

Form  
**1040CM**

**Northern Marianas Territorial Income Tax Return**

Check  if amended Return  
Attach Form 1040CM-X

Department of Finance - Division of Revenue and Taxation  
Commonwealth of the Northern Mariana Islands

**2021**

DLN - Do not write or staple in this area

**Filing Status**  Single (S)  Married filing jointly (MFJ)  Married filing separately (MFS)  Head of household (HOH)  Qualifying widow(er) (QW)  
Check only one box. If you checked the MFS box, enter the name of your spouse. If you checked the HOH or QW box, enter the child's name if the qualifying person is a child but not your dependent. ▶

Your first name and middle initial	Last name	Your social security number
If joint return, spouse's first name and middle initial	Last name	Spouse's social security number
Home address, (number and street). If you have a P.O. box, see instructions.	Apt. no.	Contact number
City, town or post office. If you have a foreign address, also complete spaces below.	State	ZIP code
Foreign country name	Foreign province/state/county	Foreign postal code

At any time during 2021, did you receive, sell, exchange, or otherwise dispose of any financial interest in any virtual currency?  Yes  No

**Standard Deduction** **Someone can claim:**  You as a dependent  Your spouse as a dependent  
 Spouse itemizes on a separate return or you were a dual-status alien

**Age/Blindness** **You:**  Were born before January 2, 1957  Are blind **Spouse:**  Was born before January 2, 1957  Is blind

Dependents (see instructions)	(1) First name	Last name	(2) Social security number	(3) Relationship to you	(4) ✓ if qualifies for (see instructions):	
					Child tax credit	Credit for other dependents
If more than four dependents, see instructions and check here ▶ <input type="checkbox"/>					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>
					<input type="checkbox"/>	<input type="checkbox"/>

**Source of Income**

(A) INCOME WITHOUT (B) INCOME WITHIN (C) TOTAL INCOME

<b>1</b> Wages, salaries, tips, etc. Attach Form(s) W-2 and W-2CM . . . . .	<b>1</b>			
<b>2a</b> Tax-exempt interest	<b>2a</b>			
<b>2b</b> Taxable interest	<b>2b</b>			
<b>3a</b> Qualified dividends . . . . .	<b>3a</b>			
<b>3b</b> Ordinary dividends	<b>3b</b>			
<b>4a</b> IRA distributions . . . . .	<b>4a</b>			
<b>4b</b> Taxable amount	<b>4b</b>			
<b>5a</b> Pensions and annuities . . . . .	<b>5a</b>			
<b>5b</b> Taxable amount	<b>5b</b>			
<b>6a</b> Social security benefits	<b>6a</b>			
<b>6b</b> Taxable amount	<b>6b</b>			
<b>7</b> Capital gain or (loss). Attach Schedule D if required. If not required, check here ▶ <input type="checkbox"/>	<b>7</b>			
<b>8</b> Other income from Schedule 1CM, line 10. See supplemental instructions	<b>8</b>			
<b>9a</b> Add lines 1, 2b, 3b, 4b, 5b, 6b, 7 and 8 in each column. This is your <b>total income</b> ▶	<b>9a</b>			
<b>9b</b> Allocable percentage. See supplemental instructions . . . . .	<b>9b</b>	%		<b>100%</b>
<b>10</b> Adjustments to income from Schedule 1CM, line 26 . . . . .	<b>10</b>			
<b>11</b> Subtract line 10 from line 9a. This is your <b>adjusted gross income</b> . . . . . ▶	<b>11</b>			
<b>12a</b> Standard deduction or itemized deductions (from Schedule A) . . . . .	<b>12a</b>			
<b>12b</b> Charitable contributions if you take the standard deduction (see instructions)	<b>12b</b>			
<b>12c</b> Add lines 12a and 12b. . . . .	<b>12c</b>			
<b>13</b> Qualified business income deduction. Attach Form 8995 or Form 8995-A. . . . .	<b>13</b>			
<b>14</b> Add lines 12c and 13 . . . . .	<b>14</b>			
<b>15</b> Taxable income. Subtract line 14 from line 11. If zero or less, enter -0- . . . . .	<b>15</b>			

Attach Schedule B if required

**Standard Deduction for:---**

- Single or married filing separately \$12,550
- Married filing jointly or Qualifying Widow(er), \$25,100
- Head of household, \$18,800
- If you checked any box under standard deduction, see instructions

