

STATE OF VERMONT DEPARTMENT OF TAXES
SUBSTITUTE FORMS SPECIFICATIONS
FOR
PERSONAL INCOME



2022
TAX YEAR

FORM IN-111

1. Header Information- Check box to indicate “Cannabis with Recomputed Federal Return”
2. Line 4
 - a. Standard Deduction S & MFS increasing to \$6,500
 - b. Standard Deduction HOH increasing to \$9,800
 - c. Standard Deduction MFJ & QW increasing to \$13,050
3. Line 5 Personal Exemption increasing to \$4,500
4. Line 9 will now come from Schedule IN-119 Line 15 (Part I)
5. Line 15 will now come from Schedule IN-113 Line 35.
6. Line 25c will now come from Schedule IN-112 Line 17 (Part II)
7. Update Line 23c “Children’s Trust Fund” name changed to “Vermont Children’s Trust Foundation”

SCHEDULE IN-112

Part I – Subtractions

1. New Student Loan Interest deduction- (Residents only) Eligibility is limited to MFJ taxpayers with AGI \leq \$200K, and all other taxpayers with AGI \leq \$120K. See IRS Publication 970 for more information on what qualifies as student loan interest.

New Lines:

Line 15a. For Residents only - Enter the total Student Loan Interest you paid in 2022 on qualified student loans.

Line 15b. For Residents only - Enter any student loan interest deducted on Form 1040 Schedule 1- Line 21.

Line 15c. Subtract Line 15b from Line 15a.

2. Line Changes

Prior year Line 15 is now Line 16.

Prior year Line 16 is now Line 17.

Prior year Line 17 is now Line 18.

Line 12 is now called: Retirement Benefits Exempt from Taxation (see the worksheet in the instructions).

Line 17 (prior year Line 16) will now read: Add Lines 7 through 14 and Line 15c.

Line 18 (prior year Line 17) will now read: SUBTRACT Line 17 from Line 6. Enter on Form IN-111 Line 2. This can be a negative number.

Part II – Refundable Credits

Line 1- The Child and Dependent Care Credit was changed to be a fully refundable credit (It has been removed from Schedule IN-119). Line 1 is still capturing the credit- the name has changed and additional instructions on the form were removed. The credit is available to residents and

part year residents. Line 1 is changed to read: **Child and Dependent Care Credit** (Fed. Form 2441 Line 10 or 11).

Line 2 (New) to calculate the Vermont Child and Dependent Care Credit amount:

Line 2 reads: Vermont Child and Dependent Care Credit (Multiply Line 1 by 72% (0.72)).

There is a new Vermont Child Tax Credit. This credit is fully refundable and is \$1000 per eligible child aged 5 and under on the last day of the year. This credit will phase out for taxpayers with AGIs over \$125K. See the table on the next page.

