

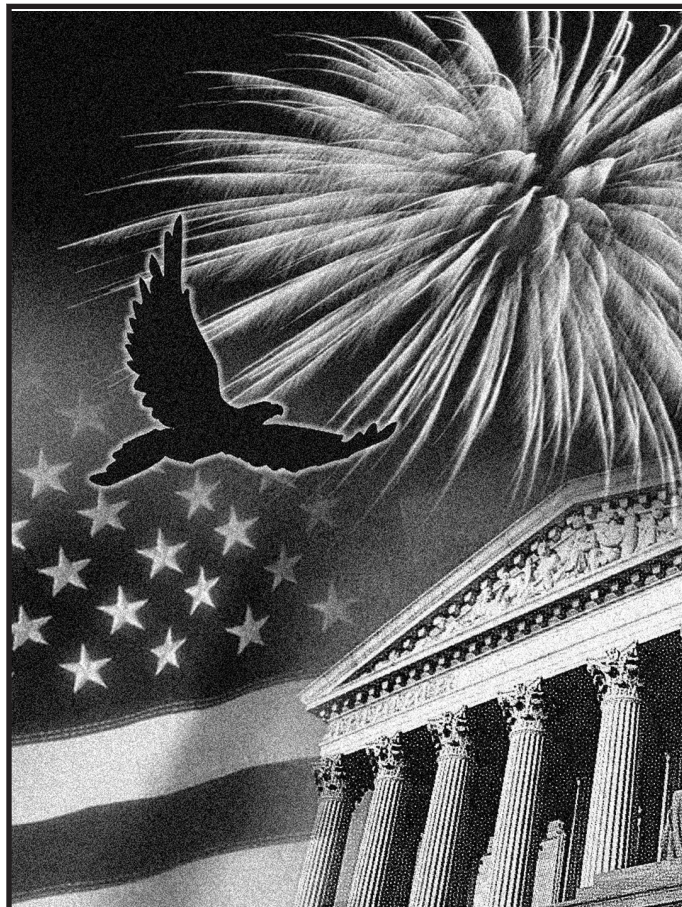


## Publication 524

Cat. No. 15046S

# Credit for the Elderly or the Disabled

For use in preparing  
**2016** Returns



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## Reminders

**Future developments.** For the latest information about developments related to Pub. 524, such as legislation enacted after it was published, go to [irs.gov/pub524](http://irs.gov/pub524).

**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 at the end of 2016, 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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Although we cannot respond individually to each comment received, we do appreciate your feedback and will consider your comments as we revise our tax products.

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**Tax questions.** If you have a tax question not answered by this publication, check IRS.gov and [How To Get Tax Help](#) at the end of this publication.

## Useful Items

You may want to see:

### Publication

- 554** Tax Guide for Seniors

### Form (and Instructions)

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

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

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## 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 isn't more than certain limits.

You can use [Figure A](#) and [Table 1](#) 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 [Table 1](#) to make sure your income isn't too high to take the credit.



*You can take the credit only if you file Form 1040 or Form 1040A. You can't take the credit if you file Form 1040EZ or Form 1040NR.*

## 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 2016.
2. You were under age 65 at the end of 2016 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 2016.
  - c. On January 1, 2016, 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. As a result, if you were born on January 1, 1952, you are considered to be age 65 at the end of 2016.

**Death of taxpayer.** If you are preparing a return for someone who died in 2016, consider the taxpayer to be age 65 at the end of 2016 if he or she was age 65 or older on the day before their death. For example, if the taxpayer was born on February 14, 1951, and died on February 13, 2016, the taxpayer is considered age 65 at the time of death. However, if the taxpayer died on February 12, 2016, the taxpayer isn't considered age 65 at the time of death or at the end of 2016.

