

DO NOT USE THIS SPACE

# 1997 ELDERLY HOMEOWNER/RENTER CREDIT

MONTANA  
2EC  
Rev. 8/97

MCA 15-30-171 through 15-30-179  
File on or before April 15, 1998, or with your Form 2 or 2S

Instructions on back

RETURN WILL NOT BE PROCESSED WITHOUT A COPY OF YOUR 1997 PROPERTY TAX STATEMENT OR RENT RECEIPT(S)  
PLEASE ATTACH THESE TO THIS FORM

|                                 |                                      |                              |
|---------------------------------|--------------------------------------|------------------------------|
| Last Name                       | Your First Name & Middle Initial     | Your Social Security No.     |
| Spouse's Last Name if Different | Spouse's First Name & Middle Initial | Spouse's Social Security No. |
| Mailing Address                 | City                                 | State Zip Code+4             |

| <b>PLEASE FOLLOW INSTRUCTIONS ON THE BACK WHEN COMPLETING THIS FORM</b>                                                                |  | YES | NO |
|----------------------------------------------------------------------------------------------------------------------------------------|--|-----|----|
| <b>PART I - IF THE ANSWER TO ANY OF THE QUESTIONS BELOW IS NO, YOU ARE NOT ELIGIBLE FOR THE CREDIT. DO NOT COMPLETE THIS SCHEDULE.</b> |  |     |    |
| Were you age 62 or older as of December 31, 1997?                                                                                      |  |     |    |
| Did you reside in this state for 9 months or more during 1997?                                                                         |  |     |    |
| Did you occupy Montana residence(s) as an owner or renter a total of 6 months or more during 1997?                                     |  |     |    |
| Was your total gross household income less than \$35,000 in 1997?                                                                      |  |     |    |

**PART II - List taxable and nontaxable income received from all members of the household.**

- Enter total income received from wages, fees, bonuses, all capital gains, ordinary income, dividends and interest **Do not include any losses** .....1. \_\_\_\_\_
- Enter total income for business, partnerships, rents, royalties, etc. **Do not include any losses** .....2. \_\_\_\_\_
- Enter any payments and interest on federal, state, county and municipal bonds .....3. \_\_\_\_\_
- Enter alimony, public assistance, unemployment, tax refunds, state, federal and 2EC (etc.) .....4. \_\_\_\_\_
- Enter all pensions, annuities, and IRA's including Railroad Retirement, PERS, Veteran's Disability, All social security income except social security paid directly to a nursing home .....5. \_\_\_\_\_
- Total income (add lines 1 thru 5) If greater than \$35,000, stop here, you do not qualify ..... TOTAL 6. \_\_\_\_\_
- Standard exclusion .....7. (\$6,300)
- Total household income. Subtract line 7 from line 6 (if less than zero enter zero) ..... TOTAL 8. \_\_\_\_\_

**PART III - HOMEOWNER - Complete line 9 (Renters—use line 10)**

- All 1997 property taxes, fees, special assessments, and SIDs **BILLED** on residence and land **not to exceed 1 acre**. See instructions..... 9. \_\_\_\_\_  
**RENTER** - Complete form on reverse side
  - Rent paid on residence in 1997 (attach signed rent receipts) ..... 10. \_\_\_\_\_
  - Rent equivalent—Multiply line 10 by 15% (.15) ..... 11. \_\_\_\_\_
  - Total of allowable property tax and/or allowable rents paid—Line 9 and/or line 11 ..... 12. \_\_\_\_\_
- PERCENT OF HOUSEHOLD INCOME COMPUTATION
- Total household income from line 8 ..... 13. \_\_\_\_\_
  - Enter multiplier figure from tax table on reverse side ..... 14. \_\_\_\_\_
  - Net allowable household income—Multiply line 13 by line 14 ..... 15. \_\_\_\_\_
  - Subtract line 15 from line 12. **If zero or less, you cannot take the credit; do not file this form.**..... 16. \_\_\_\_\_
  - Enter the amount from line 16 or \$1,000 whichever is smaller (the maximum refund is \$1,000)..... 17. \_\_\_\_\_

If you file a Montana State Tax Form 2, enter amount from line 17 on line 56.  
If you file a Montana State Tax Form 2S, enter amount from line 17 on line 33.

**If you are not required to file Form 2 or 2S, mail this form to:**

**Income Tax Division, Montana Department of Revenue, PO Box 6577, Helena, MT 59604-6577.**

**REFUNDS WILL BE ISSUED THROUGH THE INCOME TAX DIVISION**

I declare under penalty of false swearing that the information in this return and attachment is true, correct and complete.


|                         |               |                           |                              |               |
|-------------------------|---------------|---------------------------|------------------------------|---------------|
| _____<br>Your Signature | _____<br>Date | _____<br>Telephone Number | _____<br>Spouses's Signature | _____<br>Date |
|-------------------------|---------------|---------------------------|------------------------------|---------------|

**ATTACH THIS FORM TO YOUR RETURN**

## Elderly Homeowner or Renter Credit Instructions (principal residence only)

The elderly homeowner or renter credit is for your use if you're 62 years old or older. A credit for your property taxes assessed or rent paid may be used against your state income tax liability or as a direct refund even if you're not required to file a Montana state return.

