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Credit for the Elderly or the Disabled

For use in preparing
2008 Returns



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Contents

Reminder	1
Introduction	1
Are You Eligible for the Credit?	2
Qualified Individual	2
Income Limits	6
Credit Figured for You	6
Figuring the Credit Yourself	6
Step 1. Determine Initial Amount	6
Step 2. Total Certain Nontaxable Pensions and Benefits	6
Step 3. Determine Excess Adjusted Gross Income	7
Step 4. Determine the Total of Steps 2 and 3	7
Step 5. Determine Your Credit	7
Examples	7
How To Get Tax Help	14
Index	16

Reminder

Photographs of missing children. The Internal Revenue Service is a proud partner with the National Center for Missing and Exploited Children. Photographs of missing children selected by the Center may appear in this publication on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

Introduction

If you qualify, you may be able to reduce the tax you owe by taking the credit for the elderly or the disabled.

This publication explains:

- Who qualifies for the credit for the elderly or the disabled, and
- How to figure the credit.

You may be able to take the credit for the elderly or the disabled if:

- You are age 65 or older, or
- You retired on permanent and total disability and have taxable disability income.

Comments and suggestions. We welcome your comments about this publication and your suggestions for future editions.

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Tax questions. If you have a tax question, check the information available on www.irs.gov or call 1-800-829-1040. We cannot answer tax questions sent to either of the above addresses.

Useful Items

You may want to see:

Publication

- 554** Tax Guide for Seniors
- 967** The IRS Will Figure Your Tax

Forms (and instructions)

- Schedule R (Form 1040)** Credit for the Elderly or the Disabled
- Schedule 3 (Form 1040A)** Credit for the Elderly or the Disabled for Form 1040A Filers

See [How To Get Tax Help](#) near the end of this publication, for information about getting these publications and forms.

Are You Eligible for the Credit?

You can take the credit for the elderly or the disabled if you meet both of the following requirements.

- You are a qualified individual.
- Your income is not more than certain limits.

You can use *Figures A* and *B* as guides to see if you are eligible for the credit. Use *Figure A* first to see if you are a

qualified individual. If you are, go to *Figure B* to make sure your income is not too high to take the credit.



You can take the credit only if you file Form 1040 or Form 1040A. You cannot take the credit if you file Form 1040EZ.

Qualified Individual

You are a qualified individual for this credit if you are a U.S. citizen or resident alien, and either of the following applies.

1. You were age 65 or older at the end of 2008.
2. You were under age 65 at the end of 2008 and all three of the following statements are true.
 - a. You retired on permanent and total disability (explained later).
 - b. You received taxable disability income for 2008.
 - c. On January 1, 2008, you had not reached mandatory retirement age (defined later under [Disability income](#)).

Age 65. You are considered to be age 65 on the day before your 65th birthday. Therefore, if you were born on January 1, 1944, you are considered to be age 65 at the end of 2008.

U.S. Citizen or Resident Alien

You must be a U.S. citizen or resident alien (or be treated as a resident alien) to take the credit. Generally, you cannot take the credit if you were a nonresident alien at any time during the tax year.

Exceptions. You may be able to take the credit if you are a nonresident alien who is married to a U.S. citizen or resident alien at the end of the tax year and you and your spouse choose to treat you as a U.S. resident alien. If you make that choice, both you and your spouse are taxed on your worldwide incomes.

If you were a nonresident alien at the beginning of the year and a resident alien at the end of the year, and you were married to a U.S. citizen or resident alien at the end of the year, you may be able to choose to be treated as a U.S. resident alien for the entire year. In that case, you may be allowed to take the credit.

For information on these choices, see chapter 1 of Publication 519, U.S. Tax Guide for Aliens.

Married Persons

Generally, if you are married at the end of the tax year, you and your spouse must file a joint return to take the credit. However, if you and your spouse did not live in the same household at any time during the tax year, you can file either joint or separate returns and still take the credit.

Head of household. You can file as head of household and qualify to take the credit, even if your spouse lived with

you during the first 6 months of the year, if you meet all the following tests.

1. You file a separate return.
2. You paid more than half the cost of keeping up your home during the tax year.
3. Your spouse did not live in your home at any time during the last 6 months of the tax year and the absence was not temporary. (See *Temporary absences* in Publication 501.)
4. Your home was the main home of your child, stepchild, or an eligible foster child for more than half the year. An eligible foster child is a child placed with you by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.
5. You can claim an exemption for that child, or you cannot claim the exemption only because a decree of divorce or separate maintenance or written separation agreement that applies to 2008 provides that the noncustodial parent can claim the child as a dependent (and, in the case of a pre-1985 agreement, the noncustodial parent provides at least \$600 for the support of the child during the year) or you, the custodial parent, sign a written declaration that you will not claim the child as a dependent for the year.

For more information on head of household and other filing statuses, see Publication 501, Exemptions, Standard Deduction, and Filing Information.

Under Age 65

If you are under age 65 at the end of 2008, you can qualify for the credit only if you are retired on permanent and total disability (discussed next) and have taxable disability income (discussed later under [Disability income](#)). You are retired on permanent and total disability if:

- You were permanently and totally disabled when you retired, and
- You retired on disability before the close of the tax year.

Even if you do not retire formally, you may be considered retired on disability when you have stopped working because of your disability.

If you retired on disability before 1977, and were not permanently and totally disabled at the time, you can qualify for the credit if you were permanently and totally disabled on January 1, 1976, or January 1, 1977.



You are considered to be under age 65 at the end of 2008 if you were born after January 1, 1944.

Permanent and total disability. You are permanently and totally disabled if you cannot engage in any substantial

gainful activity because of your physical or mental condition. A physician must certify that the condition has lasted or can be expected to last continuously for 12 months or more, or that the condition can be expected to result in death. See [Physician's statement](#), later.

Substantial gainful activity. Substantial gainful activity is the performance of significant duties over a reasonable period of time while working for pay or profit, or in work generally done for pay or profit. Full-time work (or part-time work done at your employer's convenience) in a competitive work situation for at least the minimum wage conclusively shows that you are able to engage in substantial gainful activity.