Adjusted Gross Income		Credit
Up to	\$ 125,000	\$ 1,000
\$ 125,001	\$ 126,000	\$ 980
\$ 126,001	\$ 127,000	\$ 960
\$ 127,001	\$ 128,000	\$ 940
\$ 128,001	\$ 129,000	\$ 920
\$ 129,001	\$ 130,000	\$ 900
\$ 130,001	\$ 131,000	\$ 880
\$ 131,001	\$ 132,000	\$ 860
\$ 132,001	\$ 133,000	\$ 840
\$ 133,001	\$ 134,000	\$ 820
\$ 134,001	\$ 135,000	\$ 800
\$ 135,001	\$ 136,000	\$ 780
\$ 136,001	\$ 137,000	\$ 760
\$ 137,001	\$ 138,000	\$ 740
\$ 138,001	\$ 139,000	\$ 720
\$ 139,001	\$ 140,000	\$ 700
\$ 140,001	\$ 141,000	\$ 680
\$ 141,001	\$ 142,000	\$ 660
\$ 142,001	\$ 143,000	\$ 640
\$ 143,001	\$ 144,000	\$ 620
\$ 144,001	\$ 145,000	\$ 600
\$ 145,001	\$ 146,000	\$ 580
\$ 146,001	\$ 147,000	\$ 560
\$ 147,001	\$ 148,000	\$ 540
\$ 148,001	\$ 149,000	\$ 520
\$ 149,001	\$ 150,000	\$ 500
\$ 150,001	\$ 151,000	\$ 480
\$ 151,001	\$ 152,000	\$ 460
\$ 152,001	\$ 153,000	\$ 440
\$ 153,001	\$ 154,000	\$ 420
\$ 154,001	\$ 155,000	\$ 400
\$ 155,001	\$ 156,000	\$ 380
\$ 156,001	\$ 157,000	\$ 360
\$ 157,001	\$ 158,000	\$ 340
\$ 158,001	\$ 159,000	\$ 320
\$ 159,001	\$ 160,000	\$ 300
\$ 160,001	\$ 161,000	\$ 280
\$ 161,001	\$ 162,000	\$ 260
\$ 162,001	\$ 163,000	\$ 240
\$ 163,001	\$ 164,000	\$ 220
\$ 164,001	\$ 165,000	\$ 200
\$ 165,001	\$ 166,000	\$ 180
\$ 166,001	\$ 167,000	\$ 160
\$ 167,001	\$ 168,000	\$ 140
\$ 168,001	\$ 169,000	\$ 120
\$ 169,001	\$ 170,000	\$ 100
\$ 170,001	\$ 171,000	\$ 80
\$ 171,001	\$ 172,000	\$ 60
\$ 172,001	\$ 173,000	\$ 40
\$ 173,001	\$ 174,000	\$ 20
\$ 174,001	and over	\$ -

Line 3 (New) will ask for the Number of qualifying Children and capture the child’s information in the table below.

Line 3 reads: Number of Qualifying Children

List only children who qualify for Child Tax Credit (born 2017 through 2022) below

Qualifying Child #1 - Last Name	First Name	MI	Social Security Number	Year of Birth
Qualifying Child #2 - Last Name	First Name	MI	Social Security Number	Year of Birth
Qualifying Child #3 - Last Name	First Name	MI	Social Security Number	Year of Birth

Line 4 (New) will calculate the amount of the Child Tax Credit.

Line 4 reads: **Child Tax Credit (MULTIPLY Line 3 by \$1,000.)** See instructions for credit amount if your Adjusted Gross Income from Form IN-111, Line 1 is over \$125,000.

Lines 5-7 are for part year residents to calculate the Child Tax Credit.

- a. Line 5 reads: Enter amount from Schedule IN-113, Line 14B, Vermont Portion of Total Income
- b. Line 6 reads: Enter amount from Schedule IN-113, Line 14A, Total Income
- c. Line 7 reads: Child tax credit adjustment percentage (DIVIDE Line 5 by Line 6, then MULTIPLY the result by 100)

Line 8 (New) will finalize the credit amount based on part year or full year resident status.

Line 8 reads: Adjusted Child Tax Credit. MULTIPLY Line 4 by 100% or Line 7 if less

Line 9 (New) will capture the number of qualifying EITC children. The EITC eligibility questions B & C from prior years have been removed.

Line 9 reads: Number of qualifying children from federal Schedule EIC.

Line 10 will capture the Federal EITC amount from 1040

Line 10 reads: Federal Earned Income Tax Credit. Enter amount from federal Form 1040.

Line 11 is the Vermont EITC calculation – which is 38% the Federal Credit.

Line 11 reads: Vermont Earned Income Tax Credit: MULTIPLY Line 10 by 38% (0.38).

Lines 12-15 will calculate the EITC part year residents, same as prior years.

Line 16 will finalize the EITC credit calculation.

Line 17 will calculate the total amount of refundable credit that will carry over to Form IN-111, Line 25c.

Line 17 reads: Total Refundable Credits (ADD Lines 2, 8, and 16. Enter this amount on Form IN-111, Line 25c).

SCHEDULE IN-113

1. Line 29: This amount will now carry forward to Line 31.
2. Lines 31a and b. for the Muni bond interest and calculation have been removed. The lines have been renumbered. Line 35 now calculates the Income Adjustment.

