You will need a copy of your completed federal tax forms (either 1040NR or 1040NR EZ) before you begin. The resident requirements for the states are different than for the federal. **You are a resident of the state of North Carolina for the state tax.**

**Remember, these instructions are solely for those who filed either a 1040NR-EZ or a 1040NR.** Do NOT start reading the instructions on your D-400 and D-400 Schedule S. Use these instructions only.

It is recommend to print out a blank form from the website and fill it out first as a draft. Then go online to the website to fill it out online **web fill in** and then print out the completed form. Or you can turn in a hand-written form. [http://www.dor.state.nc.us/downloads/individual.html](http://www.dor.state.nc.us/downloads/individual.html)

There are two pages to NC D-400 form and two pages for D-400 Schedule S. Remember, the state form accepts negative numbers. There are circles to fill in before each number if it is negative.

Okay. Ready to Start. You are filing for the year 2014. Do not enter anything on the first line, which reads **for calendar year 2014…**

Enter your Social Security number or ITIN number (If you have one). Ignore the part for Spouse. Enter your current address. If you will be leaving the university,
2014 NC Individual Income Tax Instructions for Non-Resident Aliens (NRA)

Enter an address (in either the United States or overseas) where you can receive correspondence from the Internal Revenue Service or NC Department of Revenue.

Ignore Deceased Taxpayer Information, Ignore NC Public Campaign Fund and Ignore NC Political Parties Financing Fund.

Residency Status. If you moved to North Carolina in 2014 put NO. Otherwise put YES.

For Filing Status, you have two choices: either Single or Married Filing Separately. Use the same status you used on your federal taxes. If you select married filing separately, enter your spouse’s name and ITIN/SSN. If your spouse does not have ITIN/SSN, put down NRA (non resident alien).

Number of Exemptions: No more personal exemption

6. Federal adjusted gross income. Take the number from Line 10 on your 1040NR-EZ or Line 36 on 1040NR. If the number is zero, you need to recalculate by subtracting the sum of Line 8 and 9 from Line 7 if you have 1040NR-EZ or by subtracting Line 35 from Line 23 if you have 1040NR. If you end up with a negative number, be sure to fill in the circle.

7. Enter the amount from Line 4 of the NC D-400 Schedule S. So stop what you are doing and go to the instructions for D-400 Schedule S: Supplemental Schedule on Page 4 of this handout. Do the calculations for Lines 1-4. When finished, come back to Line 7 of the D-400 and enter the number.

8. Add Lines 6 and 7 and enter here. Fill in the circle if you have a negative number.

9. Enter the amount from Line 12 of the NC D-400 Schedule S. So stop what you are doing and go to the instructions for D-400 Schedule S: Supplemental Schedule on Page 4 of this handout. Do the calculations for Lines 5-12. When you are finished, come back to Line 9 of the D-400 and enter the number.

10. Subtract Line 9 from Line 8 and enter here. Fill in the circle if you have a negative number.

11. You can only take NC Standard Deduction. Look at your 1040NR-EZ, Line 11 or the 1040NR. Line 38. Put that number here. Question: Are you a resident of India?

***A special rule applies to Indian students and business apprentices who are eligible for the benefits of Article 21(2) of the United States–India Income Tax Treaty. You can claim the standard deduction provided you do not claim itemized deductions. If yes, circle “NC standard deduction” and put down $7500 for Single or Married Filing Separately.
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12. Subtract Line 11 from Line 10 and enter here. Fill in the circle if you have a negative number.

13. Part-Year and Nonresidents. Fill out this section ONLY IF A PART of your income was earned in North Carolina in 2014. If you moved here in August 2014, for example, but only earned income in North Carolina, then you are treated as a full year resident of NC and you do not need to fill out this section!

If you did earn income in another state in 2014, you will need to first fill out Lines 20–22 of the NC D-400 Schedule S and then enter the decimal amount from Line 22 on Line 13. Go to the instructions on this handout for Lines 20-22, and then come back here.

14. NC Taxable Income. If you are a Full Year resident then enter the amount from Line 12. Fill in the circle if you have a negative number.

If you are a Part-year resident (i.e. earned income outside of North Carolina) Then multiple the amount on Line 14 by the decimal amount on Line 13.

15. Multiply Line 14 with 5.8% (0.058). Enter amount here. If you have a negative number or a zero, put a zero there. You do not owe any tax.

16. Tax credits. International students & scholars usually do not have tax credits. Leave it blank. Or you can put in 0 (zero) if you wish.