Substantial gainful activity is not work you do to take care of yourself or your home. It is not unpaid work on hobbies, institutional therapy or training, school attendance, clubs, social programs, and similar activities. However, doing this kind of work may show that you are able to engage in substantial gainful activity.

The fact that you have not worked for some time is not, of itself, conclusive evidence that you cannot engage in substantial gainful activity.

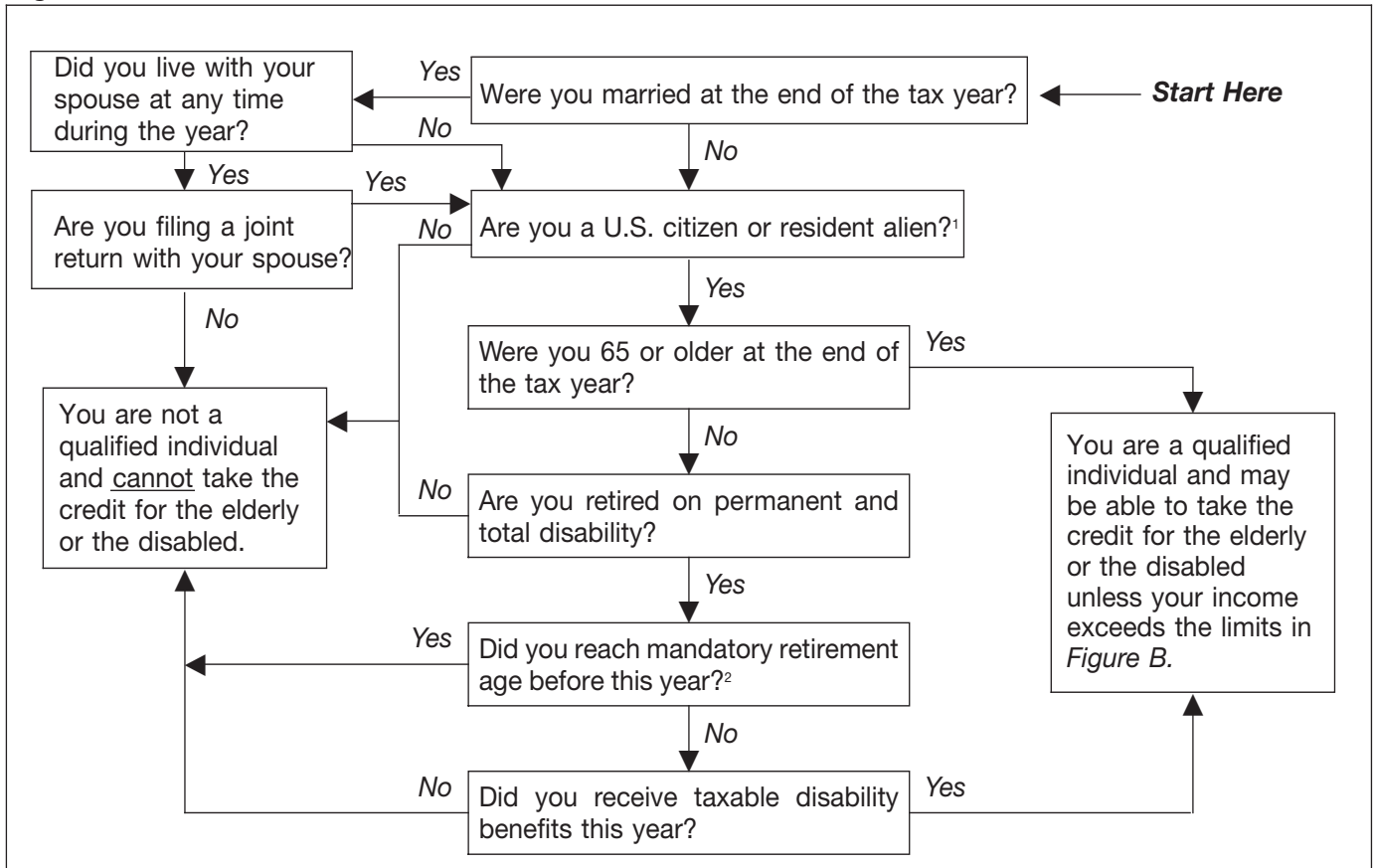
The following examples illustrate the tests of substantial gainful activity.

Example 1. Trisha, a sales clerk, retired on disability. She is 53 years old and now works as a full-time babysitter for the minimum wage. Even though Trisha is doing different work, she is able to do the duties of her new job in a full-time competitive work situation for the minimum wage. She cannot take the credit because she is able to engage in substantial gainful activity.

Example 2. Tom, a bookkeeper, retired on disability. He is 59 years old and now drives a truck for a charitable organization. He sets his own hours and is not paid. Duties of this nature generally are performed for pay or profit. Some weeks he works 10 hours, and some weeks he works 40 hours. Over the year he averages 20 hours a week. The kind of work and his average hours a week conclusively show that Tom is able to engage in substantial gainful activity. This is true even though Tom is not paid and he sets his own hours. He cannot take the credit.

Example 3. John, who retired on disability, took a job with a former employer on a trial basis. The purpose of the job was to see if John could do the work. The trial period lasted for 6 months during which John was paid the minimum wage. Because of John's disability, he was assigned only light duties of a nonproductive "make-work" nature. The activity was gainful because John was paid at least the minimum wage. But the activity was not substantial because his duties were nonproductive. These facts do not, by themselves, show that John is able to engage in substantial gainful activity.

Figure A. Are You a Qualified Individual?



¹ If you were a nonresident alien at any time during the tax year and were married to a U.S. citizen or resident alien at the end of the tax year, see *U.S. Citizen or Resident Alien* under *Qualified Individual*. If you and your spouse choose to treat you as a U.S. resident alien, answer “yes” to this question.

² Mandatory retirement age is the age set by your employer at which you would have been required to retire, had you not become disabled.