<b>16</b>	<b>Tax</b> (see inst.) Check if any from Form(s): 1 <input type="checkbox"/> 8814 2 <input type="checkbox"/> 4972 3 <input type="checkbox"/> _____	<b>16</b>	
<b>17</b>	Amount from Schedule 2, line 3.	<b>17</b>	
<b>18</b>	Add lines 16 and 17.	<b>18</b>	
<b>19</b>	Nonrefundable child tax credit or credit for other dependents from Schedule 8812.	<b>19</b>	
<b>20</b>	Amount from Schedule 3, line 8.	<b>20</b>	
<b>21</b>	Add lines 19 and 20.	<b>21</b>	
<b>22</b>	Subtract line 21 from line 18. If zero or less, enter -0-	<b>22</b>	
<b>23</b>	Other taxes, from Schedule 2, line 21. See supplemental instructions.	<b>23</b>	
<b>24</b>	Add lines 22 and 23. This is your <b>total tax</b> .	<b>24</b>	
<b>25</b>	Federal income tax withheld from:		
<b>a</b>	Form(s) W-2	<b>25a</b>	
<b>b</b>	Form(s) 1099	<b>25b</b>	
<b>c</b>	Other forms (see instructions)	<b>25c</b>	
<b>d</b>	Add lines 25a to 25c.	<b>25d</b>	
<b>e</b>	NMTIT withheld from forms W-2CM and 1099 ( <b>within CNMI</b> )	<b>25e</b>	
<b>26</b>	2021 estimated tax payments and amount applied from 2020 return	<b>26</b>	
<b>27a</b>	Earned income credit (EIC) Check here if you were born after January 1, 1998, and before January 2, 2004, and you satisfy all the other requirements for taxpayers who are at least age 18, to claim the EIC. See instructions. <input type="checkbox"/>	<b>27a</b>	
<b>b</b>	Nontaxable combat pay election	<b>27b</b>	
<b>c</b>	Prior year (2019) earned income	<b>27c</b>	
<b>28</b>	Refundable child tax credit or additional child tax credit from Schedule 8812.	<b>28</b>	
<b>29</b>	American opportunity credit from Form 8863, line 8.	<b>29</b>	
<b>30</b>	Recovery rebate credit. See supplemental instructions.	<b>30</b>	
<b>31</b>	Amount from Schedule 3, line 15.	<b>31</b>	
<b>32</b>	Add lines 27a, 28 through 31. These are your <b>total other payments and refundable credits</b> .	<b>32</b>	
<b>33</b>	Add lines 25d, 25e, 26, and 32. These are your <b>total payments</b> .	<b>33</b>	
<b>Refund</b>	<b>34</b> If line 33 is more than line 24, subtract line 24 from line 33. This is the amount you <b>overpaid</b> . See supplemental instructions.	<b>34</b>	
<b>Amount you owe</b>	<b>35</b> If line 33 is less than line 24, subtract line 33 from line 24. See Part A, line 3 of page 5.	<b>35</b>	

• If you have a qualifying child, attach Schedule EIC.

**Form NMI-A**

**ANNUAL WAGE AND SALARY AND EARNINGS TAX RETURN**

Department of Finance  
 Division of Revenue and Taxation  
 Commonwealth of the Northern Mariana Islands

(Please type or print in ink)

**2021**

Your first name and initial	Last name	Your social security number : : :
If a joint return, spouse's first name and initial	Last name	Spouse's social security number : : :

**Part A Annual Wage and Salary Tax Computation**

	A. You	B. Spouse
1 CNMI wages and salaries from Form(s) W-2 and W-2CM . . . . . 1		
2 Other CNMI wages and salaries not included in line 1 . . . . . 2		
3 Total CNMI wages and salaries (add lines 1 and 2) . . . . . 3		
4 Amount on line 3 not subject to the wage and salary tax (attach Schedule WSD) 4		
5 CNMI wages and salaries (subtract line 4 from line 3) . . . . . 5		
6 <b>Annual wage and salary tax.</b> Multiply the amount on <b>line 5 above</b> by the tax rate from the tax table below. Enter the result here . . . . . 6		

**Part B Earnings Tax Computation**

	A. You	B. Spouse	
1 Gain from the sale of personal property . . . . . 1			Attach Form(s) W-2 and W-2CM here. Also attach Forms W-2G, and 1099-R if tax was withheld
2 One half of the gain from the sale of real property . . . . . 2			
3 One half of the net income from leasing of real property. . . . . 3			
4 Interest, dividends, rents, royalties . . . . . 4			
5a Gross winnings from any gaming, lottery, raffle, etc.. . . . . 5a			
5b Less amount excludable (attach Form(s) W-2G and/or W-2GCM) . . . . . 5b			
5c Balance (subtract line 5b from line 5a) . . . . . 5c			
6 Other income subject to the NMTIT, unless excludable under the earnings tax . 6			
7 Total income subject to the earnings tax (add lines 1 thru 4, line 5c, and 6) . . . 7			
8 <b>Annual earnings tax.</b> Multiply the amount on <b>line 7 above</b> by the tax rate from the tax table below. Enter the result here . . . . . 8			

**Part C Combined Wage and Salary and Earnings Tax Due or (Overpaid)**

	A. You	B. Spouse
1 Wage and salary tax and earnings tax for you and your spouse . . . . . 1		
2 Education tax credit for you and your spouse (attach Schedule ETC) . . . . . 2		
3 Tax after education tax credit. Subtract line 2 from line 1. If line 2 is greater, enter zero 3		
	<b>Combined</b>	
4 Combined wage and salary tax and earnings tax. Add line 3, columns A and B . . . . . 4		
5 Enter total wage and salary tax and earnings tax withheld and amount paid in 2021 . . . . . 5		
6 Combined wage and salary tax and earnings tax due or (overpayment). Subtract line 5 from line 4 . . . 6		

**Table**

**Wage and Salary and Earnings Tax**

	From	To	Rate
(a)	0	1,000.00	0
(b)	1,000.01	5,000.00	2.0%
(c)	5,000.01	7,000.00	3.0%
(d)	7,000.01	15,000.00	4.0%
(e)	15,000.01	22,000.00	5.0%
(f)	22,000.01	30,000.00	6.0%
(g)	30,000.01	40,000.00	7.0%
(h)	40,000.01	50,000.00	8.0%
(i)	50,000.01	And over	9.0%

Your first name and initial	Last name	Your social security number : : : : : :
If a joint return, spouse's first name and initial	Last name	Spouse's social security number : : : : : :

