

Name shown first on the PA-40 (if filing jointly)

Social Security Number (shown first)

(See the instructions.)

PART I - IRC Section 529 Qualified Tuition Program Contributions (Limit \$15,000 per beneficiary, per taxpayer-spouse.)

Beneficiary Information:		Contributions by:			
(a) Name:	(b) Social Security Number	(c) Taxpayer		(d) Spouse	
		1(c).		1(d).	
Total IRC Section 529 Contributions - Add all amounts listed (including amounts on additional schedules).		2(c).		2(d).	

PART II - IRC Section 529A Pennsylvania ABLE Savings Account Program Contributions (See the instructions for limits on contributions.)

Beneficiary Information:		Contributions by:			
(a) Name:	(b) Social Security Number	(c) Taxpayer		(d) Spouse	
		3(c).		3(d).	
Total IRC Section 529A Contributions - Add all amounts listed (including amounts on additional schedules).		4(c).		4(d).	

PART III - Other Deductions and Limitations

5. Medical Savings Account contributions allowed for federal purposes.	5(c).	5(d).
6. Health Savings Account contributions allowed for federal purposes.	6(c).	6(d).
7. Add Lines 2, 4, 5 and 6 and enter amounts here for taxpayer and/or spouse.	7(c).	7(d).
8. Total income reported on PA-40 Line 9 by taxpayer and spouse separately.	8(c).	8(d).
9. Lesser of Line 7 or Line 8 for taxpayer and/or spouse.	9(c).	9(d).
10. Total Other Deductions - Add the amounts from Line 9 for taxpayer and/or spouse together. Enter here and on Line 10 of your PA-40.		10.



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Pennsylvania Department of Revenue **2018**
Instructions for PA-40 Schedule O
Other Deductions

PA-40 O IN 10-18

WHAT'S NEW

As a result of the change to the federal gift tax exclusion limit for tax years beginning after Dec. 31, 2017, the contribution limit has been increased to \$15,000 per beneficiary, per taxpayer-spouse for IRC Section 529 Qualified Tuition Program accounts and to \$15,000 per account or contributor for IRC Section 529A Pennsylvania ABLE Savings Account Program accounts. The federal form 1040 line number references changed for Part III, Lines 5 and 6.

GENERAL INFORMATION

PURPOSE OF SCHEDULE

Use PA-40 Schedule O to report the amount of deductions for contributions to Medical Savings or Health Savings Accounts and/or the amount of contributions to an IRC Section 529 Qualified Tuition Program by the taxpayer and/or spouse.

RECORDING DOLLAR AMOUNTS

Show money amounts in whole-dollars only. Eliminate any amount less than \$.50 and increase any amount that is \$.50 or more to the next highest dollar.

WHO MUST COMPLETE

PA-40 Schedule O must be completed and included with an originally filed PA-40, Personal Income Tax Return, if the taxpayer and/or spouse made contributions to a Medical Savings or Health Savings Account and/or made contributions to an IRC Section 529 Qualified Tuition Program and the taxpayer and/or spouse wish to take an amount as a deduction on Line 10 of the PA-40, Personal Income Tax Return.

An amended PA Schedule O must be included with Schedule PA-40X if increases or decreases in other deduction amounts on PA Schedule O

are discovered after an original or other amended return is filed with the department. Part 3 on Page 2 of Schedule PA-40X must be completed to explain any increase or decrease to the amount of contributions and resulting deduction reported on an amended PA-40, Personal Income Tax Return.

SCHEDULE INSTRUCTIONS

IDENTIFICATION INFORMATION

Name

Enter the name of the taxpayer. If a jointly filed return, enter the name of the primary taxpayer (name shown first on the PA-40, Personal Income Tax Return). Enter the primary taxpayer's name even when only reporting the other deductions for the spouse on a return filed using the Married, Filing Jointly filing status.

Social Security Number

Enter the Social Security number (SSN) of the taxpayer. Enter the primary taxpayer's SSN also when reporting only the other deductions for the spouse on a return filed using the Married, Filing Jointly filing status.

LINE INSTRUCTIONS

PART I - IRC SECTION 529 QUALIFIED TUITION PROGRAM CONTRIBUTIONS

LINE 1

Column (a)

Enter the name of each beneficiary for whom an IRC Section 529 Qualified Tuition Program contribution was made during the tax year.