Figure B. Income Limits

IF your filing status is . . .	THEN, even if you qualify (see Figure A), you CANNOT take the credit if . . .	
	Your adjusted gross income (AGI)* is equal to or more than . . .	OR the total of your nontaxable social security and other nontaxable pension(s) is equal to or more than . . .
single, head of household, or qualifying widow(er) with dependent child	\$17,500	\$5,000
married filing a joint return and both spouses qualify in Figure A	\$25,000	\$7,500
married filing a joint return and only one spouse qualifies in Figure A	\$20,000	\$5,000
married filing a separate return	\$12,500	\$3,750

* AGI is the amount on Form 1040A, line 22, or Form 1040, line 38.

Table 1. Initial Amounts

IF your filing status is...	THEN enter on line 10 of Schedule R (Form 1040) or Schedule 3 (Form 1040A)...
single, head of household, or qualifying widow(er) with dependent child and, by the end of 2008, you were <ul style="list-style-type: none"> • 65 or older \$5,000 • under 65 and retired on permanent and total disability¹ \$5,000 	
married filing a joint return and by the end of 2008 <ul style="list-style-type: none"> • both of you were 65 or older \$7,500 • both of you were under 65 and one of you retired on permanent and total disability¹ \$5,000 • both of you were under 65 and both of you retired on permanent and total disability² \$7,500 • one of you was 65 or older, and the other was under 65 and retired on permanent and total disability³ \$7,500 • one of you was 65 or older, and the other was under 65 and not retired on permanent and total disability \$5,000 	
married filing a separate return and you did not live with your spouse at any time during the year and, by the end of 2008, you were <ul style="list-style-type: none"> • 65 or older \$3,750 • under 65 and retired on permanent and total disability¹ \$3,750 	

¹ Amount cannot be more than the taxable disability income.
² Amount cannot be more than your combined taxable disability income.
³ Amount is \$5,000 plus the taxable disability income of the spouse under age 65, but not more than \$7,500.

Example 4. Joan, who retired on disability from a job as a bookkeeper, lives with her sister who manages several motel units. Joan helps her sister for 1 or 2 hours a day by performing duties such as washing dishes, answering phones, registering guests, and bookkeeping. Joan can select the time of day when she feels most fit to work. Work of this nature, performed off and on during the day at Joan’s convenience, is not activity of a “substantial and gainful” nature even if she is paid for the work. The performance of these duties does not, of itself, show that Joan is able to engage in substantial gainful activity.

Sheltered employment. Certain work offered at qualified locations to physically or mentally impaired persons is considered sheltered employment. These qualified locations are in sheltered workshops, hospitals and similar institutions, homebound programs, and Department of Veterans Affairs (VA) sponsored homes.

Compared to commercial employment, pay is lower for sheltered employment. Therefore, one usually does not look for sheltered employment if he or she can get other employment. The fact that one has accepted sheltered employment is not proof of the person’s ability to engage in substantial gainful activity.

Physician’s statement. If you are under age 65, you must have your physician complete a statement certifying that you were permanently and totally disabled on the date you retired. You can use the statement in the instructions for Schedule R (Form 1040) or Schedule 3 (Form 1040A).

You do not have to file this statement with your Form 1040 or Form 1040A, but you must keep it for your records.

Veterans. If the Department of Veterans Affairs (VA) certifies that you are permanently and totally disabled, you

can substitute VA Form 21-0172, Certification of Permanent and Total Disability, for the physician’s statement you are required to keep. VA Form 21-0172 must be signed by a person authorized by the VA to do so. You can get this form from your local VA regional office.

Physician’s statement obtained in earlier year. If you got a physician’s statement in an earlier year and, due to your continued disabled condition, you were unable to engage in any substantial gainful activity during 2008, you may not need to get another physician’s statement for 2008. For a detailed explanation of the conditions you must meet, see the instructions for Part II of Schedule R (Form 1040) or Schedule 3 (Form 1040A). If you meet the required conditions, check the box on line 2 of Part II of Schedule R (Form 1040) or Schedule 3 (Form 1040A).

If you checked box 4, 5, or 6 in Part I of either Schedule R or Schedule 3, enter in the space above the box on line 2 in Part II the first name(s) of the spouse(s) for whom the box is checked.

Disability income. If you are under age 65, you must also have taxable disability income to qualify for the credit. Disability income must meet both of the following requirements.

1. It must be paid under your employer’s accident or health plan or pension plan.
2. It must be included in your income as wages (or payments instead of wages) for the time you are absent from work because of permanent and total disability.

Payments that are not disability income. Any payment you receive from a plan that does not provide for

disability retirement is not disability income. Any lump-sum payment for accrued annual leave that you receive when you retire on disability is a salary payment and is not disability income.

For purposes of the credit for the elderly or the disabled, disability income does not include amounts you receive after you reach mandatory retirement age. Mandatory retirement age is the age set by your employer at which you would have had to retire, had you not become disabled.

Income Limits

To determine if you can claim the credit, you must consider two income limits. The first limit is the amount of your adjusted gross income (AGI). The second limit is the amount of nontaxable social security and other nontaxable pensions you received. The limits are shown in *Figure B*.

If both your AGI and your nontaxable pensions are less than the income limits, you may be able to claim the credit. See [Figuring the Credit Yourself](#), later.



If either your AGI or your nontaxable pensions are equal to or more than the income limits, you cannot take the credit.

Credit Figured for You

You can figure the credit yourself, or the Internal Revenue Service (IRS) will figure it for you. See [Figuring the Credit Yourself](#), later.

If you choose to have the IRS figure the credit for you, read the following discussion for the form you will file (Form 1040 or Form 1040A).

If you want the IRS to figure your tax, see Publication 967.

Form 1040. If you want the IRS to figure your credit, attach Schedule R to your return and enter “CFE” on the dotted line next to line 48 of Form 1040. Check the box in Part I of Schedule R for your filing status and age. Fill in Part II and lines 11 and 13 of Part III if they apply to you.

Form 1040A If you want the IRS to figure your credit, attach Schedule 3 to your return and print “CFE” next to line 30 of Form 1040A. Check the box in Part I of Schedule 3 for your filing status and age. Fill in Part II and lines 11 and 13 of Part III, if they apply to you.

Figuring the Credit Yourself

If you figure the credit yourself, fill out the front of either Schedule R (if you are filing Form 1040) or Schedule 3 (if you are filing Form 1040A). Next, fill out Part III of either Schedule R or Schedule 3.