**Part A Non-refundable Credits**

<b>1</b>	Wage and salary tax and earnings tax. Enter the amount from line 4, Part C of Form NMI-A . . . . .	<b>1</b>								
<b>2</b>	Business gross revenue tax									
	<table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:40%; border: none;">Name</th> <th style="width:40%; border: none;">Tax ID No.</th> </tr> </thead> <tbody> <tr> <td style="border: none;"><b>a</b></td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;"><b>b</b></td> <td style="border: none;"></td> </tr> <tr> <td style="border: none;"><b>c</b></td> <td style="border: none;"></td> </tr> </tbody> </table>	Name	Tax ID No.	<b>a</b>		<b>b</b>		<b>c</b>		
Name	Tax ID No.									
<b>a</b>										
<b>b</b>										
<b>c</b>										
<b>3</b>	User fees paid 4 CMC §1422 . . . . .	<b>3</b>								
<b>4</b>	Fees and taxes imposed under 4 CMC § 2202(e). . . . .	<b>4</b>								
<b>5</b>	Total non-refundable credits. Add lines 1, 2a, 2b, 2c, 3 and 4 . . . . .	<b>5</b>								

**Part B Rebate Computation**

<b>6</b>	Total NMTIT on all source. Enter amount from line 24 of Form 1040CM . . . . .	<b>6</b>	
<b>7</b>	Total NMTIT payments made. Enter amount from line 33 of Form 1040CM . . . . .	<b>7</b>	
<b>8a</b>	Tax on sources outside the CNMI. Multiply line 6 above by line 9b, Column A of Form 1040CM . . . . .	<b>8a</b>	
<b>8b</b>	Additional CTC Tax. Enter the amount from line 19 of Schedule 2 . . . . .	<b>8b</b>	
<b>9</b>	Tax on sources within the CNMI. Subtract the sum of lines 8a and 8b from line 6 . . . . .	<b>9</b>	
<b>10</b>	Rebate base. Subtract line 5 from line 9. If negative, enter zero . . . . .	<b>10</b>	
<b>11</b>	Total CNMI and non-CNMI source tax after nonrefundable credits. Add lines 8a, 8b and line 10 . . . . .	<b>11</b>	
<b>12</b>	NMTIT overpayment. Subtract the sum of lines 8a and 10 from line 7. If negative, enter zero . . . . .	<b>12</b>	
<b>13</b>	NMTIT underpayment. Subtract line 7 from the sum of lines 8a and 10. If negative, enter zero . . . . .	<b>13</b>	
<b>14</b>	Rebate offset amount. Use the Rebate Table below to calculate this amount based on line 10 . . . . .	<b>14</b>	
<b>15</b>	NMTIT overpayment after rebate offset. If the sum of lines 12 and 14 is greater than line 13, subtract line 13 from the sum of lines 12 and 14. Otherwise, enter zero . . . . .	<b>15</b>	
<b>16</b>	NMTIT underpayment after rebate offset. If the sum of lines 12 and 14 is less than line 13, subtract the sum of lines 12 and 14 from line 13. Otherwise, enter zero . . . . .	<b>16</b>	
<b>17</b>	Enter the sum of lines 27a, 28, 29, 30, of Form 1040CM, and lines 13b, 13g, and 13h, of Schedule 3 . . . . .	<b>17</b>	
<b>18</b>	NMTIT overpayment. If line 15 is greater than line 17, subtract line 17 from line 15. Otherwise, enter zero . . . . .	<b>18</b>	
<b>19</b>	NMTIT underpayment. If line 15 is greater than zero, subtract line 15 from line 17. If the result is less than zero, enter zero. If line 15 is not greater than zero, add lines 16 and 17 . . . . .	<b>19</b>	
<b>20</b>	Subtract the sum of lines 10, 13b, 13g, and 13h from line 15 of Schedule 3 . . . . .	<b>20</b>	
<b>21</b>	Tax on overpayment of credit. If line 20 is greater than zero, enter the lesser of line 18 or line 20 . . . . .	<b>21</b>	
<b>22</b>	Subtract line 21 from line 18 . . . . .	<b>22</b>	

**Part C Chapter 7 Tax Due or (Overpaid)**

<b>23</b>	Additional child tax balance due. If line 8b is greater line 22, subtract line 22 from line 8b. Otherwise, enter zero . . . . .	<b>23</b>	
<b>24</b>	NMTIT overpayment. If line 22 is greater than line 8b, subtract line 8b from line 22. Otherwise, enter zero. . . . .	<b>24</b>	
<b>25</b>	NMTIT underpayment. Enter the amount from line 19 . . . . .	<b>25</b>	
<b>26</b>	Estimated tax penalty. Check <input type="checkbox"/> if Form 2210 is attached . . . . .	<b>26</b>	
<b>27</b>	Total NMTIT underpayment or (overpayment). Subtract line 24 from the sum of lines 25 and 26 . . . . .	<b>27</b>	

**REBATE TABLE**

If rebate base (line 10) is	The rebate offset amount is	Example
Not over \$20,000	90% of the rebate base	Rebate base x 90%
\$20,001 – \$100,000	\$18,000 plus 70% of the rebate base over \$20,000	Rebate base – 20,000 x 70% + 18,000
Over \$100,000	\$74,000 plus 50% of the rebate base over \$100,000	Rebate base – 100,000 x 50% + 74,000

