

Limited Itemized Deduction Worksheet  
State and Local Income Tax ModificationForm 763  
(Keep for your records)

2023

Name(s) as shown on return

Your social security number

## Part I - Total Federal Itemized Deductions

1. Federal Sch. A, total of Lines 4, 9, 15, 19, 20, 27 & 28 or Line 22 of the FDC Worksheet in instructions . . . . .
2. Add the amounts on federal Schedule A, Lines 4 (or FDC Worksheet, Line 9), 14 and 20, plus any gambling losses included on Line 28 . . . . .
3. Subtract Line 2 from Line 1. If the result is zero, stop here. Enter the amount from Line 1 above on Form 763, Line 10 . . . . .
4. Multiply Line 3 above by 80% (.80) . . . . .
5. Enter the total from Form 763, Line 1, or the FDC Worksheet, Line 5 . . . . .
6. Enter \$313,800 if filing jointly or qualifying widow(er), \$287,650 if head of household, \$261,500 if single, or \$156,900 if married filing a separate return . . . . .
7. Subtract Line 6 from Line 5. If the result is zero or less, stop here. Enter the amount from Line 1 above on Form 763, Line 10 . . . . .
8. Multiply Line 7 above by 3% (.03) . . . . .
9. Enter the smaller of Line 4 or Line 8 . . . . .
10. Total itemized deductions. Subtract Line 9 from Line 1; enter result here and on Form 763, Line 10, and then continue to Part II . . . . .

## Part II - State and Local Income Tax Modification

11. Enter the state and local income tax shown on federal Schedule A, Line 5 . . . . .
12. Enter the amount from Line 9 above . . . . .
13. Enter the amount from Line 3 above . . . . .
14. Divide Line 12 by Line 13. Enter the result to 3 decimal places (e.g., .053) . . . . .
15. Reduced Amount: Multiply Line 14 by Line 11 . . . . .
16. Subtract Line 15 from Line 11. Enter here and on Form 763, Line 11 . . . . .