There are five steps in Part III to determine the amount of your credit:

1. Determine your initial amount (lines 10–12).
2. Determine the total of any nontaxable social security and certain other nontaxable pensions and benefits you received (lines 13a, 13b, and 13c).
3. Determine your excess adjusted gross income (lines 14–17).
4. Determine the total of steps 2 and 3 (line 18).
5. Determine your credit (lines 19–24 of Schedule R or lines 19–22 of Schedule 3).

These steps are discussed in more detail next.

Step 1. Determine Initial Amount

To figure the credit, you must first determine your initial amount using lines 10 through 12. See [Table 1](#). Your initial amount is on line 12.

Initial amounts for persons under age 65. If you are a qualified individual under age 65, your initial amount cannot be more than your taxable disability income.

Step 2. Total Certain Nontaxable Pensions and Benefits

Step 2 is to figure the total amount of nontaxable social security and certain other nontaxable payments you received during the year. You must reduce your initial amount by these payments.

Enter these nontaxable payments on lines 13a or 13b and total them on line 13c. If you are married filing a joint return, you must enter the combined amount of nontaxable payments both you and your spouse receive.



Worksheets are provided in the instructions for Forms 1040 and 1040A to help you determine if any of your social security benefits (or equivalent railroad retirement benefits) are taxable.

Include the following nontaxable payments in the amounts you enter on lines 13a and 13b.

- Nontaxable social security payments. This is the nontaxable part of the benefits shown in box 5 of Form SSA-1099, Social Security Benefit Statement, which includes disability benefits, before deducting any amounts withheld to pay premiums on supplementary Medicare insurance, and before any reduction because of benefits received under workers' compensation. (Do not include a lump-sum death benefit payment you may receive as a surviving spouse, or a surviving child's insurance benefit payments you may receive as a guardian.)
- Nontaxable railroad retirement pension payments treated as social security. This is the nontaxable part of the benefits shown in box 5 of Form RRB-1099, Payments by the Railroad Retirement Board.
- Nontaxable pension or annuity payments or disability benefits that are paid under a law administered by the Department of Veterans Affairs (VA). (Do not

include amounts received as a pension, annuity, or similar allowance for personal injuries or sickness resulting from active service in the armed forces of any country or in the National Oceanic and Atmospheric Administration or the Public Health Service, or as a disability annuity under section 808 of the Foreign Service Act of 1980.)

- Pension or annuity payments or disability benefits that are excluded from income under any provision of federal law other than the Internal Revenue Code. (Do not include amounts that are a return of your cost of a pension or annuity. These amounts do not reduce your initial amount.)



You should be sure to take into account all of the nontaxable amounts you receive. These amounts are verified by the IRS through information supplied by other government agencies.

Step 3. Determine Excess Adjusted Gross Income

You also must reduce your initial amount by your excess adjusted gross income. Figure your excess adjusted gross income on lines 14–17.

You figure your excess adjusted gross income as follows:

1. Subtract from your adjusted gross income (line 38 of Form 1040 or line 22 of Form 1040A) the amount shown for your filing status in the following list.
 - a. \$7,500 if you are single, a head of household, or a qualifying widow(er) with a dependent child,
 - b. \$10,000 if you are married filing a joint return, or
 - c. \$5,000 if you are married filing a separate return and you and your spouse did not live in the same household at any time during the tax year.
2. Divide the result of (1) by 2.

Step 4. Determine the Total of Steps 2 and 3

To determine if you can take the credit, you must add (on line 18) the amounts you figured in Step 2 and Step 3.

IF the total of Steps 2 and 3 is...	THEN...
equal to or more than the amount in Step 1	you cannot take the credit.
less than the amount in Step 1	you can take the credit.

Step 5. Determine Your Credit

If you can take the credit, subtract the amount determined in Step 4 (line 18) from the amount determined in Step 1 (line 12), and multiply the result by 15%.

In certain cases, the amount of your credit may be limited. See [Limit on credit](#), later.

Example. You are 66 years old and your spouse is 64. Your spouse is not disabled. You file a joint return on Form 1040. Your adjusted gross income is \$14,630. Together you received \$3,200 from social security, which was nontaxable. You figure the credit as follows:

Example applying the 5 step process	Amount
1. Initial amount	\$5,000
2. Total nontaxable social security and other nontaxable pensions	\$3,200
3. Excess adjusted gross income (\$14,630–\$10,000) ÷ 2	2,315
4. Add line 2 and line 3	5,515
5. Subtract line 4 from line 1 (Do not enter less than (-0-))	\$-0-

You cannot take the credit because your nontaxable social security (line 2a) plus your excess adjusted gross income (line 2b) is more than your initial amount (line 1).

Limit on credit. The amount of credit you can claim is generally limited to the amount of your tax. For more information, see the instructions for Part III, Schedule R (Form 1040) or Schedule 3 (Form 1040A).

Examples

The following examples illustrate the credit for the elderly or the disabled. The initial amounts are taken from [Table 1. Initial Amounts](#).

Example 1. James Davis is 58 years old, single, and files Form 1040A. In 1998 he retired on permanent and total disability, and he is still permanently and totally disabled. He got the required physician’s statement in 1998 and kept it with his tax records. His physician signed on line B of the statement. This year James checks the box in Part II of Schedule 3. He does not need to get another statement for 2008.

He received the following income for the year:

Nontaxable social security	\$1,500
Interest (taxable)	100
Taxable disability pension	11,400

James’ adjusted gross income is \$11,500 (\$11,400 + \$100). He figures the credit on Schedule 3 as follows:

1. Initial amount	\$5,000
2. Taxable disability pension	11,400
3. Smaller of line 1 or line 2	5,000
4. Nontaxable social security benefits	\$1,500

5. Excess adjusted gross income (\$11,500 – \$7,500) ÷ 2	2,000
6. Add lines 2 and 3	3,500
7. Subtract line 6 from line 3 (Do not enter less than (–0–))	1,500
8. Multiply line 7 by 15% (.15)	225
9. Enter the amount from Form 1040A, line 28	246
10. Enter any amount from Form 1040A, line 29	-0-
11. Subtract line 10 from line 9	246
12. Credit (Enter the smaller of line 8 or line 11)	\$ 225

His credit is \$225. He enters \$225 on line 30 of Form 1040A. The Schedule 3 for James Davis is not shown.

