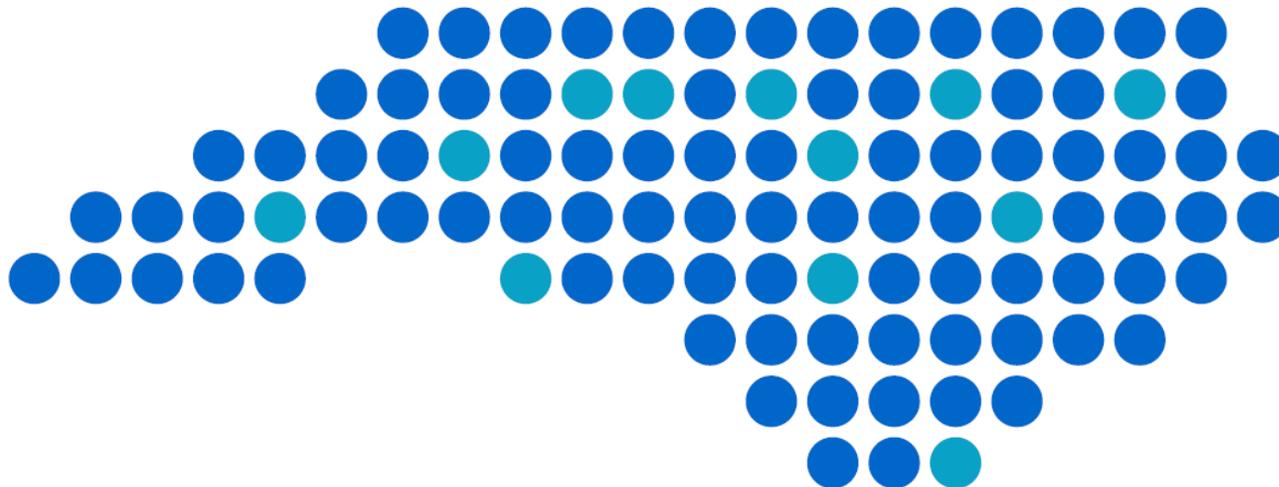


**NCDOR**

NORTH  
CAROLINA  
DEPARTMENT  
OF REVENUE

# How to fill out the NC-4





## **CAUTION**

The NC Department of Revenue provides this information as a courtesy to help keep you informed. As tax laws change, the way this information is applied may change as well. This information is generalized and should not be considered advice for your specific situation. If you would like to obtain specific tax advice that is binding on the Department, you may follow the procedure for requesting a letter ruling, which is located at [www.dornc.com](http://www.dornc.com).

# Items needed to fill out NC-4

---

- Form NC-4
  - ▣ With Allowance Worksheet/schedules
- Copy of previous year Federal 1040, 1040A, or 1040 EZ
  - ▣ Used to estimate income and deductions for current tax year

# Line 1 of NC-4

4

- You are no longer allowed to claim a N.C. withholding allowance for yourself, your spouse, your children, or any other dependents. Please enter 0 if you plan to claim a N.C. standard deduction and do not expect to have any federal adjustments to income, N.C. deductions, or N.C. tax credits.

**NC-4**  
Web  
11-13

**Employee's Withholding Allowance Certificate**  
North Carolina Department of Revenue

1. Total number of allowances you are claiming  
*(Enter zero (0), or the number of allowances from Page 2, line 16 of the NC-4 Allowance Worksheet)*

2. Additional amount, if any, withheld from each pay period *(Enter whole dollars)*

00

00



# Line 1 NC-4 sample

5

- For example
  - ▣ Taxpayer expects to file Married Filing Jointly, and has 2 children under age 17. Household income is \$80,000 (Husband = \$40,000, Wife = \$40,000). Taxpayer claims N.C. itemized deduction. How many allowances should be entered on Line 1 of form NC-4?

**Note:** Any dependent age 17 or older will not affect the determination of the number of allowances on the NC-4EZ or NC-4.

# Allowance Worksheet

## Part I

6

- For the current tax year, answer all of the following questions for your filing status.

**For Example**

*Will differ depending on your filing status*

### Married Filing Jointly -

1. Will your N.C. itemized deductions from Page 3, Schedule 1 exceed \$17,500? Yes  No
2. Will you have adjustments or deductions from income from Page 3, Schedule 2? Yes  No
3. Will you be able to claim any N.C. tax credits or tax credit carryovers from Page 4, Schedule 4? Yes  No
4. Will your spouse receive combined wages and taxable pensions of less than \$5,000 or only retirement benefits not subject to N.C. income tax? Yes  No

If you answered "No" to all of the above, **STOP HERE** and enter **ZERO (0)** as total allowances on Form NC-4, Line 1. If you answered "Yes" to any of the above, you may choose to go to Page 2, Part II to determine if you qualify for additional allowances. Otherwise, enter **ZERO (0)** on Form NC-4, Line 1.