# Summary of Taxes Due or Overpayment

## Part A Combined Due or (Overpaid) / Refund

<b>1a</b>	Additional child tax balance due. Enter amount from line 23 of Schedule 3405A . . . . .	<b>1a</b>	
<b>1b</b>	Total NMTIT amount due or (overpayment). Enter amount from line 27 of Schedule OS-3405A . . . . .	<b>1b</b>	
<b>2</b>	Total wage and salary and earnings tax due or (overpayment). Enter amount from line 6, Part C of Form NMI-A . . . . .	<b>2</b>	
<b>3</b>	Combined additional child tax balance due, wage and salary and earnings tax, and NMTIT due or (overpayment). Add lines 1a, 1b, and 2 above. If the amount is more than zero, skip lines 4 and 5 . . . . .	<b>3</b>	
<b>4</b>	Amount of line 3 (overpayment) you want applied to your 2022 estimated tax . . . . .	<b>4</b>	
<b>5</b>	Amount available for refund. Add line 3 and line 4 . . . . .	<b>5</b>	

## Part B Recovery Rebate Credit (RRC) If you are not claiming this credit, and the amount on line 3, Part A above is greater than zero, enter the amount from line 3, Part A on line 4 below.

<b>1</b>	Enter the amount from line 30 of Form 1040CM, page 2 . . . . .	<b>1</b>	
<b>2</b>	If the amount on line 3, Part A is greater than zero, enter the lesser of line 1 or the amount on line 3, Part A. If line 3, Part A is less than zero, enter zero . . . . .	<b>2</b>	
<b>3</b>	RRC refund. Subtract line 2 from line 1 . . . . .	<b>3</b>	
<b>4</b>	Balance after offset of the RRC. Subtract line 2 from line 3, Part A . . . . .	<b>4</b>	

## Part C Additional Child Tax Credit (ACTC) If you are not claiming this credit, enter the amount from line 4 Part B on line 4 below.

<b>1</b>	Enter the amount from line 28 of Form 1040CM, page 2 . . . . .	<b>1</b>	
<b>2</b>	Enter the lesser of line 1 or line 4, Part B . . . . .	<b>2</b>	
<b>3</b>	ACTC refund. Subtract line 2 from line 1 . . . . .	<b>3</b>	
<b>4</b>	Balance after offset of the ACTC. Subtract line 2 from line 4, Part B . . . . .	<b>4</b>	

## Part D Earned Income Tax Credit (EITC) If you are not claiming this credit, enter the amount from line 4 Part C on line 4 below.

<b>1</b>	Enter the amount from line 27a of Form 1040CM, page 2. . . . .	<b>1</b>	
<b>2</b>	Enter the lesser of line 1 or line 4, Part C . . . . .	<b>2</b>	
<b>3</b>	EIC refund. Subtract line 2 from line 1 . . . . .	<b>3</b>	
<b>4</b>	Balance after offset of the EITC. Subtract line 2 from line 4, Part C . . . . .	<b>4</b>	

## Part E American Opportunity Tax Credit (AOTC) If you are not claiming this credit, enter the amount from line 4 Part D on line 4 below.

<b>1</b>	Enter the amount from line 29 of Form 1040CM, page 2. . . . .	<b>1</b>	
<b>2</b>	Enter the lesser of line 1 or line 4, Part D . . . . .	<b>2</b>	
<b>3</b>	AOTC refund. Subtract line 2 from line 1 . . . . .	<b>3</b>	
<b>4</b>	Balance after offset of the AOTC. Subtract line 2 from line 4, Part D . . . . .	<b>4</b>	

nt from line 4 Part E on line 4 below.

## Part F Child and Dependent Care Credit (CDCC) If you are not claiming this credit, enter the amount from line 4 Part E on line 4 below.

<b>1</b>	Enter the amount from line 13g of Schedule 3 . . . . .	<b>1</b>	
<b>2</b>	Enter the lesser of line 1 or line 4, Part E. . . . .	<b>2</b>	
<b>3</b>	CDCC refund. Subtract line 2 from line 1 . . . . .	<b>3</b>	
<b>4</b>	Balance after offset of the CDCC. Subtract line 2 from line 4, Part E . . . . .	<b>4</b>	



**2021 Instructions for Form NMI-A  
Annual Wage and Salary and Earnings Tax Return**

**Part A. Annual Wage and Salary Tax Computation.** If a joint return, enter spouse's information in column B.

1. Enter total wages and salaries received for work performed in the CNMI per Form(s) W-2 and/or W-2CM box 16.
2. Enter other wages and salaries received for work performed in the CNMI if W-2 and/or W-2CM were not issued or received. i.e., tips and freelance income, etc.
3. Add lines 1 and 2 under each column.
4. Enter the amount from line 7, Part A, of 1040 Schedule WSD on line 4, column A. If filing jointly and your spouse has a deduction, enter the amount from line 7, Part B, on line 4, column B. Attach 1040 Schedule WSD. If 1040 Schedule WSD is not attached, the deduction will be disallowed.  
**Caution:** Amounts excluded on this line may be subject to the earnings tax if such item of income is sourced within the CNMI and subject to the NMTIT as provided in 4CMC §1202(b)(6).
5. Subtract line 4 from line 3 under each column. This is your total CNMI wages and salaries subject to the wage and salary tax.
6. Compute the wage and salary tax on the amount reported on line 5 for each column using the wage and salary and earnings tax table below or on page 3 of form 1040CM.