Example 2. William White is 53. His wife Helen is 49. William had a stroke 3 years ago and retired on permanent and total disability. He is still permanently and totally disabled because of the stroke. In November of last year, Helen was injured in an accident at work and retired on permanent and total disability.

William received nontaxable social security disability benefits of \$3,000 during the year and a taxable disability pension of \$6,200. Helen earned \$10,600 from her job and received a taxable disability pension of \$1,700. Their joint return on Form 1040 shows adjusted gross income of \$18,500 (\$6,200 + \$10,600 + \$1,700). They do not itemize deductions. They do not pay any real estate taxes.

Helen got her doctor to complete the physician's statement in the instructions for Schedule R. Helen is not required to include the statement with their return for the year, but she must keep it for her records.

William got a physician's statement for the year he had the stroke. His doctor had signed on line B of that physician's statement to certify that William was permanently and totally disabled. William has kept the physician's statement with his records. He checks the box in Part II of Schedule R and writes his first name in the space above the box on line 2.

William and Helen use Schedule R to figure their \$38 credit for the elderly or the disabled. They attach Schedule

R to the joint return and enter \$38 on line 48 of Form 1040. See their filled-in [Schedule R \(Form 1040\) Credit for the Elderly or the Disabled 2008](#) and Helen's filled-in physician's statement, later.

Example 3. Jerry Ash is 68 years old and single and files Form 1040A. He received the following income for the year:

Nontaxable social security	\$2,000
Interest (taxable)	455
Pension (all taxable)	5,600
Wages from a part-time job	4,645

Jerry's adjusted gross income is \$10,700 (\$4,645 + \$5,600 + \$455). Jerry figures the credit on Schedule 3 (Form 1040A) as follows:

1. Initial amount	\$5,000
2. Nontaxable social security and other nontaxable pensions	\$2,000
3. Excess adjusted gross income (\$10,700 – \$7,500) ÷ 2	1,600
4. Add lines 2 and 3	3,600
5. Subtract line 4 from line 1 (Do not enter less than (–0–))	1,400
6. Multiply line 5 by 15% (.15)	210
7. Enter the amount from Form 1040A, line 28	41
8. Enter any amount from Form 1040A, line 29	-0-
9. Subtract line 8 from line 7	41
10. Credit (Enter the smaller of line 6 or line 9)	\$ 41

Jerry's credit is \$41. He files Schedule 3 (Form 1040A) and shows this amount on line 30 of Form 1040A. See the filled-in [Schedule 3 \(Form 1040A\): Credit for the Elderly or the Disabled for Form 1040A F](#) for Jerry Ash, later.

Schedule R (Form 1040)

Credit for the Elderly or the Disabled

OMB No. 1545-0074

2008

Attachment Sequence No. 16

Department of the Treasury Internal Revenue Service (99)

Attach to Form 1040. See Instructions for Schedule R (Form 1040).

Name(s) shown on Form 1040

William M. White and Helen A. White

Your social security number

220003333

You may be able to take this credit and reduce your tax if by the end of 2008:

- You were age 65 or older or You were under age 65, you retired on permanent and total disability, and you received taxable disability income.

But you must also meet other tests. See page R-1.

TIP In most cases, the IRS can figure the credit for you. See page R-1.

Part I Check the Box for Your Filing Status and Age

If your filing status is: And by the end of 2008: Check only one box:

Single, Head of household, or Qualifying widow(er) 1 You were 65 or older 1 [] 2 You were under 65 and you retired on permanent and total disability 2 []

3 Both spouses were 65 or older 3 []

4 Both spouses were under 65, but only one spouse retired on permanent and total disability 4 []

Married filing jointly 5 Both spouses were under 65, and both retired on permanent and total disability 5 [x]

6 One spouse was 65 or older, and the other spouse was under 65 and retired on permanent and total disability 6 []

7 One spouse was 65 or older, and the other spouse was under 65 and not retired on permanent and total disability 7 []

Married filing separately 8 You were 65 or older and you lived apart from your spouse for all of 2008 8 []

9 You were under 65, you retired on permanent and total disability, and you lived apart from your spouse for all of 2008 9 []

Did you check box 1, 3, 7, or 8? Yes Skip Part II and complete Part III on the back. No Complete Parts II and III.

Part II Statement of Permanent and Total Disability (Complete only if you checked box 2, 4, 5, 6, or 9 above.)

If: 1 You filed a physician's statement for this disability for 1983 or an earlier year, or you filed or got a statement for tax years after 1983 and your physician signed line B on the statement, and

William

2 Due to your continued disabled condition, you were unable to engage in any substantial gainful activity in 2008, check this box [x]

- If you checked this box, you do not have to get another statement for 2008. If you did not check this box, have your physician complete the statement on page R-4. You must keep the statement for your records.

For Paperwork Reduction Act Notice, see Form 1040 instructions.

