

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.

WHAT 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.

WHAT 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 the step-by-step instructions on the back of the 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

Sales Tax: (303) 232-2416
Withholding Tax: (303) 232-2416
Income Tax: (303) 232-2446
Severance Tax: (303) 232-2446
Fuel Tax: (303) 232-2451

EXAMPLE

Taxpayer Vernon Jones was a full-year Colorado resident during 1996. His income consisted of wages of \$53,000, interest and dividends of \$1,516, and capital gain dividends of \$58. On June 14, 1996, 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, line 14, Form 104, was \$82,625 and their full-year tax would have been \$4,131. Their 104PN would be completed as shown in the worksheet below.

	FEDERAL COLUMN	COLORADO COLUMN
A. Wages, salaries, tips, etc A	73,432.00	64,813.00
B. Interest and Dividends B	1,516.00	1,516.00
C. Business and/or farm income or (loss) C		
D. Gains or (losses) from the sale or exchange of assets D	58.00	58.00
E. Taxable IRA, pension and annuities, social security E		
F. Federal Schedule E income (rents, royalties, partnerships, estates, trusts, etc) .. F	16,250.00	8,905.00
G. Other income, list _____ _____ G		
H. Total income, add lines A through G H	91,256.00	75,292.00
I. Federal adjustments, list _____ _____ I		
J. Adjusted gross income, line H minus line I J	91,256.00	75,292.00
K. Additions to federal adjusted gross income K		
L. Total lines J and K L	91,256.00	75,292.00
M. Subtractions from federal adjusted gross income M		
N. Modified adjusted gross income, line L minus line M N	91,256.00	75,292.00
O. Amount on line N, Colorado column, divided by amount on line N, federal column O		82.506 %
P. Tax from tax table based on income on Form 104, line 14 P		4,131.00
Q. Apportioned tax, amount on line P multiplied by the percentage on line O. Enter here and on line 15, Form 104 Q		3,408.00

FURTHER INFORMATION

For related information, see:

- FYI Income 17 “Colorado Tax Credit For Income Tax Paid To Another State”;
- FYI Income 6 “Part-Year Residents and Non-Residents”;
- FYI General 1 “Department of Revenue Publications.”

Single FYIs may be obtained free from any Taxpayer Service Center statewide, or by calling the DOR Forms Hotline at (303) 232-2414. Please use the FYI number (General 1, Sales 9, etc..) when ordering FYI publications. **The Complete Book of FYIs**, a set of approximately 130 FYIs, may be obtained at low cost from the State Forms Center. An order form is contained in FYI General 1, or call the State Forms Center at (303) 321-4164 for ordering information.