# Allowance Worksheet

## Part I Question 1

7

- Will your N.C. itemized deductions exceed \$17,500?
  - Please refer to Page 3, Schedule 1, of NC-4 as shown below.

Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

Schedule 1	
Estimated N.C. Itemized Deductions	
Qualifying mortgage interest	\$ 13,000 .
Real estate property taxes	\$ 5,000 .
Total qualifying mortgage interest and real estate property taxes*	\$ .
Charitable Contributions (Same as allowed for federal purposes)	\$ .
Total estimated N.C. itemized deductions. Enter on Page 2, Part II, Line 1	\$ 18,000 .

\*The sum of your qualified mortgage interest and real estate property taxes may not exceed \$20,000. For married taxpayers, the \$20,000 limitation applies to the combined total of qualified mortgage interest and real estate property taxes claimed by both spouses, rather than to each spouse separately.

**NOTICE**



# Allowance Worksheet

## Part I Question 3

9

- Will you be able to claim any N.C. tax credits or tax credit carryovers?
  - Please refer to Page 4, Schedule 4, of NC- 4 as shown below.

**Schedule 4**

**Estimated N.C. Tax Credits**

Tax Credit for Income Taxes Paid to Other States by Individuals \$ \_\_\_\_\_

**Credit for Children**  
 A taxpayer who is allowed a federal child tax credit under section 24 of the Internal Revenue Code is allowed a tax credit for each dependent child unless adjusted gross income exceeds the threshold amount shown below.  
 The credit can be claimed only for a child who is under 17 years of age on the last day of the year.

Filing Status	Adjusted Gross Income	No. of Children	Credit Amount per Qualifying Child	Estimated Credit
Single	Up to \$20,000	_____	\$125	\$ _____.
	Over \$20,000 and up to \$50,000	_____	\$100	\$ _____.
	Over \$50,000	_____	\$0	\$ _____.
Married Filing Jointly or Qualifying Widow(er)	Up to \$40,000	_____	\$125	\$ _____.
	Over \$40,000 and up to \$100,000	2	\$100	\$ <b>\$200</b> .
	Over \$100,000	_____	\$0	\$ _____.
Head of Household	Up to \$32,000	_____	\$125	\$ _____.
	Over \$32,000 and up to \$80,000	_____	\$100	\$ _____.
	Over \$80,000	_____	\$0	\$ _____.
Married Filing Separately	Up to \$20,000	_____	\$125	\$ _____.
	Over \$20,000 and up to \$50,000	_____	\$100	\$ _____.
	Over \$50,000	_____	\$0	\$ _____.

Yes  No

Yes  No

# Allowance Worksheet

## Part I Question 4

10

Note: Part I Question 4 applies only to taxpayers filing Married Filing Jointly.

- Will your spouse have no wages or receive combined wages and N.C. taxable pensions of less than \$5,000?

Page 4, Schedule 4? Yes  No

4. Will your spouse receive combined wages and taxable pensions of less than \$5,000 or only retirement benefits not subject to N.C. income tax? Yes  No

If you answered "No" to all of the above, **STOP HERE** and enter **ZERO (0)** as total allowances on Form NC-4, Line 1.  
If you answered "Yes" to any of the above, you may choose to go to Page 2, Part II to determine if you qualify for additional allowances. Otherwise, enter **ZERO (0)** on Form NC-4, Line 1.

# Allowance Worksheet

## Part I

11

- If you answered “No” to all of the above, enter “0” on Line 1 of Form NC-4.

Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>
Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>

**NC-4**  
Web  
11-13

**Employee's Withholding Allowance Certificate**  
North Carolina Department of Revenue

1. Total number of allowances you are claiming  
*(Enter zero (0), or the number of allowances from Page 2, line 16 of the NC-4 Allowance Worksheet)*

2. Additional amount, if any, withheld from each pay period *(Enter whole dollars)*

00

00

If you are filing as qualifying widow(er), enter 3 on line 1 of form NC-4.

# Allowance Worksheet

## Part I

12

- If you answered “Yes” to any of the above questions, you may choose to go to page 2, Part II, of NC-4 to determine if you qualify for additional allowances.

**NC-4 Allowance Worksheet**

Qualifying Widow(er) -

1. Will your N.C. itemized deductions from Page 3, Schedule 1 exceed \$17,459?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
2. Will you have adjustments or deductions from income from Page 3, Schedule 2?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
3. Will you be able to claim any N.C. tax credits or tax credit carryovers from Page 4, Schedule 4?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

If you answered "No" to all of the above, **STOP HERE** and enter **THREE (3)** as total allowances on Form NC 4, Line 1.  
If you answered "Yes" to any of the above, you may choose to go to Part II to determine if you qualify for additional allowances. Otherwise, enter **THREE (3)** on Form NC 4, Line 1.

