

## Discrepancy Reference Guide for Vermont Form IN-111

References in Table on Notice of Intent to Assess Detail Letter		Additional Information
Line # Reference	Vermont IN-111 Return Item	Common reasons or sources to difference noted on "Notice of Intent to Assess details" letter
1	Federal Adjusted Gross Income	1040 value for "Wages"- VT W-2; IRS W-2; DOL W-2; 1099-R distribution
		1040 value for "Taxable Interest"- 1099-INT; 1099-OID; 1065 K-1; 1041 K-1; 1120S K-1
		1040 value for "Ordinary Dividends"-1065 K-1; 1041 K-1; 1120S K-1; 1099-DIV
		1040 value for "Taxable Refund"- 1099-G
		1040 value for "Business Income"- Schedule C "net profit or loss" value; 1099-MISC; 1099K
		1040 value for "Taxable IRA Distributions and Pensions Annuities" - 1099-R; MeF Form 8606; Form 5498
		1040 value for "Unemployment Compensation" - 1099-G
		Discrepancy detected from other data sources.
2	Net Modifications to Federal AGI	<p>Corrections made to any reporting on Vermont IN-111 form, Part 1 total.</p> <p>Change in calculations associated with:</p> <ul style="list-style-type: none"> <li>- Interest and dividend income</li> <li>- Non-Vermont State and Local Obligations;</li> <li>- Capital Gains Exclusion;</li> <li>- Taxable refunds of State and local income taxes;</li> <li>- Social Security Benefits Exempt from Taxation.</li> </ul>
3	Federal AGI with modifications	<b>Calculated</b> - Federal Adjusted Gross Income + Net Modifications to Federal AGI
4	Vermont Standard Deduction	Corrections made based on standard deduction reported on 1040 form.
5d	Total Personal Exemptions	Corrections made based on the number of dependents claimed on form 1040
5e	Personal Exemption Amount	<b>Calculated</b> - Total Personal Exemptions multiplied by Vermont Personal Exemption value
6	VT Standard Deduction + Personal Exemptions	<b>Calculated</b> - Vermont Standard Deduction plus Personal Exemption value
7	Vermont Taxable Income	Difference attributable to prior line adjustments to Vermont return.
8	Vermont Tax (from Vermont Tax Table)	Difference attributable to prior line adjustments to Vermont return.
9	Net Adjustment to Vermont Tax	<p>Adjustments made to Vermont Schedule IN-119 Part 1 related to credits for:</p> <ul style="list-style-type: none"> <li>- Child &amp; Dependent Care Expense IRS 1040 form or data reported from other sources;</li> <li>- Elderly or Disabled IRS Schedule R;</li> <li>- Vermont Farm Income Average Credit;</li> <li>- Vermont Based Business Solar Energy Credit carryforward.</li> </ul> <p>Also corrections to tax on qualified plans including IRA, HAS and MSA, recapture of Federal Investment Tax Credit reported on 1040 form, Tax from federal Form 4972 and recapture of Vermont credits.</p>
10	Vermont Income Tax with Adjustment	Difference attributable to prior line adjustments to Vermont return.
14	Vermont Income Tax	Difference attributable to prior line adjustments to Vermont return.
20	Vermont Income Tax After Credits	Difference attributable to prior line adjustments to Vermont return.
22	Total Vermont Taxes	Difference attributable to prior line adjustments to Vermont return.