

## Allocation of Individual Income Tax to the U.S. Virgin Islands

Department of the Treasury  
Internal Revenue Service

▶ Attach to Form 1040.  
▶ Go to [www.irs.gov/Form8689](http://www.irs.gov/Form8689) for the latest information.

2017

Attachment  
Sequence No. **85**

Name(s) shown on Form 1040

Your social security number

### Part I Income From the U.S. Virgin Islands (USVI)

|    |   |    |  |
|----|---|----|--|
| 1  | Wages, salaries, tips, etc.   | 1  |  |
| 2  | Taxable interest  | 2  |  |
| 3  | Ordinary dividends  | 3  |  |
| 4  | Taxable refunds, credits, or offsets of local USVI income taxes           | 4  |  |
| 5  | Alimony received  | 5  |  |
| 6  | Business income or (loss)   | 6  |  |
| 7  | Capital gain or (loss)  | 7  |  |
| 8  | Other gains or (losses)   | 8  |  |
| 9  | IRA distributions (taxable amount)  | 9  |  |
| 10 | Pensions and annuities (taxable amount)                                   | 10 |  |
| 11 | Rental real estate, royalties, partnerships, S corporations, trusts, etc. | 11 |  |
| 12 | Farm income or (loss)   | 12 |  |
| 13 | Unemployment compensation   | 13 |  |
| 14 | Social security benefits (taxable amount)                                 | 14 |  |
| 15 | Other income. List type and amount ▶                                      | 15 |  |
| 16 | Add lines 1 through 15. This is your <b>total USVI income</b> ▶           | 16 |  |

### Part II Adjusted Gross Income From the USVI

|    |   |    |  |  |
|----|---|----|--|--|
| 17 | Educator expenses   | 17 |  |  |
| 18 | Certain business expenses of reservists, performing artists, and fee-basis government officials | 18 |  |  |
| 19 | Health savings account deduction  | 19 |  |  |
| 20 | Moving expenses   | 20 |  |  |
| 21 | Deductible part of self-employment tax  | 21 |  |  |
| 22 | Self-employed SEP, SIMPLE, and qualified plans  | 22 |  |  |
| 23 | Self-employed health insurance deduction  | 23 |  |  |
| 24 | Penalty on early withdrawal of savings  | 24 |  |  |
| 25 | IRA deduction   | 25 |  |  |
| 26 | Student loan interest deduction   | 26 |  |  |
| 27 | Tuition and fees deduction  | 27 |  |  |
| 28 | Add lines 17 through 27   | 28 |  |  |
| 29 | Subtract line 28 from line 16. This is your <b>USVI adjusted gross income</b> ▶                 | 29 |  |  |

### Part III Allocation of Tax to the USVI

|    |   |    |   |  |
|----|---|----|---|--|
| 30 | Enter amount from Form 1040, line 63  | 30 |   |  |
| 31 | Enter the total of the amounts from Form 1040, lines 57, 58, 60a, 66a, 67, 68, 73 (boxes c and d). Include any uncollected social security and Medicare or tier 1 RRTA tax, tax on excess golden parachute payments, or excise tax on insider stock compensation reported on line 62. Also include any amount from Form 5329, Parts III, IV, V, VI, VII, VIII, or IX reported on Form 1040, line 59 | 31 |   |  |
| 32 | Subtract line 31 from line 30   | 32 |   |  |
| 33 | Enter amount from Form 1040, line 38  | 33 |   |  |
| 34 | Divide line 29 above by line 33. Enter the result as a decimal (rounded to at least 3 places). Do not enter more than 1.000   | 34 | × |  |
| 35 | Multiply line 32 by line 34. This is your <b>tax allocated to the USVI</b>  | 35 |   |  |

### Part IV Payments of Income Tax to the USVI

|    |  |    |  |  |
|----|--|----|--|--|
| 36 | Income tax withheld by the USVI  | 36 |  |  |
| 37 | 2017 estimated tax payments and amount applied from 2016 return  | 37 |  |  |
| 38 | Amount paid with Form 4868 (extension request)   | 38 |  |  |
| 39 | Add lines 36 through 38. These are your <b>total payments to the USVI</b> ▶  | 39 |  |  |
| 40 | Enter the smaller of line 35 or line 39. Include this amount in the total on Form 1040, line 74. On the dotted line next to line 74, enter "Form 8689" and show this amount  | 40 |  |  |
| 41 | <b>Overpayment</b> to the USVI. If line 39 is more than line 35, subtract line 35 from line 39   | 41 |  |  |
| 42 | Amount of line 41 you want <b>refunded to you</b> ▶  | 42 |  |  |
| 43 | Amount of line 41 you want <b>applied to your 2018 estimated tax</b>   | 43 |  |  |
| 44 | <b>Amount you owe</b> to the USVI. If line 39 is less than line 35, subtract line 39 from line 35  | 44 |  |  |
| 45 | Enter the amount from line 44 that you will pay when you file your income tax return. Include this amount in the total of Form 1040, line 74. On the dotted line next to line 74, enter "Form 8689" and show this amount | 45 |  |  |