**NC-4 Part II**

1. Enter your total estimated N.C. itemized deductions from Page 3, Schedule 1	1	\$	.
2. Enter the applicable N.C. standard deduction based on your filing status	}	\$ 7,500 if single	
		\$15,000 if married filing jointly or qualifying widow(er)	
		\$ 7,500 if married filing separately	
		\$12,000 if head of household	
3. Subtract line 2 from line 1. If line 1 is less than line 2, enter -1.00 (0)	3	\$	.
4. Enter an estimate of your total federal adjustments to income and State deductions from federal adjusted gross income from Page 3, Schedule 2	4	\$	.
5. Add lines 3 and 4	5	\$	.
6. Enter an estimate of your nonwage income (such as dividends or interest)	6	\$	.
7. Enter an estimate of your State additions to federal adjusted gross income from Page 3, Schedule 3	7	\$	.
Add lines 5, 6, and 7		\$	.

Yes <input type="checkbox"/>	No <input type="checkbox"/>
Yes <input type="checkbox"/>	No <input type="checkbox"/>
Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Yes <input type="checkbox"/>	No <input type="checkbox"/>

# Allowance Worksheet

## Part II Line 1

13

- Line 1 – Enter your total estimated N.C. itemized deductions from Page 3, Schedule 1, of NC-4.

Schedule 1	
Estimated N.C. Itemized Deductions	
Qualifying mortgage interest	\$ 13,000
Real estate property taxes	\$ 5,000
Total qualifying mortgage interest and real estate property taxes*	\$ .
Charitable Contributions (Same as allowed for federal purposes)	\$ .
Total estimated N.C. itemized deductions. Enter on Page 2, Part II, Line 1	\$ 18,000

\*The sum of your qualified mortgage interest and real estate property taxes may not exceed \$20,000. For married taxpayers, the \$20,000 limitation applies to the combined total of qualified mortgage interest and real estate property taxes claimed by both spouses, rather than to each spouse separately.

NC-4 Part II						
1. Enter your total estimated N.C. itemized deductions from Page 3, Schedule 1 .....	1. \$ 18,000 .					
2. Enter the applicable N.C. standard deduction based on your filing status. <table style="display: inline-table; vertical-align: middle;"> <tr> <td rowspan="4" style="font-size: 3em; vertical-align: middle;">}</td> <td>\$ 7,500 if single</td> </tr> <tr> <td>\$15,000 if married filing jointly or qualifying widow(er)</td> </tr> <tr> <td>\$ 7,500 if married filing separately</td> </tr> <tr> <td>\$12,000 if head of household</td> </tr> </table>	}	\$ 7,500 if single	\$15,000 if married filing jointly or qualifying widow(er)	\$ 7,500 if married filing separately	\$12,000 if head of household	2. \$ .
}		\$ 7,500 if single				
		\$15,000 if married filing jointly or qualifying widow(er)				
		\$ 7,500 if married filing separately				
	\$12,000 if head of household					
3. Subtract line 2 from line 1. If line 1 is less than line 2, enter ZERO (0) .....	3. \$ .					
4. Enter an estimate of your total federal adjustments to income and State deductions from federal adjusted gross income from Page 3, Schedule 2 .....	4. \$ .					

# Allowance Worksheet

## Part II Line 2

- Line 2 - Enter N.C. standard deduction
  - ▣ \$15,000 for married filing jointly or qualifying widow(er)
  - ▣ \$12,000 for head of household
  - ▣ \$7,500 for single
  - ▣ \$7,500 married filing separate

**NC-4 Part II**

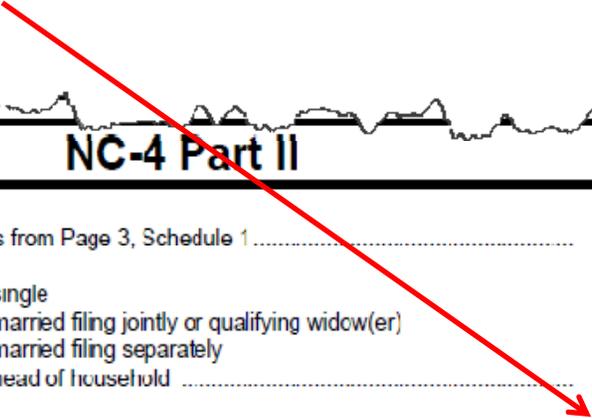
1.	Enter your total estimated N.C. itemized deductions from Page 3, Schedule 1 .....	1.	\$ 18,000 .
2.	Enter the applicable N.C. standard deduction based on your filing status. { \$ 7,500 if single \$15,000 if married filing jointly or qualifying widow(er) \$ 7,500 if married filing separately \$12,000 if head of household .....	2.	\$ 15,000 .
3.	Subtract line 2 from line 1. If line 1 is less than line 2, enter ZERO (0) .....	3.	\$ .
4.	Enter an estimate of your total federal adjustments to income and State deductions from federal adjusted gross income from Page 3, Schedule 2 .....	4.	\$ .

