State and Local Refund Worksheet

TaxSlayer Navigation: Federal Section>Income>Form 1099-G Box 2; or Keyword "G"

Use this worksheet only if the taxpayer itemized deductions last year claiming state income taxes as a deduction and received a state or local income tax refund.

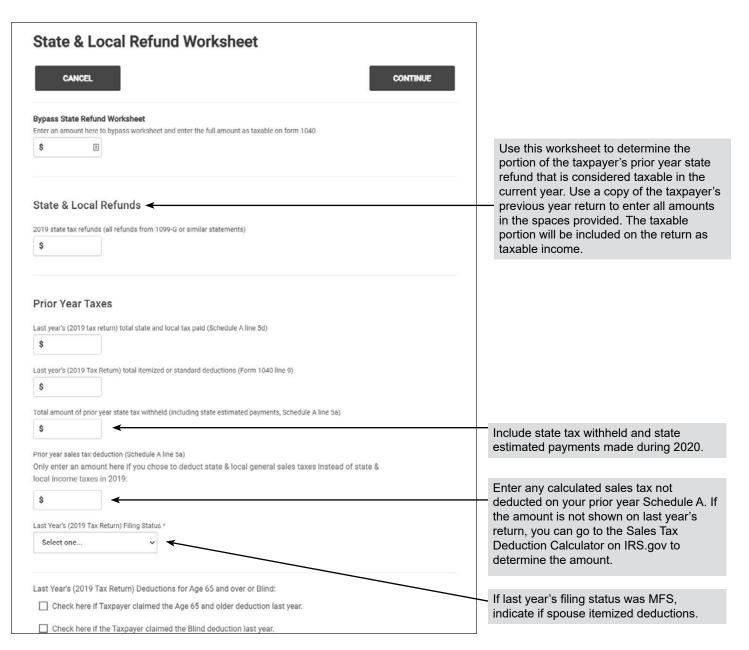


None of your refund is taxable if, in the year you paid the tax, you either:

- (a) didn't itemize deductions, or
- (b) elected to deduct state and local general sales taxes instead of state and local income taxes.



You may need to look up the sales tax that could have been deducted using the IRS sales tax calculator.



Note: See Instructions for Recipient for Box 2 on Form 1099-G amounts which may appear in the unnumbered box beside Box 9. Amounts in this unnumbered box are interest and are in scope. Report it as interest income on the tax return.