



Part V.—RETIREMENT INCOME CREDIT

A.—General Rule

If separate return, use column B only. If joint return, use column A for wife and column B for husband—>

Did you receive earned income in excess of \$600 in each of any 10 calendar years before 1964? (Widows or widowers see instructions, page B-3)

If answer above is "Yes" in either column, furnish all information below in that column.

Table with 2 main columns (A and B) and rows for retirement income, deductions, and total credit. Includes pre-filled values of 1,524.00.

1. Retirement income for taxable year:

(a) For taxpayers under 65 years of age:

Enter only income received from pensions and annuities under public retirement systems (e.g. Fed., State Govts., etc.) included in line 9, page 1, of Form 1040.

(b) For taxpayers 65 years of age or older:

Enter total of pensions and annuities, interest, and dividends included in line 9, page 1 of Form 1040, and gross rents included in column 2, Part II of this schedule.

2. Maximum amount of retirement income for credit computation

3. Deduct:

(a) Amounts received as pensions or annuities under the Social Security Act, the Railroad Retirement Acts, and certain other exclusions from gross income

(b) Earned income received (Does not apply to persons 72 years of age or over):

(1) Taxpayers under 62 years of age, enter amount in excess of \$900

(2) Taxpayers 62 or over but under 72, enter amount determined as follows: if \$1,200 or less, enter zero; if over \$1,200 but not over \$1,700, enter 1/2 of amount over \$1,200; or if over \$1,700, enter excess over \$1,450.

4. Total of lines 3(a) and 3(b)

5. Balance (line 2 minus line 4)

6. Line 5 or line 1, whichever is smaller

7. (a) Total (add amounts on line 6, columns A and B)

If line 7(a) is less than \$2,286 and this is a joint return and both husband and wife are age 65 or over, complete the Alternative Computation in B below which may result in a larger credit.

(b) Amount from line 7 of part B below, if applicable

8. Tentative credit. Enter 17% of line 7(a) or 17% of line 7(b), whichever is greater

LIMITATION ON RETIREMENT INCOME CREDIT

9. Amount of tax shown on line 12, page 1 of Form 1040

10. Less: Total of any amounts shown on lines 1 and 4, Part V, page 2, Form 1040

11. Subtract line 10 from line 9

12. Credit. Enter here and on line 2, Part V, page 2, Form 1040, the amount on line 11 or line 8, whichever is smaller

B.—Alternative Computation (after completing lines 1 through 7(a) above)

This method available if: a. You are married and filing a joint return; b. Both husband and wife are 65 or over, AND c. Either one, or both, received earned income in excess of \$600 in each of any 10 calendar years before 1964.

Furnish the information called for below for both husband and wife even if only one answered "Yes" in column A or B above.

1. Retirement income of both husband and wife from pensions and annuities, interest, and dividends included in line 9, page 1, Form 1040, and gross rents included in column 2, Part II of this schedule

2. Maximum amount of retirement income for credit computation

3. Deduct:

(a) Amounts received as pensions or annuities under the Social Security Act, the Railroad Retirement Acts, and certain other exclusions from gross income

(b) Earned income received (Does not apply to persons 72 years of age or over):

If \$1,200 or less, enter zero

If over \$1,200 but not over \$1,700 enter 1/2 of amount over \$1,200; or

If over \$1,700, enter excess over \$1,450

4. Total of lines 3(a) and 3(b)

5. Total (add amounts on line 4, columns A and B)

6. Balance (subtract line 5 from line 2)

7. Enter here and on line 7(b) of part A above, the amount on line 6 or line 1, whichever is smaller

Table with 2 columns (A-WIFE and B-HUSBAND) for alternative computation.