**Part B. Earnings Tax Computation.** If a joint return, enter spouse's information in column B.

1. Enter the amount of any gain from the sale of personal property (not business property).
2. Enter one-half (1/2) of the amount of any gain from the sale of real property located in the CNMI that was not used in the course of carrying on a business. Exclude any gain from the sale of real property sold to the CNMI Government.
3. Enter one-half (1/2) of the net income from leasing of real property located in the CNMI including the assignment of any lease that was not in the course of carrying on a business.
4. Enter the total amount of interest, dividends, and similar income if the aggregate exceeds \$2,000. Otherwise, enter zero.
- 5a. Enter the gross winnings from any gaming, lottery, raffle or other gambling activities in the CNMI.
- 5b. Enter the amount of poker machine jackpot winnings included on line 5a if jackpot tax was withheld. Attach a copy of Forms W-2G/W-

2GCM.

5c. Subtract line 5b from line 5a.

6. Enter other income subject to the NMTIT, unless excludable under 4 CMC §1202.
7. This is your total CNMI earnings subject to the earnings tax. Add lines 1 through 4, 5c, and 6.
8. Compute your earnings tax on the amount reported on line 7 for each column using the wage and salary and earnings tax table below or on page 3 of form 1040CM.

**Part C. Combined wage and salary and earnings tax due or overpayment**

1. Enter in column A, the total of Part A line 6, column A, and Part B line 8, column A. Also, enter in column B the total of Part A line 6, column B and Part B line 8, column B.
2. Enter in column A, the amount from line 8, Part A, of Schedule ETC (1040). If filing jointly and your spouse has ETC, enter in column B, the amount from line 8, Part B of Schedule ETC (1040). Attach 1040 Schedule ETC.
3. If line 2 is greater than line 1, enter zero. Otherwise, subtract line 2 from line 1. This is the wage and salary tax and earnings tax combined after the education tax credit.
4. Enter the total amount of Columns A and B, line 3. This is your combined wage and salary tax and earnings tax.
5. Enter the total wage and salary tax and earnings tax withheld and paid in 2021. If you received form W-2GCM/W-2G and had earnings (chapter 2) tax withheld, include that amount on this line. The wage and salary (chapter 2) tax is the state income tax amount in box 17 of the W-2CM. Include earnings tax withheld on your Form 1823, if any.
6. Combined wage and salary tax and earnings tax due or overpaid. Subtract line 5 from line 4. If less than zero, enclose the amount in parenthesis ( ) to indicate an overpayment.

**Wage and Salary and Earnings Tax Table**

	From	To	Rate
(a)	0	1,000.00	0
(b)	1,000.01	5,000.00	2.0%
(c)	5,000.01	7,000.00	3.0%
(d)	7,000.01	15,000.00	4.0%
(e)	15,000.01	22,000.00	5.0%
(f)	22,000.01	30,000.00	6.0%
(g)	30,000.01	40,000.00	7.0%
(h)	40,000.01	50,000.00	8.0%
(i)	50,000.01	And over	9.0%

## 2021 Instructions for Schedule OS-3405A (1040CM)

### Application for Nonrefundable Credit and Rebate on CNMI Source Income Tax

#### Part A. Non-refundable Credit.

1. Wage and salary tax and Earnings tax. Enter amount from line 4, Part C, of page 3 of the wage and salary and earnings tax return.
2. Enter the business gross revenue tax from which this return is associated with. List separately the name of the business, tax ID number, and the amount of business gross revenue tax paid by the business.
3. Enter the tax ID number and User fees paid pursuant to 4 CMC §1422.
4. Enter the tax ID number and the amount of fees paid pursuant to 4 CMC §2202(e), in lieu of the tax imposed under 4 CMC § 1301.
5. Total non-refundable credit. Add lines 1, 2a, 2b, 2c, 3 and 4.

#### Part B. Tax after Non-refundable credit and Rebate Computation.

6. Total NMTIT on all source. Enter the amount from line 24 of Form 1040CM, on page 2.
7. Total NMTIT payments made. Enter the amount from line 33 of Form 1040CM, on page 2.
- 8a. Tax on sources outside the CNMI. Multiply line 6 above by the percentage on line 9b, Column A of Form 1040CM, on page 1.
- 8b. Enter the amount from line 19 of Schedule 2.
9. Tax on sources within the CNMI. Subtract line 8a and 8b from line 6.
10. Rebate base. Subtract line 5 from line 9. If the result is a negative number, enter zero.
11. Total CNMI and non-CNMI source tax after non-refundable credits. Add lines 8a, 8b and line 10.
12. NMTIT overpayment. Subtract the sum of lines 8a and 10 from line 7. If the result is a negative number, enter zero.
13. NMTIT underpayment. Subtract line 7 from the sum of lines 8a and 10. If the result is a negative number, enter zero.

14. Rebate offset amount. Use the rebate base on line 10 to calculate the amount to enter on this line using the rebate table on page 4.
15. NMTIT overpayment after rebate offset. If the sum of lines 12 and 14 is greater than line 13, subtract line 13 from the sum of lines 12 and 14. Otherwise, enter zero.
16. NMTIT underpayment after rebate offset. If the sum of lines 12 and 14 is less than line 13, subtract the sum of lines 12 and 14 from line 13. Otherwise, enter zero.
17. Enter the sum of lines 27a, 28, 29, and 30 of Form 1040CM, and lines 13b, 13g, and 13h, of Schedule 3.
18. NMTIT overpayment. If line 15 is greater than line 17, subtract line 17 from line 15. Otherwise, enter zero.
19. NMTIT underpayment. If line 15 is greater than zero, subtract line 15 from line 17. If the result is less than zero, enter zero. If line 15 is not greater than zero, add lines 16 and 17.
20. Subtract the sum of lines 10, 13b, 13g, and 13h from line 15 of Schedule 3.
21. Tax on overpayment of credit. If line 20 is greater than zero, enter the lesser of line 18 or line 20.
22. Subtract line 21 from line 18.