Cat. No. 11359K

Schedule R (Form 1040) 2008

Part III Figure Your Credit

10	If you checked (in Part I): Box 1, 2, 4, or 7 \$5,000 Box 3, 5, or 6 \$7,500 Box 8 or 9 \$3,750	Enter:							10	7,500
	Did you check box 2, 4, 5, 6, or 9 in Part I?	Yes →	You must complete line 11.							
		No →	Enter the amount from line 10 on line 12 and go to line 13.							
11	If you checked (in Part I): • Box 6, add \$5,000 to the taxable disability income of the spouse who was under age 65. Enter the total. • Box 2, 4, or 9, enter your taxable disability income. • Box 5, add your taxable disability income to your spouse's taxable disability income. Enter the total.								11	7,900
TIP	For more details on what to include on line 11, see page R-3.									
12	If you completed line 11, enter the smaller of line 10 or line 11. All others , enter the amount from line 10								12	7,500
13	Enter the following pensions, annuities, or disability income that you (and your spouse if filing a joint return) received in 2008.									
a	Nontaxable part of social security benefits and nontaxable part of railroad retirement benefits treated as social security (see page R-3).				13a	3,000				
b	Nontaxable veterans' pensions and any other pension, annuity, or disability benefit that is excluded from income under any other provision of law (see page R-3).				13b					
c	Add lines 13a and 13b. (Even though these income items are not taxable, they must be included here to figure your credit.) If you did not receive any of the types of nontaxable income listed on line 13a or 13b, enter -0- on line 13c				13c	3,000				
14	Enter the amount from Form 1040, line 38			14	18,500					
15	If you checked (in Part I): Box 1 or 2 \$7,500 Box 3, 4, 5, 6, or 7 . . . \$10,000 Box 8 or 9 \$5,000	Enter:							15	10,000
16	Subtract line 15 from line 14. If zero or less, enter -0-			16	8,500					
17	Enter one-half of line 16			17	4,250					
18	Add lines 13c and 17			18					18	7,250
19	Subtract line 18 from line 12. If zero or less, stop ; you cannot take the credit. Otherwise, go to line 20			19					19	250
20	Multiply line 19 by 15% (.15)			20					20	38
21	Enter the amount from Form 1040, line 46			21	61					
22	Enter the total of any amounts from Form 1040, lines 47 and 48			22	0					
23	Subtract line 22 from line 21. If zero or less, stop ; you cannot take the credit			23					23	61
24	Credit for the elderly or the disabled. Enter the smaller of line 20 or line 23 here and on Form 1040, line 49			24					24	38

Instructions for Physician's Statement

Taxpayer

If you retired after 1976, enter the date you retired in the space provided on the statement below.

Physician

A person is permanently and totally disabled if both of the following apply:

1. He or she cannot engage in any substantial gainful activity because of a physical or mental condition.
2. A physician determines that the disability has lasted or can be expected to last continuously for at least a year or can lead to death.

Physician's Statement

I certify that _____ Helen A. White _____
Name of disabled person

was permanently and totally disabled on January 1, 1976, or January 1, 1977, or was permanently and totally disabled on the date he or she retired. If retired after 1976, enter the date retired. _____ November 1, 2008 _____

Physician: Sign your name on either A or B below.

A The disability has lasted or can be expected to last continuously for at least a year

Physician's signature *Date*

B There is no reasonable probability that the disabled condition will ever improve

Juanita D. Doctor 2/7/09
Physician's signature *Date*

Physician's name
Juanita D. Doctor

Physician's address
1900 Green St., Hometown, MD 20000

Schedule 3
(Form 1040A)

Department of the Treasury—Internal Revenue Service

Credit for the Elderly or the Disabled
for Form 1040A Filers

(99) **2008**

OMB No. 1545-0074

Name(s) shown on Form 1040A

Jerry A. Ash

Your social security number

1 2 3 ; 0 0 ; 1 2 3 4

You may be able to take this credit and reduce your tax if by the end of 2008:

- You were age 65 or older **or** ● You were under age 65, you retired on **permanent and total** disability, and you received taxable disability income.

But you must also meet other tests. See the separate instructions for Schedule 3.

TIP In most cases, the IRS can figure the credit for you. See the instructions.

Part I	If your filing status is:	And by the end of 2008:	Check only one box:
Check the box for your filing status and age	Single, Head of household, or Qualifying widow(er)	1 You were 65 or older	1 <input checked="" type="checkbox"/>
		2 You were under 65 and you retired on permanent and total disability	2 <input type="checkbox"/>
		3 Both spouses were 65 or older	3 <input type="checkbox"/>
	Married filing jointly	4 Both spouses were under 65, but only one spouse retired on permanent and total disability	4 <input type="checkbox"/>
		5 Both spouses were under 65, and both retired on permanent and total disability	5 <input type="checkbox"/>
		6 One spouse was 65 or older, and the other spouse was under 65 and retired on permanent and total disability	6 <input type="checkbox"/>
		7 One spouse was 65 or older, and the other spouse was under 65 and not retired on permanent and total disability	7 <input type="checkbox"/>
Married filing separately	8 You were 65 or older and you lived apart from your spouse for all of 2008	8 <input type="checkbox"/>	
	9 You were under 65, you retired on permanent and total disability, and you lived apart from your spouse for all of 2008	9 <input type="checkbox"/>	

Did you check box 1, 3, 7, or 8?	Yes —————▶ Skip Part II and complete Part III on the back.
	No —————▶ Complete Parts II and III.

Part II **If:**

Statement of permanent and total disability

Complete this part **only** if you checked box 2, 4, 5, 6, or 9 above.

1 You filed a physician's statement for this disability for 1983 or an earlier year, or you filed or got a statement for tax years after 1983 and your physician signed line B on the statement, **and**

2 Due to your continued disabled condition, you were unable to engage in any substantial gainful activity in 2008, check this box ▶

- If you checked this box, you do not have to get another statement for 2008.
- If you **did not** check this box, have your physician complete the statement on page 4 of the instructions. You **must** keep the statement for your records.

Part III
Figure your credit

10	If you checked (in Part I):	Enter:		
	Box 1, 2, 4, or 7	\$5,000		
	Box 3, 5, or 6	\$7,500		
	Box 8 or 9	\$3,750	10	5,000

Did you check box 2, 4, 5, 6, or 9 in Part I? — **Yes** —> You **must** complete line 11.
 — **No** —> Enter the amount from line 10 on line 12 and go to line 13.