## 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 can't 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.

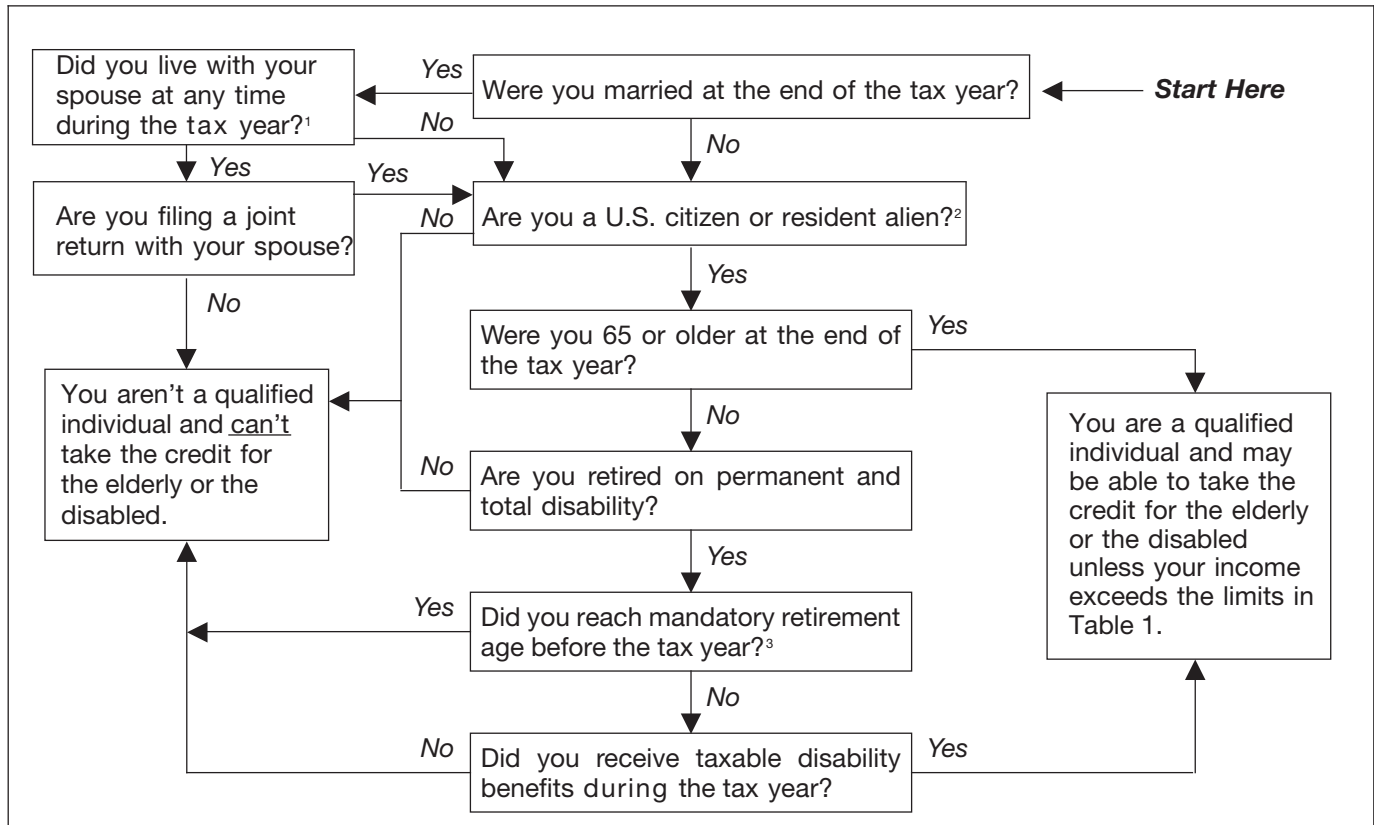
If you were a nonresident alien at the beginning of the year and a resident alien at the end of the year, and you were married to a U.S. citizen or resident alien at the end of the year, you may be able to choose to be treated as a U.S. resident alien for the entire year. In that case, you may be allowed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

For information on these choices, see chapter 1 of Pub. 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 didn't live in the same household at any time during the tax year, you can

**Figure A. Are You a Qualified Individual?**



<sup>1</sup> However, you may be able to claim this credit even if you lived with your spouse during the first 6 months of the tax year, as long as you qualify to file as head of household. You qualify to file as head of household if you are considered unmarried and meet certain other conditions. See Publication 501 for more information.

<sup>2</sup> 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.

<sup>3</sup> Mandatory retirement age is the age set by your employer at which you would have been required to retire, had you not become disabled.

file either a joint return 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 didn't live in your home at any time during the last 6 months of the tax year and the absence wasn't temporary. (See *Temporary absences under Head of Household* in Pub. 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 can't claim the exemption only because the noncustodial parent can claim the child using the rules for children of divorced or separated parents.

For more information, see Pub. 501, Exemptions, Standard Deduction, and Filing Information.

### Under Age 65

If you are under age 65 at the end of 2016, 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 don't 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 weren't 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 2016 if you were born after January 1, 1952.

**Permanent and total disability.** You have a permanent and total disability if you can't engage in any substantial gainful activity because of your physical or mental condition. A qualified 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.

**Note.** Information on minimum wage rates is available at [www.dol.gov/general/topic/wages/minimumwage](http://www.dol.gov/general/topic/wages/minimumwage).

Substantial gainful activity isn't work you do to take care of yourself or your home. It isn't unpaid work on hobbies, institutional therapy or training, school attendance, clubs, social programs, and similar activities. However, the nature of the work you perform may show that you are able to engage in substantial gainful activity.

