



Child and Dependent Care Expense Deduction

Year _____
15-30-121, MCA

Last Name	First Name and Middle Initial	Social Security No.
Spouse's Last Name if Different	Spouse's First Name and Middle Initial	Spouse's Social Security No.

- Number of qualifying persons cared for (see specific instructions below) 1. _____
 - Enter actual amount paid during year not to exceed limitations below 2. _____
 Limitation: Not more than
 \$2,400 for one person
 \$3,600 for two persons
 \$4,800 for three or more persons
 - Add amounts in columns A & B from Montana adjusted gross income, Form 2, Page 2 3. _____
 A) If line 3 is less than \$18,000, **stop here.**
 Enter amount from line 2 above on the Child and Dependent Care, Form 2A, Schedule I.
 Married couples filing separate on same form enter one-half of line 2 in each column.
 OR
 B) If line 3 is over \$18,000 continue below
 - Base wage amount 4. 18,000
 - Subtract line 4 from line 3 5 _____
 - Multiply line 5 by .50 6 _____
 - Subtract line 6 from line 2 (if zero or less, no deduction is allowed) 7. _____
- Enter amount from line 7 on the Child and dependent care expense line, Form 2A, Schedule I.
 Married couples filing separate on same form enter one-half of line 7 in each column.

General Instructions

Who May Claim This Deduction

You may be eligible to take this deduction if you maintain a household which includes, as a member, one or more qualifying individuals.

You will be treated as maintaining a household for any year only if you furnish over half the cost of maintaining the household for that year. If you are married for a year, you and your spouse must provide over half the maintenance cost for that year.

The expenses of maintaining a household include property taxes, mortgage interest, rent, utility charges, upkeep and repairs, property insurance and food consumed on the premises. Expenses do not include the cost of clothing, education, medical treatment, vacations, life insurance or transportation.

Special Rules

Married couples may take the deduction when filing separately on the same form. The deduction must be divided equally between the spouses. You may not claim the deduction if you are married filing separately on separate forms (filing status 4 or 5).

Gainful employment requirement:
 If you are married for any period during the taxable year, take into account employment-related expenses incurred during any month of that year only if:
 > both you and your spouse are gainfully employed on a substantially full-time or part-time basis, or actually seeking gainful employment, or

> your spouse is physically or mentally incapable of self-care.
 Self-employment is considered gainful employment for the purpose of this deduction.

Child Care Deduction vs. Medical Expenses Deduction

If an expense qualifies as both employment-related and medical, you may treat it either way, as long as you do not deduct it twice.

If you treat the expense as medical, then the part of it that is not deductible because of the 7½% medical deduction limitation cannot be used as part of your employment-related expenses.

Specific Instructions

A qualifying person must be:
 > a dependent under age 15 for whom an exemption may be claimed, or
 > a dependent who, regardless of age, is unable to care for himself or herself because of a physical or mental illness, or
 > a spouse who is unable to care for himself or herself because of a physical or mental illness.

Note: If you are a licensed and registered day-care provider who operates a family day-care home or a group day-care home and care for your own child and at least one unrelated child you may qualify for this deduction. The amount of expense claimed on line 2 above and considered to have been paid by you is equal to the amount you charge for the care of an unrelated child of the same age for the same number of hours of care. The expenses apply regardless of whether any expenses actually have been paid.

Questions? Please call the Department of Revenue at (406) 444-6900 or TDD (406) 444-2830 (for hearing impaired only). ☎

Attach this form to your tax return. If you electronically file, keep this form for your records (do not send to the Department of Revenue).