# Allowance Worksheet

## Part II Line 3

$$\begin{aligned} & \text{Line 1} \\ & - \text{Line 2} \\ & = \text{Line 3} \end{aligned}$$

Note: Do not enter a negative number. If negative, enter zero



**NC-4 Part II**

1. Enter your total estimated N.C. itemized deductions from Page 3, Schedule 1.....	1.	\$	\$18,000	.
2. Enter the applicable N.C. standard deduction based on your filing status. { \$ 7,500 if single \$15,000 if married filing jointly or qualifying widow(er) \$ 7,500 if married filing separately \$12,000 if head of household .....	2.	\$	\$15,000	.
3. Subtract line 2 from line 1. If line 1 is less than line 2, enter ZERO (0).....	3.	\$	\$3,000	.
4. Enter an estimate of your total federal adjustments to income and State deductions from federal adjusted gross income from Page 3, Schedule 2.....	4.	\$		.

# Allowance Worksheet

## Part II Line 4

16

- Line 4 - Enter an estimate of your current tax year federal adjustments to income and your state deductions from federal adjusted gross

Reference your previous year tax return for assistance in determining these amounts

The image shows a portion of the 2012 Form 1040. The 'Adjusted Gross Income' section is visible, with line 4 circled in red. A red arrow points from the text box to line 4. The form includes various sections for reporting income and deductions, with a total for adjusted gross income shown at the bottom of the section.

**Federal adjustments** – Health savings account, Moving expenses, Alimony paid, IRA deduction, Student loan interest deduction, Certain business expenses of reservist, performing artist, and fee-basis governmental officials

**State adjustments** – 20% of prior bonus depreciation addback, 20% of prior section 179 addback, amount by which NC basis of property exceeds federal basis of property in year taxpayer disposes of property

# Allowance Worksheet

## Part II Line 4 Continued

**Schedule 2**

**Estimated Federal Adjustments to Income**

Federal adjustments to income are the amounts that are deducted from total income claimed on your federal return. Adjustments to income may include:

Health savings account deduction	\$ _____	
Moving expenses	\$ _____	
Alimony paid	\$ _____	
IRA deduction	\$ <b>\$4,000</b>	
Student loan interest deduction	\$ <b>\$1,000</b>	
Certain business expenses of reservists, performing artist, and fee-basis governmental officials	\$ _____	
<b>Total Federal Adjustments to Income</b>		<b>\$ <u>\$5,000</u></b>

**Estimated State Deductions from Federal Adjusted Gross Income to Consider for NC-4 Purposes**

20% of prior bonus depreciation addback	\$ _____	
20% of prior section 179 addback	\$ _____	
Amount by which North Carolina basis of property exceeds federal basis of property - in year taxpayer disposes of property	\$ _____	
<b>Total State Deductions from Federal Adjusted Gross Income</b>		<b>\$ _____</b>

(Do not consider any amount of the portion of Bailey Retirement Benefits, Social Security Benefits, or Railroad Retirement Benefits included in Adjusted Gross Income.)

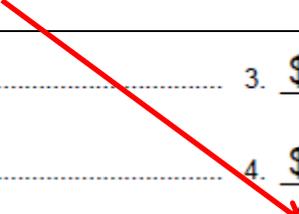
Total Federal Adjustments to Income and State Deductions from Federal Adjusted

3. Subtract line 2 from line 1. If line 1 is less than line 2, enter ZERO (0).....	3.	\$ <b>\$3000</b>	.
4. Enter an estimate of your total federal adjustments to income and State deductions from federal adjusted gross income from Page 3, Schedule 2.....	4.	\$ <b>\$5000</b>	.
5. Add lines 3 and 4 .....	5.	\$ _____	.
6. Enter an estimate of your nonwage income (such as dividends or interest).....	6.	\$ _____	.
7. Enter an estimate of your State additions to federal adjusted gross income from Page 3, Schedule 3 .....	7.	\$ _____	.

# Allowance Worksheet

## Part II Line 5

$$\begin{aligned} & \text{Line 3} \\ & + \underline{\text{Line 4}} \\ & = \text{Line 5} \end{aligned}$$



3. Subtract line 2 from line 1. If line 1 is less than line 2, enter ZERO (0).....	3.	\$	\$3000	.
4. Enter an estimate of your total federal adjustments to income and State deductions from federal adjusted gross income from Page 3, Schedule 2.....	4.	\$	\$5000	.
5. Add lines 3 and 4 .....	5.	\$	\$8000	.
6. Enter an estimate of your nonwage income (such as dividends or interest).....	6.	\$		.
7. Enter an estimate of your State additions to federal adjusted gross income from Page 3, Schedule 3 .....	7.	\$		.

