Schedule CT-40
Form IT-40, State Form 47907
R6 / 8-07

County Tax Schedule for Indiana Residents

Read instructions on page 23 to see if this schedule needs to be attached to your IT-40

Attachment Sequence No. **02**

Enter your first name, middle initial and last name and spouse's full name if filing a joint return	A Your Social Security Number

SECTION 1: To be completed by those taxpayers who were residents of a county that had adopted a county income tax.

P **Your** county of **residence** as of January 1, 2007. (Enter 2-digit county code # from the chart on page 21.)

R **Spouse's** county of **residence** as of January 1, 2007. (Enter 2-digit county code # from the chart on page 21.)

Line	Column A - Yourself	Column B - Spouse's
1. **Enter the amount from IT-40, line 15.** Note: If both you and your spouse lived in the same county on January 1, enter the entire amount from Form IT-40, line 15 on line 1A only. See instructions on page 24	1A	1B
2. If you claimed a non-Indiana locality earnings deduction on Schedule 1, line 8, enter the amount here. If not, leave blank	2A	2B
3. Add lines 1 and 2 ▶	3A	3B
4. Enter the resident rate from the county tax chart on page 21 for the county code number shown above	4A	4B
5. Multiply line 3 by the rate on line 4	5A	5B
6. Add lines 5A and 5B. Enter the total here. **Note: Perry County residents: If you live in Perry County and worked in the Kentucky counties of Breckinridge, Hancock or Meade, you must complete lines 7 and 8.** Otherwise, enter the total here and on line 9 below (see page 24) ▶		6
7. Enter the amount of income that was taxed by any of the Kentucky counties listed on line 6 above		7
8. Multiply line 7 by .0056 and enter total here		8
9. Line 6 minus line 8. Enter the total here and on line 17 of Form IT-40 ▶		9

SECTION 2: To be completed by those taxpayers who, on January 1, 2007, were *residents* of a county that *had not* adopted a county income tax, but *worked* in an Indiana county that *had* adopted a county income tax.

Q **Your** county of **principal employment** as of January 1, 2007. (Enter 2-digit county code # from the chart on page 21.)

S **Spouse's** county of **principal employment** as of January 1, 2007. (Enter 2-digit county code # from the chart on page 21.)

Line	Column A - Yourself	Column B - Spouse's
1. Enter your principal employment income by entering the total income from your W-2s and/or net self-employment income (from federal Schedule C/C-EZ; federal Form 1065, Schedule K-1 and/or farm income from federal Schedule F). If you worked two or more jobs *at the same time,* enter the portion you earned from your main job. See page 25 for further Section 2 instructions	1A	1B
2. Enter any amounts for payments made to self-employed retirement plans, IRA's, etc. See page 25 for the complete list of allowable deductions and further instructions	2A	2B
3. Subtract line 2 from line 1 ▶	3A	3B
4. Enter some or all of the exemptions from line 14 of Form IT-40 (see instructions on page 25)	4A	4B
5. Subtract line 4 from line 3 ▶	5A	5B
6. Enter the nonresident rate from the county tax rate chart on page 21 for the county number shown above under the Section 2 heading	6A	6B
7. Multiply the income on line 5 by the rate on line 6	7A	7B
8. Enter total of 7A plus 7B. Add to any Section 1, line 9 amount, and carry to line 17 of Form IT-40 ▶		8