



**2009 Disability Income Exemption**  
15-30-2110(10), MCA

Your first name and initial	Last name	Your social security number
Spouse's first name and initial	Last name	Social security number

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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**Complete lines 1 through 3 for retirement disability benefits that you received for a full week.**

1. Multiply the amount of the retirement disability benefits that you received per week by the number of weeks you received these benefits and enter the result here ... 1.		
2. Multiply \$100 by the number of weeks you received retirement disability benefits and enter the result here, but not more than \$5,200 ..... 2.		
3. Enter the smaller of line 1 or line 2 here..... 3.		

**Complete lines 4 through 6 for retirement disability benefits that you received for a portion of a week.**

4. Enter the amount of the retirement disability benefits that you received for a portion of a week. .... 4.		
5. Multiply \$20 by the number of work days you received retirement disability benefits and enter the result here ..... 5.		
6. Enter the smaller of line 4 or line 5 here..... 6.		
7. Add line 3 to line 6 and enter the result here..... 7.		
8. Add the amounts on line 7, columns A and B and enter the result here..... 8.		
9. Enter your Montana adjusted gross income, before your disability income exclusion. (See instructions below.) ..... 9.		
10. Add the amounts on line 9, columns A and B and enter the result here..... 10.		
11. Entered here is your income limitation amount ..... 11.		\$15,000
12. Subtract line 11 from line 10 and enter the result here, but not less than zero ..... 12.		
13. Subtract line 12 from line 8 and enter the result here, but not less than zero. <b>This is your partial retirement disability income exemption.</b> Enter this amount on Form 2, Schedule II, line 13.... 13.		

**General Instructions**

**How can I determine if I am eligible for the retirement disability income exemption?**

You are eligible to take this exemption if you:

- are a Montana resident,
- are under the age of 65,
- are permanently and totally disabled, and
- have not chosen to treat this retirement disability income as a pension or annuity.

“Permanently and Totally Disabled” means that you are unable to engage in any substantial gainful activity by reason of any medically determined physical or mental impairment lasting or expected to last at least 12 months.

**What income qualifies for the retirement disability income exemption?**

The only income used to determine your exemption is income reportable on federal Form 1099-R with a Box 7 distribution code of 3.

**How do I determine my Montana adjusted gross income before the disability income exclusion?**

The amount recorded on line 9 above is the total of your

federal adjusted gross income (Form 2, line 37) plus the total amount of your Montana additions to federal adjusted gross income (Form 2, line 38) minus any Montana subtractions to federal adjusted gross income (Form 2, line 39). If you are married and filing separately with your spouse, you will have to combine both your spouse's and your Montana adjusted gross incomes to determine the amount of your retirement disability income exemption.

**What information do I need to provide to show proof of my disability?**

The department may ask for proof issued by a governmental unit (such as the Social Security Administration) that certifies that you are permanently and totally disabled. If this is not available, we may require other verification that can prove your disability.

When claiming this deduction, complete Form DS-1 and attach it to your individual income tax return.

**Questions?** Please call us toll free at (866) 859-2254 (in Helena, 444-6900).