FORM IN-114

Form redesigned and barcode updated

FORM IN-116

Form redesigned and barcode updated

SCHEDULE IN-117

Form redesigned and barcode updated

SCHEDULE IN-119

1. Line 8 Child Dependent Care Credit removed from Schedule.
2. Renumber prior year Part I Lines 9-16 to Lines 8-15

Instruction changes:

3. Language added to Line 1 instructions: If you are not the owner of the account you are contributing to, you may still be eligible to take the credit. To expedite processing of your credit if you are not the account holder, please include with your filing a copy of the year end statement for the account along with proof of your contribution.

FORM IN-151

Form redesigned and barcode updated

SCHEDULE IN-153

Form redesigned and barcode updated

FORM HS-122

Form redesigned and barcode updated

SCHEDULE HI-144

1. Line R5 "Tuition and fees as reported on Federal Form 8917" has been removed.
2. Phrase "Other Persons" changed to "Other People" in the following locations:
 - a. Column 3, Page 1
 - b. Referenced in instructions above columns

FORM RCC-146

1. Header Information "Unit Number" field in header changed to "Unit."
2. Line 6a. (New) reads: If "Yes", how many months was your rent subsidized in 2022?
3. Line 9 was changed to read "Did you file a federal income tax return? (See instructions if you answered "No.") (Y/N field)"
4. The table below determines if a claimant is eligible for credit by utilizing the maximum income (Line 14 of RCC-146) a taxpayer can have regardless of filing

status, the number of dependents (Line 8 of RCC-146) and county (pulled from header information of RCC-146).

2022 Partial Credit Income Limits by County

County	Family Size							
	1	2	3	4	5	6	7	8
Addison	\$32,800	\$37,450	\$42,150	\$46,800	\$50,550	\$54,300	\$58,050	\$61,800
Bennington	\$30,000	\$34,300	\$38,600	\$42,850	\$46,300	\$49,750	\$53,150	\$56,600
Caledonia	\$30,000	\$34,300	\$38,600	\$42,850	\$46,300	\$49,750	\$53,150	\$56,600
Chittenden	\$37,600	\$42,950	\$48,300	\$53,650	\$57,950	\$62,250	\$66,550	\$70,850
Essex	\$30,000	\$34,300	\$38,600	\$42,850	\$46,300	\$49,750	\$53,150	\$56,600
Franklin	\$31,100	\$35,550	\$40,000	\$44,420	\$47,990	\$51,560	\$55,100	\$58,660
Grand Isle	\$31,100	\$35,550	\$40,000	\$44,420	\$47,990	\$51,560	\$55,100	\$58,660
Lamoille	\$30,000	\$34,300	\$38,600	\$42,850	\$46,300	\$49,750	\$53,150	\$56,600
Orange	\$30,000	\$34,300	\$38,600	\$42,850	\$46,300	\$49,750	\$53,150	\$56,600
Orleans	\$30,000	\$34,300	\$38,600	\$42,850	\$46,300	\$49,750	\$53,150	\$56,600
Rutland	\$30,000	\$34,300	\$38,600	\$42,850	\$46,300	\$49,750	\$53,150	\$56,600
Washington	\$32,000	\$36,600	\$41,150	\$45,700	\$49,400	\$53,050	\$56,700	\$60,350
Windham	\$30,000	\$34,300	\$38,600	\$42,850	\$46,300	\$49,750	\$53,150	\$56,600
Windsor	\$30,850	\$35,250	\$39,650	\$44,050	\$47,600	\$51,100	\$54,650	\$58,150

Instruction Changes

Language added:

