

DO NOT USE THIS SPACE

# 2003 Elderly Homeowner/Renter Credit

File on or before April 15, 2004, or with your Form 2 or 2S

MONTANA  
2EC  
Rev. 8-03

Please follow instructions on the back when completing this form

**Return will not be processed without a copy of your 2003 property tax bill or signed rent receipt(s)  
Please attach tax bill or rent receipts to this form**

## Part I

Last Name	Your First Name & Middle Initial	<input type="checkbox"/>	Social Security No.
Spouse's Last Name if Different	Spouse's First Name & Middle Initial	<input type="checkbox"/>	Spouse's Social Security No.
Mailing Address	City	State	Zip Code+4

If you are filing this form on behalf of a deceased taxpayer, provide the date of death. \_\_\_\_\_

## Part II - If the answer to any of the questions below is no, you are not eligible for the credit. Do not complete this schedule.

	Yes	No		Yes	No
➤ Were you age 62 or older as of December 31, 2003?	<input type="checkbox"/>	<input type="checkbox"/>	➤ Did you occupy Montana residence(s) as an owner or renter a total of 6 months or more during 2003?	<input type="checkbox"/>	<input type="checkbox"/>
➤ Did you reside in this state for 9 months or more during 2003?	<input type="checkbox"/>	<input type="checkbox"/>	➤ Was your total gross household income <u>less</u> than \$45,000 in 2003?	<input type="checkbox"/>	<input type="checkbox"/>

## Part III - List taxable and nontaxable income received from all members of the household.

1. Enter total income received from wages, fees, bonuses, all capital gains, ordinary income, dividends and interest Do not include any losses .....	1. _____
2. Enter total income from business, partnerships, rents, royalties, etc. Do not include any losses .....	2. _____
3. Enter any payments and interest on federal, state, county and municipal bonds .....	3. _____
4. Enter alimony, public assistance, unemployment, tax refunds, state, federal and 2EC (etc.) .....	4. _____
5. 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. _____
6. Total income - add lines 1 through 5. If greater than \$45,000, stop here you do not qualify ..... <b>Total</b>	6. _____
7. Standard exclusion.....	7. (6,300)
8. Total household income - subtract line 7 from line 6 (if less than zero, enter zero) ..... <b>Total</b>	8. _____

## Part IV - Homeowners complete line 9; Renters complete line 10 and line 11

9. Enter all 2003 property taxes, fees, special assessments, and SIDs <u>billed</u> on residence and land not to exceed 1 acre. See instructions. ....	9. _____
10. Enter rent paid on residence in 2003 (attach signed rent receipts).....	10. _____
11. Rent equivalent - multiply line 10 by 15% (.15) .....	11. _____
12. Total of allowable property tax and/or allowable rents paid (line 9 for homeowners; line 11 for renters) .....	12. _____
13. Total household income from line 8 .....	13. _____
14. Enter multiplier figure from table on reverse side .....	14. _____
15. Net allowable household income - multiply line 13 by line 14 .....	15. _____
16. Subtract line 15 from line 12. If zero or less, you cannot take the credit; do not file this form.....	16. _____
17. First, enter the amount from line 16 or \$1,000, whichever is smaller (the maximum credit is \$1,000).....	17. _____
➤ Then, if line 6 is \$35,000 or less, enter the amount from line 17 on line 19 (skip line 18).	
➤ If line 6 is more than \$35,000, complete lines 18 and 19 below.	
18. Enter the percentage amount from the table below that corresponds to the amount reported on line 6.....	18. _____

<b>The amount on line 6 is between:</b>	<b>Your allowable credit percentage is:</b>	<b>The amount on line 6 is between:</b>	<b>Your allowable credit percentage is:</b>
\$35,000 - \$37,500	40% (.40)	\$42,501 - \$44,999	10% (.10)
\$37,501 - \$40,000	30% (.30)	\$45,000 - or more	0%
\$40,001 - \$42,500	20% (.20)		

19. Multiply the amount on line 17 by the percentage from line 18. This is your allowable Homeowner/Renter Credit..... 19. \_\_\_\_\_

➤ If you file a Montana income tax return using Form 2 (long form), enter the amount from line 19 on line 59 of Form 2.