# Allowance Worksheet

## Part II Line 6

19

- Line 6 - Enter an estimate of your current tax year non-wage income

Reference your previous year tax return for assistance in determining these amounts

Examples: Dividends, Interest Income.

3. Subtract line 2 from line 1. If line 1 is less than zero, enter zero	3.	\$	\$3000	.
4. Enter an estimate of your total federal adjusted gross income from Page 3, Schedule 1	4.	\$	\$5000	.
5. Add lines 3 and 4	5.	\$	\$8000	.
6. Enter an estimate of your nonwage income (such as dividends or interest)	6.	\$	\$1000	.
7. Enter an estimate of your State additions to federal adjusted gross income from Page 3, Schedule 3	7.	\$	.	.

# Allowance Worksheet

## Part II Line 7

- Line 7 - Enter estimate of your current tax year state additions

3. Subtract line 2 from line 1. If line 1 is less than line 2, enter ZERO (0).....	3.	\$	\$3000	.
4. Enter an estimate of your total federal adjustments to income and State deductions from federal adjusted gross income from Page 3, Schedule 2.....	4.	\$	\$5000	.
5. Add lines 3 and 4 .....	5.	\$	\$8000	.
6. Enter an estimate of your nonwage income (such as dividends or interest).....	6.	\$	\$1000	.
7. Enter an estimate of your State additions to federal adjusted gross income from Page 3, Schedule 3 .....	7.	\$	\$0	.

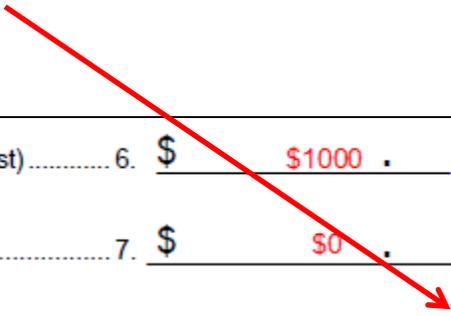
Schedule 3	
Estimated State Additions to Federal Adjusted Gross Income to Consider for NC-4 Purposes	
Shareholder's share of built-in gains tax that the S corporation paid for federal income tax purposes	\$ _____ .
Amount by which federal basis of property exceeds NC basis of property – in year taxpayer disposes of property	\$ _____ .
Amount of gross income from domestic production activities that a taxpayer excludes from gross income under section 199 of the Internal Revenue Code	\$ _____ .
Total State Additions to Federal Adjusted Gross Income. Enter on Page 2, Part II, Line 7	\$ _____ .



# Allowance Worksheet

## Part II Line 8

$$\begin{aligned} & \text{Line 6} \\ & + \underline{\text{Line 7}} \\ & = \text{Line 8} \end{aligned}$$



6.	Enter an estimate of your nonwage income (such as dividends or interest).....	6.	\$	<u>1000</u>	.
7.	Enter an estimate of your State additions to federal adjusted gross income from Page 3, Schedule 3 .....	7.	\$	<u>0</u>	.
8.	Add lines 6 and 7 .....	8.	\$	<u>1000</u>	.
9.	Subtract line 8 from line 5 (Do not enter less than zero) .....	9.	\$	<u>          </u>	.
10.	Divide the amount on line 9 by \$2,500 . Round down to whole number .....	10.		<u>          </u>	
	Ex. \$3,900 ÷ \$2,500 = 1.56 rounds down to 1				
11.	Enter the amount of your estimated N.C. tax credits from Page 4, Schedule 4 ..	11.	\$	<u>          </u>	.

# Allowance Worksheet

## Part II Line 9

22

$$\begin{array}{r} \text{Line 5} \\ - \text{Line 8} \\ \hline = \text{Line 9} \end{array}$$

- Note: Do not enter a negative number. If negative, enter zero

5. Add lines 3 and 4 .....	5.	\$	\$8000 .
6. Enter an estimate of your nonwage income (such as dividends or interest) .....	6.	\$	\$1000 .
7. Enter an estimate of your State additions to federal adjusted gross income from Page 3, Schedule 3 .....	7.	\$	\$0 .
8. Add lines 6 and 7 .....	8.	\$	\$1000 .
9. Subtract line 8 from line 5 ( <i>Do not enter less than zero</i> ) .....	9.	\$	\$7000 .
10. Divide the amount on line 9 by \$2,500 . Round down to whole number .....	10.		
Ex. \$3,900 ÷ \$2,500 = 1.56 rounds down to 1			

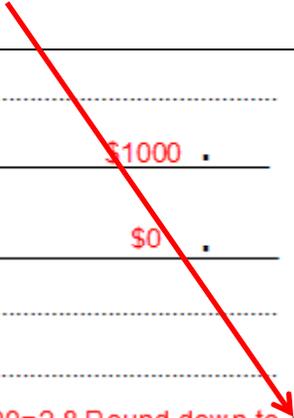
# Allowance Worksheet

## Part II Line 10

### Line 9 divided by \$2500 = Line 10

- Round down to the nearest whole number.