#### Part C. Chapter 7 Tax Due or (Overpaid)

23. Additional child tax balance due. If line 8b is greater than line 22, subtract line 22 from line 8b. Otherwise, enter zero.
24. NMTIT overpayment. If line 22 is greater than line 8b, subtract line 8b from line 22. Otherwise, enter zero.
25. NMTIT underpayment. Enter the amount from line 19.
26. If Form 2210 is completed and attached, check the box provided on this line. If you want the CNMI Division of Revenue and Taxation to compute this penalty for you, write "Revtax" on the dotted line on line 26. The Division of Revenue and Taxation will adjust your return accordingly or bill you later for this amount.
27. Total NMTIT liability or (overpayment). Subtract line 24 from the sum of lines 25 and 26.

#### If filing by mail, please send to:

Saipan Central Office  
Division of Revenue and Taxation  
P.O. Box 5234 CHRB  
Saipan, MP 96950

Rota District Office  
Division of Revenue and Taxation  
P.O. Box 1406  
Rota, MP 96951

Tinian District Office  
Division of Revenue and Taxation  
P.O. Box 449  
Tinian, MP 96952

**Filing deadline** April 18, 2022



Use in conjunction with the 2021 Internal Revenue Service (IRS) Form 1040 instructions.

- Income
- Additional Child Tax Credit (Schedule 8812) \*
- Education Credits - American Opportunity & Lifetime Learning Credits (Form 8863)
- Earned Income Credit (EIC)
- Recovery Rebate Credit
- Child and Dependent Care Expenses (Form 2441)
- Credits for Sick Leave and Family Leave for Certain Self-Employed Individuals (Form 7202)

**Lines 1 through 7**

Sourcing Rules. The rules for the determination of source of income are established in the Northern Mariana Territorial Income Tax Code (“NMTIT”) sections 861 through 865 and associated U.S. Treasury regulations. Taxpayers and professionals should consult these statutes and regulations for detailed guidance on determining sources of income. You must allocate the income you are reporting on these lines between income without and within the Commonwealth based on their sources. Enter your figure in the appropriate columns.

**Line 8**

Use the CNMI Schedule 1CM instead of the U.S. version. Schedule 1CM provides the income source allocation. Enter the amounts from line 10 of Schedule 1CM in the respective columns.

**Line 9a**

Add amounts from lines 1 through 8 in each column. Enter the total in their respective column.

**Line 9b**

Divide line 9a, column A by line 9a, column C. If the percentage is zero or less, enter zero. If the percentage is more than 100, enter 100.

**Example below**

Line	Column A	Column B	Column C
9a	250.00	Not	1,000.00

Step 1. 250.00 [col A] /1,000.00 [col C] = 0.25  
 Step 2. 0.25 x 100 = 25; enter 25.0000 (25%) on line 9b, column A

**Line 10**

Enter the amount from line 26 of Schedule 1CM.

**Line 23**

Caution: Do not include lines 4, 5, 6, 7, 8, 9, 13, and 17m from Part II of Schedule 2. These are reported to the Internal Revenue Service (IRS).

**Line 25a through 25c**

Enter the total Federal Income Tax withheld (from Form(s) W-2 and/or Form(s) 1099 from outside source only, not from the CNMI). Do not include these amounts on line 25e.

**Line 25e**

Enter the total NMTIT withheld (chapter 7 tax from Form(s) W-2CM and/or Form(s) 1099 from within the CNMI only). Do not include these amounts on lines 25a through 25c.

**Line 27a**

Refer to IRS 1040 (and 1040-SR) instructions.

**Line 28**

Refer to IRS Schedule 8812 (2021) instructions.



Schedule 8812 (2021), Line 13 supplemental instructions as follows:

**Part I-A, Line 13**

Box A

Check box “A” if you (or your spouse if filing jointly) had a principal place of abode in the Commonwealth of the Northern Mariana Islands (CNMI) for more than one-half of 2021. This means your main home was in the CNMI for more than one-half of 2021. Your main home can be any location where you regularly live. Your main home may be your house, apartment, mobile home, shelter, temporary lodging, or other location and doesn’t need to be the same physical location throughout the tax year. You don’t need a permanent address. See Box B, later, if you were a bona fide resident of Puerto Rico in 2021.

If you are temporarily away from your main home because of illness, education, business, or vacation, you are generally treated as living in your main home.

**Military personnel stationed outside the United States.**

U.S. military personnel stationed outside the United States on extended active duty are considered to have a main home in the United States for purposes of claiming a child tax credit.

### Box B

Check box "B" if you (or your spouse if filing jointly) were a bona fide resident of Puerto Rico. Generally, you were a bona fide resident of Puerto Rico if, during 2021, you:

Met the presence test,  
Did not have a tax home outside of Puerto Rico, and  
Did not have a closer connection to the United States or to a foreign country than to Puerto Rico.  
For more information on bona fide residence, see Pub. 570, Tax Guide for Individuals with Income From U.S. Possessions.

If you check either box A or box B, then go to the instructions for Part I-B. If you cannot check either box A or box B, then go to the instructions for Part I-C.

### **Line 30**

Recovery Rebate Credit – Use the NMI Recovery Rebate Credit Worksheet on the last page to figure the credit. Refer to the 2021 IRS 1040 and 1040-SR instructions for definitions and other information needed to fill out the worksheet.

