

ELDERLY CARE CREDIT

MCA 15-30-128

Name as shown on Form 2

Social Security Number

Name of elderly family member

Social Security Number

Address of elderly family member

City

State

Zip+4

| PART I Eligibility If the answer to any of the questions below is no , you are not eligible for the credit. <i>Do not complete this form.</i> | YES | NO |
|--|------------|-----------|
| Is the elderly person related to you by blood or by marriage? | | |
| Is the elderly person at least 65 years old or has been determined disabled for Social Security purposes? | | |
| Does the elderly person have gross income of \$15,000 or less? In the case of married individuals, is their combined gross income \$30,000 or less? (<i>See instructions</i>) | | |
| Is your Montana adjusted gross income from line 37 of Form 2 less than \$55,000 if you are filing joint or single? If you are filing married separate, is your Montana adjusted gross income less than \$27,500? | | |

PART II - Computation of Allowable Credit

1. Enter amount of qualified elderly care expenses paid during the tax year. (see instructions on back of this form) 1. _____
2. Enter your Montana adjusted gross income from Form 2. 2. _____
3. Enter the multiplier figure for your current filing status from table on reverse side. 3. _____
4. Multiply line 1 times line 3. Enter result. 4. _____
5. Reduction based on your income. Enter \$50,000 if single or married filing joint. Enter \$25,000 if married filing separate. 5. _____
6. Subtract line 5 from line 2. Enter result. If line 2 is less than line 5, enter zero. 6. _____
7. Subtract line 6 from line 4. Enter result. (If zero or less, you are not eligible for the credit) 7. _____
8. If single or filing joint, enter the smaller of \$5,000 or the amount on line 7. If you are married and are filing separate, enter the smaller of \$2,500 or the amount on line 7. This is your allowable credit. Enter this figure on Schedule II of Form 2A. 8. _____

Individuals who are married filing separate must file a separate schedule for each spouse.
No carryback or carryforward of the credit is allowed.

Check box if another family member is also claiming the credit. (Please provide names on an attached sheet)

ATTACH THIS FORM TO YOUR RETURN

Instructions for Elderly Expense Care Credit

You may be eligible to receive a credit for paying certain expenses of an elderly family member who is at least 65 years of age or a family member who has been determined disabled for Social Security purposes.

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

PART I - ELIGIBILITY

Answer all questions. If the answer to any question is no, you are not eligible for the credit.

Note: Gross income includes all taxable and nontaxable income for the individual, and if married, the gross income of the spouse.

PART II - COMPUTATION

Line 1 - Qualified elderly care expenses include the following not compensated for by insurance.

- Homemaker services, adult day care and respite care services.
- Health care equipment and supplies provided to qualifying family member.
- Care in a long-term health care facility that is licensed by the Montana Department of Public Health and Human Services.
- Premiums paid for long-term care insurance coverage for a qualifying family member.

Lines 2-8 - complete per instructions.

Adjusted Gross Income (AGI) Multiplier Table

| If your AGI on line 2 is at least | But not more than | Your Multiplier for line 3 depends on your filing status | |
|--|----------------------|--|------------------|
| | | Joint & Single | Married-Separate |
| \$0 | \$25,000 | .30 | .15 |
| 25,001 | 27,000 | .29 | .145 |
| 27,001 | 29,000 | .28 | .14 |
| 29,001 | 31,000 | .27 | .135 |
| 31,001 | 33,000 | .26 | .13 |
| 33,001 | 35,000 | .25 | .125 |
| 35,001 | 37,000 | .24 | .12 |
| 37,001 | 39,000 | .23 | .115 |
| 39,001 | 41,000 | .22 | .11 |
| 41,001 | 43,000 | .21 | .105 |
| 43,001 | 55,000 | .20 | .10 |

If you are filing joint or single and your Montana AGI is \$55,000 or more, you are not eligible for the credit. If you are married filing separate and your Montana AGI is \$27,500 or more, you are not eligible for the credit.

Multiple Family Contributors

The credit is limited to \$5,000 for a single qualifying family member and \$5,000 for a joint return and \$2,500 per person filing a married separate return.

The combined total credit of two or more family members cannot exceed \$10,000 per taxable year.

If your combined total exceeds \$10,000, the credit must be prorated among the contributing family members. Call the Income Tax Division for further information.