

D-400 Schedule S

2021 N.C. Adjustments for Individuals

DOR
Use
Only

If you are required to add certain items to federal adjusted gross income on Form D-400, Line 7, or if you are entitled to take deductions from federal adjusted gross income on Form D-400, Line 9, you must complete and attach this schedule to Form D-400. Importantly, you must attach both pages of this schedule to Form D-400, even if you are only required to complete one part of the schedule. If you do not, the Department may be unable to process your return.

Last Name (First 10 Characters)

Do not send a photocopy of this form.
Print in Black or Blue Ink Only. No Pencil or Red Ink.

Your Social Security Number

Part A. Additions to Federal Adjusted Gross Income *(Only add items that are not included in federal adjusted gross income)*

1. Interest Income From Obligations of States Other Than N.C. ▶ 1.
2. Deferred Gains Reinvested Into an Opportunity Fund ▶ 2.
3. Bonus Depreciation ▶ 3.
4. IRC Section 179 Expense ▶ 4.
5. S-Corporation Shareholder Built-in Gains Tax ▶ 5.
6. Amount by Which Federal Basis Exceeds State Basis for Property Disposed of in 2021 ▶ 6.
7. Unabsorbed Net Operating Loss Deduction ▶ 7.
8. State, Local, or Foreign Income Tax Deducted by an S Corporation, Partnership, or Estate and Trust ▶ 8.
9. Withdrawal of 529 Plan Contributions Not Used for Permissible Purpose ▶ 9.
10. Discharge of Qualified Principal Residence Indebtedness ▶ 10.
11. Qualified Education Loan Payments Paid by Employer ▶ 11.
12. Business Meal Deduction in Excess of 50% ▶ 12.
13. Discharge of Certain Student Loan Debt ▶ 13.
14. Reserved for Future Use ▶ 14.
15. **Total Additions** - Add Lines 1 through 14 *(Enter the total here and on Form D-400, Line 7)* 15.



2021

Part B. Deductions From Federal Adjusted Gross Income (Only deduct items that are included in federal adjusted gross income)

16. State or Local Income Tax Refund ▶ 16.
17. Interest Income From Obligations of the United States or United States' Possessions ▶ 17.
18. Taxable Portion of Social Security and Railroad Retirement Benefits ▶ 18.
19. Retirement Benefits Received by **Vested** N.C. State Government, N.C. Local Government, or Federal Government Retirees (**Bailey settlement - Important: See instructions**) ▶ 19.
20. Certain Retirement Benefits Received by a Retired Member of the United States Armed Forces Not Deducted on Line 19 (**Important: See instructions to determine if benefits qualify for deduction**) ▶ 20.
21. Bonus Asset Basis ▶ 21.
22. Bonus Depreciation
- ▶ 22a. 2016 ▶ 22b. 2017 ▶ 22c. 2018
- ▶ 22d. 2019 ▶ 22e. 2020
- Total**
22f. (Add Lines 22a -22e)
23. IRC Section 179 Expense
- ▶ 23a. 2016 ▶ 23b. 2017 ▶ 23c. 2018
- ▶ 23d. 2019 ▶ 23e. 2020
- Total**
23f. (Add Lines 23a -23e)
24. Recognized IRC Section 1400Z-2 Gain ▶ 24.
25. Gain From the Disposition of Exempt N.C. Obligations Issued Before July 1, 1995 ▶ 25.
26. Exempt Income Earned or Received by a Member of a Federally Recognized Indian Tribe ▶ 26.
27. Amount by Which State Basis Exceeds Federal Basis for Property Disposed of in 2021 ▶ 27.
28. Ordinary and Necessary Business Expense Reduced or not Allowed Due to Claiming a Federal Tax Credit in Lieu of a Deduction ▶ 28.
29. Personal Education Savings Account Deposits ▶ 29.
30. Certain State Emergency Response and Disaster Relief Reserve Fund Payments ▶ 30.
31. Certain Economic Incentive Payments ▶ 31.
32. Certain N.C. Grant Payments ▶ 32.
33. Certain Net Operating Loss Carrybacks (Limited to 20% of amount added to AGI in tax years 2013 through 2019) ▶ 33.
34. Excess Net Operating Loss Carryforward (Limited to 20% of amount added to AGI in 2019 and 2020) ▶ 34.
35. Excess Business Loss (Limited to 20% of amount added to AGI in 2018, 2019, and 2020) ▶ 35.
36. Business Interest Limitation (Limited to 20% of amount added to AGI in 2019 and 2020) ▶ 36.
37. Reserved for Future Use ▶ 37.
38. **Total Deductions** - Add Lines 16 through 21, 22f, 23f, and 24 through 37 (Enter the total here and on Form D-400, Line 9) 38.