5. Add lines 3 and 4 .....	5.	\$	\$8000	.
6. Enter an estimate of your nonwage income (such as dividends or interest) .....	6.	\$	\$1000	.
7. Enter an estimate of your State additions to federal adjusted gross income from Page 3, Schedule 3 .....	7.	\$	\$0	.
8. Add lines 6 and 7 .....	8.	\$	\$1000	.
9. Subtract line 8 from line 5 ( <i>Do not enter less than zero</i> ) .....	9.	\$	\$7000	.
10. Divide the amount on line 9 by \$2,500 . Round down to whole number ... Ex. $\$3,900 \div \$2,500 = 1.56$ rounds down to 1	10.		2	



# Allowance Worksheet

## Part II Line 11

24

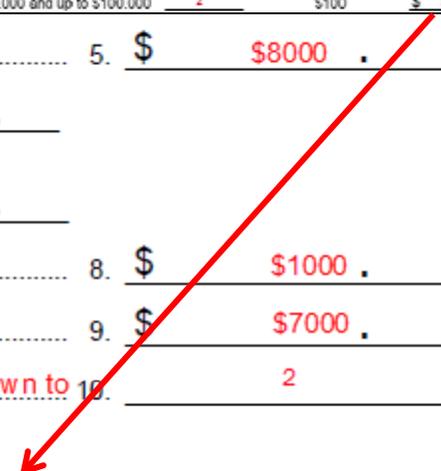
### □ Line 11 - Enter your estimated current tax year N.C. tax credits

#### ■ Common tax credits are:

- Income tax paid to other states by individuals
- Credit for Children

Schedule 4 Estimated 2014 N.C. Tax Credits				
Tax Credit for Income Taxes Paid to Other States by Individuals				\$ _____
<b>Credit for Children</b>				
A taxpayer who is allowed a federal child tax credit under section 24 of the Internal Revenue Code is allowed a tax credit for each dependent child unless adjusted gross income exceeds the threshold amount shown below. The credit can be claimed only for a child who is under 17 years of age on the last day of the year.				
Filing Status	Adjusted Gross Income	No. of Children	Credit Amount per Qualifying Child	Estimated Credit
Single	Up to \$20,000	_____	\$125	\$ _____
	Over \$20,000 and up to \$50,000	_____	\$100	\$ _____
	Over \$50,000	_____	\$0	\$ _____
Married Filing Jointly or Qualifying Widow(er)	Up to \$40,000	_____	\$125	\$ _____
	Over \$40,000 and up to \$100,000	<u>2</u>	\$100	\$ <u>\$200</u>

5. Add lines 3 and 4 .....	5.	\$	<u>\$8000</u>
6. Enter an estimate of your nonwage income (such as dividends or interest) .....	6.	\$	<u>\$1000</u>
7. Enter an estimate of your State additions to federal adjusted gross income from Page 3, Schedule 3 .....	7.	\$	<u>\$0</u>
8. Add lines 6 and 7 .....	8.	\$	<u>\$1000</u>
9. Subtract line 8 from line 5 (Do not enter less than zero) .....	9.	\$	<u>\$7000</u>
10. Divide the amount on line 9 by \$2,500 . Round down to whole number ... Ex. \$3,900 ÷ \$2,500 = 1.56 rounds down to 1	10.		<u>2</u>
11. Enter the amount of your estimated N.C. tax credits from Page 4, Schedule 4 ..	11.	\$	<u>\$200</u>

