



## INSTRUCTIONS

**WHO MAY FILE.** Any individual taxpayer who was a nonresident of Nebraska during any part of the organization's taxable year may complete Form 12N. A nonresident individual taxpayer includes a nonresident grantor of a "grantor trust," who has Nebraska source income derived from an estate, trust, S corporation, partnership, or limited liability company.

**WHEN AND WHERE TO FILE.** A signed Form 12N must be completed and delivered to the organization prior to the filing of the organization's Nebraska income tax return. The due date for the Nebraska income tax return for estates, trusts, partnerships, and certain limited liability companies (LLCs) is the 15th day of the fourth month following the close of the taxable year. The due date for the Nebraska income tax return of an S corporation and certain LLCs is the 15th day of the third month following the close of the taxable year.

**IF FORM 12N IS FILED.** The nonresident individual who has filed the Form 12N is required to timely file a Nebraska Individual Income Tax Return, Form 1040N. This return must report and pay tax on the nonresident's share of the organization's Nebraska income attributable to his or her interest in the organization during the taxable year, as

well as any other income the nonresident has earned from Nebraska sources.

**IF FORM 12N IS NOT COMPLETED AND FILED.**

If Form 12N is not properly completed and attached to the organization's return for a nonresident individual, the organization is still required to remit 6.84% of the nonresident's share of the organization's income derived from, or attributable to Nebraska sources. The withholding is to be remitted with the Statement of Nebraska Income Tax Withheld for Nonresident Individual, Form 14N, and the organization's Nebraska return. When the nonresident files Form 1040N, the remittance submitted by the organization will be allowed as a credit against the taxpayer's Nebraska income tax liability.

If the nonresident has no other Nebraska source income AND the organization has filed a 14N and remitted the appropriate withholding for the nonresident, the nonresident is not required to file Form 1040N, and the withholding will be retained by the state. Any nonresident may still file a return and claim a refund if one is due.

Publicly traded partnerships are not subject to the withholding provision stated above.