### **Line 31**

Caution: Do not include lines 11 and 12 from Part II of Schedule 3. These are reported to the Internal Revenue Service (IRS).

### **Lines 34**

The amount overpaid on this line may be subject to an adjustment if there is an allowable non-refundable credit and/or rebate as computed on Schedule OS-3405A, Part C, line 21.

## **Summary of Taxes Due or (Overpayment)**

### **PART A. Combined Due or (Overpayment)**

- 1a.** Additional child tax balance due. Enter amount from line 23 of Schedule OS-3405A.
- 1b.** NMTIT amount due or (overpayment). Enter the amount from line 27 of Schedule OS-3405A.
- 2.** Total wage and salary and earnings tax due or (overpayment). Enter the amount from line 6, Part C, of Form NMI-A (Form 1040CM).
- 3.** Combined additional child tax, NMTIT due or (overpayment), and wage and salary and earnings tax. Add lines 1a, 1b, and 2. If the result is less than zero, enclose the amount in parenthesis. If the amount is more

than zero, skip lines 4 and 5.

If the amount on line 3 is greater than zero, this is the amount you owe. Pay this amount unless you are claiming any of the refundable credits in Parts B through Part G.

**4.** Enter the overpayment amount on line 3 you want applied to your 2022 estimated tax. This amount cannot be greater than the (overpayment) available on line 3, Part A.

**5.** Add line 3 and line 4. **This is your refund.**

### **Part B. Recovery Rebate Credit (RRC). See the 2021 NMI Recovery Rebate Credit Worksheet on this instruction.**

**If you are not claiming this credit and the amount on line 3, Part A above is greater than zero, enter the amount from line 3, Part A on line 4 below.**

- 1.** Enter the amount from line 30 of Form 1040CM, page 2.
- 2.** If the amount on line 3, Part A is greater than zero, enter the lesser of line 1 or the amount on line 3, Part A. If line 3, Part A is less than zero, enter zero.
- 3.** Subtract line 2 from line 1. This is your recovery rebate credit refund.
- 4.** Balance after offset of the recovery rebate credit refund. Subtract line 2 from line 3, Part A.

### **Part C. Additional Child Tax Credit (ACTC).**

**If you are not claiming this credit, enter the amount from line 4 Part B on line 4 below.**

- 1.** Enter the amount from line 28 of Form 1040CM, page 2.
- 2.** Enter the lesser of line 1 or line 4, Part B.
- 3.** Subtract line 2 from line 1. This is your additional child tax credit refund.
- 4.** Balance after offset of the additional child tax credit. Subtract line 2 from line 4, Part B.

### **Part D. Earned Income Tax Credit (EITC).**

**If you are not claiming this credit, enter the amount from line 4 Part C on line 4 below.**

- 1.** Enter the amount from line 27a of Form 1040CM, page 2.

2. Enter the lesser of line 1 or line 4, Part C.
3. Subtract line 2 from line 1. This is your Earned Income Tax Credit refund.
4. Balance after offset of the earned income tax credit. Subtract line 2 from line 4, Part C.

### Part E. American Opportunity Tax Credit (AOTC).

If you are not claiming this credit, enter the amount from line 4 Part D on line 4 below.

1. Enter the amount from line 29 of Form 1040CM, page 2.
2. Enter the lesser of line 1 or line 4, Part D.
3. Subtract line 2 from line 1. This is your American opportunity tax credit refund.
4. Balance after offset of the American opportunity tax credit. Subtract line 2 from line 4, Part D.

### Part F. Child and Dependent Care Credit.

If you are not claiming this credit, enter the amount from line 4 Part E on line 4 below.

1. Enter the amount from line 13g, of Schedule 3.
2. Enter the lesser of line 1 or line 4, Part E.
3. Subtract line 2 from line 1. This is your child and dependent care credit refund.
4. Balance after offset of the child and dependent care credit. Subtract line 2 from line 4, Part E.

### Part G. Sick and Family Leave Credit.


If you are not claiming this credit, enter the amount from line 4 Part F on line 4 below.

1. Enter the amount from line 13b and 13h, from Schedule 3.
2. Enter the lesser of line 1 or line 4, Part F.
3. Subtract line 2 from line 1. This is your sick and family leave credit refund.
4. Balance after offset of the sick and family leave credit. Subtract line 2 from line 4, Part F.

### Part H. Balance Due

1. Enter the amount from line 4, Part G. Pay this amount.

### Part I. Direct Deposit on Checking or Savings Account. *Simple.Safe.Secure.*

 If you want your refund deposited directly to your bank account, please provide your checking or savings account information. Attach a copy of your void check.

#### Why Use Direct Deposit?

- You get your refund faster by direct deposit than you do by check.
- Payment is more secure. There is no check that can get lost or stolen.
- It is more convenient. You don't have to make a trip to the bank to deposit your check.
- It saves tax dollars. It costs the government less to refund by direct deposit.

#### Line 1b. Account type

Checkmark the box corresponding to the type of account you entered on line 1c. For example, if your account number is a savings account, checkmark the box for the savings account. Check only one box.

#### Line 1c. Routing Number

The routing number must be nine digits. Enter the 9-digit routing number from the first set of numbers on the lower left corner of your check.

#### Line 1d. Checking or Savings Account Number

Enter the account number from your bank. This number is private and unique to your bank account. You'll find it only on your checking or savings statement.