Please read the instructions and complete the form to see if you qualify for the credit.

Additional help is available by calling 1-406-444-3674 or TDD 1-406-444-2830 for hearing impaired. 

### Part I

Answer all questions. If the answer to any question is "NO", you are not eligible for the credit.

### Part II

Household income—Include all income received by you and any members of your household. If your income exceeds \$35,000, stop here, you do not qualify. Only one claim is allowed per household.

Lines 1-6. Enter on lines 1 thru 5 your income from the various sources, and enter the total on line 6. (Do not include any social security paid directly to a nursing home on line 5). **Do not include any losses. You must report gains, including gains on the sale of your home. All tax refunds must also be reported.**

Line 7. Standard Exclusion.

Line 8. Subtract the amount on line 7 from line 6 and enter balance. (If less than zero enter zero).

Trusts: 1997 property taxes billed on a residence held in a *revocable trust* which are paid by an eligible claimant are allowable. The eligible claimant and their spouse must be the only trustees of the revocable trust.

If the property occupied by an eligible claimant is in a name other than the claimant, the property taxes billed are allowable only as rent. This includes irrevocable or family trusts.

Qualifying individuals who place their residence in a *life estate* and who pay the property tax may claim the taxes when calculating this credit.

### Part III-HOMEOWNERS

Line 9. Include a copy of your property tax bill or a letter from your County Treasurer showing the total property taxes billed and assessed for 1997.

The property taxes allowed on line 9 on the 1997 2EC are the total taxes billed on your November of 1997 property tax statement on your residence and surrounding land (not to exceed 1 acre). This amount includes all special assessments and fees. The 1997 2EC is based on 1997 property taxes billed, not the property taxes actually paid.

If land is less than 19.99 acres compute the total amount of the tax billed on the land divided by the total acreage to equal the allowable amount of property tax billed. If any questions, contact your county assessor's office. If land is 20 acres or more you must contact your county assessor's office for the computation.

Contact your County Treasurer for the correct tax figures if you have questions.

Skip lines 10 and 11 and enter your allowable tax from line 9 on line 12.

**RENTERS.** Complete box below. Signed rent receipts must be attached.

Renters of county or municipal housing authority dwellings are eligible to apply.

When a taxpayer lives in a health care, long-term care, personal care, or a residential care facility, the rent allowed is the actual out of pocket rent paid. If an adequate breakdown between rent and amenities paid is not provided, the rent allowed will be limited to \$20 per day.

Line 10—Enter the amount of rent you paid in 1997. Signed rent receipts must be attached.

Line 11—Multiply line 10 by 15% (.15). Enter the result here and on line 12.

### HOMEOWNERS and RENTERS

**If you own your home and rent the land or rent your home and own the land:**

Enter 1997 taxes billed on line 9. Enter your rent paid on line 10. Add lines 9 and 11 and enter total on line 12.

Line 13—Enter your household income from line 8.

Line 14—From the table below enter your multiplier based on your household income. (example: household income - \$8,500, multiplier - .039.)

Line 15—Multiply line 13 by line 14 and enter the result.

Line 16—Subtract line 15 from line 12. (not less than zero.)

Line 17—Enter the amount from line 16 or \$1,000, whichever is smaller. This is the amount of your credit.

If you file a Montana individual income tax return, enter this amount on line 56 Form 2, page 2 or Form 2S line 33. If you don't file a tax return, mail this form to Income Tax Division, Montana Department of Revenue, PO Box 6577, Helena, MT 59604-6577.

NEW

### HOUSEHOLD INCOME REDUCTION TABLE

| If your HOUSEHOLD INCOME on line 8 is: |                   | Your multiplier for line 14 is: |
|----------------------------------------|-------------------|---------------------------------|
| At least                               | But not more than |                                 |
| \$ 0                                   | \$ 1,999          | 0                               |
| 2,000                                  | 2,999             | .006                            |
| 3,000                                  | 3,999             | .016                            |
| 4,000                                  | 4,999             | .024                            |
| 5,000                                  | 5,999             | .028                            |
| 6,000                                  | 6,999             | .032                            |
| 7,000                                  | 7,999             | .035                            |
| 8,000                                  | 8,999             | .039                            |
| 9,000                                  | 9,999             | .042                            |
| 10,000                                 | 10,999            | .045                            |
| 11,000                                 | 11,999            | .048                            |
| 12,000 & over                          |                   | .050                            |

**Signed Rent Receipts must be attached**  
This is not a substitute for rent receipts.

### RENTER COMPLETE LINES A THROUGH G

- A. Name of landlord \_\_\_\_\_
- B. Address of landlord \_\_\_\_\_
- C. City \_\_\_\_\_
- D. Is your landlord a relative?  
 Yes: Relationship \_\_\_\_\_  
 No
- E. Telephone number of landlord \_\_\_\_\_
- F. How many months did you rent in 1997? \_\_\_\_\_
- G. Enter here and on line 10 the total amount of rent paid in 1997.

\$ \_\_\_\_\_

If more than (1) landlord—please list on separate sheet.