11	If you checked (in Part I):			
	<ul style="list-style-type: none"> Box 6, add \$5,000 to the taxable disability income of the spouse who was under age 65. Enter the total. Box 2, 4, or 9, enter your taxable disability income. Box 5, add your taxable disability income to your spouse's taxable disability income. Enter the total. 			
	TIP For more details on what to include on line 11, see the instructions.		11	

12	If you completed line 11, enter the smaller of line 10 or line 11; all others , enter the amount from line 10.		12	5,000
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13	Enter the following pensions, annuities, or disability income that you (and your spouse if filing a joint return) received in 2008.			
	a Nontaxable part of social security benefits and Nontaxable part of railroad retirement benefits treated as social security (see the instructions).	13a	2,000	
	b Nontaxable veterans' pensions and Any other pension, annuity, or disability benefit that is excluded from income under any other provision of law (see the instructions).	13b	-0-	
	c Add lines 13a and 13b. (Even though these income items are not taxable, they must be included here to figure your credit.) If you did not receive any of the types of nontaxable income listed on line 13a or 13b, enter -0- on line 13c.	13c	2,000	

14	Enter the amount from Form 1040A, line 22.	14	10,700	
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15	If you checked (in Part I):	Enter:		
	Box 1 or 2	\$7,500		
	Box 3, 4, 5, 6, or 7	\$10,000		
	Box 8 or 9	\$5,000	15	7,500

16	Subtract line 15 from line 14. If zero or less, enter -0-.	16	3,200	
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17	Enter one-half of line 16.	17	1,600	
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18	Add lines 13c and 17.	18	3,600	
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19	Subtract line 18 from line 12. If zero or less, stop ; you cannot take the credit. Otherwise, go to line 20.	19	1,400	
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20	Multiply line 19 by 15% (.15).	20	210	
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21	Enter the amount from Form 1040A, line 28, minus any amount on Form 1040A, line 29.	21	41	
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22	Credit for the elderly or the disabled. Enter the smaller of line 20 or line 21 here and on Form 1040A, line 30.	22	41	
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How To Get Tax Help

You can get help with unresolved tax issues, order free publications and forms, ask tax questions, and get information from the IRS in several ways. By selecting the method that is best for you, you will have quick and easy access to tax help.

Contacting your Taxpayer Advocate. The Taxpayer Advocate Service (TAS) is an independent organization within the IRS whose employees assist taxpayers who are experiencing economic harm, who are seeking help in resolving tax problems that have not been resolved through normal channels, or who believe that an IRS system or procedure is not working as it should.

You can contact the TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059 to see if you are eligible for assistance. You can also call or write your local taxpayer advocate, whose phone number and address are listed in your local telephone directory and in Publication 1546, Taxpayer Advocate Service—Your Voice at the IRS. You can file Form 911, Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance Order), or ask an IRS employee to complete it on your behalf. For more information, go to www.irs.gov/advocate.

Low Income Taxpayer Clinics (LITCs). LITCs are independent organizations that provide low income taxpayers with representation in federal tax controversies with the IRS for free or for a nominal charge. The clinics also provide tax education and outreach for taxpayers who speak English as a second language. Publication 4134, Low Income Taxpayer Clinic List, provides information on clinics in your area. It is available at www.irs.gov or your local IRS office.

Free tax services. To find out what services are available, get Publication 910, IRS Guide to Free Tax Services. It contains lists of free tax information sources, including publications, services, and free tax education and assistance programs. It also has an index of over 100 TeleTax topics (recorded tax information) you can listen to on your telephone.

Accessible versions of IRS published products are available on request in a variety of alternative formats for people with disabilities.

Free help with your return. Free help in preparing your return is available nationwide from IRS-trained volunteers. The Volunteer Income Tax Assistance (VITA) program is designed to help low-income taxpayers and the Tax Counseling for the Elderly (TCE) program is designed to assist taxpayers age 60 and older with their tax returns. Many VITA sites offer free electronic filing and all volunteers will let you know about credits and deductions you may be entitled to claim. To find the nearest VITA or TCE site, call 1-800-829-1040.

As part of the TCE program, AARP offers the Tax-Aide counseling program. To find the nearest AARP Tax-Aide site, call 1-888-227-7669 or visit AARP's website at www.aarp.org/money/taxaide.

For more information on these programs, go to www.irs.gov and enter keyword "VITA" in the upper right-hand corner.



Internet. You can access the IRS website at www.irs.gov 24 hours a day, 7 days a week to:

- *E-file* your return. Find out about commercial tax preparation and *e-file* services available free to eligible taxpayers.
- Check the status of your 2008 refund. Go to www.irs.gov and click on *Where's My Refund*. Wait at least 72 hours after the IRS acknowledges receipt of your e-filed return, or 3 to 4 weeks after mailing a paper return. If you filed Form 8379 with your return, wait 14 weeks (11 weeks if you filed electronically). Have your 2008 tax return available so you can provide your social security number, your filing status, and the exact whole dollar amount of your refund.
- Download forms, instructions, and publications.
- Order IRS products online.
- Research your tax questions online.
- Search publications online by topic or keyword.
- View Internal Revenue Bulletins (IRBs) published in the last few years.
- Figure your withholding allowances using the withholding calculator online at www.irs.gov/individuals.
- Determine if Form 6251 must be filed by using our Alternative Minimum Tax (AMT) Assistant.
- Sign up to receive local and national tax news by email.
- Get information on starting and operating a small business.



Phone. Many services are available by phone.

- *Ordering forms, instructions, and publications.* Call 1-800-829-3676 to order current-year forms, instructions, and publications, and prior-year forms and instructions. You should receive your order within 10 days.
- *Asking tax questions.* Call the IRS with your tax questions at 1-800-829-1040.
- *Solving problems.* You can get face-to-face help solving tax problems every business day in IRS Taxpayer Assistance Centers. An employee can explain IRS letters, request adjustments to your account, or help you set up a payment plan. Call your local Taxpayer Assistance Center for an appointment. To find the number, go to www.irs.gov/localcontacts or

look in the phone book under *United States Government, Internal Revenue Service*.

- **TTY/TDD equipment.** If you have access to TTY/TDD equipment, call 1-800-829-4059 to ask tax questions or to order forms and publications.
- **TeleTax topics.** Call 1-800-829-4477 to listen to pre-recorded messages covering various tax topics.
- **Refund information.** To check the status of your 2008 refund, call 1-800-829-1954 during business hours or 1-800-829-4477 (automated refund information 24 hours a day, 7 days a week). Wait at least 72 hours after the IRS acknowledges receipt of your e-filed return, or 3 to 4 weeks after mailing a paper return. If you filed Form 8379 with your return, wait 14 weeks (11 weeks if you filed electronically). Have your 2008 tax return available so you can provide your social security number, your filing status, and the exact whole dollar amount of your refund. Refunds are sent out weekly on Fridays. If you check the status of your refund and are not given the date it will be issued, please wait until the next week before checking back.
- **Other refund information.** To check the status of a prior year refund or amended return refund, call 1-800-829-1954.