4. If you didn't file a federal income tax return in 2022 please use the instructions below. Only include items of income that would be included on the federal return if you filed one. For more information on what's included on the federal return, see the federal income tax forms and instructions at www.irs.gov
 - a. Line 10. Enter the total amount of wages, salaries, and other compensation (generally reported in box 1 of the federal Form W-2 or on the federal Form 1099 issued by the payer) and the total pensions, annuities and IRA distributions you received (generally found on the federal Form 1099 issued by the payer). Include on this line alimony received; business income (but do not enter business losses); capital gains; other gains; any income from rental real estate, royalties, partnerships, S corporations, trusts, etc.; farm income; unemployment compensation; and any other income that would be included in federal total income if you filed a federal income tax return.
 - b. Line 11. Total all payments received under the federal Social Security Act, including regular social security benefits, social security disability benefits and supplemental security income (generally found on federal Form SSA-1099). Include the gross amount before Medicare is subtracted. Multiply the total by 75% and enter on Line 11.
 - c. Line 12. Enter all interest and ordinary dividends you received. These amounts can generally be found on the federal Form 1099 issued by the payer.
 - d. Line 13. See instructions regarding business losses for Line 10 total income above. Leave this line blank.

Worksheet created:

5. If you didn't file a federal income tax return in 2022 please use the worksheet below.
- a. 1a. Wages, salaries, tips, etc. Enter the total amount of wages, salaries and other compensation that would be included in federal total income if you filed a federal income tax return. This amount is generally reported in box 1 of the federal Form W-2 or on the federal Form 1099 issued by the payer. _____.
 - b. 1b. 75% of Social Security benefits: Total all payments received under the federal Social Security Act, including regular social security benefits, social security disability benefits and supplemental security income (generally found on federal Form SSA-1099). Include the gross amount before Medicare is subtracted. Multiply the total by 75% and enter here _____.
 - c. 1c. Pensions, annuities, and IRA distributions: Enter the amount of all pensions, annuities and IRA distributions you received that would be included in federal total income if you filed a federal income tax return. These amounts can generally be found on the federal Form 1099 issued by the payer) _____.
 - d. 1d. Interest and dividends: Enter all interest and ordinary dividends you received. These amounts can generally be found on the federal Form 1099 issued by the payer _____.
 - e. 1e. Other income: Enter alimony received; business income (but do not enter business losses); capital gains; other gains; any income from rental real estate, royalties, partnerships, S corporations, trusts, etc.; farm income; unemployment compensation; any other income that would be included in federal total income if you filed a federal income tax return. For more information on federal total income, see the federal income tax forms and instructions at www.irs.gov _____.
 - f. 1f. Total Add lines 1a through 1d, enter here and on the Renter Credit form line 10 _____.

SUBSTITUTE FORMS – GENERAL

List of Individual Income forms being scanned for the 2022 tax year

IN-111	IN-112	IN-113	IN-114	IN-116	IN-117	IN-119
HS-122	RCC-146	HI-144	IN-151	IN-153		

NOTE: Forms LRC-140 VT Landlord's Certificate and LRC-147 Statement of Rent for Mobile Home Park Lot Rent, Co-Ops, and Land Trusts are not reproducible and should not be included in your software.

Forms will be approved in subsets as indicated below. All forms in a subset must receive approval at the same time. *Example:* Form IN-111 will not receive approval until Schedules IN-112, IN-113, IN-117, IN-119, and IN-153 are approved. You are required to use the test samples found on the FTA SES website.

Subsets allowed:

1. IN-111, IN-112, IN-113, IN-117, IN-119, IN-153
2. IN116
3. IN-114
4. HS-122, HI-144
5. RCC-146
6. IN-151

SUBSTITUTE FORMS SPECIFICATIONS

Substitute forms must be reproduced to match the official forms. All variable data fields must be in absolute positions and can be verified utilizing the 10 X 6 grid format. All forms that do not meet the Department's specifications will be rejected. The font size and style requirements are provided below to ensure accuracy. All pages of forms and/or schedules are required to be filed regardless of if the taxpayer is only utilizing a portion of the form.

Paper for substitute forms must be at least 20 lb. white stock and printed on 8 ½ X 11 paper. If the form/voucher is not a full page, it needs to be located at the top of the page. The form should be printed full scale with black ink. Please instruct software users of this information to ensure the Department can capture the information accurately.

VARIABLE DATA FIELDS

Data placement:

Specified as exact positions using a 10X6 grid - 10 spaces per horizontal inch and 6 lines per vertical inch. Beginning grid position and maximum length of field is given in these specifications.

