



Disability Insurance For Uninsured Montanans Credit

Credit available to certain employers who make disability insurance available to employees
15-30-129 and 15-31-132, MCA
Instructions on back

Name (as shown on Form 2 for Individuals and Form CLT-4 for Corporations)	FEIN
---	------

Part I

- Have you been in business in Montana for at least 12 months? _____ Yes _____ No
 - Do you employ 20 or fewer employees working at least 20 hours per week? _____ Yes _____ No
 - Do you pay at least 50% of each Montana employee's insurance premium? _____ Yes _____ No
- If you answer no to any of the above questions, do not complete this form. You do not qualify for the credit.

Part II

The credit is limited to a maximum of 10 employees.

	Column 1	Column 2	Column 3	Column 4	Column 5	Column 6	Column 7
Employee	Monthly Premium Amount	% of Premiums Paid by Employer		Multiply Column 2 X Column 3	Number of Months Each Employee Insured	Multiply Column 1 X Column 5	Multiply Column 4 X Column 5
1.			\$25				
2.			\$25				
3.			\$25				
4.			\$25				
5.			\$25				
6.			\$25				
7.			\$25				
8.			\$25				
9.			\$25				
10.			\$25				

Total

1. Multiply total of column 6 by 50% (.50)..... \$ _____
2. Enter total from column 7..... \$ _____
3. Enter the smaller of line 1 or line 2. This is your credit. For individuals enter this amount on Form 2A, Schedule II. For corporations enter this amount on Form CLT-4, Schedule C..... \$ _____

Special Instructions

- This credit applies to disability insurance as defined in 33-1-207, MCA.

Disability insurance. Disability insurance, including credit disability insurance, is insurance of human beings

- against bodily injury, disablement, or death by accident or accidental means or the medical expense or indemnity involved, or
- against disablement or medical expense or indemnity resulting from sickness.

Transactions of disability insurance does not include workers' compensation insurance.

- Disability insurance in Montana includes, in general terms, any insurance plan offered by an insurance company that provides such coverage as, personal health, disablement, death, medical expenses or indemnity of such, to a human being. Workers' compensation is not considered disability insurance.
- To qualify for this credit the business must
 - be located in Montana,
 - be in existence for at least 12 months,
 - employ no more than 20 employees working at least 20 hours a week, and
 - pay at least 50% of each employee's insurance premiums.
- If you are claiming this credit you may be asked by the Department of Revenue to provide documentation from your insurance company that the premiums meet the qualifications of the Small Employer Health Insurance Availability Act.
- The credit allowed cannot be carried back or forward. The credit may only be used to offset tax liability.
- Premiums paid by a small business corporation or partnership qualify for the credit. The credit is attributed to the shareholders or partners using the same proportion used to report income or loss for Montana tax purposes.
- The credit may not be claimed for a period of more than 36 consecutive months and cannot be granted to an employer or its successor within 10 years of the last consecutive credit claimed.
- Non-taxable distributions are distributions not excluded from adjusted gross income in the year of the deposit, or distributions which have already been taxed if not distributed within the five year eligibility period.

Questions? Please call (406) 444-6900 or TDD (406) 444-2830 for hearing impaired. 