The fact that you haven't worked or have been unemployed for some time isn't, of itself, conclusive evidence that you can't 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 can't 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 isn't 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 isn't paid and he sets his own hours. He can't 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 wasn't substantial

because his duties were nonproductive. These facts don't, by themselves, show that John is able to engage in substantial gainful activity.

**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, isn't activity of a "substantial and gainful" nature even if she is paid for the work. The performance of these duties doesn't, 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 include work centers that are certified by the Department of Labor (formerly referred to as 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 doesn't look for sheltered employment if he or she can get other employment. The fact that one has accepted sheltered employment isn't 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 had a permanent and total disability on the date you retired. You can use the statement in the Instructions for Schedule R.

You don't 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 have a permanent and total disability, 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 2016, you may not need to get another physician's statement for 2016. For a detailed explanation of the conditions you must meet, see the instructions for Schedule R, Part II. If you meet the required conditions, check the box on your Schedule R, Part II, line 2.

If you checked box 4, 5, or 6 in Part I of Schedule R, 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.

**Table 1. Income Limits**

IF your filing status is...	THEN, even if you qualify (see <a href="#">Figure A</a> ), you CAN'T 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), annuities, or disability income is equal to or more than...
single, head of household, or qualifying widow(er) with dependent child	\$17,500	\$5,000
married filing jointly <b>and</b> only one spouse qualifies in Figure A	\$20,000	\$5,000
married filing jointly <b>and</b> both spouses qualify in Figure A	\$25,000	\$7,500
married filing separately <b>and</b> you lived apart from your spouse for all of 2016	\$12,500	\$3,750

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

**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 aren't disability income.** Any payment you receive from a plan that doesn't provide for disability retirement isn't disability income. Any lump-sum payment for accrued annual leave that you receive when you retire on disability is a salary payment and isn't disability income.

For purposes of the credit for the elderly or the disabled, disability income doesn't 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, annuities, or disability income you received. The limits are shown in [Table 1](#).

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



*If your AGI or your nontaxable pensions, annuities, or disability income are equal to or more than the income limits, you can't take the credit.*

## Credit Figured for You

You can figure the credit yourself or the IRS will figure it for you. If you want to figure the credit yourself, skip this section and follow the instructions in [Figuring the Credit Yourself](#), later.

If you can take the credit and you want the IRS to figure the credit for you, attach Schedule R to your return. Check the appropriate box in Part I of Schedule R and fill in Part II and lines 11, 13a, and 13b of Part III, if they apply to you.

If you file Form 1040A, enter "CFE" in the space to the left of Form 1040A, line 32. If you file Form 1040, check box **c** on Form 1040, line 54, and enter "CFE" on the line next to that box. Attach Schedule R to your return.

## Figuring the Credit Yourself

To figure the credit yourself, first check the box in Part I of Schedule R that applies to you. Only check one box in Part I. If you check box 2, 4, 5, 6, or 9 in Part I, also complete Part II of Schedule R.

Next, figure the amount of your credit using Part III of Schedule R. Steps 1 through 5 in this section can help you figure this amount.

Finally, report the amount from line 22 of Schedule R on your tax return. If you file Form 1040A, enter the amount from Schedule R, line 22 on line 32. If you file Form 1040, include the amount from Schedule R, line 22 on line 54, check box **c**, and enter "Sch R" on the line next to that box.



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, annuities, and

**Table 2. Initial Amounts**

IF your filing status is...	THEN enter on line 10 of Schedule R...
<b>single, head of household, or qualifying widow(er)</b> with dependent child and, by the end of 2016, you were	
• 65 or older . . . . .	\$5,000
• under 65 and retired on permanent and total disability <sup>1</sup> . . . . .	\$5,000
<b>married filing a joint return</b> and by the end of 2016	
• both of you were 65 or older . . . . .	\$7,500
• both of you were under 65 and one of you retired on permanent and total disability <sup>1</sup> . . . . .	\$5,000
• both of you were under 65 and both of you retired on permanent and total disability <sup>2</sup> . . . . .	\$7,500
• one of you was 65 or older, and the other was under 65 and retired on permanent and total disability <sup>3</sup> . . . . .	\$7,500
• one of you was 65 or older, and the other was under 65 and <b>not</b> retired on permanent and total disability . . . . .	\$5,000
<b>married filing a separate return</b> and you didn't live with your spouse at any time during the year and, by the end of 2016, you were	
• 65 or older . . . . .	\$3,750
• under 65 and retired on permanent and total disability <sup>1</sup> . . . . .	\$3,750

<sup>1</sup> Amount can't be more than the taxable disability income.

<sup>2</sup> Amount can't be more than your combined taxable disability income.

<sup>3</sup> Amount is \$5,000 plus the taxable disability income of the spouse under age 65, but not more than \$7,500.

disability 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 19–22).