➤ If you file a Montana income tax return using Form 2S (short form), enter the amount from line 19 on line 33 of Form 2S.

➤ If you are not required to file either Form 2 or Form 2S, mail this form to: Montana Department of Revenue, PO Box 6577, Helena MT 59604-6577.

If you wish to use direct deposit enter your RTN# and ACCT# below. See instructions on back of this form.

**NEW** RTN# \_\_\_\_\_ ACCT# \_\_\_\_\_

Checking  Savings   Direct Deposit

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

Your Signature is Required \_\_\_\_\_ Date \_\_\_\_\_ Telephone Number \_\_\_\_\_ Spouse's Signature \_\_\_\_\_ Date \_\_\_\_\_ 103

**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).**

# Elderly Homeowner/Renter Credit

## Instructions (primary 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 income tax return.

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

Additional help is available by calling (406) 444-6900 or TDD (406) 444-2830 for hearing impaired. 

**Part II** - Answer all questions. If the answer to any question is "No", you are not eligible for the credit.

**Part III - Lines 1-5.** Household Income. On lines 1 through 5 enter income from all sources received by you and any other persons with whom you share a household. Include taxable and nontaxable income. Do not include any losses on lines 1 through 5. If income exceeds \$45,000, do not go any further. You are not entitled to the refund.

Income for purposes of the refund means federal adjusted gross income, without regards to loss, plus all nontaxable income including but not limited to:

- Amount of any pension or annuity, including railroad retirement and veteran's disability benefits
- Amount of capital gains excluded from adjusted gross income
- Alimony and support money
- Nontaxable strike benefits
- Cash public assistance and relief
- Payments and interest on federal, state, county and municipal bonds
- All payments received under federal social security except social security paid to a nursing home.
- For above items (a-g), income is reduced by taxpayer's basis.

**Line 6** - Enter total income.

**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: 2003 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 a residence in a life estate and who pay the property tax may claim the taxes when calculating this credit.

Mail this form to: Montana Department of Revenue, PO Box 6577, Helena MT 59604-6577.

Household Income Reduction Table		
If your Household income on line 8 is:		
At least this amount	But not more than	Your multiplier for line 14 is:
\$ 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 and over		.050

## Part IV-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 2003 on your primary residence.

The property taxes allowed on line 9 of the 2003 2EC are the total taxes billed on your November 2003 property tax statement on your residence and surrounding land (not to exceed one acre). This amount includes all special assessments and fees. The 2003 2EC is based on 2003 property taxes billed, not the property taxes actually paid.

Land surrounding the eligible residence for the Elderly Homeowner/Renter Credit is the one acre homesite associated with the primary residence.

If the one acre homesite is not separately identified on the tax bill from other land, and the ownership is less than 20 acres, the allowable deduction shall be calculated as follows: total amount of property tax billed on the land, divided by the total acreage to equal the allowable amount of property tax used in the credit calculation.

If the land is classified as forest land, agricultural land or non-qualifying agricultural land and the one acre homesite is not separately identified on the tax bill, you must contact your local county assessor's office for the computation.

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

## Part IV-Renters

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 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 (not to exceed \$7,300).

**Line 10** - Enter the amount of rent you paid in 2003. Signed rent receipts must be attached.

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

## Part IV-Homeowners and Renters

If you own your home and rent the land or rent your home and own the land enter 2003 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 from line 13.

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

**Line 16** - Subtract line 15 from line 12. (Number entered cannot be less than zero)

**Line 17** - First, enter the amount from line 16 or \$1,000, whichever is smaller. Then follow instructions as applicable to income shown on line 6.

**Line 18** - Enter the applicable percentage from the table. If total income from line 6 is between \$35,000 and \$45,000, the Elderly Homeowner/Renter Refund/Credit must be prorated. If line 6 income is more than \$45,000, no credit is allowed.

**Line 19** - This is the allowable Elderly Homeowner/Renter Refund/Credit. Mail this form (and tax return if required to file) to the address shown on the front of Form 2EC.

## NEW Direct Deposit

If you wish to use direct deposit, enter your RTN# and ACCT# in the appropriate spaces. The routing number must be nine digits. The account number can be up to 17 characters (both numbers and letters). If routing and accounting numbers are not correct, the direct deposit will be rejected and a check will be mailed to you instead.