17. Subtract Line 16 from Line 15

18. Consumer Use Tax. If you bought items from outside NC and did not pay Sales tax and you brought the items to NC, then read instruction on Page 9 and enter the tax here. You can leave blank or put in a 0 (zero) if you wish.

19. Add Lines 17 and 18

20. Enter the total amount of State Tax Withheld. You will find this on your W-2 and/or 1042-S and/or 1099. If you have more than one document, be sure to add up all your State Tax withheld.

21. Lines 21 and 22 are usually zero for international students & scholars.

22. Enter the amount, which is the sum of Line 20a through 21d.

23. If Line 19 is more than Line 22, subtract and enter the result here. (If Line 19 is LESS than Line 22, jump down to Line 29.) This is the tax you owe to NC Department of Revenue.

24. Add Lines 23a-23d and 23e and enter the result here.
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25. If Line 19 is less than Line 22 subtract and enter the result here.

26. Lines 26, 27, 28 and 29 are usually blank for international students & scholars.

30. Subtract Line 29 from Line 25 and enter the Amount here. This is your Tax Refund and what you will be getting back from the state.

INSTRUCTIONS FOR D-400 Schedule S: Supplemental Schedule

Part A. Additions to Federal Adjusted Gross Income

Lines 1-3 are usually blank or zero for international students & scholars. Carry that amount of zero on Line 4 to back to Line 7 of your NC D-400.

Part B. Deductions from Federal Adjusted Gross Income

5. Enter 2013 State and/or local income tax refund received in 2014. You will find this number on Line 4 of 1040NR-EZ or Line 11 of 1040NR.

6. – 11. Lines 6, 7, 8, 9, 10 & 11 are usually blank or zero for international students & scholars.

12. Add Lines 5 - 11. Enter that amount here. Then carry that same number back to Line 9 of your NC D-400.

Page 2. INSTRUCTIONS FOR D-400 Schedule S: Supplemental Schedule

For those from India, refer to the instructions for Line 11. Everyone else - you can only claim itemized deductions because an NRA can only claim itemized deductions on 1040NR/EZ. Remember, Federal Itemized Deductions are different from NC Itemized Deductions.

Part C. NC Itemized Deductions

13. – 17. Blank for NRAs. As an NRA, you can only claim charity donations to US tax-exempt organizations. State taxes withheld and state balance due paid is no longer NC itemized deductions.

18. Charitable contributions. Enter total contribution amount here

19. Add Lines 17-18 and then enter the amount here. Then carry this same number back to Line 11.
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Part D. Computation of NC Taxable Income for Part-Year Residents & Nonresidents

Who should fill out this Worksheet? Those who worked and earned income in another state in the United States in 2014.

This is affected by the amount of income earned in NC and not the time spent in the state. *If all your income was earned in NC in 2014, then you are treated as a full year resident of NC and you do not need to fill out this section!*

Fill in the circle of “You”
Enter the date you entered NC under “Date residency began” and “Date residency ended”

Fill in the circle of “You” if you were not in NC in 2014 but had NC source of income.

Then go to page 14 of the NC State Tax Instruction Booklet for filling out the Part Year Resident/Nonresident Worksheet - if you earned money in NC and another state.

The information you will record here is the information from your federal tax form, either 1040NR or 1040NR EZ. You will make a comparison between the two totals. The percentage you calculate will be the percentage of your total income on which you will pay taxes to NC. In other words, you only pay taxes to NC on income earned from NC sources.

20. Enter the amount from Column B of Line 28 of the Worksheet. This is the amount you earned in NC.

21. Enter the amount from column A of Line 28, the amount on your federal form, 1040NR or 1040NR-EZ. This is the total income earned in all states.

22. Divide line 20 by line 21. The NC earned amount divided by the federal total amount. This number will be one or less. Enter this decimal to the fourth place and transfer this amount to Line 13.

Finishing up your NC return

Sign and date; your return is invalid and considered “not filed” if you do not sign.

If you get a Refund, Mail the tax form to: NC DOR, PO Box R, Raleigh NC 27634
If you have a Balance Due, Mail the tax form and a check payable to: NC DOR, PO Box 25000, Raleigh NC 27640.

The form should be enclosed in a standard envelope with your return address.
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Mail at any post office. Usually one domestic stamp is sufficient.

*Remember to attach one copy of your W-2, 1042-S or 1099 forms (when there are state taxes withheld on the 1099 forms) with your D-400 form.*

*Remember to make a copy for yourself before mailing!!!*