



2014 Child and Dependent Care Expense Deduction

15-30-2131, MCA

Your First Name and Initial	Last Name
Spouse's First Name and Initial	Last Name

Social Security Numbers

1. Enter the number of qualifying individuals you cared for in 2014 1.
2. Enter the lesser of your actual amount of dependent care expenses paid in 2014, or the amount listed below 2.
 - \$2,400 for one qualifying individual
 - \$3,600 for two qualifying individuals
 - \$4,800 for three or more qualifying individuals
3. If filing Form 2M, enter the amount from line 38 here. If filing Form 2, add the amounts in columns A and B, line 41 and enter the amount here 3.
 - If line 3 above is \$18,000 or less, stop here and enter the amount from line 2 above on Form 2, Schedule III, line 19 or Form 2M, Schedule I, line 17. If you are married filing separately on the same form, enter one-half of the amount from line 2 in columns A and B on Form 2, Schedule III, line 19.
 - If line 3 is \$18,001 or greater, complete lines 4 through 7 below.
4. Your Montana adjusted gross income base amount is entered here 4.
5. Subtract line 4 from line 3 and enter the result here 5.
6. Multiply line 5 by 50% (0.50) and enter the result here 6.
7. Subtract line 6 from line 2 and enter the result here. **This is your child and dependent care expense deduction** 7.
 - If your result is zero or less, stop here, you are not allowed this deduction.
 - If your result is greater than zero, enter the amount from line 7 above on Form 2, Schedule III, line 19 or Form 2M, Schedule I, line 17.
 - If you are married filing separately on the same form, enter one-half of the amount from line 7 in columns A and B on Form 2, Schedule III, line 19.

If you file your Montana tax return electronically, you do not need to mail this form to us unless we ask you for a copy. When you file electronically, you represent that you have retained the required documents in your tax records and will provide them upon the department's request.

Form 2441-M Instructions

Am I eligible to claim the child and dependent care expense deduction?

You are eligible to take this deduction if you paid expenses for household and dependent care services necessary for gainful employment in order to maintain a household that includes, as a member of the household, one or more qualifying individuals.

A qualified individual is a:

- dependent under the age of 15 that you may claim as a dependent on your income tax return; or
- dependent who, regardless of age, is unable to care for himself or herself because of a physical or mental illness; or
- spouse who is unable to care for himself or herself because of a physical or mental illness.

How do I determine if I maintain a household that entitles me to claim this deduction?

You can qualify as maintaining a household for the tax year if you furnish over half the cost of maintaining the household for the tax year. If you are married, both you and your spouse are required to provide over half the cost of maintaining the household.

The cost of maintaining a household includes, but is not limited to, expenses paid for property taxes, property insurance, mortgage interest, rent, utilities, upkeep, repairs, and food consumed on the premises. Expenses do not include such

costs as clothing, education, medical treatment, vacations, life insurance, or transportation.

If I care for my own child in my licensed day-care do I qualify for this deduction?

You qualify for this deduction if you are a licensed and registered day-care provider who operates a family day-care home or a group day-care home and care for your own child and at least one unrelated child. The amount of dependent care expenses that you can claim for your own child cannot be greater than the amount you charge for the care of an unrelated child. Your expenses are equal to the expenses that you charge for a child of the same age and for the same number of hours of care regardless of whether you actually paid these expenses for the care of your child or not.

What if the expense qualifies as both an employment-related expense and a medical expense?

You may treat it as either an employment-related expense or a medical expense as long as you do not deduct it twice.

If you treat the deduction as a medical expense, the part of that expense that is not deductible because of the medical itemized deduction limitation cannot be used as part of your employment-related expenses.

Administrative Rules of Montana: 42.15.427

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