

Schedule III: Montana Itemized Deductions Enter on the corresponding line your itemized deductions. File Schedule III with your Montana Form 2.	Column A (for single, joint, separate or head of household)	Column B (for spouse when filing separately using filing status 3a)
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1. Medical and dental expenses. 1.	A:	B:	1.	
2. Enter amount from Form 2, line 40. 2.	A:	B:	2.	
3. Multiply line 2 by .075 (7.5%)..... 3.	A:	B:	3.	
4. Subtract line 3 from line 1 and enter result here but not less than zero. This is your deductible medical and dental expense subject to 7.5% of Montana AGI. . 4.			4.	
5. Medical insurance premiums not deducted elsewhere on your return. 5.			5.	
6. Long term care insurance premiums not deducted elsewhere on your return. 6.			6.	



Complete lines 7a through 7d reporting your total federal income tax payments made in 2006 before completing line 7e. You cannot deduct your self-employment taxes paid on lines 7a through 7d.

7a. Federal income tax withheld in 2006. . 7a.	A:	B:	7a.	
7b. Federal estimated tax payments paid in 2006. 7b.	A:	B:	7b.	
7c. 2005 federal income taxes paid in 2006. 7c.	A:	B:	7c.	
7d. Other back year federal income taxes paid in 2006. 7d.	A:	B:	7d.	
7e. Add lines 7a through 7d and enter result here. Do not enter more than \$5,000 if you are filing single, married filing separately or head of household, or \$10,000 if filing a joint return. This is your federal income tax deduction. 7e.			7e.	
8. Local income taxes paid in 2006. See instructions on page 37. 8.			8.	
9. Real estate taxes paid in 2006. 9.			9.	
10. Personal property taxes paid in 2006. 10.			10.	
11. Other deductible taxes. List type and amount: _____ 11.			11.	
12. Home mortgage interest and points reported to you on federal Form 1098. 12.			12.	
13. Home mortgage interest not reported to you on federal Form 1098. If paid to the person from whom you bought the house, provide name, SSN, and address. _____ 13.			13.	
14. Points not reported to you on federal Form 1098. 14.			14.	
15. Investment interest, Attach federal Form 4952. 15.			15.	
16. Contributions made by cash or check during 2006. 16.			16.	
17. Contributions made other than by cash or check..... 17.			17.	
18. Contribution carryover from the prior year. 18.			18.	
19. Child and dependent care expenses. Attach Montana Form 2441M. 19.			19.	
20. Casualty and theft loss(es). Attach federal Form 4684. 20.			20.	

21. Unreimbursed employee business expenses. Attach federal Form 2106 or 2106EZ. 21.	A:	B:	21.	
22. Other expenses. List type and amount: _____ 22.	A:	B:	22.	
23. Add lines 21 and 22. 23.	A:	B:	23.	
24. Enter the amount on Form 2, line 40 ... 24.	A:	B:	24.	
25. Multiply line 24 by .02 (2%)..... 25.	A:	B:	25.	
26. Subtract line 25 from line 23 and enter the result here, but not less than zero. 26.			26.	
27. Political contributions (limited to \$100 per taxpayer) 27.			27.	
28. Other miscellaneous deductions not subject to 2% of Montana AGI. List type and amount: _____ 28.			28.	
29. Gambling losses allowed under federal law. 29.			29.	
30. Add lines 4 through 6; 7e through 20; and 26 through 29 and enter result here. 30.			30.	

If the amount on Form 2, line 40 is more than \$150,500, or more than \$75,250 if married filing separately, your deductions may be limited. Complete the itemized deduction Worksheet VI on page 51 of the Form 2 instruction booklet and then continue to line 31; otherwise, go to line 32 below.

31. Enter the amount from the itemized deduction Worksheet VI, line 9. This is the amount of your non-allowed itemized deductions. 31.			31.	
32. Subtract line 31 from line 30 and enter the result here and on Form 2, line 42. This is the amount of your allowable itemized deductions. 32.			32.	