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NC-4 NRA
Nonresident Alien Employee's Withholding Allowance Certificate

PURPOSE - Complete Form NC-4 NRA, Nonresident Alien Employee's Withholding Allowance Certificate, so that your employer can withhold the correct amount of State income tax from your pay. Regardless of your actual marital status, the State income tax to be withheld will be determined as if your filing status is single along with the number of allowances claimed on this form. If you do not provide a new NC-4 NRA to your employer before the first day of the first payroll period that ends on or after January 1, 2015, your employer is required to withhold as single with zero allowances.

GENERAL INSTRUCTIONS - Complete the **Allowance Worksheet** on page 2. The worksheet is provided for employees to adjust their withholding allowances based on charitable contributions, federal adjustments to income, N.C. additions to federal adjusted gross income, N.C. deductions from federal adjusted gross income, or N.C. tax credits. The worksheet will help you figure the number of withholding allowances you are entitled to claim. However, you may claim fewer allowances if you wish to increase the tax withheld during the year. If your withholding allowances decrease, you must file a new NC-4 NRA with your employer within 10 days after the change occurs.

WAGES EXEMPT FROM WITHHOLDING - Wages that are exempt from U.S. income tax under an income tax treaty are generally exempt from withholding. Residents of Canada and Mexico who enter or leave the United States at frequent intervals are not subject to withholding on their wages if these persons either: (1) perform duties in transportation service between the United States and Canada or Mexico, or (2) perform duties connected to the construction, maintenance, or operation of a water-way, viaduct, dam, or bridge crossed by, or crossing, the boundary between the United States and Canada or the boundary between the United States and Mexico. Nonresident aliens who are bona fide residents of the U.S. Virgin Islands are not subject to withholding of tax on income earned while temporarily employed in the United States.

TWO JOBS - If you have more than one job, figure the total number of allowances you are entitled to claim on all jobs using one Form NC-4 NRA. Your withholding will usually be most accurate when all allowances are claimed on the NC-4 NRA filed for the higher paying job and zero allowances are claimed for the other.

NONWAGE INCOME - 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. Form NC-40 is available on our website at: www.dornc.com under individual income tax forms.

CAUTION: All NC-4 NRA forms are subject to review by the North Carolina Department of Revenue. Your employer may be required to send this form to the Department. If you furnish an employer with a Nonresident Alien Employee's Withholding Allowance Certificate that contains information which has no reasonable basis and results in a lesser amount of tax being withheld than would have been withheld had you furnished reasonable information, you are subject to a penalty of 50% of the amount not properly withheld.

Cut here and give this certificate to your employer. Keep the top portion for your records.

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Nonresident Alien Employee's Withholding Allowance Certificate

1. **Total number of allowances you are claiming** *(Enter zero (0), or the number of allowances from Page 2, line 11 of the NC-4 NRA Allowance Worksheet)* ____
2. **Additional amount to withhold from each pay period, see chart on Page 2, Part II, Line 12** ____ .00
3. **Employee elected additional withholding** *(Enter whole dollars)* ____ .00
4. **Total additional withholding from each pay period.** *(Add Lines 2 and 3)* ____ .00

○ I certify that I am exempt from North Carolina withholding because I am a resident of Canada or Mexico and my duties are in transporation services.

Social Security Number

First Name *(USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)* M.I. Last Name

Address County *(Enter first five letters)*

City State Zip Code *(5 Digit)* Country *(If not U.S.)*

Employee's Signature Date

I certify under penalties provided by law, that I am entitled to the number of withholding allowances claimed above, or if claiming exemption from withholding, that I am entitled to claim the exempt status.