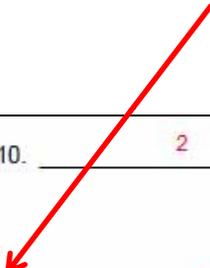


# Allowance Worksheet

## Part II Line 12

Line 11 divided by \$145 = Line 12

10.	Divide the amount on line 9 by \$2,500 . Round down to whole number ... $\$7000/\$2500=2.8$ Round down to	10.	2
Ex. $\$3,900 \div \$2,500 = 1.56$ rounds down to 1			
11.	Enter the amount of your estimated N.C. tax credits from Page 4, Schedule 4 .. 11. \$	\$200	
12.	Divide the amount on line 11 by \$144. Round down to whole number ... $\$200/\$145=1.38$ Round down to	12.	1
Ex. $\$200 \div \$144 = 1.39$ rounds down to 1			
13.	If filing as single, head of household, or married filing separately, enter zero (0) on this line. If filing as qualifying widow(er), enter 3. If filing as married filing jointly, enter the appropriate number from either (a), (b), (c), or (d) below.		
	(a) Your spouse expects to have zero wages and expects to receive retirement benefits that will all be nontaxable for N.C. purposes, enter 3. (Nontaxable retirement benefits include: <i>Bailey</i> , Social Security, and Railroad retirement)		
	(b) Your spouse expects to have combined wages and taxable pensions of more than \$1, but less than \$2,500, enter 2.		
	(c) Your spouse expects to have combined wages and taxable pensions of more than \$2,500 but less than \$5,000, enter 1.		
	(d) Your spouse expects to have combined wages and taxable pensions of more than \$5,000, enter 0.....	13.	
14.	Add lines 10, 12, and 13, and enter the total here.....	14.	
15.	If you completed this worksheet on the basis of married filing jointly, the total number of allowances determined on line 14 may be split between you and your spouse, however, you choose. Enter the number of allowances from line 14 that your spouse plans to claim .....	15.	



# Allowance Worksheet

## Part II Line 13

**Note: If your filing status is Single, or Head of Household, please enter 0 and go to line 14**

**If married filing jointly and spouse makes more than \$5000 annually, please enter 0 and go to line 14**

### □ Line 13

13. If filing as single, head of household, or married filing separately, enter zero (0) on this line.  
If filing as qualifying widow(er), enter 3.  
If filing as married filing jointly, enter the appropriate number from either (a), (b), (c), or (d) below.

- (a) Your spouse expects to have zero wages and expects to receive retirement benefits that will all be nontaxable for N.C. purposes, enter 3. (Nontaxable retirement benefits include: *Bailey*, Social Security, and Railroad retirement)
- (b) Your spouse expects to have combined wages and taxable pensions of more than \$1, but less than \$2,500, enter 2.
- (c) Your spouse expects to have combined wages and taxable pensions of more than \$2,500 but less than \$5,000, enter 1.
- (d) Your spouse expects to have combined wages and taxable pensions of more than \$5,000, enter 0.....13. 0

# Allowance Worksheet

## Part II Line 14

27

Line 10  
+ Line 12  
+ Line 13  

---

= Line 14

$\$7,000/\$2500=2.8$ Round down to	10.	2
11. \$ 200		
$\$200/\$145=1.38$ rounds down to	12.	1
13.		0
14.		3

Total number of allowances determined

# Allowance Worksheet

## Part II Line 15

28

**Note: Complete only if married filing jointly.  
If not married filing jointly enter zero.**

- Line 15 – Enter the number of allowances from line 14 that your spouse will claim.
  - For married taxpayers, both spouses must agree as to whether they will each complete the Allowance Worksheet based on married filing jointly or married filing separately.

# Allowance Worksheet

## Part II Line 15 continued

29

13.	.....	0
14.	Add lines 10, 12, and 13, and enter the total here.....	3
15.	If you completed this worksheet on the basis of married filing jointly, the total number of allowances determined on line 14 may be split between both spouses, however, they so choose. Enter the number of allowances from line 14 that your spouse plans to claim .....	2
16.	Subtract line 15 from line 14 and enter the total number of allowances here and on line 1 of your <b>Form NC-4, Employee's Withholding Allowance Certificate</b> .....	

Page | 2

•Note: Allowances must be divided among both spouses.

•Example: Total allowances = 3; husband claims 1 allowance, and wife claims 2 allowances.

# Allowance Worksheet

## Part II Line 16

Line 14  
 - Line 15  
 = Line 16

Enter this number on Line 1 of your NC-4

**NC-4**  
 Web  
 11 13

**Employee's Withholding Allowance Certificate**  
 North Carolina Department of Revenue

1. Total number of allowances you are claiming  
*(Enter zero (0), or the number of allowances from Page 2, line 16 of the NC-4 Allowance Worksheet)* 01

2. Additional amount, if any, withheld from each pay period *(Enter whole dollars)* 00

13. *(If your spouse expects to have common-law or other taxable pension or annuity income in excess of \$5,000, enter 0)* ..... 13. 0

14. Add lines 10, 12, and 13, and enter the total here ..... 14. 3

15. If you completed this worksheet on the basis of married filing jointly, the total number of allowances determined on line 14 may be split between both spouses, however, they so choose. Enter the number of allowances from line 14 that your spouse plans to claim ..... 15. 2

16. Subtract line 15 from line 14 and enter the total number of allowances here and on line 1 of your **Form NC-4, Employee's Withholding Allowance Certificate** ..... 16. 1

Page | 2

# Important!!!

31

If you can't complete Part II of the allowance worksheet, you should enter Zero (0) on line 1 of the NC-4

# Line 2 of NC-4

32

- Enter the amount of additional money you want withheld.
  