For example. If your checking account number is 0017-123456, you must enter it on line 1d as shown below. Omit the dash. Enter only alphanumeric characters.

0	0	1	7	1	2	3	4	5	6										
---	---	---	---	---	---	---	---	---	---	--	--	--	--	--	--	--	--	--	--

#### Reasons Your Direct Deposit Request Will Be Rejected

If any of the following apply, your direct deposit request may be rejected by your financial institution and the CNMI Treasury will issue a check to you:

- A joint return refund is deposited to a non-joint checking or savings account.

- The name(s) on your account doesn't match the name(s) on the refund.
- You have given an invalid account number.






The Division of Revenue and Taxation isn't responsible for a lost refund if you enter the wrong account information. Check with your financial institution to get the correct routing and account numbers.

## 2021 NMI Recovery Rebate Credit Worksheet—Line 30 of Form 1040CM

- Before you begin:**
- ✓ See the 2021 IRS 1040 instructions for line 30 to find out if you can take this credit and for definitions and other information needed to fill out this worksheet.
  - ✓ If you received Notice CNMI EIP2/3-2021 from the Northern Mariana Islands. Use this document for line 13a.
  - ✓ If you received Notice 1444-C, or any of the four U.S. Territories, including the U.S. Virgin Islands, American Samoa, Guam, or Puerto Rico, have them available. Use that document for line 13b.

**Don't include on line 13a or 13b any amount you received but later returned to the issuer.**

1. Can you be claimed as a dependent on another person's 2021 return? If filing a joint return, go to line 2.
  - No.** Go to line 2.
  - Yes.**  You can't take the credit. Don't complete the rest of this worksheet and don't enter any amount on line 30.
2. Does your 2021 return include a valid social security number that was issued on or before the due date of your 2021 return (including extensions) for you and, if filing a joint return, your spouse?
  - Yes.** Go to line 6.
  - No.** If you are filing a joint return, go to line 3. If you aren't filing a joint return, go to line 5.
3. Was at least one of you a member of the U.S. Armed Forces at any time during 2021, and does at least one of you have a valid social security number that was issued on or before the due date of your 2021 return (including extensions)?
  - Yes.** Your credit is not limited. Go to line 6.
  - No.** Go to line 4.
4. Does one of you have a valid social security number that was issued on or before the due date of your 2021 return (including extensions)?
  - Yes.** Your credit is limited. Go to line 6.
  - No.** Go to line 5.
5. Do you have any dependents listed in the *Dependents* section on page 1 of Form 1040CM for whom you entered a social security number that was issued on or before the due date of your 2021 return (including extensions) or an adoption taxpayer identification number?
  - Yes.** Enter zero on line 6 and go to line 7.
  - No.**  You can't take the credit. Don't complete the rest of this worksheet and don't enter any amount on line 30.
6. Enter:
  - \$1,400 if single, head of household, married filing separately, or qualifying widow(er),
  - \$1,400 if married filing jointly and you answered "Yes" to question 4, or
  - \$2,800 if married filing jointly and you answered "Yes" to question 2 or 3. . . . . **6.** \_\_\_\_\_
7. Multiply \$1,400 by the number of dependents listed in the *Dependents* section on page 1 of Form 1040CM for whom you entered a social security number that was issued on or before the due date of your 2021 return (including extensions) or an adoption taxpayer identification number. . . . . **7.** \_\_\_\_\_
8. Add lines 6 and 7 . . . . . **8.** \_\_\_\_\_
9. Is the amount on line 11 of Form 1040CM more than the amount shown below for your filing status?
  - Single or Married filing separately—\$75,000
  - Married filing jointly or qualifying widow(er)—\$150,000
  - Head of household—\$112,500
  - Yes.** Enter the amount from line 11 of Form 1040CM and go to line 10. . . . . **9.** \_\_\_\_\_
  - No.** Enter the amount from line 8 on line 12 and skip lines 10 and 11
10. Is line 9 more than the amount shown below for your filing status?
  - Single or Married filing separately—\$80,000
  - Married filing jointly or qualifying widow(er)—\$160,000
  - Head of household—\$120,000
  - Yes.**  You can't take the credit. Don't complete the rest of this worksheet and don't enter any amount on line 30.
  - No.** Subtract line 9 from the amount shown above you filing status . . . **10.** \_\_\_\_\_
11. Divide line 10 by the amount shown for your filing status. Enter the result as a decimal (rounded to at least 2 places).
  - Single or Married filing separately—\$5,000
  - Married filing jointly or qualifying widow(er)—\$10,000
  - Head of household—\$7,500 . . . . . **11.** \_\_\_\_\_
12. Multiply line 8 by line 11 . . . . . **12.** \_\_\_\_\_
- 13 a. Enter the amount from the CNMI, if any, of the Third Economic Impact Payment (EIP 3) that was issued to you. If filing a joint return, include the amount of your spouse's EIP 3 payment . . . . . **13a.** \_\_\_\_\_
- b. Enter the amount from elsewhere (other than the CNMI), if any, of the Third Economic Impact Payment (EIP 3) that was issued to you. If filing a joint return, include the amount of your spouse's EIP 3 payment . . . . . **13b.** \_\_\_\_\_
14. **Recovery Rebate Credit.** Subtract the sum of lines 13a and 13b from line 12. If zero or less, enter -0-. If the sum of lines 13a and 13b is more than line 12, you don't have to pay back the difference. Enter the result here and, if more than zero, on line 30 of Form 1040CM. . . . . **14.** \_\_\_\_\_