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. Your initial amount depends on your filing status and, if you are under age 65, the amount of your taxable disability income. [Table 2](#) shows the initial amount for each filing status. The initial amount for qualified individuals under age 65 may be less than the amount shown for a filing status; see [Initial amounts for persons under age 65](#), next.

**Initial amounts for persons under age 65.** If you are a qualified individual under age 65, your initial amount can't be more than your taxable disability income. Your initial amount will be the lesser of the initial amount shown on [Table 2](#) for your filing status or your taxable disability income.

**Special rules for joint returns.** If you file a joint return and both you and your spouse are qualified individuals, the initial amount you report for yourself and your spouse on Schedule R will depend on whether only one of you is (or both of you are) under age 65.

If only one of you is under age 65, your initial amount can't be more than \$5,000 plus the taxable disability income of the spouse who is under age 65.

If both you and your spouse are under age 65, the initial amount for you and your spouse can't be more than your combined 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 the initial amount you determined in Step 1 by these payments.

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

**TIP** *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, before deducting any amounts withheld to pay premiums on supplementary Medicare insurance, and before any reduction because of benefits received under workers' compensation. (Don't 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). (Don't 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. (Don't include amounts that are a return of your cost of a pension or annuity. These amounts don't 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 the initial amount you determined in Step 1 by your excess adjusted gross income. Figure your excess adjusted gross income on lines 14 through 17.

You figure your excess adjusted gross income as follows.

1. Subtract from your adjusted gross income (Form 1040A, line 22 or Form 1040, line 38) the amount shown for your filing status.
  - a. \$7,500 if you are single, head of household, or qualifying widow(er) with dependent child,
  - b. \$10,000 if you are married filing jointly, or
  - c. \$5,000 if you are married filing separately and you and your spouse didn't 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 (line 13c) and Step 3 (line 17).

### Step 5. Determine Your Credit

Subtract the amount determined in Step 4 (line 18) from the initial amount determined in Step 1 (line 12), and multiply the result by 15% (0.15).

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 isn't 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 (Line references (shown in parentheses) are to Schedule R)	Amount
1. Initial amount (line 12) . . . . .	\$5,000
2. Total nontaxable social security and other nontaxable pensions (line 13c) . . . . .	\$3,200
3. Excess adjusted gross income (\$14,630 - \$10,000) ÷ 2 (line 17) . . . . .	2,315
4. Add (2) and (3) (line 18) . . . . .	5,515
5. Subtract (4) from (1) (line 12 - line 18 = line 19) (Don't enter less than -0-) . . . . .	\$ -0-

You can't take the credit because your nontaxable social security plus your excess adjusted gross income is more than your initial amount.

**Limit on credit.** The amount of credit you can claim is generally limited to the amount of your tax. Use the Credit Limit Worksheet in the Instructions for Schedule R to determine if your credit is limited.

### Examples

The following examples illustrate the credit for the elderly or the disabled. The initial amounts are taken from [Table 2](#), earlier.

**Example 1.** James Davis is 58 years old, single, and files Form 1040A. In 2014 he retired on permanent and total disability, and he is still permanently and totally disabled. He got the required physician's statement in 2014 and kept it with his tax records. His physician signed on line B of the statement. This year James checks the box in Schedule R, Part II. He doesn't need to get another statement for 2016.

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 R as follows.

1.	Initial amount based on filing status . . . . .	\$5,000
2.	Taxable disability pension . . . . .	11,400
3.	Initial amount (smaller of line 1 or line 2) . . . . .	<u>5,000</u>
4.	Nontaxable social security benefits . . . . .	\$1,500
5.	Excess adjusted gross income (\$11,500 - \$7,500) ÷ 2 . . . . .	<u>2,000</u>
6.	Add lines 4 and 5 . . . . .	<u>3,500</u>
7.	Subtract line 6 from line 3 (Don't enter less than -0-) . . . . .	<u>1,500</u>
8.	Multiply line 7 by 15% (0.15) . . . . .	<u>225</u>
9.	Enter the amount from the Credit Limit Worksheet in the Instructions for Schedule R, line 21 . . . . .	106
10.	Credit (Enter the smaller of line 8 or line 9) . . . . .	<u>\$106</u>

He enters \$106 on line 32 of Form 1040A. The Schedule R for James Davis isn't 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, Helen was injured in an accident at work and retired on permanent and total disability.

William received nontaxable social security disability benefits of \$2,000 during the year and a taxable disability pension of \$6,200. Helen earned \$12,900 from her job and received a taxable disability pension of \$1,700. Their joint return on Form 1040 shows adjusted gross income of \$20,800 (\$6,200 + \$12,900 + \$1,700). They don't itemize deductions. They don't have any amounts that would increase their standard deduction.

