



# 2005 Elderly Care Credit

## 15-30-128, MCA

**MONTANA**  
ECC  
Rev. 12-05

Your first name and initial	Last name	Your social security number	
Spouse's first name and initial	Last name	Spouse's social security number	
Name of elderly family member		Social Security Number	
Address of elderly family member	City	State	Zip+4

### Part 1 – Eligibility

If you answer “yes” to all four of these questions, you are eligible for this credit. If you answer “no” to one of these questions, stop here as you are not eligible for this credit.

	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?		
Is the gross income of the elderly person \$15,000 or less? If the elderly person is married is the combined gross income of both spouses \$30,000 or less?		
If your filing status is single or married filing jointly, is your Montana adjusted gross income on Form 2 line 40 less than \$55,000? If your filing status is married filing separately, is your Montana adjusted gross income on Form 2, line 40 less than \$27,500?		

### Part 2 – Credit Computation

- 1 Enter here the amount of your qualified elderly care expenses that you paid during the tax year. See the instruction on the back of this form for the definition of elderly care expenses. .... 1
- 2 Enter your Montana adjusted gross income from Form 2, line 40 here. .... 2
- 3 Enter here the adjusted gross income multiplier amount from the table located on the back of this form. .... 3
- 4 Multiply the amount on line 1 by the multiplier reported on line 3 above and enter the result here. . 4
- 5 If your filing status is single or married filing jointly, enter \$50,000 here. If your filing status is married filing separately, enter \$25,000 here. .... 5
- 6 Subtract line 5 from line 2 and enter the result here but not less than zero. .... 6
- 7 Subtract line 6 from line 4 and enter the result here. If the result is zero or less, stop here as you are not eligible for this credit. .... 7
- 8 If your filing status is single or married filing jointly, enter here the smaller of line 7 or \$5,000. If your filing status is married filing separately, enter here the smaller of line 7 or \$2,500. **This is your elderly care credit.** .... 8  
Enter the amount on line 8 above on Form 2A, Schedule V, line 8.

1	2	3	4	5	6	7	8
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Check this box and provide the name below of any other family member who is claiming this credit for providing care for an elderly family member listed above.

Name of other family member	Social Security Number
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**When you file your Montana income tax return electronically, you represent that you have retained all documents required as a tax record and that you will provide a copy to the department upon request.**

## General Instructions

### Am I eligible to claim the elderly care credit?

You are eligible to claim this credit if you pay qualified elderly care expenses of a qualified family member.

### Who is a qualified family member?

A qualified family member is an individual who:

- Is related to you by blood or marriage and:
  - who is at least 65 years of age; or
  - who has been determined disabled by the social security administration; and
- has a family income during the year of \$15,000 or less for an unmarried individual and \$30,000 or less for a married individual.

### How can I determine what is included in my qualified elderly care expenses?

Your qualified elderly care expenses include:

- payments you make for home health agency services;
- personal-care attendant services;
- care in a long-term care facility that is licensed by the Department of Public Health and Human Services;
- homemaker services;
- adult day care;
- respite care; or
- purchases of health care equipment and supplies.

### What income is included in “family income” to determine if I have a qualified family member and am eligible for this credit?

To qualify for this credit your qualified family member’s income for the year will have to be \$15,000 or less for an unmarried individual and \$30,000 or less for a married individual. Family income includes:

- In the case of an unmarried family member, “family income” is his or her gross income including all nontaxable income.
- In the case of a married family member, “family income” is the gross income, including all nontaxable income of the family member and his or her spouse.

### I have qualified elderly care expenses for both my mother and father. Can I claim the elderly care credit for the expenses of both my parents?

Yes you can, but you are limited to a \$5,000 credit for one qualifying family member during the year and a total of \$10,000 credit for two or more qualifying family members.

If you are married filing separately with your spouse these limitations are \$2,500 for one qualifying family member and \$5,000 for two or more qualifying family members.

### My brothers and sisters assist me in paying the qualified elderly care expenses for our parents. Are all of us entitled to claim the elderly care credit?

Yes you are, but your credit must be prorated in the same proportion that each family member’s contributions bear to the total qualified elderly care expenses.

For example, you and three other family members each contribute one fourth of the total qualified elderly care expenses of your elderly mother. You each may be entitled to 25% of the maximum credit of \$5,000, or \$1,250 for each family member.

### I have paid elderly care expenses for my mother. Can I also claim these expenses as a medical itemized deduction?

No. You cannot take a deduction or credit for any amount of elderly care expenses you paid during the year that are used to calculate this credit.

### My elderly care credit exceeds my income tax liability. Can my unused elderly care credit be carried back or carried forward to another tax year, or can I request a refund of my unused credit?

No. This credit cannot be claimed as a carryback or carryforward to another tax year and cannot be refunded to you if it exceeds your income tax liability.

### Adjusted Gross Income Multiplier Table

If your Montana adjusted gross income on Form ECC, line 2 is:		Your multiplier to be entered on Form ECC, line 3 when your filing status is:	
At least	But not more than	Single or Married filing jointly	Married filing separately
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 your filing status is single or married filing jointly with your spouse and your Montana adjusted gross income is \$55,000 or more, you are not eligible for this credit. If your filing status is married filing separately with your spouse and your Montana adjusted gross income is \$27,500 or more, you are not eligible for this credit.

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