

Include any non-Minnesota municipal bonds taxed by the other state. Do not include any income you received from a lump-sum distribution from a qualified retirement plan and listed as income on your Schedule MILS, *Tax on Lump-Sum Distribution*.

**Line 2**

**Full-Year Residents:** Complete the Worksheet for Line 2 below.

**Part-Year Residents:** From Schedule M1NR, *Nonresidents/Part-Year Residents*, add line 22, column B, line 23, column B, line 24, column B, line 26 column B, and line 28. From that total, subtract the amounts from Column B of lines 10 through 14 of Schedule M1NR. Enter the result on line 2 of Schedule M1CR.

**Worksheet for Line 2 (for Full-Year Residents Only)**

- 1 Add lines 1 and 2 of Schedule M1M .....
- 2 Adjusted gross income (see line 1 instructions) .....
- 3 Add step 1 and step 2 .....
- 4 Net interest you received from U.S. bonds from line 14 of Schedule M1M .....
- 5 Subtract step 4 from step 3. Enter result here and on line 2 of Schedule M1CR .....

**Line 6**

Enter the tax amount from the other state's tax return. The amount of tax must be before you subtract any income tax withheld by that state or any estimated tax you paid to that state. Do not include tax you paid to a local unit of government (such as a city, county, or school district).

If you filed Schedule MILS, do not include any tax you paid on income from a lump-sum distribution from a qualified retirement plan.

**Note:** If you paid taxes to a Canadian province or territory, complete the Worksheet for Line 6 below.

**Worksheet for Line 6 (If You Paid Canadian Taxes)**

- 1 Total foreign taxes paid from line 9 of the federal Form(s) 1116 you completed for your Canadian taxes paid .....
- 2 Total federal foreign tax credit from line 24 of the Form(s) 1116 for your Canadian taxes paid .....
- 3 Subtract step 2 from step 1 .....
- 4 Tax paid to a Canadian province or territory on income you received while a Minnesota resident .....
- 5 Amount from step 3 or step 4, whichever is less. Enter the result here and on line 6 of Schedule M1CR .....