Helen's doctor completed the physician's statement in the Instructions for Schedule R. Helen isn't required to include the statement with their return, 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 had a permanent and total disability. William has kept the physician's statement with his records. He checks the box on Schedule R, Part II and writes his first name in the space above the box on line 2.

William and Helen use Schedule R to figure their \$11 credit for the elderly or the disabled. They attach Schedule R to their Form 1040 and enter \$11 on line 54. They check box **c** on line 54 and enter "Sch R" on the line next to that box. See their filled-in Schedule R and Helen's filled-in physician's statement, later.

## Instructions for Physician's Statement

Keep for Your Records 

### 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 can't 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, 2016

**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 . . . . .

Ayden D. Doctor                      2/8/16  
\_\_\_\_\_  
Physician's signature                      Date

Physician's name  
Ayden D. Doctor

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

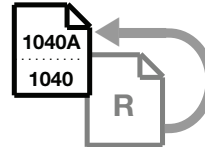


**Schedule R  
(Form 1040A  
or 1040)**

Department of the Treasury  
Internal Revenue Service (99)

**Credit for the Elderly or the Disabled**

▶ Complete and attach to Form 1040A or 1040.  
▶ Information about Schedule R and its separate instructions is at  
[www.irs.gov/scheduler](http://www.irs.gov/scheduler).



OMB No. 1545-0074

**2016**

Attachment  
Sequence No. **16**

Name(s) shown on Form 1040A or 1040

William M. White and Helen A. White

Your social security number

220-00-3333

You may be able to take this credit and reduce your tax if by the end of 2016:

- 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 instructions.

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

**Part I Check the Box for Your Filing Status and Age**

**If your filing status is: And by the end of 2016: Check only one box:**

Single, Head of household, or Qualifying widow(er)	1 You were 65 or older . . . . .	1	<input 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"/>
	4 Both spouses were under 65, but only one spouse retired on permanent and total disability . . . . .	4	<input type="checkbox"/>
Married filing jointly	5 Both spouses were under 65, and both retired on permanent and total disability . . . . .	5	<input checked="" 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 <b>not</b> 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 2016 . . . . .	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 2016 . . . . .	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 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 2016, check this box 
    - If you checked this box, you don't have to get another statement for 2016.
    - If you **didn't** check this box, have your physician complete the statement in the instructions. You **must** keep the statement for your records.

**Part III Figure Your Credit**

<b>10</b>	<b>If you checked (in Part I):</b>		<b>Enter:</b>		}									
	Box 1, 2, 4, or 7 . . . . .		\$5,000				<b>10</b>	7,500						
	Box 3, 5, or 6 . . . . .		\$7,500											
Box 8 or 9 . . . . .		\$3,750												
	<table border="1"> <tr> <td rowspan="2"><b>Did you check box 2, 4, 5, 6, or 9 in Part I?</b></td> <td><input type="checkbox"/> Yes</td> <td>→ You <b>must</b> complete line 11.</td> </tr> <tr> <td><input type="checkbox"/> No</td> <td>→ Enter the amount from line 10 on line 12 and go to line 13.</td> </tr> </table>		<b>Did you check box 2, 4, 5, 6, or 9 in Part I?</b>	<input type="checkbox"/> Yes	→ You <b>must</b> complete line 11.	<input type="checkbox"/> No	→ Enter the amount from line 10 on line 12 and go to line 13.							
<b>Did you check box 2, 4, 5, 6, or 9 in Part I?</b>	<input type="checkbox"/> Yes	→ You <b>must</b> complete line 11.												
	<input type="checkbox"/> No	→ Enter the amount from line 10 on line 12 and go to line 13.												
<b>11</b>	<b>If you checked (in Part I):</b>				}									
	• Box 6, add \$5,000 to the taxable disability income of the spouse who was under age 65. Enter the total.						<b>11</b>	7,900						
	• 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.														
<b>TIP</b>	For more details on what to include on line 11, see <i>Figure Your Credit</i> in the instructions.													
<b>12</b>	If you completed line 11, enter the <b>smaller</b> of line 10 or line 11. <b>All others</b> , enter the amount from line 10 . . . . .					<b>12</b>	7,500							
<b>13</b>	Enter the following pensions, annuities, or disability income that you (and your spouse if filing jointly) received in 2016.													
	<b>a</b>	Nontaxable part of social security benefits and nontaxable part of railroad retirement benefits treated as social security (see instructions). . . . .	<b>13a</b>	2,000										
	<b>b</b>	Nontaxable veterans' pensions and any other pension, annuity, or disability benefit that is excluded from income under any other provision of law (see instructions). . . . .	<b>13b</b>											
<b>c</b>	Add lines 13a and 13b. (Even though these income items aren't taxable, they <b>must</b> be included here to figure your credit.) If you didn't receive any of the types of nontaxable income listed on line 13a or 13b, enter -0- on line 13c . . . . .	<b>13c</b>	2,000											
<b>14</b>	Enter the amount from Form 1040A, line 22, or Form 1040, line 38 . . . . .		<b>14</b>	20,800										
<b>15</b>	<b>If you checked (in Part I):</b>		<b>Enter:</b>		}									
	Box 1 or 2 . . . . .		\$7,500				<b>15</b>	10,000						
	Box 3, 4, 5, 6, or 7 . . . . .		\$10,000											
Box 8 or 9 . . . . .		\$5,000												
<b>16</b>	Subtract line 15 from line 14. If zero or less, enter -0- . . . . .		<b>16</b>	10,800										
<b>17</b>	Enter one-half of line 16 . . . . .		<b>17</b>	5,400										
<b>18</b>	Add lines 13c and 17 . . . . .		<b>18</b>			<b>18</b>	7,400							
<b>19</b>	Subtract line 18 from line 12. If zero or less, <b>stop</b> ; you <b>can't</b> take the credit. Otherwise, go to line 20 . . . . .		<b>19</b>			<b>19</b>	100							
<b>20</b>	Multiply line 19 by 15% (0.15) . . . . .		<b>20</b>			<b>20</b>	15							
<b>21</b>	Tax liability limit. Enter the amount from the Credit Limit Worksheet in the instructions . . . . .		<b>21</b>			<b>21</b>	11							
<b>22</b>	<b>Credit for the elderly or the disabled.</b> Enter the <b>smaller</b> of line 20 or line 21. Also enter this amount on Form 1040A, line 32, or include on Form 1040, line 54 (check box <b>c</b> and enter "Sch R" on the line next to that box) . . . . .		<b>22</b>			<b>22</b>	11							