IMPORTANT: Only include contributions made on behalf of a beneficiary up to and including Dec. 31 of the tax year. Contributions made after Dec. 31 of the tax year and before

the April 15 of the following tax year may only be included on the following tax year's return.

Column (b)

Enter the corresponding Social Security number for each beneficiary listed in Column (a).

Columns (c) and (d)

Enter the amount contributed on behalf of each beneficiary by the taxpayer and/or spouse in the appropriate column.

REMINDER: Include the amount of any IRC Section 529 contribution reported and made from the immediately preceding tax year's PA-40 Schedule P, Refund Donations to Pennsylvania 529 College Savings Program Accounts.

CAUTION: Do not include more than \$15,000 per beneficiary in Column (c) or more \$15,000 per beneficiary in Column (d).

TIP If there are more than 10 beneficiaries for which a deduction is claimed, please include a statement showing each beneficiary's name Social Security number and the amount of the deduction claimed for each of the beneficiaries by the taxpayer and/or spouse.

LINE 2

Columns (c) and (d)

Add the amounts for Columns (c) and/or (d) and enter the total.

PART II - IRC SECTION 529A PENNSYLVANIA ABLE SAVINGS ACCOUNT PROGRAM CONTRIBUTIONS

LINE 3

Column (a)

Enter the name of each beneficiary for whom an IRC Section 529A Pennsylvania ABLE Savings Program contribution was made during the tax year.

⚠ IMPORTANT: Only include contributions made on behalf of a beneficiary up to and including Dec. 31 of the tax year. Contributions made after Dec. 31 of the tax year and before the April 15 of the following tax year may only be included on the following tax year's return.

Column (b)

Enter the corresponding Social Security number for each beneficiary listed in Column (a).

Columns (c) and (d)

Enter the amount contributed on behalf of each beneficiary by the contributor (taxpayer and/or spouse) in the appropriate column.

TIP If there are more than three beneficiaries for which a deduction is claimed, please include a statement showing the name, Social Security number and the amount of the deduction claimed by the contributor for each beneficiary.

LINE 4

Columns (c) and (d)

Add the amounts for Columns (c) and/or (d) and enter the total.

⚠ CAUTION: The maximum contributions to any one Pennsylvania ABLE Savings Program account by one or more contributors cannot exceed the annual federal gift tax exclusion

amount. In addition, the maximum contributions by a contributor to one or more accounts cannot exceed the annual federal gift tax exclusion amount. For tax years beginning on or after Jan. 1, 2018, the annual federal gift tax exclusion amount is \$15,000.

**PART III - OTHER
DEDUCTIONS AND
LIMITATIONS**

LINE 5

Columns (c) and (d)

Enter the amount of Medical Savings Account contributions for the taxpayer and/or spouse allowed for federal income tax purposes included in Line 36 of federal Form 1040, Schedule 1.

LINE 6

Columns (c) and (d)

Enter the amount of Health Savings Account contributions for the taxpayer and/or spouse allowed for federal income tax purposes included on Line 25 of federal Form 1040, Schedule 1.

TIP If claiming either of the deductions on Line 5 or Line 6 of this schedule, a copy of Pages 1 and 2 of federal Form 1040 along with a copy of Form 1040, Schedule 1 must be included with the PA-40, Personal Income Tax Return.

LINE 7

Columns (c) and (d)

Add the amounts in Columns (c) and/or (d) from Lines 2, 4, 5 and 6 together and enter the results here.

LINE 8

Columns (c) and (d)

Enter the total income included in Line 9 of the PA-40, calculated for the taxpayer and spouse separately.

💡 NOTE: When added together, the amounts reported separately for the taxpayer and/or spouse for Line 6 of PA Schedule O should equal Line 9 of the PA-40.

LINE 9

Columns (c) and (d)

Compare the amounts on Lines 7 and 8 for Columns (c) and/or (d). Enter the lesser of the amounts for each column.

LINE 10

Add the amounts for Columns (c) and (d) from Line 9 together. Enter the Total Other Deductions amount here and on Line 10 of the PA-40, Personal Income Tax Return.