

FYI – For Your Information

A Resident Married to a Nonresident or Part-Year Resident and Filing Jointly

GENERAL INFORMATION

A resident taxpayer and nonresident or part-year resident spouse must file a joint Colorado income tax return if they file a joint federal income tax return. Use the nonresident or part-year resident tax computation rules found on Form 104PN “Part-Year Resident/Nonresident Tax Apportionment Schedule.” This form is found in the 104 Individual Income Tax booklet. Complete both the 104 Form tax return and the 104PN schedule.

WHO IS A PART-YEAR RESIDENT?

A part-year resident is an individual who was a resident of Colorado for only part of the tax year. This includes people who moved into Colorado with the intention of making their home here and also Colorado residents who moved out of Colorado at any time during the income tax year with the intention of making their home elsewhere. Part-year residents are required to file a Colorado income tax return if they are required to file a federal income tax return **and** had taxable income during that part of the year they were a Colorado resident.

WHO IS A NONRESIDENT?

Nonresidents are individuals who did not consider their home to be in Colorado at any time during the tax year even though they may have temporarily resided and/or worked in Colorado. Nonresidents are

required to file a Colorado income tax return if they are required to file a federal income tax return **and** had Colorado-source income. Colorado source income is defined as any income received for work or services performed in Colorado or performed in part in Colorado, or business income from Colorado, or rents, royalties, capital gains, partnership income, S corporation income, or income from an estate or trust from Colorado sources. [§39-22-109, C.R.S.].

APPORTIONING THE TAX

Compute a tentative tax as if you were both full-year residents. Then use form 104PN to compute your Colorado tax liability. Enter in the Colorado column the full year income of the resident spouse plus the income reportable to Colorado, if any, by the part-year or nonresident spouse. Use the 104PN to compute the ratio of the joint modified federal adjusted gross income reportable to Colorado to the total joint modified federal adjusted gross income. The apportioned tax should be entered on the 104 Form. Attach the 104PN to the 104 when it is sent to the Department of Revenue. The sample 104PN on page 2 illustrates the computation method.



Colorado Department
of Revenue
Taxpayer Service Division
1375 Sherman St.
Denver, Colorado 80261

Forms and other services:
(303) 238-FAST (3278)
Assistance:
(303) 238-SERV (7378)

www.taxcolorado.com

EXAMPLE

Taxpayer Vernon Jones was a full-year Colorado resident during 2006. His income consisted of wages of \$53,000, interest and dividends of \$1,516, and a capital gain of \$58. On June 14, 2006, he married Mary Anne Dittweiler, a resident of Florida, who moved to Colorado to make her home with Vernon. Mary Anne earned \$8,619 in Florida before her marriage, and \$11,813 after finding a job

in Colorado. Additionally, she had partnership income of \$16,250 which is prorated 54.8 percent to Colorado based on the number of days of her residency in Colorado. Their Colorado taxable income from Form 104 was \$75,856 and their full-year tax would have been \$3,512. Their 104PN would be completed as shown in the worksheet below.

| 104PN | Federal Column | Colorado Column |
|-----------------------------|-----------------------|------------------------|
| 4. Wages | \$73,432 | |
| 5. Colorado Wages | | \$64,813 |
| 6. Interest | \$1,516 | |
| 7. Colorado Interest | | \$1,516 |
| 10. Capital Gain | \$58 | |
| 13. Colorado Gain | | \$58 |
| 16. Partnership income | \$16,250 | |
| 17. Colo Partnership Income | | \$8,905 |
| 20. Total Income | \$91,256 | |
| 21. Total Colorado Income | | \$75,292 |
| 24. AGI | \$91,256 | |
| 25. Colorado AGI | | \$75,292 |
| 32. Modified AGI | \$91,256 | |
| 33. Modified Colo AGI | | \$75,292 |
| 34. Percentage | | 82.506% |
| 35. Tentative Tax | | \$3,512 |
| 36. Apportioned Tax | | \$2,898 |

FURTHER INFORMATION

FYIs, commonly used forms and additional tax information are available on the Web at *www.taxcolorado.com*

For additional income tax information visit the "Tax Information Index" which covers a variety of tax topics including links to forms, publications, regulations, statutes and general questions and answers. The "Tax Information Index" is located at *www.taxcolorado.com*

FYIs provide general information concerning a variety of Colorado tax topics in simple and straightforward language. Although the FYIs represent a good faith effort to provide accurate and complete tax information, the information is not binding on the Colorado Department of Revenue nor, does it replace, alter or supersede Colorado law and regulations. The Executive Director, who by statute is the only person having authority to bind the Department, has not formally reviewed and/or approved these FYIs.