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# How To Get Tax Help

If you have questions about a tax issue, need help preparing your tax return, or want to download free publications, forms, or instructions, go to [IRS.gov](https://www.irs.gov) and find resources that can help you right away.

**Preparing and filing your tax return.** Find free options to prepare and file your return on [IRS.gov](https://www.irs.gov) or in your local community if you qualify.

The Volunteer Income Tax Assistance (VITA) program offers free tax help to people who generally make \$54,000 or less, persons with disabilities, the elderly, and limited-English-speaking taxpayers who need help preparing their own tax returns. The Tax Counseling for the Elderly (TCE) program offers free tax help for all taxpayers, particularly those who are 60 years of age and older. TCE volunteers specialize in answering questions about pensions and retirement-related issues unique to seniors.

You can go to [IRS.gov](https://www.irs.gov) and click on the Filing tab to see your options for preparing and filing your return which include the following.

- **Free File.** Go to [IRS.gov/freefile](https://www.irs.gov/freefile). See if you qualify to use brand-name software to prepare and *e-file* your federal tax return for free.
- **VITA.** Go to [IRS.gov/vita](https://www.irs.gov/vita), download the free IRS2Go app, or call 1-800-906-9887 to find the nearest VITA location for free tax preparation.
- **TCE.** Go to [IRS.gov/tce](https://www.irs.gov/tce), download the free IRS2Go app, or call 1-888-227-7669 to find the nearest TCE location for free tax preparation.



## Getting answers to your tax law questions.

On [IRS.gov](https://www.irs.gov) get answers to your tax questions anytime, anywhere.

- Go to [IRS.gov/help](https://www.irs.gov/help) or [IRS.gov/letushelp](https://www.irs.gov/letushelp) pages for a variety of tools that will help you get answers to some of the most common tax questions.
- Go to [IRS.gov/ita](https://www.irs.gov/ita) for the Interactive Tax Assistant, a tool that will ask you questions on a number of tax law topics and provide answers. You can print the entire interview and the final response for your records.
- Go to [IRS.gov/pub17](https://www.irs.gov/pub17) to get Pub. 17, Your Federal Income Tax for Individuals, which features details on tax-saving opportunities, 2016 tax changes, and thousands of interactive links to help you find answers to your questions. View it online in HTML or as a PDF or, better yet, download it to your mobile device to enjoy eBook features.
- You may also be able to access tax law information in your electronic filing software.

**Getting tax forms and publications.** Go to [IRS.gov/forms](https://www.irs.gov/forms) to view, download, or print all of the forms and publications you may need. You can also download and view popular tax publications and instructions (including the 1040 instructions) on mobile devices as an eBook at no

charge. Or, you can go to [IRS.gov/orderforms](https://www.irs.gov/orderforms) to place an order and have forms mailed to you within 10 business days.

