



N364_I 2025A 01 VID01

STATE OF HAWAII — DEPARTMENT OF TAXATION
CLAIM OF RIGHT TAX CREDIT

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➤ Attach to Schedule CR and your tax return

Name as shown on tax return	Social security number/FEIN
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Note: If the total amount repaid was from income that was reported in more than one prior tax year, file a separate form for each tax year.**Part I GENERAL INFORMATION**

1 Enter the total amount of income that you repaid during the tax year that was included in income under a claim of right.	1	
2 Did you take a deduction instead of a credit for the claim of right on your federal income tax return? <input type="checkbox"/> Yes <input type="checkbox"/> No If you answered "Yes," you must include the amount on line 1 as an "Other Hawaii additions to federal AGI" on Form N-11, line 10 or Form N-15, line 19. See Instructions.		

Part II DECREASE IN PRIOR YEAR'S TAX

3 Prior Taxable Year End (MM/DD/YYYY)	3	
4 Enter the amount of tax from the Hawaii tax return filed for the prior tax year.	4	
5 For the year listed on line 3, refigure your tax for the prior tax year without the income that you repaid this tax year	5	
6 Subtract line 5 from 4. Enter the difference. This is your claim of right credit for the current tax year.	6	

General Information

If you had to repay an amount that you included in your income in an earlier year, you may be able to deduct the amount repaid from your income for the year in which you repaid it. Or, if the amount you repaid is more than \$3,000, you may be able to take a credit against your tax for the year in which you repaid it, whichever results in the least tax.

To help you determine whether to take a credit or deduction, see the Repayment section of federal Publication 525, Taxable and Nontaxable Income. Remember to use the Hawaii tax rate in your computations.

If the amount repaid was not taxed by Hawaii, no deduction or credit is allowed.

Purpose of Form

Use Form N-364 to figure and claim the right of tax credit under section 235-2.3(b)(40), Hawaii Revised Statutes.

Credit Requirements

To claim this credit, you must complete and attach to your Hawaii income tax return:

- (1) Form N-364 and
- (2) Schedule CR

Specific Instructions

Enter your name, the tax year, and your social security number or FEIN at the top of the return.

Part I - General Information

Line 1 - Enter the total amount of income that you repaid during the tax year that was included in income under a claim of right

Caution: If the amount on line 1 is \$3,000 or less, STOP. You do not qualify to figure a credit for amounts paid back under a claim of right.

Line 2 - If you took a deduction on your federal return instead of claiming a credit, check the box, "Yes." You cannot take both a deduction and claim a credit on your Hawaii return for the amounts repaid and included in income under a claim of right. Because the deduction is included

in the computation of your federal taxable income, you must add-back the amount of income entered on line 1 as an "Other Hawaii additions to federal AGI" on Form N-11, line 10 or Form N-15, line 19 or the applicable line on your tax return.

Part II - Decrease in Prior Year's Tax

Line 3 - Using the format MM/DD/YYYY, enter the prior taxable year end for which you are completing this form.

Line 4 - Enter the amount of tax from the Hawaii return filed for the tax year listed on line 3.

Line 5 - For the tax year listed on line 3, refigure your tax for the tax year listed on line 3 without including the income that you repaid.

Line 6 - Subtract line 5 from 4, and enter the difference. This is your claim of right credit for the current tax year. Enter the amount shown on line 6 on Schedule CR, line 9.

Note: If the total amount repaid was from income that was reported in more than one prior tax year, file a separate form for each tax year. Add all amounts on line 6 and enter the total on Schedule CR, line 9. Attach all Form N-364(s).