Evaluating the quality of our telephone services. To ensure IRS representatives give accurate, courteous, and professional answers, we use several methods to evaluate the quality of our telephone services. One method is for a second IRS representative to listen in on or record random telephone calls. Another is to ask some callers to complete a short survey at the end of the call.



Walk-in. Many products and services are available on a walk-in basis.

- **Products.** You can walk in to many post offices, libraries, and IRS offices to pick up certain forms, instructions, and publications. Some IRS offices, libraries, grocery stores, copy centers, city and county government offices, credit unions, and office supply stores have a collection of products available to print from a CD or photocopy from reproducible proofs. Also, some IRS offices and libraries have the Internal Revenue Code, regulations, Internal Revenue Bulletins, and Cumulative Bulletins available for research purposes.
- **Services.** You can walk in to your local Taxpayer Assistance Center every business day for personal, face-to-face tax help. An employee can explain IRS letters, request adjustments to your tax account, or help you set up a payment plan. If you need to resolve a tax problem, have questions about how the

tax law applies to your individual tax return, or you are more comfortable talking with someone in person, visit your local Taxpayer Assistance Center where you can spread out your records and talk with an IRS representative face-to-face. No appointment is necessary—just walk in. If you prefer, you can call your local Center and leave a message requesting an appointment to resolve a tax account issue. A representative will call you back within 2 business days to schedule an in-person appointment at your convenience. If you have an ongoing, complex tax account problem or a special need, such as a disability, an appointment can be requested. All other issues will be handled without an appointment. To find the number of your local office, go to www.irs.gov/localcontacts or look in the phone book under *United States Government, Internal Revenue Service*.



Mail. You can send your order for forms, instructions, and publications to the address below. You should receive a response within 10 days after your request is received.

Internal Revenue Service
1201 N. Mitsubishi Motorway
Bloomington, IL 61705-6613



DVD for tax products. You can order Publication 1796, IRS Tax Products DVD, and obtain:

- Current-year forms, instructions, and publications.
- Prior-year forms, instructions, and publications.
- Tax Map: an electronic research tool and finding aid.
- Tax law frequently asked questions.
- Tax Topics from the IRS telephone response system.
- Internal Revenue Code—Title 26 of the U.S. Code.
- Fill-in, print, and save features for most tax forms.
- Internal Revenue Bulletins.
- Toll-free and email technical support.
- Two releases during the year.
 - The first release will ship the beginning of January 2009.
 - The final release will ship the beginning of March 2009.

Purchase the DVD from National Technical Information Service (NTIS) at www.irs.gov/cdorders for \$30 (no handling fee) or call 1-877-233-6767 toll free to buy the DVD for \$30 (plus a \$6 handling fee). The price is discounted to \$25 for orders placed prior to December 1, 2008.



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A	Form RRB-1099:	Permanent and total disability 2 , 3	
Adjusted gross income (AGI):	Payments by Railroad Retirement Board 6	Physician certification 3 , 5	
Income limits for 6	Form SSA-1099:	Public Health Service:	
Age:	Social security benefit statement 6	Pension, annuity, or disability benefit from 7	
Age 65 2	Free tax services 14	Publications (See Tax help)	
Mandatory retirement age 6	<hr/>		
Assistance (See Tax help)	H	Q	
<hr/>			
C	Head of household 2	Qualified individual 2	
Citizenship requirement 2	Help (See Tax help)	Age 65 or older 2	
Comments on publication 1	<hr/>		
Credit figured by IRS 6	I	Under age 65 and retired on permanent and total disability 2 , 3	
Form 1040, Schedule R 6	Income limits 6	<hr/>	
Form 1040A, Schedule 3 6	Initial amounts for persons under age 65 6	R	
<hr/>			
D	J	Residence requirement 2	
Disability benefits:	Joint returns 2	<hr/>	
Nontaxable by law 7	L		
Disability income 5	Limit on credit 7	S	
Disability, permanent and total disability 2 , 3	Lump-sum payments:	Sheltered employment 5	
<hr/>			
E	Accrued annual leave 5	Social security payments 6	
Eligibility for credit 2	Death benefits paid to surviving spouse or child 6	Substantial gainful activity 3	
Employer’s accident or health plans or pension plans:	<hr/>		
Disability income from 5	M	Suggestions for publication 1	
Excess adjusted gross income 7	Mandatory retirement age 6	<hr/>	
<hr/>			
F	Married taxpayers 2	T	
Figuring the credit yourself 6-8	Mentally incompetent persons:	Tables and figures:	
Determine excess AGI 7	Sheltered employment for 5	Figure A, Qualified individual determination 3	
Determine initial amount 6	Missing children:	Figure B, Income limits 3	
Determine the credit 7	Photographs of 1	Table 1, Initial amounts 5	
Determine the total of steps 2 and 3 7	More information (See Tax help)	Tax help 14	
Form 1040, Schedule R 6	<hr/>		
Form 1040A, Schedule 3 6	N	Taxpayer Advocate 14	
Total certain nontaxable pensions and benefits 6	National Oceanic and Atmospheric Administration:	TTY/TDD information 14	
<hr/>			
Foreign military service:	Pension, annuity, or disability benefit from 7	U	
Pension, annuity, or disability benefit from 7	Nonresident aliens 2	U.S. citizens and resident aliens 2	
Foreign Service:	Nontaxable payments 7	<hr/>	
Pension, annuity, or disability benefit from 7	O		
Form 1040, Schedule R 5 , 6 , 9	Out of work 3	V	
Form 1040A, Schedule 3 5 , 6 , 12	<hr/>		
	P	VA Form 21-0172:	
	Pension or annuity payments:	Certification of permanent and total disability 5	
	Nontaxable by law 7	Veterans:	
		Certification by VA of permanent and total disability 5	
		Exclusion of nontaxable pension or annuity payment or disability benefits 7	