**Using direct deposit.** The fastest way to receive a tax refund is to combine direct deposit and *IRS e-file*. Direct deposit securely and electronically transfers your refund directly into your financial account. Eight in 10 taxpayers use direct deposit to receive their refund. IRS issues more than 90% of refunds in less than 21 days.

**Delayed refund for returns claiming certain credits.** Due to changes in the law, the IRS can't issue refunds before February 15, 2017, for returns that claim the earned income credit (EIC) or the additional child tax credit (ACTC). This applies to the entire refund, not just the portion associated with these credits.

**Getting a transcript or copy of a return.** The quickest way to get a copy of your tax transcript is to go to [IRS.gov/transcripts](https://www.irs.gov/transcripts). Click on either "Get Transcript Online" or "Get Transcript by Mail" to order a copy of your transcript. If you prefer, you can:

- Order your transcript by calling 1-800-908-9946.
- Mail Form 4506-T or Form 4506T-EZ (both available on [IRS.gov](https://www.irs.gov)).

**Using online tools to help prepare your return.** Go to [IRS.gov/tools](https://www.irs.gov/tools) for the following.

- The [Earned Income Tax Credit Assistant \(IRS.gov/eic\)](https://www.irs.gov/eic) determines if you are eligible for the EIC.
- The [Online EIN Application \(IRS.gov/ein\)](https://www.irs.gov/ein) helps you get an employer identification number.
- The [IRS Withholding Calculator \(IRS.gov/w4app\)](https://www.irs.gov/w4app) estimates the amount you should have withheld from your paycheck for federal income tax purposes.
- The [First Time Homebuyer Credit Account Look-up \(IRS.gov/homebuyer\)](https://www.irs.gov/homebuyer) tool provides information on your repayments and account balance.
- The [Sales Tax Deduction Calculator \(IRS.gov/salestax\)](https://www.irs.gov/salestax) figures the amount you can claim if you itemize deductions on Schedule A (Form 1040), choose not to claim state and local income taxes, and you didn't save your receipts showing the sales tax you paid.

## Resolving tax-related identity theft issues.

- The IRS doesn't initiate contact with taxpayers by email or telephone to request personal or financial information. This includes any type of electronic communication, such as text messages and social media channels.
- Go to [IRS.gov/idprotection](https://www.irs.gov/idprotection) for information and videos.
- If your SSN has been lost or stolen or you suspect you are a victim of tax-related identity theft, visit [IRS.gov/id](https://www.irs.gov/id) to learn what steps you should take.

## Checking on the status of your refund.

- Go to [IRS.gov/refunds](https://www.irs.gov/refunds).
- Due to changes in the law, the IRS can't issue refunds before February 15, 2017, for returns that claim the EIC or the ACTC. This applies to the entire refund, not just the portion associated with these credits.
- Download the official IRS2Go app to your mobile device to check your refund status.
- Call the automated refund hotline at 1-800-829-1954.

**Making a tax payment.** The IRS uses the latest encryption technology to ensure your electronic payments are safe and secure. You can make electronic payments online, by phone, and from a mobile device using the IRS2Go app. Paying electronically is quick, easy, and faster than mailing in a check or money order. Go to [IRS.gov/payments](https://www.irs.gov/payments) to make a payment using any of the following options.

- **IRS Direct Pay:** Pay your individual tax bill or estimated tax payment directly from your checking or savings account at no cost to you.
- **Debit or credit card:** Choose an approved payment processor to pay online, by phone, and by mobile device.
- **Electronic Funds Withdrawal:** Offered only when filing your federal taxes using tax preparation software or through a tax professional.
- **Electronic Federal Tax Payment System:** Best option for businesses. Enrollment is required.
- **Check or money order:** Mail your payment to the address listed on the notice or instructions.
- **Cash:** If cash is your only option, you may be able to pay your taxes at a participating retail store.

**What if I can't pay now?** Go to [IRS.gov/payments](https://www.irs.gov/payments) for more information about your options.

- Apply for an [online payment agreement \(IRS.gov/opa\)](https://www.irs.gov/opa) to meet your tax obligation in monthly installments if you can't pay your taxes in full today. Once you complete the online process, you will receive immediate notification of whether your agreement has been approved.
- Use the [Offer in Compromise Pre-Qualifier \(IRS.gov/oic\)](https://www.irs.gov/oic) to see if you can settle your tax debt for less than the full amount you owe.

**Checking the status of an amended return.** Go to IRS.gov and click on [Where's My Amended Return? \(IRS.gov/wmar\)](https://www.irs.gov/wmar) under the "Tools" bar to track the status of Form 1040X amended returns. Please note that it can take up to 3 weeks from the date you mailed your amended return for it show up in our system and processing it can take up to 16 weeks.