Forms produced by industry should follow all Department guidance on specific field level restrictions. This includes the maximum character allowance, alpha and numeric rules and allowance of special characters.

Font:

Courier New 12pt font for ALL data fields.

Alpha characters must be in UPPERCASE only.

Do not print any information including internal codes, date/time stamps, or distribution information, above the barcode or title of the form.

DOLLAR AMOUNTS

- All forms and schedules are whole dollar only.
- Do not use \$ signs.
- Do not use commas
- All amount fields are right justified.
- If negative value, print minus sign “-”.
- If no taxpayer entry, fields must be left blank except for hard coded zeros on form template.
 - Do not use non-numeric characters such as NONE, N/A, ZERO, etc. in the amount fields.

CHECKBOXES

- Must be formatted as blank or X only.

DATES

- Date format: MMDDYYYY

TELEPHONE NUMBERS

- Do not print parentheses or dashes

TEST CASES AND SAMPLE DATA

Test cases will be posted to FTA SES website. The test cases are designed to look for specific issues that we have experienced with each form as well as test yearly legislative changes. Please ensure that all information provided in the test cases is utilized. If the sample(s) submitted do not use the test case information provided by the Department, or we do not receive a complete packet, the submission will be rejected.

DUE DATE

First submittals for substitute forms approval must be received by the Department no later than Friday, January 6, 2023. First submittals received after January 6, 2023, will not be approved.

SUBMITTING FORMS FOR APPROVAL

When submitting forms for approval, please submit the following:

Blank forms – An example of each substitute form reproduced by the industry containing no variable data with a barcode where applicable.

Samples - Forms recreated utilizing the test cases for all forms industry reproduces in their software. The test cases and sample data can be found on the FTA SES website. The submitted forms will not be tested if the Department’s test cases are not used. If industry does not support all forms, the forms excluded need to be identified in submission.

Full-field forms – Form produced by industry demonstrating the maximum field allowance rules on all forms. The data should be specific to each field, following all specifications listed. For example, a dollar amount field should be only numerical.

For fastest processing please email completed test packet to:

MeF Coordination & Substitute Forms Team
Tax.Vendorsupport@vermont.gov

When emailing, please provide your 4-digit NACTP code and product name in the subject line of the email.

Test packages can also be mailed to:

MeF Coordination & Substitute Forms Team
Vermont Department of Taxes
133 State Street
Montpelier, VT 05633-1401

RELEASE OF PROGRAM

Vendors should notify the Department by e-mail (tax.vendorsupport@vermont.gov) when their program is released.

MAILING COMPLETED RETURNS

The Department has two addresses for mailing completed Personal Income tax returns.

Returns with payment enclosed:
Vermont Department of Taxes
PO Box 1779
Montpelier, VT 05601-1779

Returns expecting a refund or no tax due:
Vermont Department of Taxes
PO Box 1881
Montpelier, VT 05601-1881

SCAN SPECIFICATIONS

SHADING

- Should not be used on any part of the forms.

BARCODE

- This is specific to the form.
- The last two digits of the barcode represent your VT vendor number.
- Follow grid layout for positioning.

VENDOR CODES

Vermont requires your Vendor Identification Code in two locations

- The state provides a 2-digit vendor identification code that replaces the last two digits of the barcode. The barcode provided on the forms has "00" as a place holder for this

information. If you are a new vendor and need this code, please contact the Vermont Department of Taxes at tax.vendorsupport@vermont.gov

- The 4-digit identification number assigned by the National Association of Computerized Tax Processors (NACTP) should be placed on the bottom left-hand corner on each page of the form according to the 10X6 grid. If you need an NACTP ID number, please complete the form at: [NACTP Vendor ID Request](#).

Important Instructions for All Income Forms and schedules

Printing – Reproducing more than one form or schedule on the same page will cause the submission to be rejected. If printing in duplex, both pages of a substitute form must match the official form. For example: IN-111 can be printed on both sides of the paper as the official form is a multi-page.

Missing pages - When submitting a multi-page form, taxpayers must be advised to send in all pages. For example: IN-112 is a 2-page schedule, both pages must be submitted for acceptance.