

Maryland Return with Non-Resident Delaware Return

1. Prepare Federal Return
2. Delete MD return
3. Complete Federal deductions, Schedule 'A' because Delaware (unlike MD) will use the larger deduction (standard or itemized.)
4. Add DE Non-Resident return. Only one required entry, "Basic Information": Are you a full year nonresident? Y/N
5. Add MD Resident Return back in.
 - a. If there are local taxes paid in Delaware (like Wilmington), you must go to MD Return—Credit for Taxes Paid to Another State and add the local tax to the state tax.
 - b. The taxes paid to Delaware will be a non-refundable credit on the MD return.
6. If you have to change anything on the Federal return after adding the Delaware return, delete the MD and DE returns and then add the DE and MD returns back in, in that order.

If you have access to AARP files, there is a 22-page document that explains this in detail, with pictures. (Cecil Shared Drive.)

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