NC-4 NRA Allowance Worksheet — Part I

Answer **all** of the following questions:

1. Will your charitable contributions exceed $2,499? Yes ☐ No ☐
2. Will you have adjustments or deductions from income, see Page 3, Schedule 1? Yes ☐ No ☐
3. Will you be able to claim any N.C. tax credits or tax credit carryovers from Page 4, Schedule 3? Yes ☐ No ☐

If you answered "No" to all of the above, STOP HERE and enter ZERO (0) as total allowances on Form NC-4 NRA, Line 1. On Line 2, enter $9 if you are paid weekly; enter $17 if you are paid biweekly; enter $18 if you are paid semimonthly; or enter $36 if you are paid monthly. 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.

NC-4 NRA — Part II

1. Enter your total estimated charitable contributions ..... 1. $ _____ .
2. Enter an estimate of your total federal adjustments to income and N.C. deductions from federal adjusted gross income from Page 3, Schedule 1 ..... 2. $ _____ .
3. Add lines 1 and 2 ..... 3. $ _____ .
4. Enter an estimate of your nonwage income (such as dividends or interest) ..... 4. $ _____ .
5. Enter an estimate of your N.C. additions to federal adjusted gross income from Page 3, Schedule 2 ..... 5. $ _____ .
6. Add lines 4 and 5 ..... 6. $ _____ .
7. Subtract line 6 from line 3 *(Do not enter less than zero)* ..... 7. $ _____ .
8. Divide the amount on line 7 by $2,500 . Round down to whole number ..... 8. _____
   Ex. $3,900 ÷ $2,500 = 1.56 rounds down to 1
9. Enter the amount of your estimated N.C. tax credits from Page 4, Schedule 3 ..... 9. $ _____ .
10. Divide the amount on line 9 by $144. Round down to whole number ..... 10. _____
    Ex. $200 ÷ $144 = 1.39 rounds down to 1
11. Total number of allowances (Add Lines 8 and 10) Enter on Line 1 of Form NC-4 NRA ..... 11. _____
12. Enter on Line 2 of Form NC-4 NRA the appropriate amount from the chart based on your payroll period

Payroll Period	Weekly	Biweekly	Semimonthly	Monthly
Additional Withholding	$9	$17	$18	$36

NC-4 NRA Allowance Worksheet Schedules

Schedule 1

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	$.	
Certain business expenses of reservists, performing artist and fee-based governmental officials	$.	
Total Federal Adjustments to Income		$.

N.C. Deductions from Federal Adjusted Gross Income to Consider for NC-4 NRA 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	$.	
Total N.C. Deductions from Federal Adjusted Gross Income		$.
Total Federal Adjustments to Income and N.C. Deductions from Federal Adjusted Gross Income. Enter on Page 2, Part II, Line 2		$.

Schedule 2

Estimated N.C. Additions to Federal Adjusted Gross Income to Consider for NC-4 NRA 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 N.C. 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 N.C. Additions to Federal Adjusted Gross Income. Enter on Page 2, Part II, Line 5		$.

Schedule 3

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	_____	$100	$ _____ .
	Over $100,000	_____	$0	$ _____ .

Additional Tax Credits and Carryovers

G.S. 105-129.16A, Credit for Investing in Renewable Energy Property $ _____ .
G.S. 105-129.16H, Credit for Donating Funds to a Nonprofit Organization or Unit of State or Local Government to Enable the Nonprofit or Government Unit to Acquire Renewable Energy Property $ _____ .
G.S. 105-129.35, Credit for Rehabilitating Income-Producing Historic Structure $ _____ .
G.S. 105-129.36, Credit for Rehabilitating Nonincome Producing Historic Structure $ _____ .
G.S. 105-129.55, Credit for North Carolina Research & Development $ _____ .
G.S. 105-129.71, Credit for Income Producing Rehabilitated Mill Property $ _____ .
G.S. 105-129.72, Credit for Non-income Producing Rehabilitated Mill Property $ _____ .
G.S. 105-129.96, Credit for Constructing a Railroad Intermodal Facility $ _____ .
Tax Credit Carryover from previous years $ _____ .

Total Tax Credits and Carryovers. Enter on Page 2, Part II, Line 9 $ _____ .