**Understanding an IRS notice or letter.** Go to [IRS.gov/notices](https://www.irs.gov/notices) to find additional information about responding to an IRS notice or letter.

**Contacting your local IRS office.** Keep in mind, many questions can be resolved on IRS.gov without visiting an IRS Tax Assistance Center (TAC). Go to [IRS.gov/letushelp](https://www.irs.gov/letushelp) for the topics people ask about most. If you still need help, IRS TACs provide tax help when a tax issue can't be handled online or by phone. All TACs now provide service by appointment so you'll know in advance that you can get the service you need without waiting. Before you visit, go to [IRS.gov/taclocator](https://www.irs.gov/taclocator) to find the nearest TAC, check hours, available services, and appointment options. Or, on the IRS2Go app, under the Stay Connected tab, choose the Contact Us option and click on "Local Offices."

**Watching IRS videos.** The IRS Video portal ([IRSvideos.gov](https://www.irs.gov/irsvideos)) contains video and audio presentations for individuals, small businesses, and tax professionals.

**Getting tax information in other languages.** For taxpayers whose native language isn't English, we have the following resources available. Taxpayers can find information on IRS.gov in the following languages.

- [Spanish \(IRS.gov/spanish\)](https://www.irs.gov/spanish).
- [Chinese \(IRS.gov/chinese\)](https://www.irs.gov/chinese).
- [Vietnamese \(IRS.gov/vietnamese\)](https://www.irs.gov/vietnamese).
- [Korean \(IRS.gov/korean\)](https://www.irs.gov/korean).
- [Russian \(IRS.gov/russian\)](https://www.irs.gov/russian).

The IRS TACs provide over-the-phone interpreter service in over 170 languages, and the service is available free to taxpayers.

## The Taxpayer Advocate Service Is Here To Help You

### What is the Taxpayer Advocate Service?

The Taxpayer Advocate Service (TAS) is an *independent* organization within the IRS that helps taxpayers and protects taxpayer rights. Our job is to ensure that every taxpayer is treated fairly and that you know and understand your rights under the [Taxpayer Bill of Rights](https://www.irs.gov/ta).

### What Can the Taxpayer Advocate Service Do For You?

We can help you resolve problems that you can't resolve with the IRS. And our service is free. If you qualify for our assistance, you will be assigned to one advocate who will work with you throughout the process and will do everything possible to resolve your issue. TAS can help you if:

- Your problem is causing financial difficulty for you, your family, or your business,
- You face (or your business is facing) an immediate threat of adverse action, or
- You've tried repeatedly to contact the IRS but no one has responded, or the IRS hasn't responded by the date promised.

## How Can You Reach Us?

We have offices [in every state, the District of Columbia, and Puerto Rico](#). Your local advocate's number is in your local directory and at [taxpayeradvocate.irs.gov](http://taxpayeradvocate.irs.gov). You can also call us at 1-877-777-4778.

## How Can You Learn About Your Taxpayer Rights?

The Taxpayer Bill of Rights describes 10 basic rights that all taxpayers have when dealing with the IRS. Our Tax Toolkit at [taxpayeradvocate.irs.gov](http://taxpayeradvocate.irs.gov) can help you understand [what these rights mean to you](#) and how they apply. These are **your** rights. Know them. Use them.

## How Else Does the Taxpayer Advocate Service Help Taxpayers?

TAS works to resolve large-scale problems that affect many taxpayers. If you know of one of these broad issues, please report it to us at [IRS.gov/sams](http://IRS.gov/sams).

## Low Income Taxpayer Clinics

Low Income Taxpayer Clinics (LITCs) serve individuals whose income is below a certain level and need to resolve tax problems such as audits, appeals, and tax collection

disputes. Some clinics can provide information about taxpayer rights and responsibilities in different languages for individuals who speak English as a second language. To find a clinic near you, visit [IRS.gov/litc](http://IRS.gov/litc) or see IRS Publication 4134, [Low Income Taxpayer Clinic List](#).

## Accommodations for Persons with Disabilities

Federally assisted and federally conducted sites are responsible for ensuring that all requests for reasonable accommodation or modification are granted when the request is made by a qualified individual with a disability.

If you have experienced discrimination by an IRS employee in IRS conducted programs or by a staff member or volunteer at one of the assisted program sites, contact: [edi.civil.rights.division@irs.gov](mailto:edi.civil.rights.division@irs.gov) (email), (202) 317-6925 (voice), (855) 217-0041 (fax).

Or write to:

Equity, Diversity, and Inclusion Civil Rights Division  
Room 2413  
1111 Constitution Ave. NW  
Washington, DC 20224

Go to [IRS.gov/uac/your-civil-rights-are-protected](http://IRS.gov/uac/your-civil-rights-are-protected) for more information.



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**Citizenship requirement** [2](#)  
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