- Examples of persons who may use this line are:
  - Individuals with more than one job
    - Reference NC-4 instructions and NC-4 page 5
  - Pension recipients

Note: If you have a large amount of nonwage income, such as interest or dividends, you should consider making estimated tax payments using Form NC-40 to avoid underpayment of estimated tax interest.

# Personal Information

33

- Please fill out personal information
  - ▣ Be sure to fill in Marital Status

The form is titled "Personal Information" and contains the following fields:

- Social Security Number:** A field with a dashed line and a red arrow pointing to it.
- Marital Status:** A section with three radio button options:  Single,  Head of Household, and  Married or Qualifying Widow(er). A red arrow points to the "Single" option.
- First Name:** A field with a red arrow pointing to it.
- M.I.:** A field for the middle initial.
- Last Name:** A field for the last name.
- Address:** A long field for the street address.
- County:** A field for the county name, with the instruction "(Enter first five letters)".
- City:** A field for the city name.
- State:** A field for the state.
- Zip Code (5 Digit):** A field for the zip code.
- Country (if not U.S.):** A field for the country name.

At the bottom of the form, there are two lines for "Employee's Signature" and "Date". Below these lines is a certification statement: "I certify, under penalties provided by law, that I am entitled to the number of withholding allowances claimed on line 1 above."

# Completed NC-4

**NC-4**  
Web  
11-13

**Employee's Withholding Allowance Certificate**  
North Carolina Department of Revenue

1. Total number of allowances you are claiming 1  
*(Enter zero (0), or the number of allowances from Page 2, line 16 of the NC-4 Allowance Worksheet)*

2. Additional amount, if any, withheld from each pay period *(Enter whole dollars)* \_\_\_\_\_ .00

Social Security Number		Marital Status									
<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>	<u>6</u>	<u>7</u>	<u>8</u>	<u>9</u>	<input type="radio"/> Single	<input type="radio"/> Head of Household	<input checked="" type="radio"/> Married or Qualifying Widow(er)
First Name <i>(USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)</i>					M.I.	Last Name					
<u>John</u>						<u>Doe</u>					
Address										County <i>(Enter first five letters)</i>	
<u>123 Anywhere Street</u>										<u>Wake</u>	
City			State		Zip Code <i>(5 Digit)</i>		Country <i>(If not U.S.)</i>				
<u>Anytown</u>			<u>NC</u>		<u>12345</u>						

Employee's Signature John Doe Date 12/1/13

I certify, under penalties provided by law, that I am entitled to the number of withholding allowances claimed on line 1 above.

What do I do with the  
completed NC-4?



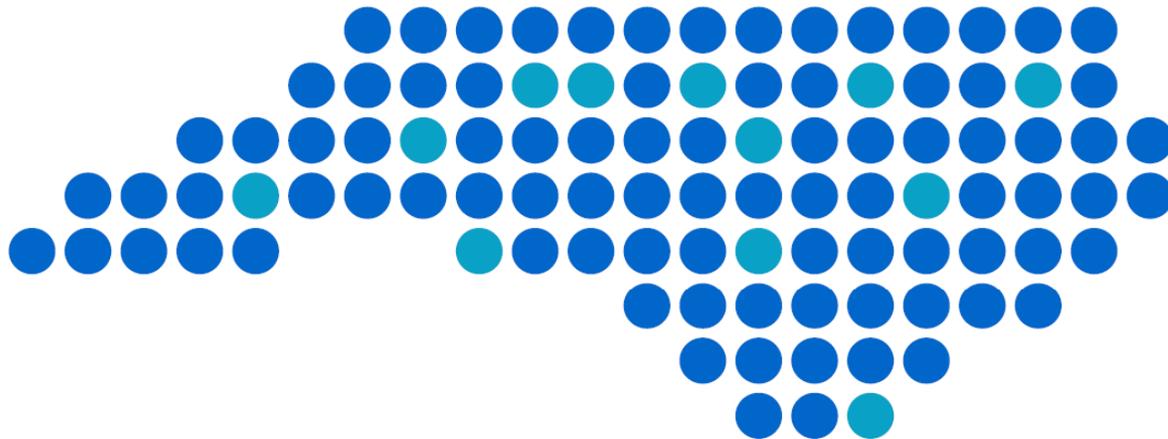


# NCDOR

NORTH  
CAROLINA  
DEPARTMENT  
OF REVENUE

---

## RESOURCES



# Taxpayer Assistance

38

- **Website :** <http://dornc.com/press/2013/nc4requirement.html>
- **For phone assistance call:**  
**1-877-252-3052**
- **Service Centers across the state**
  - Asheville
  - Charlotte
  - Durham
  - Elizabeth City
  - Fayetteville
  - Greensboro
  - Greenville
  - Hickory
  - Raleigh
  - Wilmington
  - Winston-Salem

